Opposition policy costing – 8,500 Mental Health Professionals – Labour

Description of policy
Labour will employ '8,500 more mental health professionals'. 'Labour will ensure that the NHS plays an active role in the treatment and prevention of mental illness, with 8,500 more mental health professionals' (National Policy Forum, *Final Policy Documents*, 15 September 2023, p.73, archived). **Liz Kendall said a Labour Government would recruit 8,500 more mental health staff.** *KENDALL*: 'I also think that we've seen a real collapse in mental health support across the country. That's why we're saying we need to recruit 8,500 more mental health staff'' (*Times Radio*, 21 November 2023, archived).
Additional policy assumptions
○ That this incorporates the cost of training and development (ie expansion in tuition fee cost/training places), as well as the ongoing cost for pay. ○ That these 8,500 professionals are equally distributed across the pay scales for mental health workforce, on the same proportion as the current workforce mix. ○ That this models the extra impact on facilities, equipment, and other support on the same cost basis as wrapped around a single mental health professional currently.
Additional technical modelling assumptions or judgements required
This costing assumes the 8,500 increase is over and above anything in the Long Term Workforce Plan (LTWP), no attempt has been made to net off existing planned increases in mental health workforce. The profile of increase here is different from that in the LTWP, but the overall increase in the LTWP is larger than the 8,500 here. The modelling below uses unit costs from the LTWP for doctors, nurses and occupational therapists, but for other professions not mentioned in the Plan i.e. social services, unit costs have been taken from other sources (as set out in method below) so will not align to LTWP. The costings below for MH professionals are also from FY 24/25, where growth in these professions starts from 2025 onwards in the LTWP. The trajectories are also different, as the LTWP trajectories were based on the needs assessment methodology set out in the Plan. Costs below are also independent of the Autumn Statement NHS Talking Therapies funding – no attempt has been made to net off existing planned increases in NHS Talking Therapies workforce. **8,500 Workforce Mix Assumptions:** • We have set current workforce mix based on published statistics at June 2023 NHS Workforce Statistics - June 2023 (Including selected provisional statistics for July 2023) - NHS Digital. • Costs have been presented as a range - due to the inclusion/exclusion of non-clinical support staff (around 42% of the 8,500 additional staff) where the exclusion means the professionally qualified clinical workforce only. The Tables below show how professions are distributed.

Table 1: 8,500 including support staff

Staff Group	Profession	FTE
Hospital & Community Health Services (HCHS) Doctor		623
Nurses & Health Visitors		2,730
Support to clinical staff		3,544
Scientific, therapeutic & technical (ST&T) staff	Occupational Therapists	229
	Social Services	179
	Psychological therapists	473
	Other (assumed all Clinical Associates)	723
Total		**8,500**

Table 2: 8,500 excluding support staff

Staff Group	Profession	FTE
HCHS Doctor		1,069
Nurses & Health Visitors		4,682
Scientific, therapeutic & technical staff	Occupational Therapists	392
	Social Services	307
	Psychological therapists	811
	Other (assumed all Clinical Associates)	1,239
Total		**8,500**

Methodology:

1. **Doctors, Nurses and Occupational Therapists:**

- The costing approach reflects existing and relevant methods for workforce education and training costing exercises and link to known outlay and financial treatment. For these, RDEL and CAME costs have been modelled reflecting known conventional methods. These methods utilise best known unit costs and assumed entrant profiles using a stock and flow approach. Unit costs are multipled by entrant numbers across each academic year outputting totals which are then converted to financial years:
    - RDEL – includes loan write off costs (RAB), clinical placement and bursaries.
    - CAME costs – includes full loan outlay (DfE), allowances (DfE) and Strategic Priorities Grant (OfS).
- No inflation formulae have been applied.

2. **Remaining Professions (eg ST&T staff like Psychological Therapists):**

- Training and education costs/information have been provided from Unit Costs of Health and Social Care 2022 Manual - Kent Academic Repository LTWP estimates and Health Education England | Health Education England (hee.nhs.uk)
- All ST&T staff other than psychological therapists, social services and occupational therapists are assumed to be clinical associates. The modelling does not split out the total of professions available due to the small numbers of some professions.

- Training costs have been converted from academic to financial year. Some costs for training will fall into next financial year (eg: doctor training in 2029-30 will have some associated costs in 2030-31).
- Salary and staff costs have been sourced from DHSC paybill metrics:
  - Estimates and mapping of the per Full Time Equivalent (FTE) paybill unit costs are approximate, using available information and then mapping to closest paybill metric professional group
  - Paybill is total of Basic Pay, Additional Earnings, Employer Pension Contributions and Employer National Insurance Contributions.
- Some of the same unit costs from nursing, Allied health professionals (AHPs) and ST&T across professions as detailed paybill unit costs for some professions are not readily available.
- Estimates are based on 21/22 per FTE unit costs and do not make assumptions about future wage growth or pay increases.
- Staff costs have been uplifted by the GDP deflator (from November 2023) to account for inflation each year.
- No AME costs calculated.

