Buckinghamshire, Oxfordshire and Berkshire West (BOB) and Frimley Health and Care Staff: Life in the cost-of-living crisis

March 2024
1. About the study

The recruitment and retention of staff into many health and social care professions continues to be a significant challenge for the NHS. This is especially so in the Thames Valley, which experiences particular challenges in relation to staff recruitment in many sectors including health and social care. The local health and care systems in Buckinghamshire, Oxfordshire and Berkshire West (BOB) and Frimley are concerned that high housing, energy and transport costs, exacerbated by the location of workplaces in respect to affordable housing, have been contributing to difficulties in staff recruitment and retention.Whilst current cost-of-living issues are acute, they are overlaying and compounding long-term problems in the housing market which mean that there is a lack of appropriate housing in the region which is affordable.

This executive summary reports on research which was undertaken in 2023 to provide a robust evidence base on the relationship between living costs and the recruitment and retention of health and care staff within the BOB and Frimley Integrated Care System (ICS). The research was undertaken jointly by researchers drawn from the School of Human and Health Sciences, University of Huddersfield and the Centre for Regional and Economic Social Research (CRESR), Sheffield Hallam University. The purpose of the research was to enable system leads within the ICS to understand the wider context that impacted on the lives of staff, understand their day-to-day experiences and identify measures which can help increase retention and overall attractiveness of employment within health and care.

The study was undertaken in three phases involving an economic analysis, interviews with staff and engagement with wider stakeholders. This document summarises the key findings from each of these phases and draws together overarching conclusions.


In general, the study finds that health and care staff in the area are struggling to cover the costs of living. This is likely to get worse if the status quo of high housing, transport and energy costs, an inflationary environment and constrained housing supply persist. Our findings concur with other work in this area that this is causing hardship and also acting as a disincentive to staff to remain in the NHS and social care. While there are options available to take positive action to help mitigate these issues, they will require system wide changes, clear leadership and partnership at all levels.

---


2 The financial data that was used in this analysis originated from research in 2022. As there has been an increase in financial pressure we feel our analysis offers a conservative view of the fiscal demands households experience.
2. Economic Analysis

To inform a wider study of local health and care staff pathways, a quantitative assessment of living costs in the Thames Valley region was undertaken. This looked at how effective living costs for health and care staff within the study area were affected by housing costs, commuting patterns and the price of energy and transport.

The analysis used small area datasets drawn from national statistics and other robust sources to illustrate housing and living costs for health and care workers across the ICP areas of Frimley, Buckinghamshire, Oxfordshire and Berkshire West (BOB). Wherever feasible, data was provided also for comparator areas in the London Higher Cost Area Supplement (HCAS) zone and a lower-cost comparator area in northern England.

2.1 The labour market area

The combined labour market within the study area is large and diverse, with a total estimated population of around 2.4 million people.

Wider determinants of health vary significantly across the geography. These present not only public health challenges for the health and care systems, but also impact its workforce directly. For example, rates of housing overcrowding are more problematic in the study area than on average; there is very poor housing affordability; and there is evidence of fuel poverty.

2.2 Accessibility and travel to work

Overall, the built environment and the pattern of workplace locations in relation to where the workforce lives means that the private car is the dominant mode of travel.

How staff are able to travel to work – whether by car, public transport or active means such as cycling – has a significant bearing on their housing market options. Depending on the time of shifts, a 60-minute commute by car may extend the effective housing market area for some of the workforce significantly into neighbouring counties. Whilst this may enable access to cheaper or more appropriate housing, car commuters, have to trade off these potentially lower housing costs against the fuel, time and stress involved in longer commutes. Given some of the workforce locations, congestion and parking availability and cost are also not trivial matters.

Public transport accessibility is much more constrained and, with workplace locations, this means that effective housing market areas for those without a car tend to be along narrow corridors focused on urban areas. In general, the challenges around transport in the BOB and Frimley area greatly limits the areas that people who do not have access to a car can live in. Figure 1 demonstrates how transport mode, shift start time and the amount of time dedicated to commuting combine to radically change the shape and size of the areas in which it would be feasible to live.
Figure 1. Example transport accessibility maps for Stoke Mandeville Hospital (Buckinghamshire) demonstrates the impact of commuting time, shift start times, and transport mode in significantly altering the accessible housing market area for staff.

