



Introduction

With a membership of around 430,000 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 UK 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 patient and nursing interests on a wide range of issues by working closely with the Government, the UK parliaments and other national and European political institutions, trade unions, professional bodies and voluntary organisations.

Summary

The RCN is pleased to respond to the White Paper *Fixing our Broken Housing Market*. This response concentrates on the key section of the White Paper regarding affordable housing; the RCN has an interest in affordable and good quality housing as an important social determinant of health for the population as well as an important factor which impacts on the working lives of nursing staff with many struggling to afford decent housing near to their workplace. Generations of nursing staff are locked out of the housing market due to high prices, high deposits and rising interest rates.

Housing is a major social determinant of health, as cold housing and fuel poverty lead to excess winter deaths and damage children's educational attainment, emotional wellbeing and resilience. Inadequate and insecure housing and overcrowding affect educational performance, health and participation in the economy. Nursing staff play a key role at all life stages; they have a clear stake in the direct and underlying causes of poor health and until the root causes of illness and poor health are tackled, the NHS will constantly be required to deal with the consequences. **We call for housing to be a majority priority in health and social care partnerships across the UK, including Sustainability and Transformation Programmes in England.**

While the White Paper signals an apparent shift in emphasis from prioritising home ownership to building more housing, the RCN does not believe that it adequately provides a strategy for provision of new, affordable homes for the country, particularly for the growing number of renters in the UK. The White Paper signals a growing awareness by the government that renters face a growing number of problems, but we are not confident that it will address the needs of those struggling to meet the costs of rising rents, particularly in high-cost areas of the country.

There is a high and growing proportion of the nursing workforce who are renting in the UK and affected by pay restraint across the health and social sector. In the NHS in England, qualified nursing, midwifery and health visiting staff have suffered a real terms, cumulative, drop of 13.6% in annual earnings between 2011 and 2016 and health care assistants saw a drop of 9.3%.

Across the whole UK health sector, there has been a cumulative real terms fall in weekly earnings of 13.9% among full-time nurses and a 9.9% cumulative real terms drop for nursing auxiliaries and assistants.

Nursing staff are worse off in real terms every year. As a result, many workers are leaving nursing or moving further away from their places of work in order to find more affordable accommodation and cost of living. Without a coherent plan that tackles the need for affordable homes and a return to a workforce strategy that fully rewards and values nursing staff, we will be heading for a perfect storm putting the future supply of safe staffing levels at risk.

The RCN calls on the UK Governments to provide assistance to health and social care staff to find affordable housing near to their workplace through the following measures:

- **strengthened key worker housing regulations**
- **new homes built on NHS land to be offered first to low paid health and social care staff**
- **discounted travel for health and social care staff to help with the costs of getting to and from work**
- **the introduction of longer term tenancies across the private rented sector**

Health and Housing

There is a complex but clear association between housing and health inequalities. The quality of housing (eg insulated, dry and safe from hazards), the accessibility to local services and amenities, as well as the security of housing arrangements are all important for good physical and mental wellbeing. Poor quality housing can be the cause of physical and mental health problems, which can result in health interventions. Evidence shows specific links between poor housing and mortality and morbidity indicators. Impacts on physical and mental health include¹:

- Excess winter deaths are almost three times higher in the coldest quarter of housing than in the warmest quarter
- Children living in cold homes are more than twice as likely to suffer from respiratory problems than those living in warm homes
- One in four adolescents living in cold homes is at risk of multiple mental health problems compared to one in twenty living in warm homes.

Nursing presence at all stages of life mean they are engaged across a range of health interventions and public health is at the core of the duties of most nursing staff. They regularly witness and deal with the consequences of social conditions on the health and wellbeing of the communities they care for. They have a clear stake in the direct and underlying causes of poor health and until the root causes of illness and poor health are tackled, the NHS will constantly be required to deal with the consequences. In fact the BRE estimates that poor housing costs the NHS in the UK £12 billion a year.

