

CARE BRIEFING JANUARY 2016



SOCIAL CARE SECTOR NURSE RECRUITMENT AND RETENTION – WHERE ARE WE IN 2016?

The frustrating thing about the shortage of nurses in the social care sector is that it doesn't have to be like that. It is not clear why, but when the Home Office asked the Migrant Advisory Committee (MAC) to look into the nursing shortage in 2014, it specifically directed the MAC only to look at the NHS. **The result was that nurses remained off the Shortage Occupation List (SOL)** and Tier 2 migration was limited to income levels above £35,000 per annum; a disaster for the sector and also the NHS. Agency cover has had to step in to cover sector shortages where possible. *A very difficult position, exacerbated by the Health Education England (1) omission to include nurse training numbers required in the social care sector when calculating demand for university training programmes.*

The SOL is so important because it provides a relatively responsive way to increase and reduce nurse availability as supply and demand varies. The lack of incentive for the Home Office is probably conditioned by the *blanket immigration caps experienced* over the last few years taking precedence and possibly preventing a more detailed look under the bonnet at the wider consequences to the health and social care sector.

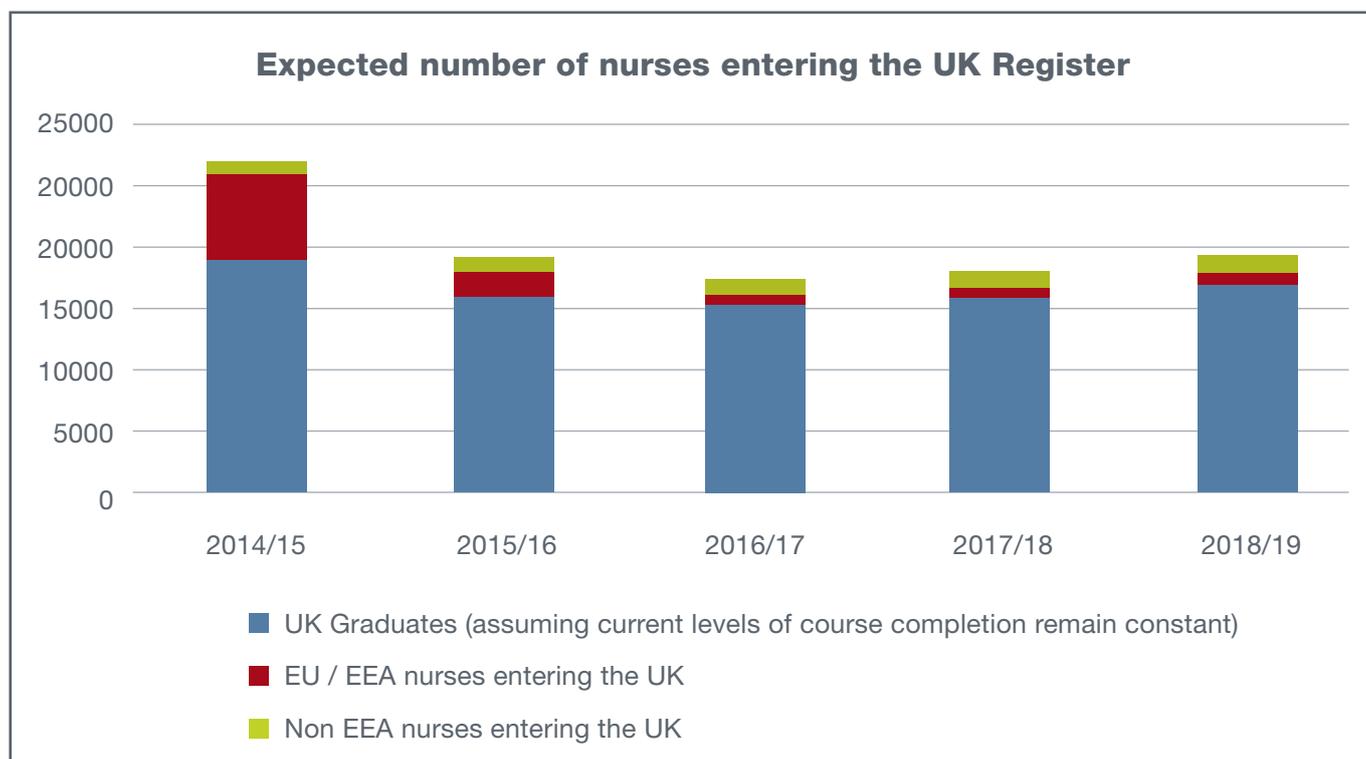
The lack of a strong enough political champion has probably also contributed. The *Centre for Workforce Intelligence* tells us that more than 3,000 new applications for non-EU nurses were turned down last year over the previous year. Had the SOL been working as required then several thousand nurses would have entered the UK workforce. These are telling figures considering there are over currently **24,000 nurse vacancies** in the combined health and social care sector.