### 2.3 The housing market

The labour market area, workplace locations, and mode of travel to work can combine to have a significant bearing on the affordability of housing for individual households. Housing affordability is usually measured by the proportion of income that must go towards meeting housing costs. In the UK, having to spend more than 30% of household income is often considered to be unaffordable.

Levels of new housing supply in the study area – both in the open market and for affordable housing – are less than the overall level of requirement. Moreover, out of date local plans in much of the study area mean that housing requirements may be set too low to meet existing need. In most districts, the housing requirement is not being met by new rates of new
construction. On average, only about 86% of the housing requirement for the area is being met at current rates of construction, which is contributing to the continued increase in the backlog of housing need.

About 32% of new housing completions in the study area are affordable. However, there may be problems for new health and care workers in the area accessing this affordable housing given the needs of the wider population and the prioritisation of those in specific need categories (such those owed a homeless duty or who have dependents), or social housing allocations policies which prioritise people with a longstanding connection to the area (often two years’ residency).

For all property types, housing costs are significantly higher in areas where those who commute by public transport are constrained to. For example, those who do not or cannot commute by car will have to pay on average 25% more to buy a property within a reasonable commuting distance of workplace locations. Whilst active travel may slightly increase the commutable zones in which the workforce can find housing, the locations of workplaces, lack of good cycling infrastructure or changing facilities, and other challenges such as shift patterns and safety concerns mean that encouraging active commuting is unlikely to have a significant impact for this workforce.

The private rented sector (PRS) is a key market for households moving into the area for the first time having secured employment. Whilst entry costs into the PRS are lower, overall affordability can be problematic because of high rents. For health professionals on the lowest earnings (at 2021 rates, the lower quartile salary in the study area was £30,794), only a single room may be affordable. Associate health professionals (lower quartile salary £21,451 in 2021) would have to pay around 70% of their earnings on rent alone – well over double the benchmark affordability threshold of 30%.
2.4 Cost of living

By combining typical housing, transport and energy costs for a range of household circumstances it is possible to provide a model of the relative affordability of working within the health and care sector in Frimley and BOB.

This shows that for an NHS Band 2 entry salary (£18,870 at 2021/22), all of the study area – and most of the wider surrounding counties – are unaffordable. The total cost of living (housing, transport and energy – but excluding food and all other essentials) is above 75% of income in all parts of the study area for a household in a small flat who has access to a car. We consider that housing, transport and energy costs should total no more than a threshold of 70% of income before affordability becomes a serious problem (see Chart below). For a family requiring a larger property, the total cost significantly exceeds income in all parts of the study area. In comparison, in the lower cost comparison housing market in north east England, only around 48% of income would be accounted for by housing, transport and energy. Proximity to areas where the High Cost Area Supplement is paid can mean that for staff living in the study area it is more affordable to work in London than in the BOB and Frimley system. The full report provides a range of scenarios for different salary bands.
3. Staff and their lived experiences

The second phase of the study comprised a quantitative survey of 340 health and care staff and 20 semi-structured qualitative interviews. The study considered the extent to which staff perceived salaries meet current expenditure of living including accommodation costs and travel costs, and ultimately how these impact on work, health and wellbeing, and quality of life at home. The study also aimed to consider if any staff group is more likely to stay or leave their job, and identify factors which can support retention.

Accounts of staff’s lived experiences substantiated findings from the economic analysis, demonstrating how financial constraints extended into the wider realm of employees’ lives. A total of 59% of respondents perceived that their salary did not cover their housing costs, with 68% stating that their salary did not cover lifestyle expenditure, and 78% having had to make difficult financial decisions recently. As a result, staff described making difficult choices based on challenged financial positions and many were only able to consider their immediate financial situation and were working additional shifts to survive financially. At the time of the survey, 45% of respondents worked extra shifts and a further 20% of employees intended to work extra shifts in the future.

‘…it is now, the thirteenth [of the month], I’ve got less than a hundred pounds in my bank account. I’ve got to feed my kids, I’ve still got to get to work, you know, which do I prioritise?’

Many are worried about unexpected bills taking them further into debt.

‘I worry that if my car breaks down or the cat needs to go to the vet or something, I can’t afford that, like what do I do?... I genuinely don’t know… I would have to try and see if the garage or the vet would do like a payment plan, it’s hard.’

Some staff simply shared a pragmatic reality that:

‘…despite the fact that me and my partner are both on relatively good wages, we can’t afford to live here…’

There was a stark narrative of financial compromise:

‘… the current housing is affordable, obviously the cost of it has just gone up, … I mean we don’t have a lot of space, we basically live in one room, but it’s affordable, so that’s why we’re still here.’