¹ Marmot Review Team (2011) *The Health Impacts of Cold Homes and Fuel Poverty*
www.instituteofhealthequity.org/projects/the-health-impacts-of-cold-homes-and-fuel-poverty

Poor and unsafe housing can occur in all forms of home ownership and occupancy, but in general the private rented sector has the highest rates of poorer housing. A report for the Department for Communities and Local Government shows that compared to other sectors, in the rental sector²:

- there are higher levels of damp
- one in five households are fuel poor
- twice as many homes are in poor condition

The White Paper, concentrates to a large extent on new housing supply, and as such fails to take account of the millions of people living in poor quality, overcrowded or fuel poor housing. **We call for housing to be a majority priority of health and social care partnerships across the UK, including Sustainability and Transformation Programmes in England.**

Rental Costs

Excessive rental costs make the difference for a significant number of families between barely managing financially and not being able to manage. Poverty in the private rental sector has become a huge problem, leaving many people caught in insecure, expensive housing with an inadequate supply of affordable housing in the private rental sector.

The government could incentivise landlords to offer tenants greater security by attaching costs to landlords for evictions where the tenant has done nothing that warrants the eviction but, the landlord wishes vacant possession of the property.

There is no clear indication of a solution in the paper, which worryingly neglects to place any significant relevance to Housing Benefit, which has been the most effective remedy in helping to sustain people in tenancies. The decision to cap and freeze Local Housing Allowance (LHA) is pushing people on low incomes, including those working in health and social care towards vulnerability and homelessness.

It seems clear that if the Government hopes to reduce the risk of homelessness to an increasingly wider section of society, they need to make better provision of Local Housing Allowance. In addition, Local Authorities need more efficient processes in place for decision making, particularly in relation to Discretionary Housing Payment (DHP) applications, for which they often take lengthy periods to process decisions and are underspent on.

High rents in the private sector are frequently the cause of financial difficulty and put people at risk of homelessness with the end of tenancies usually linked to the affordability of rents and people falling into substantial arrears. Renters, such as those working in healthcare who have seen no salary increase need homes that are affordable.

In limiting longer tenancies to new purpose-built private rented homes, the government is offering very little to those who rent privately. New build schemes will be incentivised to attract longer-term tenants but it will inevitably be those who are better-off who will be able to afford to rent them.

² Department for Communities and Local Government (2015) *English housing survey 2013 to 2014 & English Housing Survey Profile of English Housing Report 2013/14*
www.gov.uk/government/statistics/english-housing-survey-2013-to-2014-headline-report

