

APPENDIX B

The evidence of recruitment and retention issues for keyworkers

In July 2019 Cabinet agreed to continue with plans to introduce an intermediate rent housing list and the outline eligibility criteria and priority system for the new intermediate rent housing list. The Leader of the Council also delegated authority to the Cabinet Member for Housing Management and Modernisation in consultation with the Strategic Director for Housing and Modernisation to agree the final design of the scheme, once the London Plan was adopted.

A key part required for agreeing the final design is the definition of keyworkers as part of the priority criteria. The council has initially proposed a definition including the following

- Nurses, and other clinical staff employed by NHS
- Firefighters
- Teachers/teaching assistants (from non-fee charging schools)
- Police officers/Police Community Support officers (PCSO)
- Social workers, educational psychologists and therapists delivering services for the Council

This report reiterates the affordability issues faced by keyworkers, the response from consultation in relation to keyworkers and the evidence base of recruitment and retention issues for each sector.

Section 1 - Southwark proposed key worker salaries and affordability of rents based on a third of income

This table below which was produced in 2017 explores whether different key workers can afford different housing products, with green shading indicating that the household should be able to afford the letting. This shows that only very senior people in these vocations can afford private rented housing.

Occupation	Total salary Inc. London weight	Third of income (monthly)	Social rented 1bed	Social rented 2 bed	London Affordable Rent 1bed	London Affordable Rent 2 bed	London Living Rent 1bed	London Living Rent 2bed	Median private Peckham 1 bed	Median private Peckham 2 bed
Fully qualified nurse (starting)	26,555	738	398	439	627	664	871	967	1250	1517
Fully qualified nurse (top)	34,495	958	398	439	627	664	871	967	1250	1517
Matron/nurse consultant	31,878	886	398	439	627	664	871	967	1250	1517
Matron/nurse consultant top	41,856	1,163	398	439	627	664	871	967	1250	1517
Teacher(min inner London)	28,098	781	398	439	627	664	871	967	1250	1517
Teacher(max inner London)	38,241	1,062	398	439	627	664	871	967	1250	1517
Leading practitioner (min)	46,350	1,288	398	439	627	664	871	967	1250	1517
Head teacher (min)	51,476	1,430	398	439	627	664	871	967	1250	1517

Occupation	Total salary Inc. London weight	Third of income (monthly)	Social rented 1bed	Social rented 2 bed	London Affordable Rent 1bed	London Affordable Rent 2 bed	London Living Rent 1bed	London Living Rent 2bed	Median private Peckham 1 bed	Median private Peckham 2 bed
Police constable (0)	22,146	615	398	439	627	664	871	967	1250	1517
Police constable (7)	40,374	1,122	398	439	627	664	871	967	1250	1517
Sergeant (1)	41,673	1,158	398	439	627	664	871	967	1250	1517
Sergeant (4)	45,081	1,252	398	439	627	664	871	967	1250	1517
Inspector (0)	53,196	1,478	398	439	627	664	871	967	1250	1517
Inspector (3)	57,336	1,593	398	439	627	664	871	967	1250	1517
Firefighter (trainee)	26,211	728	398	439	627	664	871	967	1250	1517
Ambulance crew trainee	17,930	498	398	439	627	664	871	967	1250	1517
Ambulance crew trained max	27,901	775	398	439	627	664	871	967	1250	1517
Newly qualified Paramedic	26,554	738	398	439	627	664	871	967	1250	1517
Paramedic Top	34,495	958	398	439	627	664	871	967	1250	1517

Sources of income:

Nurse - <https://www.prospects.ac.uk/job-profiles/adult-nurse>

Teacher - <https://getintoteaching.education.gov.uk/funding-and-salary/teacher-salaries>

Police - <https://www.metfriendly.org.uk/services/police-finance-information/police-pay/>

Fireman - <https://jobs.london-fire.gov.uk/advicecentre/faqsff>

Ambulance and Paramedic -

http://jobs.londonambulance.nhs.uk/job/UK/London/Across_London/London_Ambulance_Service_NHS_Trust/Newly_Qualified_Paramedic/Newly_Qualified_Paramedic-v740986?_ts=21585

Section 2 – Feedback from the consultation regarding prioritising keyworkers

The public consultation sought comments on who should be included in the key worker definition. Most of the proposed keyworker groups received high levels of support as per the following table. The text responses suggested the need to make it clearer that doctors and transport police would be included within the definition of key workers.

