



NHS vacancies in London: How to fill the gap



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NHS vacancies in London

How to fill the gap



The National Health Service is a testament to the ability of ordinary people to do extraordinary things.

Yet in recent years, those who work in the NHS have been remarkable, not only in the care given, but in their determination to deal with seemingly endless crises. A winter crisis is now followed by a summer crisis. The Red Cross announced a “humanitarian crisis” in Accident and Emergency departments, then matched by the crisis in social care. These labels are not exaggerations; data show that performance in the NHS is now among its worst since its formation in 1948. In the midst of this, the NHS is expected to prepare for a potentially disruptive Brexit.



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Bubbling beneath all this is the gulf between the number of staff the NHS needs and the number it actually has. Around 105,000 vacancies are recorded in the latest statistics. Nearly one in four of those unfilled posts are in London.

Freedom of Information requests by Dr Onkar Sahota reveal the cost of inaction:

- London NHS Trusts spent £308.4 million on agency staff in 2018/19 as they struggled to fill shifts
- Seven in ten NHS apprenticeships are going to existing staff instead of recruiting new workers.
- There is a lack of data, but only around 35% of homes on surplus NHS land are predicted to be affordable, missing a chance to encourage health workers to stay in London.¹

None of this is unique to the NHS or to London, nor should blame be attributed to individual organisations. Trusts and Clinical Commissioning Groups (CCGs) operate in a flawed policy environment while juggling difficult problems in social care, supply chains and more.

The Government has made a series of commitments to reduce the vacancy rate using the extra NHS funding announced in 2018, but past form and future political instability such as Brexit do not bode well for an improvement of the situation. Without change, the consequences will be dire: 250,000 vacancies by 2030 across the country, including 108,000 nurses.²

London politicians could do more to fix this. The NHS' ability to deal with staff shortages through the usual channels is being limited by the Government's continuing failure to agree a long term plan for its recruitment and development funding. Helping Londoners get the right skills and cope with the cost of living is achievable and would start to address two of the most pressing issues until the Government gets its act together.



The situation is urgent



250,000 vacancies by 2030 across the country, including 108,000 nurses.

Recommendations to the Mayor

1. The Mayor should ask the London Workforce Board to develop a proposal to better coordinate the use of bank staff to fill gaps rather than spending vast sums on agency staff.³
2. The Mayor should work with the Skills for Londoners Business Partnership to develop a detailed plan to back up his commitment to support the health and social care sector. Some of the Adult Education Budget should be used to deliver this plan which would support more Londoners to enter and progress in this strategic sector.
3. The Mayor and London Assembly should track proposed land sales across the GLA family and wider public sector in London, proactively offering support to ensure best practice and alignment with the Mayor's strategic goals.
4. The Mayor, as chair of the London Health Board, should encourage partners to meet the 50% minimum for affordable homes in developments on NHS surplus land, and emphasise the benefits of the London Living Rent for health workers.
5. The Mayor should explore whether the Land Fund can be used to enable the GLA or others to acquire sets of sites, enabling a portfolio approach to development and greater certainty over affordable and key worker homes.
6. The Mayor should support NHS bodies and housing associations which provide key worker housing to develop a city-wide register of properties.

The threadbare ranks of NHS staff

At 11.4%, the NHS vacancy rate in London is higher than anywhere else in the country and is worsened by the cost of living in the city. Years of capped pay saw NHS salaries fall in real value, while rents have increased and support for front-line workers on low salaries, like key worker accommodation, has become scarcer.

There were at least 24,559 vacancies across London's NHS workforce between August and September 2019. This marks a rise of 2169 since the end of the last financial year.⁴ The number of nursing vacancies in the NHS across the capital had risen to 10,550. London has a much higher nursing vacancy rate than other parts of the country, around 15% in 2019/20 compared to 12% in England. The same applies to the general vacancy rate where more than one in ten jobs in London are not filled compared to one in twelve nationally.⁵

The cost of vacancies – more than £850 million

For any organisation, coping with so many vacancies would be a strain on their operations. In the context of the NHS, such a high level of vacancies presents an even greater risk as lives are at stake. This means temporary staff must be employed at huge cost – £308.4 million for agency staff and £549.3m for bank staff in 2018/19 alone.⁶



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Responses to our Freedom of Information requests show that some London Trusts including North East London, Barking, Havering and Redbridge, and Croydon are spending 8 to 10% of their workforce budgets on agency staff, while others spend more than 10% of their staffing budgets on bank workers. Though Trusts such as Great Ormond Street have notably low figures, the overall picture is unsustainable. A cap on agency spending was introduced in 2015, but the effects can only be limited while the fundamental problem remains – not enough staff recruited, too many staff leaving.