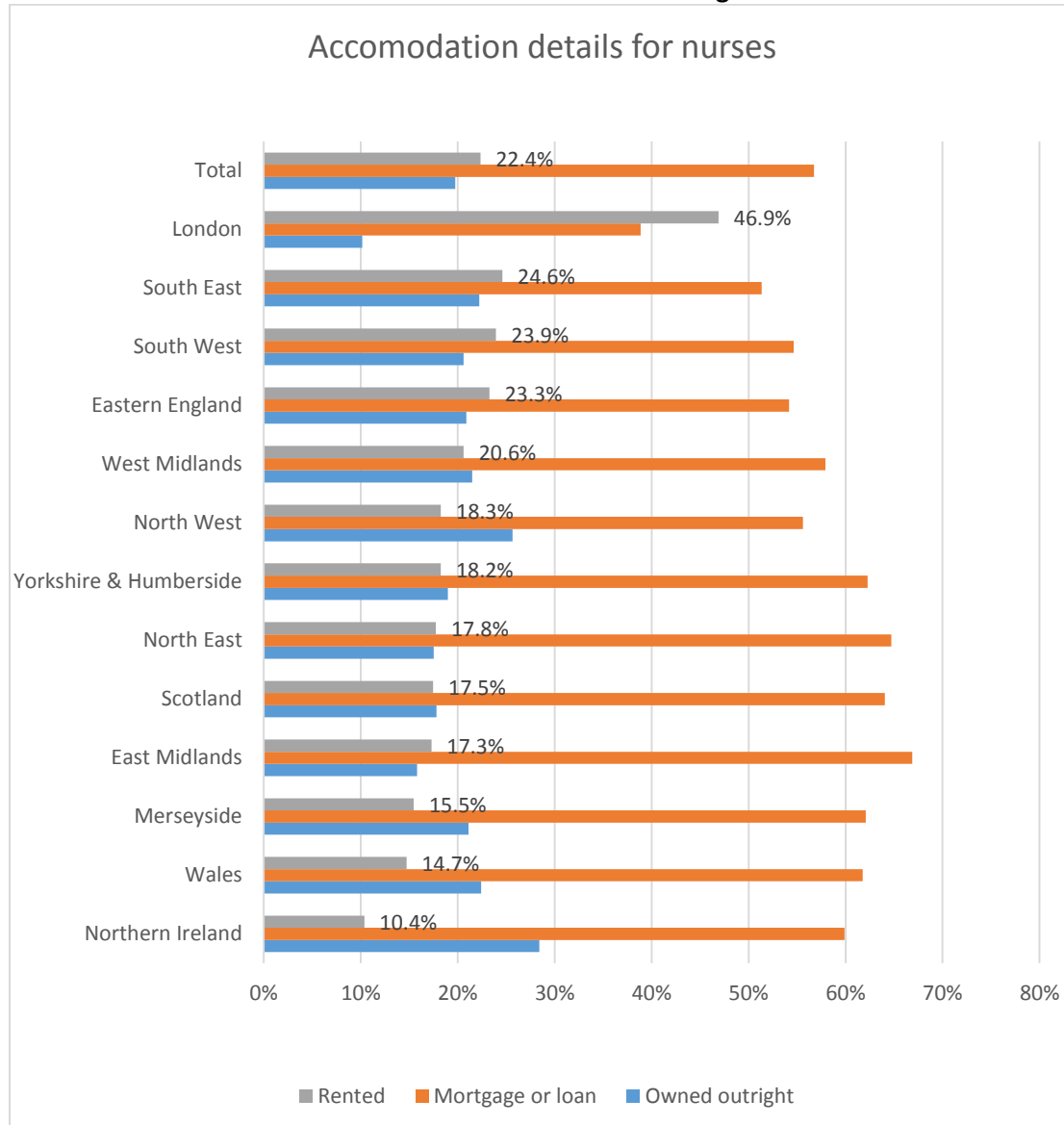
We believe that private landlords need to offer tenants more security and better choice. Yet the vast majority of tenants will remain in existing tenancies, with no certainty over their home and security of their tenancy.