Option	Total	Percent
Nurses, and other clinical staff employed by NHS	73	81%
Firefighters	66	73%
Teachers/teaching assistants (from non-fee charging schools)	66	73%
Police officers/Police Community Support officers (PCSO)	61	68%
Social workers, educational psychologists and therapists delivering services for the Council	56	62%
No keyworker should receive additional priority	15	17%
Other	19	21%
Not Answered	1	1%

There was no clear outcome in the consultation on whether the definition of key workers should include keyworkers who work in neighbouring boroughs or across London. Opinion was split equally across the three options. The recommendation is

that this is restricted to key workers working in Southwark and to hospital staff in neighbouring boroughs where the hospital routinely provides services for a significant number of our residents.

Section 3 – Evidence of keyworker recruitment and retention issues

This section starts by summarising some key bits of research which support supporting keyworkers in London across vocations, before going in to more detail for each individual proposed keyworker category.

In July 2019 a report by PwC(Price Waterhouse Coopers) published a report on the UK Economic Outlook. <https://www.pwc.co.uk/economic-services/ukeyo/ukeyo-july2019.pdf>

The report highlighted the issue of affordability of housing for keyworkers. It stated that the affordability challenge for key workers is particularly pronounced in London and the South East. Across all the key worker professions they looked at, rents were at the limit of affordability or unaffordable in London. In addition it stated rents are also unaffordable for many professions in the rest of the South East, potentially ruling out commuting in to the capital from further afield (which would also involve additional transport costs as well as longer commuting times).

Rental affordability ratios were particularly high for primary school and nursery teachers at 40%, while the rental affordability ratio for nurses and midwives was 39%. For the latter, median wages would need to increase by roughly £10,500 a year for current median rents to be considered affordable. Fire service, social workers, secondary school teachers and police officers also had affordability issues as per the following table. The report also stated “The high cost of rental housing may therefore prevent people who work in key professions from living in or moving to London and the South East, leading to shortages of nurses, teachers and other key workers in these regions, as well as limiting economic and social mobility across the country.”

The report stated that rental affordability ratios have worsened for key professions over the last 5 years. In London, the South East increases in rents have outpaced earnings growth, weakening (i.e. raising) rental affordability ratios over time.

Table 3.4: Rental affordability ratio by region and key worker profession, 2018

Indicator (%)	Police officers	Secondary school teachers	Social workers	Fire service officers	Primary & nursery teachers	Nurses & midwives	Prison service officers
Wales	15	15	18	N/A	16	19	N/A
North East	14	15	20	18	18	18	19
Scotland	15	17	17	20	18	22	15
Yorkshire and The Humber	14	18	19	17	17	19	24
North West	15	17	18	19	19	21	25
West Midlands	17	18	20	20	22	25	24
East Midlands	17	18	21	N/A	24	23	26
South West	19	21	28	25	27	29	N/A
East	20	22	26	26	26	32	30
South East	23	27	30	27	33	34	33
London	29	33	34	36	40	39	45

Source: ONS, PwC analysis based on ratio of median private rents to median income. Note that comparable data are not available for Northern Ireland.

