



BRIEFING | 004 | 07 DECEMBER 2020

# FRONTLINE FATIGUE

## KEY WORKERS LIVING THROUGH LOCKDOWN: PHASE 2

Supported by:



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2020 has been the year of the key worker. But our survey finds they still feel stressed and at burn-out point. We need a ‘new deal’ to reward and support those who provide critical frontline services.

## 60 SECOND SUMMARY

- 1 Half of all key workers feel it is likely they will face burnout this winter. This rises to 63% of NHS staff and 58% of social carers who think it is “likely” or “very likely” they will burnout this winter. Almost a quarter (24%) of NHS staff say that burnout is “very likely”.
- 2 Social care workers are finding it more difficult to take time off if unwell. Concerningly, 29% of care workers said that they would struggle to take time off in the event of illness. This is correlated with financial insecurity.
- 3 Social care workers are also the most likely key worker occupation to have taken a cut to their pay when they could not work due to coronavirus: they took more unpaid leave, were more reliant on Statutory Sick Pay, and were half as likely to receive full pay from an employer.
- 4 Half of key workers, and 72% of schoolteachers, feel at high at risk of catching the virus at work.
- 5 Many key workers are carrying out vital work while suffering from economic insecurity. Shop workers and renters are particularly vulnerable to financial shocks.
- 6 Just 31% think the UK government is doing enough to support them, and only 35% think the same of the public, though 68% think their employer is doing well. Two-thirds of supermarket workers feel they are not supported by the public.
- 7 In response, the RSA is calling for a one-off payment of £500 as a reward for the extraordinary hard work by key workers during the pandemic to keep critical public services working, and the introduction of enhanced Statutory Sick Pay for all workers, aimed at reducing financial disincentives to isolate.
- 8 The government should also ensure that the Real Living Wage for all key workers (currently £9.50 outside London and £10.85 in the capital). The RSA’s analysis finds that 37% of social carers earn less than the Real Living Wage currently.
- 9 To tackle the mental health crisis in many key worker occupations, the government should further provide a £250million benevolent fund for those struggling with mental ill-health and personal/family emergencies.



## INTRODUCTION

Key workers have faced unique circumstances this year. At the peak of the virus, 46 percent of workers worked from home, and 8.9 million employees were furloughed. Key workers continued to provide critical public services that kept us healthy, fed, educated, and mobile.<sup>1,2</sup> Because of this, the job security of most key workers was never in question. What is less clear is how key workers have fared given the tough emotional, physical and financial conditions faced, and the relationship these have with the poor *economic security* many already had. The RSA's Economic Security Observatory (ESO) is dedicated to understanding these trade-offs.

We define 'economic security' as:

*“the degree of confidence that a person can have maintaining a decent quality of life now and in the future, given their economic and financial circumstances”*

And through a three-part series of surveys we aim to uncover where gaps in support exist and to demonstrate how best to bridge these gaps.

This paper, the second output of the ESO, details the findings from our representative survey of 1281 key workers in Great Britain (excluding Northern Ireland), conducted alongside YouGov in early November – the first week of the second national lockdown. To define key workers, we use the Government's list from the first national lockdown on who had access to schools for their children.<sup>3</sup> We then use ONS research to weight our sample.<sup>1</sup>

The survey results presented here refer primarily to the period between the end of the first national lockdown, given as the end of June 2020, up to the time of survey. This allows us a smooth chronological view of key workers' experiences this year, as our first survey dealt primarily with the first national lockdown.