London's NHS staff shortages

A problem building for years with no sign of improvement

£37.3 million

Average cost of temporary staffing in 2018/19 for each NHS Trust replying to our Freedom of Information request

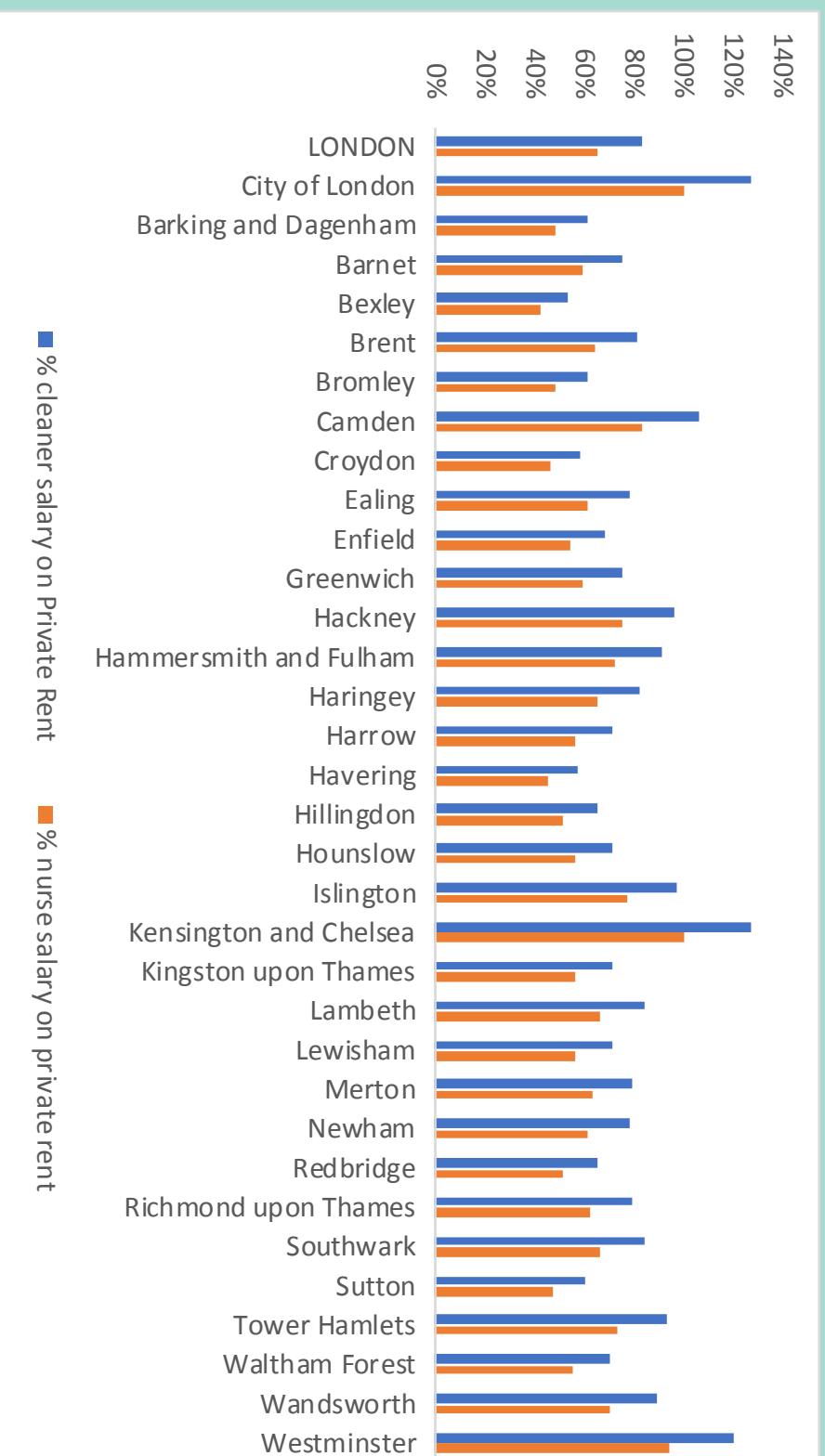
Over 10,000

Shortfall in the number of nurses in London

At least one in nine

NHS posts are vacant in London

London rents are beyond the budget of many NHS staff



Average rent for a one-bed property in each London borough as a percentage of nurse and cleaner starting salary

Four boroughs

where average rents would cost more than 80% of a nurse's gross pay

12,500 homes by 2028

of which 50% should be affordable - the London Health Board's target for NHS land

4,848 by the 2030s

with just one third affordable - the current projections for homes on NHS land

Reasons behind the recruitment challenge

Vacancy rates have been high for several years, driven by what The King's Fund calls "an incoherent approach to the NHS workforce" from the national Government. Core investment in education and training is just 3% of health spending, £2 billion lower than if it had been maintained at the 5.5% it reached in 2006/07. Staff burnout from overwork and cost of living pressures, made worse by a lengthy period of below-inflation pay increases and the abolition of the nursing bursary, means too many workers leave the NHS early or are no longer choosing healthcare as a desirable career path. Finally, the Government's punitive attitude to international migrants and the uncertainty surrounding the UK's departure from the EU are hitting the NHS's ability to recruit the overseas staff who have historically kept it running.⁷