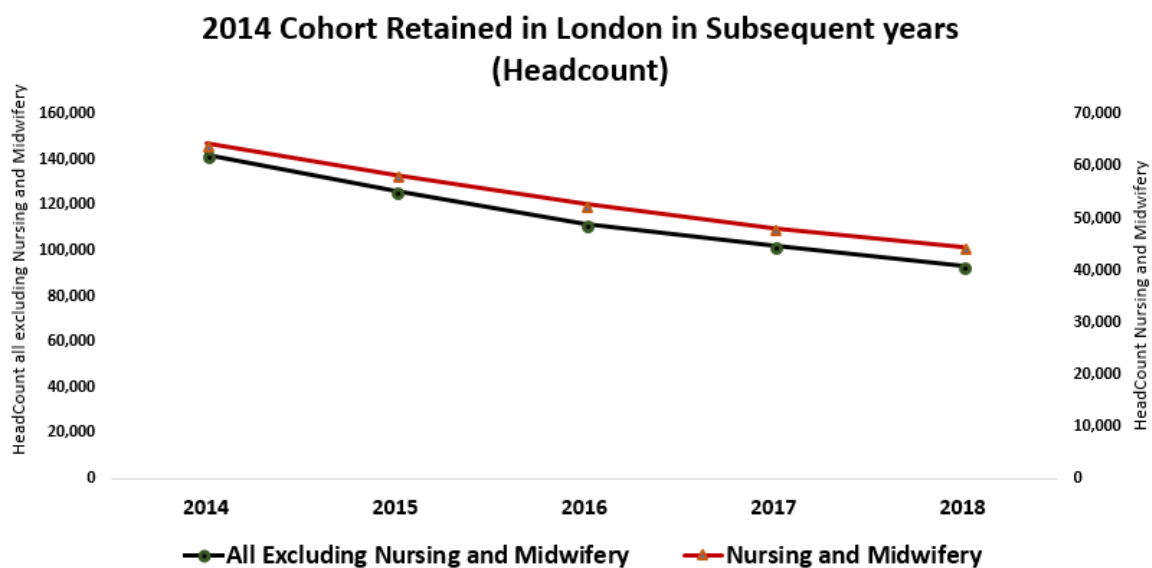
Nurses, and other clinical staff employed by NHS

It has been hard to find data specific to Southwark regarding recruitment and retention of nurses and other clinical staff employed by the NHS but there is wealth of London wide data. Given that Southwark has average house prices and rents which are higher than the London averages, it is safe to assume the same issues apply within Southwark.

As stated earlier, PwC have specifically picked out nurses as a profession facing affordability issues in London.

There is a project called CAPITAL nurse which was jointly sponsored by Health Education England, NHS England and NHS Improvement which looked in to cost of living issues for nurses and midwives. The following are some key excerpts from a presentation which summarised some of their research.

The graphs below show the rate of attrition from London. This does not look at whether they left NHS altogether or just London.



London is losing nurses and other staff at a higher rate compared with rest of the country. It has a much higher rate of joiners

	Nurses		Medical & Dental	
	In London	Outside of London	In London	Outside of London
Left to another geography in same occupation	-1.8%	-0.5%	-8.5%	-2.6%
Left NHS under 55	-6.8%	-5%	-10.6%	-9.4%
Joined from same occupation in other geography	+2.3%	+0.4%	+9.5%	+2.3%