## KEY FINDINGS

### **Key workers are facing burnout this winter**

The mental health of the nation has been a key theme throughout the pandemic. The ONS reported in June that the onset of lockdown significantly diminished the country's overall wellbeing compared to the end of 2019 - including higher anxiety, lower happiness, and lower life satisfaction.<sup>4</sup>

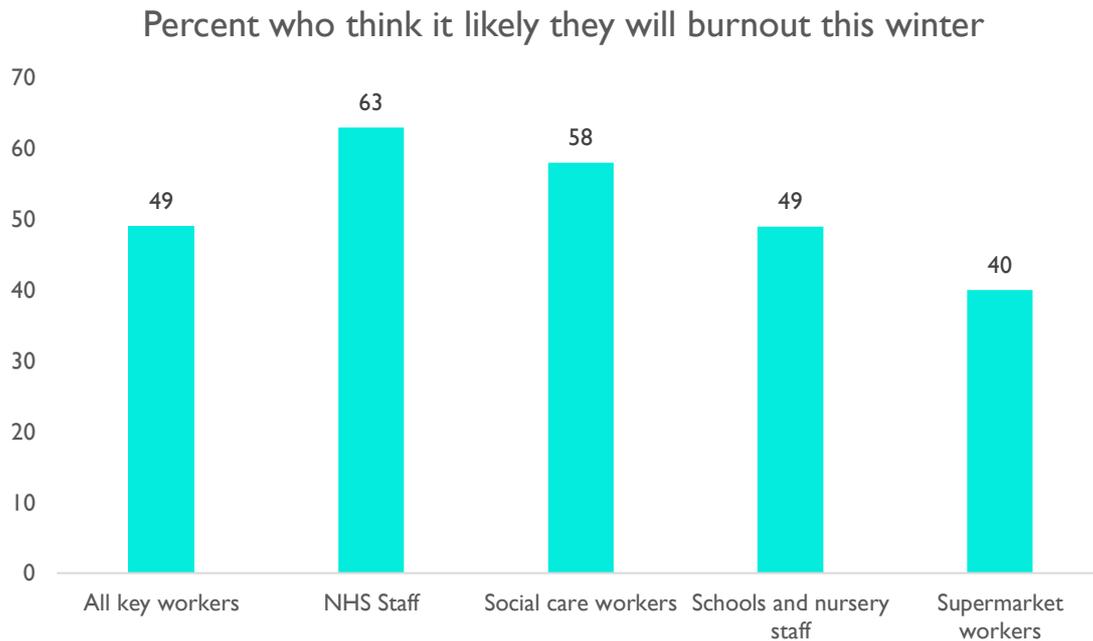
With the coming winter, and the inevitable pressure this puts on many key workers - most obviously for NHS staff but also the increased pressure in retail and delivery schedules, retirement homes and schools through seasonal bugs that may or may not be Coronavirus - it is no wonder therefore half (49 percent) of all key workers feel it is “fairly” or “very” likely they will face burnout this winter.

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<sup>1</sup> This meant that around 32 percent of our sample were in health & social care, 21 percent in education, 18 percent in key public services (a combined grouping of some services such as those in the justice sector, local/national government, public safety, and national security), 15 percent in a utilities, communication and transport, and 14 percent in food and necessary goods.



This is largely driven by NHS staff and social care workers – 63 percent and 58 percent respectively – while half (49 percent) of school staff and 40 percent of supermarket workers say the same.



This statistic is also highest for women – 55 percent of women said they feel it likely they will burnout versus 40 percent of men. This broadly aligns with ONS findings that women nationally were more likely to report higher levels of anxiety than men. We also see:

- Those in private rented housing feel most at risk of burnout: 62 percent feel at risk of burnout versus 47% of those with a mortgage and 31 percent who own their house outright.
- London is the region most at risk of burnout – 59 percent of key workers in London say they are likely to feel burnout this winter.
- It is felt most among younger key workers: 63 percent of those aged 18-24 said so, versus 53 percent of those 25-49, 40 percent of those 50-64, and only 16 percent of those aged 65+.

If we look at historical data on NHS staff absences, we can see rates of absence in the last 10 years typically peak December or January, with the unique exception of April 2020, and **stress, anxiety, and depression are consistently the most common reasons for absence**. The latest figure of June 2020 puts stress, anxiety, and depression as the cause of 32 percent of all absences days, the highest figure since at least April 2019, the earliest available data.<sup>5</sup> The June 2020 peak came in the tail end of the first national lockdown and there is clear danger the combination of a Coronavirus second wave and usual winter stressors are putting NHS staff's mental health at risk. If this then translates into higher absence rates, this would put further strain on NHS staff.