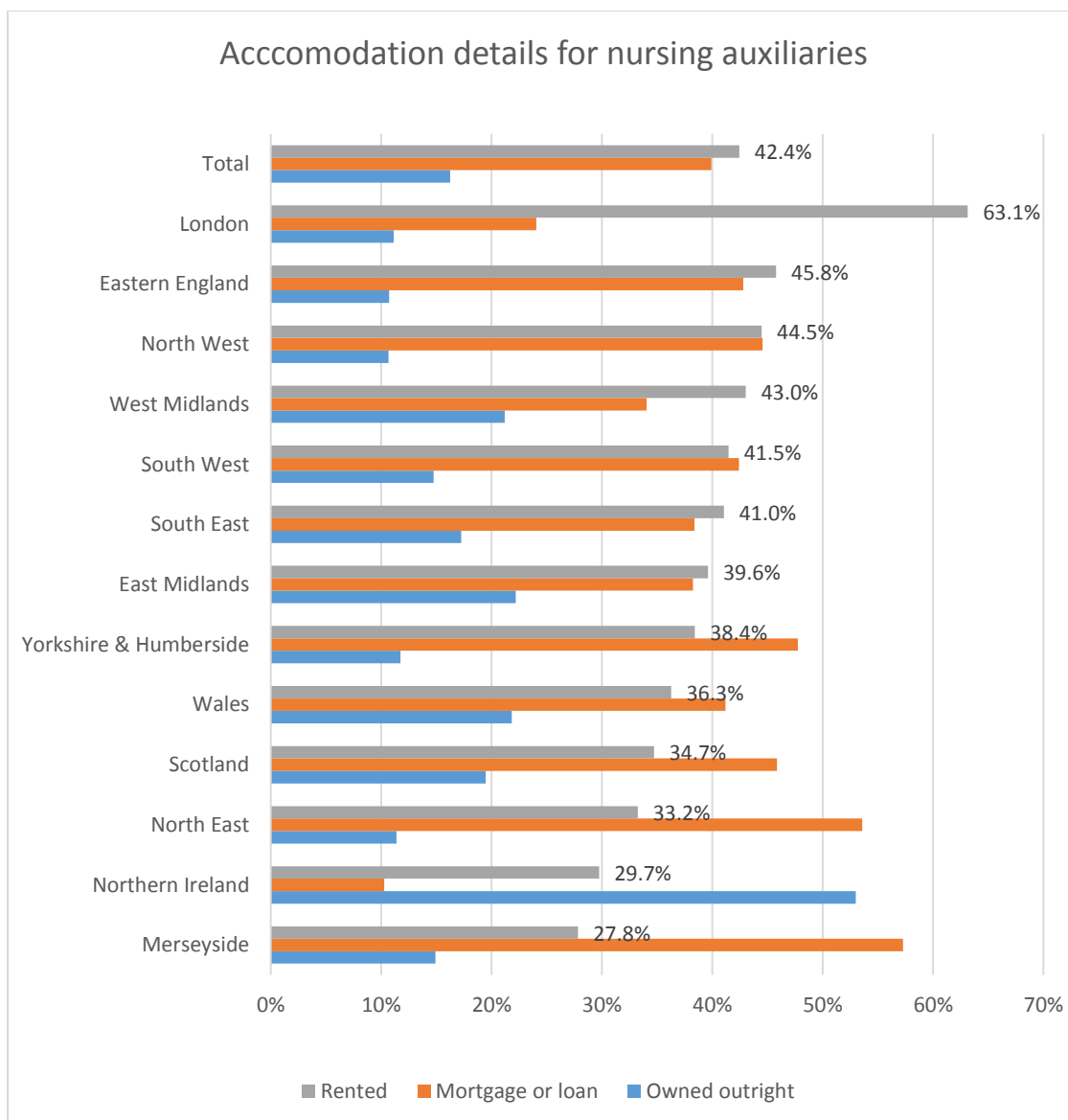
The RCN would like to see the a revised definition of 'affordable housing' which breaks away from the current one which means 80% of market rent or value, as this is far from affordable for the majority of people. We are encouraged by the creation of intermediate tenure linked to incomes in London with the introduction of the London Living Rent and hope this provides a model for adoption elsewhere.

The Housing and Financial Situation of Nursing Staff

We have undertaken analysis to demonstrate the housing and financial situation of nursing staff across the public and independent sectors in the UK. It is somewhat limited by lack of household level data for nursing staff, but we show that not only do nursing staff not escape the growing unaffordability of housing, they are being disadvantaged by pay restraint and stagnant wage growth.

Charts 1 and 2: Accommodation status for nurses and nursing auxiliaries in the UK 2016





Figures from the Labour Force Survey (LFS) 2016 show that the extent to which nursing staff rent or own their accommodation differs greatly according to region of the country³. Chart 1 shows that across the UK, 22% of all nurses are renting, with a further 57% buying their home with a mortgage or loan and 20% who own their home outright. The proportion of nurses renting goes up to 45% in London. This is driven by some extent by the age profile of nurses in London, with over a third (37%) aged under 34 compared to a quarter (24%) of all nurses in the UK. Among all UK employees, 38% are aged under 34 compared to 45% in London.