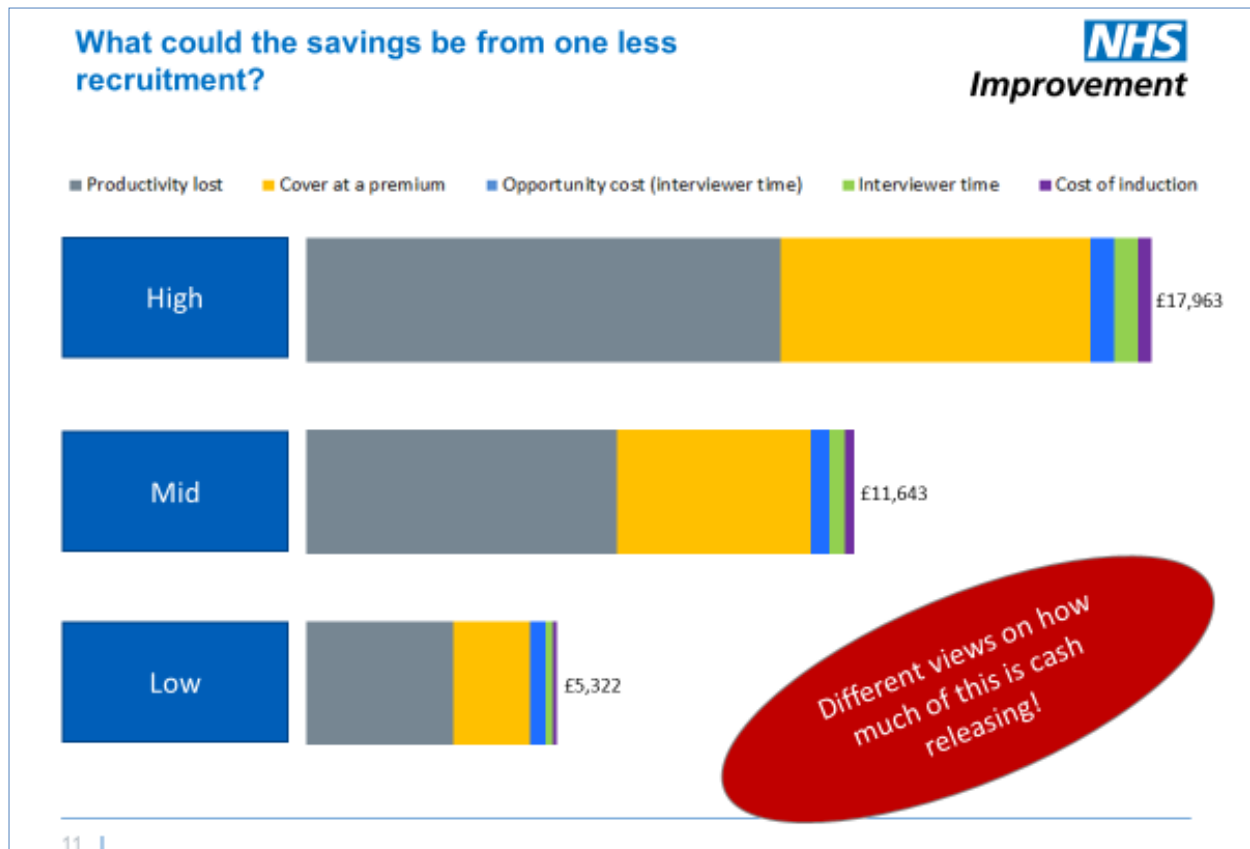
There are higher levels of experienced nurses outside London. Just over half (53.6%) of London nurses and midwives have a length of service 6 years or more, in contrast 66.8% of nurses outside London have service of 6 years or more.

	Length of service					
	Less than 1 year	1 - 2 years	3 - 5 years	6 - 10 years	11 - 15 years	More than 15 years
London	8.5%	16.7%	21.2%	16.5%	12.9%	24.2%
Out of London	5.8%	11.2%	16.2%	15.4%	13.9%	37.5%

A greater proportion of London Nurses and Midwives plan to move organisation within the next year compared to outside London. But fewer want to move to a job outside of healthcare

	I will probably look for a job at a new organisation in the next 12 months.	As soon as I can find another job, I will leave this organisation.	I would want to move to another job within this organisation	I would want to move to a job in a different NHS Trust / organisation	I would want to move to a job in healthcare, but outside the NHS	I would want to move to a job outside healthcare	I would retire or take a career break
London	25.2%	19.1%	26.0%	39.3%	9.2%	8.6%	16.9%
Out of London	19.9%	14.0%	26.5%	29.8%	8.7%	12.3%	22.6%

There appears to be different views on how much could be saved by one less recruitment with this varying between about £5k to £18K



Source: NHS Improvement, June 2018

Nurses and midwives in London pay a much higher percentage of their salary on rent than their out of London counterparts

Band	Rent % of salary – inner London	Rent % of salary – rest of England
Band 5 – point 16	48%	26%
Band 5 – point 20	43%	23%
Band 5/6 – point 23	38%	21%
Band 6 – point 29	32%	18%

- Calculated using averages from December 2018
- Making assumption that all rental prices are split with one other person
- Calculated based on actual nurse and midwife take home pay assuming pension contributions

According to the Royal College of Nursing in March 2018, the average commute for London's nurses is 13.56 miles each way, so a 27 mile round trip. So on top of a 12 hour shift nurses travel approximately two hours a day. On average London nurses live 2.25 miles further from their workplace in 2018 than in 2008.