People reported making situational sacrifices, such as:

‘… I’m looking to potentially make a decision of moving, trying to weigh up if I could get a little bit closer, would I offset the money of travelling to and from work, just paying a little bit more money on the rent, trying to work out which one would be better’.

Frequently, examples shared by staff were aggregated by place of work and the associated cost of transportation and/or having to run a car:
‘… so I drive... there are no regular buses or any other form of transport, like there’s no train station near me… so it’s literally I have to take a car to work. I mean, I do a lot of six am starts … and I don’t think there’s any buses at that time in the morning, so literally I have to drive.’

Consequently, findings revealed that 70% of BOB and Frimley Health and Care ICS staff have considered leaving their current role within the last 12 months. This figure is double the National Staff Survey (NSS) data (NHS NSS, 2022). Whilst acknowledging that ‘considering’ leaving is different from ‘actually’ leaving, it is suggested that this finding signals that many employees are feeling personally and/or professionally unsettled at work.

Unsurprisingly, a substantially greater proportion of respondents who were not in receipt of the High Cost Area Supplement (HCAS) reported considering leaving their role for housing and living cost reasons. Findings from the survey revealed that ‘thinking of leaving’ was higher in staff with less than 10 years’ service and lower for people with over 10 years’ service. Those staff with less than 10 years of service are often younger, and perhaps have a lesser attachment to an organisation or place. Whilst not universally the case, some staff with a longer tenure described how family commitments influenced them remaining in employment with BOB and Frimley Health and Care ICS, for example:

‘… so, I always think about leaving, but I can’t because I can’t, I’m not going to move my family away from that stability, you know, where they’re happy’.

‘If my son wasn’t twenty minutes’ drive away from me now..., we would have moved by now, because for me, my pay is the same wherever I go…’

Conceding the widespread health and social care workforce challenges across England, the rising cost of living is increasingly reported to be having a compounding negative impact on many health and care staff in the region. That said, the research team heard accounts of many staff remaining working in the BOB and Frimley Health and Care ICS because of terms and conditions of employment such as job stability and pensions:

‘I know I’ve got job security for however long I need it … so job stability as well as the pension...’

And many liked the people they worked with:

‘I’ve got a lovely work family. I love the people who I work with … I wouldn’t change my job for the world. I love my job. But it’s every other aspect surrounding it [cost of living], which is why people are considering leaving…’

That said, even those who liked their team and job, acknowledged the threat to leaving posed by cost of living:

‘I work with a really good team, they’re really supportive, all of them, really nice people. You know, that’s, again that’s what would make me not want to leave, having the team that I work with, you know, and I like the job. I really wouldn’t want to leave, but if I did it would be purely because of money. But again, that’s at the back of my
head at the moment, but maybe it’s rearing its ugly head a little bit more than it would normally do…’

‘…you can earn the same wages with far less responsibility and far less pressure and far less workload … I keep thinking that for the same hourly wage if you can do, I don’t know, a far easier job.’

This may mean that more staff may potentially leave should cost-of-living pressures deteriorate further still:

‘But if it’s going to go even worse [cost of living] we are going to consider moving somewhere up north where it’s much cheaper, where at the moment we could afford a house…’

Importantly also is the consideration of the region employing many international staff, with just under 20% of the BOB ICS nursing workforce international recruits. In Oxford University Hospital for example, around 1 in 8 of the healthcare workforce are international, rising to 3 in 10 nurses. Lack of affordability and cost-of-living, including the means of accessing suitable accommodation and travel could potentially impact retention.

4. Engagement with wider stakeholders

A final phase of the work focussed on ‘solution scenarios’: i.e., moving towards understanding ways in which the housing needs of health and care staff, specifically, could be met. A number of stakeholders, mostly outside the NHS, were consulted. These stakeholders were either working within the geographic area concerned, had experience of addressing the housing needs of health and care staff or had broad knowledge and experience of the issues relevant to the study. There were several areas of note arising from this phase.

The area of providing key worker accommodation is replete with risk, from not knowing who is responsible for this agenda within the NHS to financial risk for all parties involved. It was typically seen by many, if not all, of those we spoke to that the combination of balancing a range of concerns such as: land prices, housing need, housing supply, financial constraints, planning consents, housing strategies, homelessness, affordability, land ownership and NHS accountancy regulations makes this a particularly challenging area of practice. The slow pace of action following the Naylor Report, which recommended the establishment of an NHS Property Board and local estates plans, in 2017 was cited as a missed opportunity and demonstrative of the lack of will on behalf of those with the power to make real improvements.

