

Cap on agency fees will cut hospital staff by thousands

Chris Smyth Health Editor

Caps on NHS spending on agency staff will mean thousands fewer doctors and nurses on wards and "significant risks to patient safety", the government's own impact assessment warns.

Regulators have told ministers that the caps may have to be lifted if patients suffer.

Hospitals are on course for a £2 billion overspend this year due to the rising bill for stand-in doctors and nurses, which reached £3.3 billion last year. Last week Jeremy Hunt, the health secretary, announced plans to cap agency pay rates to stop the NHS being "ripped off".

However, an official assessment by civil servants warns that price caps are a blunt tool that will not solve the "fundamental mismatch" between supply and demand for trained staff.

It estimated that capping temporary rates at 55 per cent above permanent salaries would save hundreds of millions of pounds a year, but at the price of

many staff stopping working for agencies. About 2,000-6,000 fewer full-time nurses was a "conservative estimate" alongside 1,600 junior doctors and 3,500 senior doctors, the regulator Monitor concluded. It said that while some might take permanent jobs, it could not tell how many. "Price caps may reduce the supply of agency shifts, leading to staff shortages. This could lead to risks to patient safety and clinical quality, and to performance and patient access," the assessment warned.

Janet Davies, the chief executive of the Royal College of Nursing, said: "Patients will be very concerned to discover that these plans could jeopardise safe care and will rightly want assurances that finances are not being put ahead of quality of care.

"There are big differences in availability and supply between different specialist roles, and different parts of the country. Any plans to cap agency [rates] must take these local differences into account and not be a blunt instrument. Patient safety must always come first."

Ministers have promised to phase in the cap over winter and allow hospitals to pay more if they think safety is at risk.

The report warned: "Despite these mitigants, significant risks will remain. These risks are likely to be broadly greater for locum doctors than for other staff, and more problematic in specialities where there are shortages, in geographically isolated trusts, and in trusts with reputational difficulties."

A&E units rely most on locums as they struggle to attract doctors to permanent posts, while *The Times* reported how hospitals in Cumbria had resorted to paying stand-in doctors more than £200,000 to fill posts.

Monitor recommended going ahead with the caps because the risks of shortages "need to be weighed against a counterfactual where larger financial deficits and ever greater reliance on agency staff have an increasingly negative impact on patient safety". However it said there must be rapid increases if dangerous gaps appeared. The Department of Health insists the plans are safe

October 19th 2015 Times