Modelling Assumptions:

- The growth profile represents staff starting either education and training or employment in September 2024 as per the commission. This includes doctors starting year 1 of medical school in 2024. Roles that do not require training (eg support staff) are assumed to be directly recruited into roles. There have been instances of specific professions being recruited to at this scale (across a range of professions) in a single year following a specific drive to do so, meaning the profile is potentially achievable. However, this is likely to be an overestimate of how fast the education sector may be able to scale up as there may not be training capacity/resourcing to implement the full 8,500 new roles in 2024 in advance of or in addition to NHS LTWP delivery. It would be more likely that the already planned medical increases as part of the LTWP would need to service / link to this specific growth agenda.
- Engagement of the Higher Education Institution (HEI) sector to understand capacity and potentials would be needed to inform delivery planning as well as understand General Medical Council (GMC) controls and limits for medical courses specifically where additional complexities are likely to exist. If growth were to be profiled out over multiple years, to reflect LTWP and this programme in combination, the total costs would not be reflected fully as costs would arise beyond the years presently scoped.
- Costs include training and salary costs across 5 years only.
- Assumed there are no HEI/training body capacity constraints, subject to consultation and engagement.
- Assumed there are no constraints around the ability to recruit into training posts. We would need this information from NHS England (NHSE) in order to model costings more accurately.
- All additional staff are retained over the 5 years – attrition has not been modelled, and the Department does not hold centrally granular historic data on attrition for different categories of workforce to be able to model this.
- These increases are additional to any recruitment of replacement posts and the LTWP.
- Average paybill metrics have been used which accounts for variation across paybands – we do not have detailed granular information on previous expansions so an average has been used. For doctors and nurses, the costings assume these are at the bottom of payscales as they are trainees.
- Capital costs have not been costed as we have assumed existing capital and capacity would be leveraged. However education and training capacity and capital as well as clinical placement capacity may need to be considered as part of further refinement and any planned engagement with sectors and services.
- Assumption that 100% of trainees will go on to join the NHS.

- Potential savings relating to acute provision and wider economic and workforce effects have not been considered.
- The territorial extent of this policy is England only so Barnett consequentials are presented in the costing tables.

Cost/Revenue to the Exchequer over five years

	DEL cost (£m)				
	2024-25	2025-26	2026-27	2027-28	2028-29
Resource (England)	215 – 253	270 -287	260 – 283	450 - 543	446 – 532
Total Barnett	40 – 47	51 – 54	49 – 53	84- 102	84 – 100
Total Cost	255 - 300	321 – 341	309 - 336	534 – 645	530 – 632

	AME (£m)				
	2024-25	2025-26	2026-27	2027-28	2028-29
Current	31 - 52	69 - 118	71 - 122	50 - 86	12 - 20

Numbers rounded to the nearest million.

Comparison with current system (if applicable):

We have used the current workforce mix and split within NHS trusts and other core organisations in England to apportion the 8,500 new Mental Health staff across existing professions and roles. *More details on the NHS Mental Health Workforce definition can be found at: National Workforce Data Set (NWD) guidance documents - NHS Digital*

The NHS Mental Health Implementation Plan sets out the need for the mental health workforce to grow by over 27,000 between 2019/20 and 2023/24.

The NHS Long Term Workforce Plan, published on 30 June 2023, considers the challenges facing the NHS workforce over the next 15 years and sets out the steps needed to address them, including measures around training, retaining and reforming the workforce. The LTWP modelling projections set out a need to grow the overall mental health and learning disability workforce the fastest of all care settings at 4.4% per year up to 2036/37. The costs above are in addition to costs of the LTWP.

The LTWP assumes significant increases in NHS workforce, with increases in mental health workforce larger than the 8,500 proposed here. The LTWP includes an increase in mental health and learning disability nurses from 21,000 in 2021/22 to 28-29,000 in 2026/27 as well as an increase in the number of mental health nurses starting training of over 2,000 a year by 2028 compared to 2022, as well as increases in other mental health professionals. The funding settlement for the LTWP covered education and training but not ongoing paybill costs, so this costing is not directly comparable with that for the LTWP.
Autumn Budget announced funding to increase the number of people completing treatment and the number of sessions to increase recovery for NHS Talking Therapies. The costs above are independent of Autumn Statement funding and no attempt has been made to net off existing planned increases in NHS Talking therapies workforce.

Other comments (including other Departments consulted):

This note sets out the costs of the delivery of the policy, it does not include estimates of any benefits or potential cost savings that may flow from it.

This costing has been produced by DHSC.

To be completed by Permanent Secretary's Office Date costing signed off:	02/02/2024
[If applicable] Date revised costing signed off:	