Firefighters

While the PwC report did highlight affordability issues for fire fighters in London, the London Fire Brigade have stated that they do not really currently have recruitment issues but over 50% of workers now live outside London, and this appears to be increasing, which reduces London's resilience in the event of a major incident. Therefore there is a clear argument for including fire fighters.

Date	Inside London	Outside London
February 2016	46.53%	53.46%
September 2017	44.63%	55.37%
April 2018	43.77%	56.23%

The London Fire Brigade provided further information on the resilience issue to say whilst ordinarily they don't recall firefighters off duty, they do have a pool of firefighters on recall for Urban Search and Rescue emergencies who need to be able to respond within a set period, which excludes those firefighters living a long way from Central London.

Fire fighters do long shifts. The shift pattern for firefighters is

- Day shift 09.30-20.00
- Night shift 20.00-09.30.

The firefighters can sleep on station whilst on duty.

The London Fire Brigade confirmed that initiatives for affordable housing across the GLA would be welcomed.

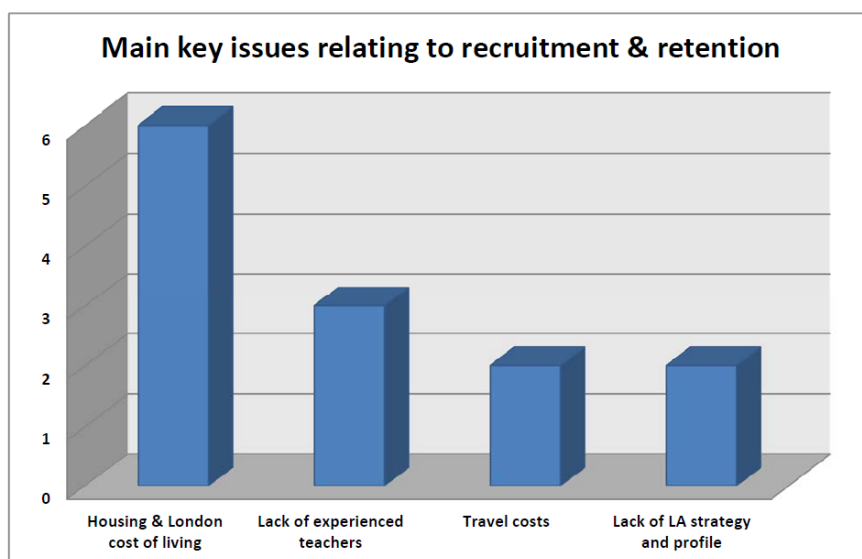
Teachers/teaching assistants (from non-fee charging schools)

There is clear evidence of recruitment issues in the education sector which has largely been attributed to the cost of living. This was clearly apparent from the PwC report. And this is well backed up by Southwark Council data. Between September 2017 and June 2018 there were 70 job listings at various primary and secondary schools across the borough. Of these 23 had nobody click to proceed to the application stage. These included posts across the range of levels from head teacher to teaching assistants and after school play workers. In 42 cases there was less than three applications. Only 4.1% of those who clicked for more information actually went on to the click the application page.

A workforce planning recruitment and retention strategy group met on the 22nd May 2017 to summarise the key issues and develop a year long support plan to tackle recruitment and co-ordinate resources. This discussed the growing issue with teacher recruitment and retention. Comments included that "schools report considerable difficulty in filling vacancies especially with high quality experienced staff... Teachers with more than 3 years experience are leaving the borough, many due to affordable housing which will have an effect on school standards and promotion to leadership."

Back in 2014 there was a Southwark teacher recruitment and case study. The final

report was based on evidence gathered from a case study of ten Primary Schools carried out in September/October 2014. The purpose of the study was to gather hard data after previously shared anecdotal views indicated that there is a growing issue with teacher recruitment and retention in Southwark schools. Housing was consistently mentioned by staff at multiple levels of seniority as being a key factor.