Furthermore, leaked NHS documents reveal the blow to mature students in particular, caused by the abolition of the nursing bursary in 2016.⁸ In the two years following the removal of the bursary, 40% fewer mature students applied to nursing, reducing the pipeline of nurses in training for years to come.

Not only has this made life harder for older Londoners looking to develop their skills or change career, it also undermines the NHS' supply of mental health and learning disability nurses, which are more popular routes for mature applicants.

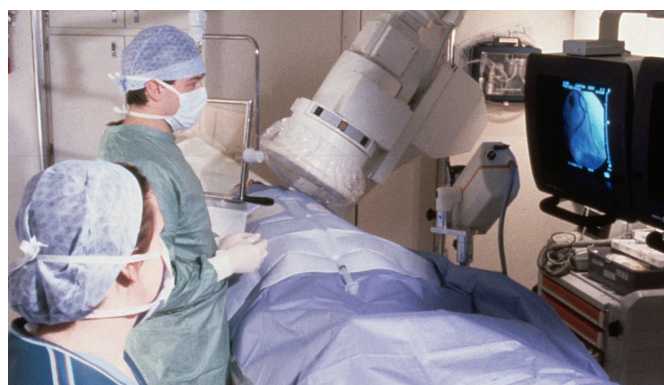
As The King's Fund and others have said, the aspirations in the NHS Long Term Plan cannot be delivered without recruiting more staff.⁹

Cleaned out – the cost of housing for NHS workers

The Mayor has stated "the London Plan policy that makes clear the loss of staff accommodation is generally only acceptable where the existing floorspace is satisfactorily re-provided to equivalent or better standard".¹⁰

Falling real-terms pay, exorbitant rents and a lack of staff accommodation has led to NHS key workers being priced out of the capital. The average rent for a one-bed property in London would take up two-thirds of a nurse's starting salary and four-fifths of a hospital cleaner's yearly pay.

While NHS staff have benefitted from a three-year pay deal negotiated by the trade unions, London rents continue to rise. The latest available statistics from the National Valuation Office shows that average rents in London increased by 13% over a four-year period between 2014 and 2018.