Whilst the housing needs of staff could typically be seen as a workforce issue, housing shortages more broadly were seen as contributors to adverse population health and responsibility for addressing these were seen to rest with housing organisations, local authorities, and central government. The overall consensus was that to address the growing need for affordable housing from health and care staff, an increase in housing supply was paramount, either via the creation of new accommodation options or the repurposing and refurbishment of existing empty properties.

Providing quality affordable housing was seen as a key tool in both efforts to recruit and retain
health and care staff, particularly those from overseas. Without having suitable housing options for staff there was general agreement that it would be difficult to provide the workforce for the NHS that was needed. In this way housing is a clear enabler for the new NHS long-term workforce plan and any consideration about growing, recruiting and retaining staff needs to occur in tandem with an affordable housing strategy.

Stakeholders were vocal about how housing and development, of any sort, can be political anathema in many areas within the BOB and Frimley study area, which made progressing with this agenda particularly challenging. Stakeholder engagement demonstrated that addressing the underlying housing affordability challenge for health and care staff is a loaded, multi-layered and complex area. In many ways simply recruiting staff from overseas, whilst necessary, can also amplify existing inequities in local areas with respect to pay, competition of housing stock and other services and the lack of recourse to public funds.

5. Conclusions

This research has shown that there is a live threat that BOB and Frimley’s Health and Care ICS concerns may be realised, with other NHS Trust leaders reporting significant and severe challenges retaining staff as they move out of higher cost of living areas to take up similar roles in areas with lower housing costs (NHS Providers, 2023). Staff are struggling to make ends meet in the study area with many considering leaving their roles and/or the area. Many health and care staff, who provide essential services, are having to compete for housing and are living in unaffordable and/or poor quality accommodation or living outside the area. Living costs, and poor conditions, means that for many people remaining as part of the health and care workforce is becoming less and less viable or, in some cases, survivable. The recruitment of health and care staff into the BOB and Frimley area is not just a workforce issue, it has system wide reverberations. As such whilst this piece of research was commissioned by the ICS the impacts of the housing and cost-of-living crises effects all partners within the ICS area and the wider communities in which they are based.
6. Recommendations

Each phase of the work has produced a separate report, each with their own specific conclusions and recommendations. These should be consulted in order to ascertain a rounded view of the issues concerned and develop appropriate action plans. However, the following are some of the main recommendations arising:

- The housing system needs urgent reform and pressure from key bodies including the NHS to achieve this is needed. NHS bodies should advocate for an increase in housing supply, housing quality, affordability, and housing equity. This will help to address long-standing issues relating to the social determinants of health for all of the population including key workers.

- Tackling the fundamental problem of affordability at its root cause will require concerted national action and investment to increase new housing supply, with a particular focus required on funding for social and affordable housing.

- There needs to be significant grant funding made available at a national level, through Homes England, to fund a comprehensive programme of keyworker housing.

- Within the study area, there may be scope to work with regional housing providers on new products and tenures that would be tailored to the needs of local health and care workers and located in areas that facilitates easier, and lower cost, commutes.

- There is a built-in incentive for NHS workers to live in the study area and work for neighbouring London NHS employers, given the HCAS. Consideration should be given to work to demonstrate the feasibility (and cost) of implementing an HCAS zone in the BOB and Frimley area.

- There needs to be strong and meaningful partnerships developed with local authorities, housing providers, housing developers and others that are unified by a common mission to reduce the financial burden on staff and improve their living situations.

- The ICS should lead on exploring alternative ways of working within the current financial context. The ICS should lead on an innovative approach to best value in the context of utilising the NHS estate.
About the authors

The research upon which this document is based was undertaken for Buckinghamshire, Oxfordshire and Berkshire West (BOB) and Frimley Integrated Care System (ICS) by the following authors:

- Sara Eastburn
- Ed Ferrari
- Joanne Garside
- Tony Gore
- David Leather
- Dillon Newton
- Charlene Pressley
- Tom Simcock
- John Stephenson
- Phil Brown

Suggested citation:

Get in touch

Email us at healthyhousing@hud.ac.uk
Follow us on twitter at @InHealthyHomes
Visit our website: www.healthy-housing.uk