The numbers are seriously worrying. **New language requirements** are being introduced by the National Midwifery Council (NMC), which is anticipated to reduce EU nurse recruitment by up to 80% over the next couple of years having dropped from 14,000 in 2003/4 to 800 in 2013/14. The nursing population in the social care sector is much older than the health care sector – probably an obvious statement to make since all training of nurses starts in the health sector.

Newly qualified nurses will naturally cut their teeth in the health sector and then migrate to social care as their work and family needs place different pressures on their employment. Nevertheless, social care is faced with the inevitable difficulty of about 25,000 (2) nurses retiring from social care over the next 25 years.

We need to find an effective way to deal with the shortage in the short and long term. Clearly, step one is to open up the SOL to nurses and modify the Tier 2 ‘leave to remain’ rules as a matter of urgency. Step 2 is to increase the volume of university entrants and at the same time take a serious look at developing a middle qualification halfway between social care and health care – people in this category used to be called State Enrolled Nurses.

Of course the whole problem in the UK is exacerbated by the global competition of nurses. UK is competing with the USA and Australia, both of whom have more attractive immigration terms. Whereas the harsher rules in the UK prevent Tier 2 nurses from remaining more than 6 years, immigrant nurses in Australia have permanent leave to remain after only 1 year of working in the public health service thereby leaving them to migrate to the social care sector without restraint. So, given all of the above constraints and if they remain unchanged, **the three sources of nurses in the UK are likely to show an overall decrease in availability as shown below.** It is pleasing to see though that Health Education England have recognised the lack of delivery of newly qualified nurses and commissioned a 9% increase in nurse places which will add an additional 1,000 nurses by 2018/19 (1).



The task given to the MAC is to calculate the overall demand for nurses. Not an easy task given the huge number of locations utilised by the health and social care system and organisations, both public and private that have to identify their nursing staff demand profiles.

Christie’s (3) calculate a total nursing workforce in UK of 655,000 with 354,000 working in the NHS and the balance of 242,000 working in the private healthcare sector plus circa 59,000 are in social care. **Skills for Care** (2) show a 9% vacancy rate in social care and 7% in the NHS equating to 24,000 unfilled posts. It is easy to see from this that if nothing is done in short and long planning terms, the **CQC’s view** in their state of care report (4), that the **shortage of nurses** is having a significant impact on the quality of care across the sectors, will be upheld. Indeed,

it could be argued that a **crisis is in the making** if it hasn't happened already. *By solving the recruitment problem* it should not be that difficult, by comparison, **to solve the retention problem, with strong leadership and investment in the workforce.**

Sources: (1) - Health Education England National Workforce Plan, 2014-15

(2) - Skills for Care NMDS-SC

(3) - The UK Nursing Workforce, Crisis or Opportunity - Christie and Co. 2015

(4) - www.cqc.org.uk/content/state-care-201415



CONTACT

If you would like to arrange an initial no-obligation meeting, at no charge, please contact:

Julie Hopkins, Partner

Julie Hopkins leads Albert Goodman's Care Providers Team providing advice to care sector start-ups, those growing their business and those looking to exit. The team of more than 10 experts advise on business strategies, cash flow management, business structures, minimising tax, acquisitions and disposals, payroll and financial services.

Julie takes a lead in the firm's membership of the Registered Care Providers Association (RCPA). Her depth of expertise within the Care sector includes care homes, nursing, residential, mental health, domiciliary and supported living. Julie qualified as a Chartered Accountant with international firm KPMG and has specialised in SMEs ever since, with a particular emphasis on care providers.

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