But to lower the risk of burnout, at least for the immediate future, key workers must be supported by society and by employers to maintain their mental health.<sup>ii</sup> When we asked key workers about whether they **have found it more or less difficult to “maintain their mental health” as a result of the pandemic, 58 percent told us it had become more difficult**, unchanged since our first survey wave in July. However, the headline figure hides some shifts among this heterogeneous group.

Percent of key workers who have found it 'more difficult to maintain their mental health' as a result of Coronavirus	All key workers	NHS Staff	Social care workers	Schools and nursery staff	Supermarket workers
July survey	58%	64%	61%	58%	61%
November survey	58%	67%	63%	<b>65%</b>	<b>49%</b>

While NHS staff and social care workers have largely remained the same, school staff appear to have found it slightly more difficult to maintain their mental health, with an increase of 7 percentage points, while the result for supermarket workers has dropped by 12 percentage points.

Some of the demographic trends we saw for ‘risk of burnout’ are also seen when asked on ‘ability to maintain mental health’:

- The statistic was highest for women – 67 percent vs. 47 percent of men.
- It was highest in London at 66 percent, quickly followed by Scotland at 64 percent.

In the medium-to-long term, we agree with evidence from The Kings Fund, Royal College of Nursing and others that systemic factors within health and social care need to be addressed to support mental health, namely: chronic understaffing, excessive workloads, straining shift patterns, and culture and leadership inclusivity.<sup>6</sup> The winter crunch, coupled with the effects of the pandemic, are likely to exacerbate some of these. In our survey, we find around **one in three key workers (35 percent) expect the conditions they work in to become worse this coming winter**. This was highest for:

- NHS Staff – 48 percent expect working conditions to worsen.
- School staff – 43 percent expect working conditions to worsen.
- Supermarket workers – 37 percent expect working conditions to worsen.

<sup>ii</sup> See below to our recommendations



## School teachers have overtaken supermarket workers as those who feel most at risk of catching coronavirus at work

When comparing results from July to November, we can also see clear shifts in key workers' perceived risk of catching coronavirus while at work.

Percent of key workers who felt a “large” or “significant” risk of catching coronavirus at work, in the period...	All key workers	NHS Staff	Social care workers	Schools and nursery staff	Supermarket workers
Late March / early April 2020 <sup>iii</sup>	54%	62%	57%	59%	65%
November 2020	50%	56%	47%	72%	66%
Change	-4pp	-6pp	-10pp	+13pp	+1pp

While NHS staff and those in social care feel less at risk than in the peak of the pandemic, the perceived risk for supermarket staff has not changed significantly while school and nursery staff has jumped upwards to the point where more than 7 in 10 feel at “large” or “significant” risk.

The increase in perceived risk among schoolteachers largely corroborates with ONS infection figures from December 4<sup>th</sup> (latest figures at publication) which shows that, despite rates of infection among secondary school children being lower than at the beginning of November, they remain the joint highest of any age group, alongside older teenagers and young adults.<sup>7</sup>

For supermarket workers, the perceived high risk has remained undiminished since the first peak of the pandemic. This is despite new measures designed to protect shop workers, such as the now ubiquitous requirement for customers to wear face coverings in shops. A survey from the Union of Shop, Distributive and Allied Workers (Usdaw) has shown an increase in abuse from members of the public, including anecdotal evidence of purposeful coughing on shop workers.<sup>8</sup> This appears to support our findings that supermarket workers feel largely ‘unsupported’ by the public (see below).

Finally, key workers in London and Scotland feel most at risk from catching coronavirus at work. 54 percent in both London and Scotland indicate they feel a “large” or “significant” risk. For Londoners this number is largely unchanged, having risen by 2 percentage points since our first survey. For the Scottish the number has risen by 6 percentage points from 48 percent. In all other regions the perceived risk has fallen.