Chart 2 shows that the likelihood of renting is even more common among nursing auxiliaries, with 42% renting their accommodation, 40% buying their home with a mortgage or loan and 16% who own their home outright. The proportion of nursing auxiliaries renting rises to 63% in London.

³ Analysis of Labour Force Survey using SOC occupational codes for nurses (2231) and nursing auxiliaries (6141)

Table 1: Accommodation status of nurses and nursing auxiliaries, 2006 compared to 2016

	2006	2016
Nurses		
Own outright	14.4%	19.7%
Being bought with mortgage or loan	67.1%	56.7%
Rent	17.7%	22.4%
Nursing auxiliaries		
Own outright	15.7%	16.2%
Being bought with mortgage or loan	56.3%	39.9%
Rent	27.0%	42.4%

Source: Labour Force Survey 2006 and 2016

Table 1 shows that compared to LFS figures from 2006, the proportion of nurses in rented accommodation has risen over the decade from 18% to 22% while the number buying a home through mortgage or loan has reduced from 67 to 55%. The number who own their own home outright has, by contrast risen from 14 to 20 % which reflects the changing age profile of the nursing workforce (in 2006, 20% of nurses were aged 50 or over compared to 34 % in 2016).

The shift to renting over the decade is even starker for nursing auxiliaries, with the proportion renting their home increasing from 27 to 42 % and the number buying their home with mortgage or loan dropping from 46 to 40%.

Average rental costs across the country reveal the difficulties for nursing staff in being able to afford to live near where they work. Table 3 shows that for a newly qualified nurse working in the NHS, average rents are over 40% of salary in Inner and Outer London, the South West, South East and East of England.

For a nurse at the top of Agenda for Change band 5 ie seven years after qualification, average rents represent 40% or more of salary in London and the South East England.

Table 3 shows that for a health care assistant at the mid-point of Agenda for Change band 4, average rents represent at least a third of their salary in every area of the UK except one (North East England) and well over half in London and South East of England.

Table 2: Average rent compared to NHS nurse salaries

	Average rent	Average salary of new qualified nurse	Rent as % of salary	Registered nurse - salary 7 years after qualification	Rent as % of salary
Scotland	£7,272	£22,218	32.7%	£28,746	24.9%
Wales	£7,272	£21,909	33.2%	£28,462	25.4%
Northern Ireland	£7,224	£21,693	33.3%	£28,180	25.7%
North West	£8,076	£21,909	36.9%	£28,462	28.5%
West Midlands	£7,896	£21,909	36.0%	£28,462	27.8%
Yorkshire and Humberside	£7,380	£21,909	33.7%	£28,462	26.4%
North East	£6,288	£21,909	28.7%	£28,462	22.1%
East Midlands	£6,996	£21,909	31.9%	£28,462	25.1%
East of England	£10,716	£21,909	48.9%	£28,462	37.8%
Hackney and Newham*	£17,544	£26,291	66.7%	£34,154	52.6%
Bromley*	£15,696	£25,427	61.7%	£32,731	54.9%
South West	£9,492	£21,909	43.3%	£28,462	33.3%
South East	£11,868	£21,909	54.2%	£28,462	41.8%

*Illustrative London boroughs

Source: HomeLet Rental Index February 2017⁴

Table 3: Average rent compared to NHS health care assistant salaries

	Average rent	Average salary health care assistant	Rent as % of salary
Scotland	£7,272	£21,683	33.0%
Wales	£7,272	£21,052	34.3%
Northern Ireland	£7,224	£20,844	34.8%
North West	£8,076	£21,052	38.6%
West Midlands	£7,896	£21,052	37.6%
Yorkshire and Humberside	£7,380	£21,052	35.6%
North East	£6,288	£21,052	29.9%
East Midlands	£6,996	£21,052	34.0%
East of England	£10,716	£21,052	51.1%
Hackney and Newham*	£17,544	£25,262	69.4%
Bromley*	£15,696	£24,570	63.9%
South West	£9,492	£21,052	45.1%
South East	£11,868	£21,052	56.5%