A key concern from many schools was their ability to attract and retain teachers who had been in the profession between three and seven years. Most schools felt secure in their knowledge that they knew the reasons for staff leaving and most felt these were for personal circumstances (starting families, moving to areas with more affordable housing) as opposed to professional.

Without question, the key factor most mentioned by interviewees in relation to supporting better recruitment and retention of teachers in the LA, was that of affordable, desirable housing.

When speaking to the experienced staff members two were leaving shortly for family reasons and to relocate to areas that had more affordable housing. One member of staff had moved to a home county and was commuting for this school year, but would then be seeking employment nearer to home. Several members of staff had significantly long journeys as they had made the decision to move away so that they could buy affordable property and they were now also becoming increasingly aware of the necessity of maintaining a reasonable work life balance.

Many members of staff were aware of key worker housing schemes but could either not access them in a timely fashion or felt that they did not offer anything that was desirable.

One staff member was on a keyworker scheme that allowed them to rent at 20% below market value, however there wasn't a general awareness of keyworker schemes for the rental market. The cost of renting property was also cited as an issue as these are increasing at a rate not in line with inflation or teachers' pay.

Even a newly qualified teacher who had just started was already saying that property prices and cost of living in London will be an issue for the future.

Police officers/Police Community Support officers (PCSO)

The Strategic Director of Housing and Modernisation discussed recruitment and retention issues with the Borough Commander on the 3rd March 2021. A report titled MPS Submission to the Police Remuneration Review Body by the Metropolitan Police Service – 2020/21 Review, released in February 2021, says external recruitment and retention is generally healthy. However the report highlights some particular recruitment and retention issues which the Met is looking to address.

https://www.met.police.uk/SysSiteAssets/foi-media/metropolitan-police/priorities_and_how_we_are_doing/corporate/prrb-submissions-2021-final.pdf

The MET has reintroduced the London residency criteria for most recruitment, as first introduced in 2014. These changes led to a more representative workforce, with the proportion of Black; Asian and Minority Ethnic (BAME) officers being recruited; increasing from 16% in 2014/15 to 27% in 2017/18. This had been temporarily lifted in 2018 to respond to significant pressures quickly and effectively. This residency criteria will apply to uniformed police constable roles via the Police Constable Degree Apprenticeship and Degree Holder Entry Programme entry routes. From November 2020 these individuals were required to have lived or studied in London for at least three out of the last six years. The Met says to police the capital successfully, the Met must “look and feel” more like London. And they are confident that bringing back the London residency criteria will again help to support their diversity ambitions.

The 2021 report states the Met is still some way off their overall aspirations of 50% female and 40% BAME. The report includes a section on attrition which says the Met aims to reduce the losses in the 0-4 years’ service bracket, particularly BAME officers.

The 2021 report includes a section on house prices and rents and how these are much higher in the capital. It says the higher average prices emphasise the importance of London allowances (particularly in the context of the residency criteria).

There is now a quarterly South-East Recruitment and Retention Forum to discuss issues with recruitment and retention.

Social workers, educational psychologists and therapists delivering services for the Council

The council has a wealth of data which demonstrates recruitment and retention issues in relation to social workers and occupational therapy roles. At the end of March 2019 in adult services reported 107 vacancies of which 52 vacancies were in social work or occupational therapy roles. Childrens and Families reported 146 vacancies including 82 qualified position posts and 64 non-qualified posts. By job title the highest number of vacancies was for social workers at 43, followed by senior social workers at 13 and early help practitioners at 8 vacancies. In the education section there were 8 vacancies for educational psychologists.

There was also a high proportion of agency staff. At the end of quarter 3 2018/19 in Adults Services there were 61 agency staff covering posts in Social Worker, Occupational Therapist or equivalent management positions. In Children's Services there was a further 51 social worker positions. Pending recruitment was a major reason given for most of these agency posts.