NHS land – from public wealth to private profit

Since 2011, the Government has been instructing public bodies to sell off so-called surplus land, with a target to release enough land for 260,000 homes between 2011 and 2020. In 2015 a receipts target was added, aiming to generate £5 billion by 2020. A total of 12,500 homes are to be built on so-called surplus NHS land in London by 2028.¹¹

There is a good case for the NHS selling truly surplus land and using the proceeds to acquire new assets, improve existing ones, and provide new facilities – like affordable homes – that improve the health of Londoners. Even accepting this premise, though, the Government's ambition is woeful. The current target, set in 2017, is merely to "benefit up to 3,000 staff" with first dibs on affordable homes built on NHS surplus land.

Yet the story so far has not matched this vision. At the London Assembly's regeneration Committee, a representative of the NHS Strategic Estates Planning Service admitted "It is fair to say and I probably will not surprise anybody with news that performance against those targets is behind". Planning permission for just 3837 homes was given on land sold by the NHS in London from 2013 to 2019, and only 855 have been completed, according to the available data.¹² When asked, at the same London Assembly meeting, how many staff have benefited from the "first refusal" offer from the Government, the NHS responded that "we have not tracked the trajectory".¹³

The closest the Government come to producing a comprehensive list of sites to be sold and development plans is the Surplus Land Collection, which suggests that another 28 plots of NHS land, totalling 47.75 hectares,

could be sold between now and the 2030s. This could deliver 4848 homes, of which 1662 are predicted to be affordable. These figures should be treated with caution however, as the data mixes sites at various stages of the disposal, planning and construction process.



Not a single home on major sites on ex-NHS land in London given planning permission in 2017/18 would be affordable to nurses, according to research by the New Economics Foundation.¹⁴ Only one site was brought forward the year before that included homes at a rent affordable to nurses.¹⁵ The National Audit Office has highlighted the arbitrary land sales targets imposed on the public sector by the Government, which coupled with a lack of planning and oversight is leading to the loss of irreplaceable assets.¹⁶

The lack of transparency around the list of sites and proceeds from is not only harmful to accountability and trust, but also to the opportunities for public sector organisations in London to work together. TfL and the GLA, not to mention many boroughs, have more experience dealing with developers, managing land sales, and building in house, than the NHS. Yet the considered portfolio that the NHS could be supported to develop across London is out of reach thanks to this lack of transparency.

To cap it off, revenue from sales is not even earmarked for investment – as the Public Accounts Committee restrainedly noted: “In most cases it is impossible to say how government used the proceeds. It would be a concern if proceeds from land disposals are being used to plug short-term funding gaps rather than to re-invest in assets.” (Public Accounts Committee report)

More NHS staff are forced to live outside of London, but evidence shows that the NHS is not using surplus land to ease the cost of living pressures on NHS staff. Failing to use one of its few clear levers to support recruitment is unacceptable. Not only are health workers choosing between unaffordable rents or distant commutes at the end of a twelve hour shift, often at night, but it also erodes London’s character

as a city for all. There is no practical or moral justification for a city where essential workers are forced out to the fringes.

Apprenticeships – not what the doctor ordered

The Apprenticeship Levy, a 0.5% tax on the salary costs of larger employers earmarked for providing these training courses, was billed as “absolutely crucial” by the Government.¹⁷ However, responses to Freedom of Information requests show that the apprenticeships Londoners would expect to see are not materialising.

Based on data from Trusts that responded to our Fols, 3469 apprenticeships were started between 2017 and 2019 in London NHS Trusts. But just 967 of those were new starters to the organisations, while the rest – around 70% – went to existing staff.

Worse still, this feature is baked into the policy itself, leaving NHS Trusts with little choice but to offer apprenticeships to existing staff. This is because the Government does not allow employers to pay for the cost of salaries or cover from their levy pots. In the NHS, where cover is essential, this makes taking on new staff via apprenticeships prohibitively expensive, because yet more agency staff must be found to fill the gaps while apprentices are undergoing training.

While there are good reasons to use apprenticeships to train up existing staff, the fund was not designed simply to prop up dwindling NHS training budgets. This is far from the Government’s rhetoric of giving “young people, especially those from disadvantaged backgrounds, a ladder of opportunity”. In reality, NHS apprenticeships are not offering the path Londoners expect to see.

How can the Mayor help?