*Illustrative London boroughs

Source: HomeLet Rental Index February 2017

Table 4 shows the growing unaffordability of home ownership across the UK over the last 10 years. For example, the average cost of a house for a first buyer in England represented 3.5 times the recorded income of borrowers in England in 2006. This had risen to 4.3 times average income in 2016.

⁴ <https://homelet.co.uk/homelet-rental-index>

Table 4: Average house price for first time buyers against average recorded income of borrows 2006 compared to 2016

	Average house price first time buyer Q1 2006	Average recorded income of borrowers	Average house price first time buyer Q1 2016	Average recorded income of borrowers
England	£145,000	£41,000 (x3.5)	£223,000	£52,000 (x4.3)
Scotland	£85,000	£29,000 (x2.9)	£134,000	£40,000 (x3.4)
Wales	£106,000	£33,000 (x3.2)	£138,000	£39,000 (3.6)
Northern Ireland	£101,000	£30,000 (x3.4)	£124,000	£37,000 (x3.4)
North East	£89,000	£29,000 (x3.1)	£122,000	£37,000 (x3.3)
North West	£103,000	£32,000 (x3.2)	£141,000	£40,000 (x3.5)
West Midlands	£118,000	£34,000 (x3.5)	£155,000	£41,000 (x3.8)
Yorkshire and Humberside	£102,000	£32,000 (x3.2)	£139,000	£39,000 (x3.6)
East Midlands	£111,000	£34,000 (x3.3)	£149,000	£40,000 (x3.7)
East of England	£148,000	£41,000 (x3.6)	£229,000	£53,000 (x4.3)
South West	£144,000	£39,000 (3.8)	£196,000	£46,000 (x4.3)
South East	£169,000	£45,000 (3.8)	£258,000	£57,000 (x4.5)
London	£229,000	£60,000 (3.8)	£414,000	£84,000 (x4.9)

Table 5 looks at average house prices for first time buyers in relation to nursing salaries between 2006 and 2016. While this differs from the previous table as it shows individual salaries rather the total income of buyers in the household, it provides an indication of the growing unaffordability of house prices for nursing staff. For example, for a newly qualified nurse in Scotland working in the NHS, the price of a first time buyer house represented 4.4 times her salary in 2006. By 2016, this had risen to six times her salary.

For a nurse at the top of incremental pay band 5 working in London in the NHS, the price of a first time buyer house represented 8.8 times her salary in 2006, rising to 12.1 times in 2016.

The mismatch between housing demand and supply has obviously has an effect on house prices. Wages have also been subject to downward pressures. Nursing staff have also been hit by stagnant wages over the last 10 years. In fact, the RCN calculates that due to the government's public sector pay freeze policy, qualified nursing, midwifery and health visiting staff in the NHS in England have suffered a real terms, cumulative, drop of 13.6% in annual earnings between 2011 and 2016 and health care assistants saw a drop of 9.3%.

Across the whole UK health sector, there has been a cumulative real terms fall in weekly earnings of 13.9% among full-time nurses and a 9.9% cumulative real terms drop for nursing auxiliaries and assistants.

Among nursing staff, a high proportion are the main breadwinner in their households; according to the RCN's 2015 survey of members just under one third (30%) reported that their earnings represent more than half (but not all) of total household income and another 28% say their earnings represent all household income. Over half (58%) are the main or sole earner in their households with responsibility for bills and housing costs.