The response from the Government to the NHS' staffing crisis has been at best faltering and at worst wilfully ignorant. Ministers discounted advice from health training experts that their policies risked "a major nursing shortage".¹⁸ The December 2019 Queen's Speech included measures to partially restore the nursing bursary, a clear admission from the Government that its removal had been an error. However, it looks unlikely that the new grant will be as generous as the old system, despite the urgent need to increase nurse and midwife recruitment.

The Mayor's land and skills powers, plus some health devolution to London, provide a limited but helpful array of structures and relationships to begin tackling the NHS workforce crisis, where the Government has failed.

The physician's apprentice

Through his position as chair of the London Health Board and control of the Adult Education Budget (AEB) for London, the Mayor has a role to play improving training paths to NHS jobs. The Mayor has offered welcome support, referring to the NHS as a "key sector" for the £311m Adult Education Budget and pledging to use European Social Fund money to back learners gaining Level 4 qualifications and career development for sectors including health.¹⁹

Meanwhile, the London Workforce Board, a sub-section of the Health Board,²⁰ is developing its priorities including:

- Entry-level careers in health and social care (through apprenticeships)
- Recruitment and retention of staff (such as the CapitalNurse programme)
- Sharing of best practice in tackling London's workforce challenges, through events and masterclasses.

Following recommendations from the Workforce Board on the skills shortage in the NHS, the Mayor said he "stands ready" to prioritise health and social care.²¹

Build it and they will come

78% of nursing students in London are from the capital, and like many who grow up here, they wish to stay in the greatest city in the world. But once qualified, too many NHS staff go on to find the cost of living here unmanageable. It's crucial that the Mayor builds on the benefits GLA interventions on housing can deliver for NHS workers:

- On average in London, a London Living Rent home would save £400 per month compared to an equivalent one-bed in the private rented sector.
- The median London Living Rent of £879 per month represents a 26% saving in a cleaner's monthly take home pay, or 21% for a nurse.

Bright spots in the housing market exist where the Mayor has shown his willingness to intervene more directly to get affordable homes built on public land.

- The most significant of these, at the old St Ann's hospital site in Haringey, saw the Mayor's Land Fund used to acquire land worth £40m. The GLA was then able to transform a development that had consisted of 470 homes including 11% affordable, into one of 800 new homes with 50% affordable, as well as a new mental health facility and 22 homes for NHS workers.
- The Holloway Prison site was acquired from the Ministry of Justice thanks to a GLA loan to Peabody Housing Association. Now, 600 of 1000 homes will be genuinely affordable.

The GLA has also acquired the North Middlesex Hospital site where 200 homes are proposed.²²

What more can the Mayor do to help the recruitment crisis?

The Mayor has redoubled his commitment to bring forward similar schemes across London, saying: "The London Estates Board is an opportunity to do really important stuff to make progress in relation to key workers who are NHS staff. It is really important we use surplus public land to build genuinely affordable homes that NHS staff desperately need."

The aim to use public land for affordable housing is made concrete in the draft London Plan, on which the Mayor said: "the draft London Plan makes it quite clear the expectation is that on any surplus public land, 50% of homes must be genuinely affordable".

An encouraging list of potential sites has been set out by the Mayor in response to questions – "GLA and LEDU [London Estates Delivery Unit] are supporting work relating to the Whittington Health Trust estate, King George's Hospital and Goodmayes Hospital sites in Redbridge, and the St Bernard's Hospital site in Ealing".²³

The Mayor went on to issue a rallying call for small sites: "The message to councils is if you know about a GP practice or an NHS site in your area that we may not know about, let us know and we will do what we can to help you".

More clarity is needed. A period of continuity for the Adult Education Budget is planned to allow new governance to bed in. This gives the GLA time to work with health and social care employers on programmes to address the crisis.

Similarly, the GLA and NHS partners have not yet confirmed that housing can be built on the hospital sites referenced by the Mayor, let alone the many others yet to be announced. Cooperation will be needed between the GLA, London boroughs, and the NHS to make sure

numbers of affordable homes are maximised. The London Estates Strategy notes the Mayor's 50% affordable homes requirement for public land. The clear message from health workers is that nothing else is good enough.



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