Table 5: First time buyer house prices as multiple of NHS nursing salaries

	Newly qualified nurse				Top of AfC Band 5			
	2006		2016		2006		2016	
	Salary	House price/salary	Salary	House price/salary	Salary	House price/salary	Salary	House price/salary
Scotland	£19,166	4.4	£22,218	6.0	£24,803	3.4	£28,746	4.7
Wales	£19,166	5.5	£21,909	6.3	£24,803	4.3	£28,462	4.8
Northern Ireland	£19,166	5.3	£21,693	5.7	£24,803	4.1	£28,180	4.4
North East	£19,166	4.6	£21,909	5.6	£24,803	3.6	£28,462	4.3
North West	£19,166	5.4	£21,909	6.4	£24,803	4.2	£28,462	5.0
West Midlands	£19,166	6.2	£21,909	7.1	£24,803	4.8	£28,462	5.4
Yorkshire & Humberside	£19,166	5.3	£21,909	6.3	£24,803	4.1	£28,462	4.9
East Midlands	£19,166	5.8	£21,909	6.8	£24,803	4.5	£28,462	5.2
East of England	£19,166	7.7	£21,909	10.5	£24,803	6.0	£28,462	8.0
South West	£19,166	7.5	£21,909	8.9	£24,803	5.8	£28,462	6.9
South East	£19,166	8.8	£21,909	11.8	£24,803	6.8	£28,462	9.1
Inner London	£22,363	10.2	£26,291	15.7	£26,164	8.8	£34,154	12.1

The Public Accounts Committee has voiced its concerns that the lack of affordable homes in some parts of the country is affecting the supply of permanent NHS staff. It stated that 'nurses and healthcare assistants find it virtually impossible to afford to live in some parts of London and other areas where it is expensive to rent and buy property.... until the NHS addresses the lack of affordable homes, it will remain reliant on agency staff.' The RCN supports its recommendation that the Government should set out how it will take account of the housing requirements for NHS staff, particularly in high-cost areas, in order to support permanent staffing.

The London Problem

In 2016, the RCN found that there were over 20,000 nursing vacancies in England and 10,000 vacancies in London. Along with other unions and NHS Employers, we warned that NHS staff were being forced to leave posts and move further out of London amid rising living and transport costs. This was leaving London NHS trusts struggling to recruit and retain key health workers.

“Excessive commutes to work (over an hour) are becoming more and more the norm because of lack of affordable housing in London. This is known to be a significant factor in sickness/absence and fatigue at work. An 11 hour continuous break between day shifts, required by working time regulations is not real if three hours is spent commuting back and forth to work.”

(Senior Nurse, East London)

“Accommodation costs mean we have long travelling times before we even start work. Hospitals need to be doing some very quick thinking if they want to keep the nurses they have and attract new ones – subsidised accommodation nearer to the workplace would be a major help.”

“Nursing students on placement in London are already planning careers outside the capital, and even abroad where living standards can be so much better.”

(Registered nurse, SW London)

The RCN’s survey of members in London found that 79% per worried about the cost of accommodation and on average 43% of their salaries go on housing costs⁵. Two thirds (66%) said that the cost of housing has caused them to consider leaving London for work while three-quarters (75%) would be more likely to stay in London in housing needs were better met.

According to Labour Force Survey data, the median travel to work time for nursing staff in London has grown from 30 to 40 minutes for nurses between 2005 and 2015. In comparison, the national median in 2015 was 20 minutes⁶. This illustrates the trend of London-based nursing staff having to move further away from their place of work.

The RCN calls on the UK Governments to provide assistance to health and social care staff to find affordable housing near to their workplace through the following measures:

- **strengthened key worker housing regulations**
- **new homes built on NHS land to be offered first to low paid health and social care staff**
- **discounted travel for health and social care staff to help with the costs of getting to and from work**
- **the introduction of longer term tenancies across the private rented sector**

⁵ Royal College of Nursing (2015) *Better Homes for Nurses; Ideas to support London’s nursing community to live and work in the capital*

www.rcn.org.uk/professional-development/publications/pub-005653

⁶ Labour Force Survey 2015 and 2005