Londoner key workers also feels uniquely at much higher risk of catching coronavirus while traveling to work, with 36 percent indicating a “large” or “significant” risk, the average for all key workers is 14 percent. However, this number has fallen from 45 percent in the first survey.

<sup>iii</sup> We asked respondents to specifically think back to the ‘peak’ of the first wave - namely late March early April



## Social care workers are finding it difficult to take time off if they are unwell

A critical lynchpin of the effort to control the pandemic is the need for infected, and potentially infected, individuals to self-isolate.

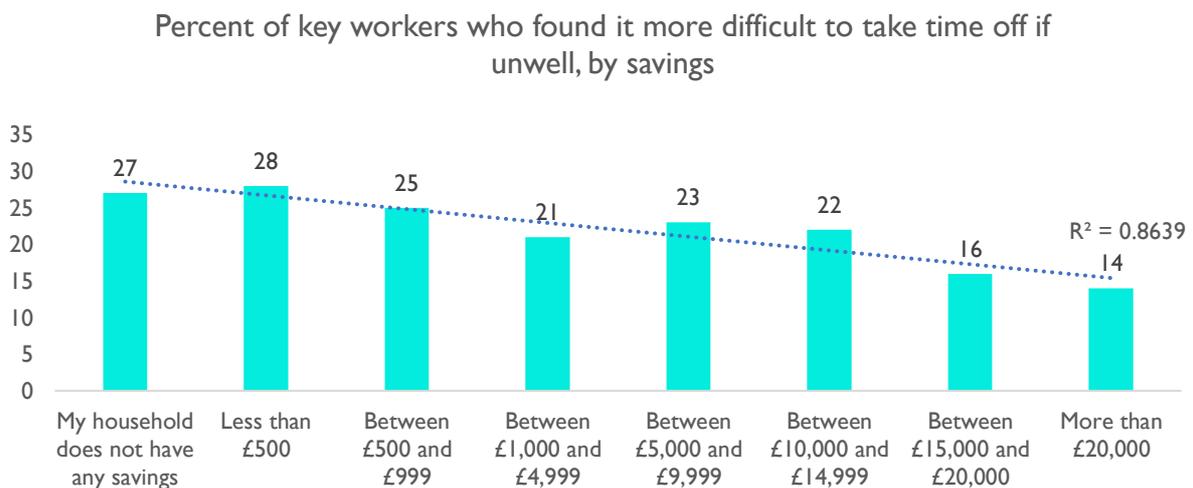
In September, Kings College London found just 18 percent of individuals in the UK who had COVID-19 symptoms successfully isolated for seven days.<sup>9</sup> The King’s College study found that key workers were less likely than non-key workers to successfully self-isolate after developing symptoms: 12.5 percent of key workers isolated compared to 29 percent of non-key workers. This was hypothesised to be due to greater financial need, greater social pressure to work, or because key workers in the study were less able to identify common Coronavirus symptoms.

A SAGE paper from August also found that those with income less than £20,000, or with less than £100 savings, were three times less likely to say they could successfully self-isolate.<sup>10</sup>

We find that, overall, 21 percent of key workers say that, because of the pandemic, it is “much more” or “a little more” difficult to take time off if unwell. This is most strongly correlated with two factors:

1. Their financial security & resilience.
2. Key worker occupation.

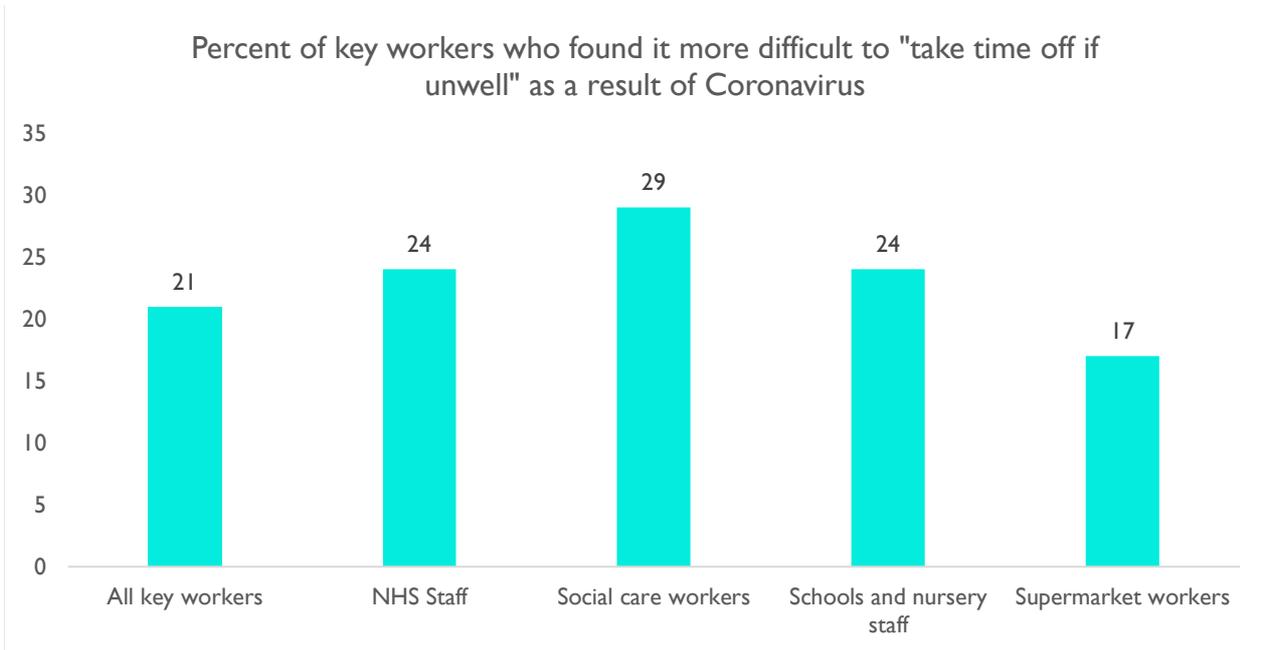
First, there is a slight but significant negative correlation between household savings rate and whether they found it more difficult to take time off if unwell. We found **those with less than £500 savings were twice as likely to find it harder to isolate than those with more than £20,000 savings.**



We also see that key workers who would struggle to pay an unexpected bill of £100 are also more likely to report finding it more difficult to take time off if unwell (47 percent), which is more than twice as likely as the only 18 percent of key workers who would find a £100 bill “very easy” who also have found it harder to take time off if unwell.



Second, there are clear occupational differences in how key workers feel about taking time off if unwell through the pandemic. In both waves of this survey **social care workers were the most likely to say they found it more difficult to “take time off if unwell”** – unchanged at 29 percent. This is quickly followed by both NHS staff and school and nursery staff on 24 percent.



Next, we asked key workers if they had to take time off work due to coronavirus, for instance time for tests, self-isolating, looking after children or family members who were ill, or related to closures of schools or transport from Coronavirus. And for those who indicated yes, how was this financially covered, if at all.

In the table below, we can see social care workers were the least likely key worker occupation to have a maintained income if asked to isolate or if unwell. First, **only 26 percent of social care workers forced to take time off from Coronavirus receive paid leave from their employer, just under half the average for all key workers.** Second, 34 percent had to take unpaid leave at some stage, just over double that for all key workers. Finally, 30 percent had to take statutory sick pay of £96 per week, the highest of any key worker category and again double the average.



For any time off work taken that was specifically related to the coronavirus how was this leave covered? Please tick all that apply	All key workers	NHS Staff	Social care workers	Schools and nursery staff	Supermarket workers
Paid leave covered by your employer	49%	54%	26%	50%	54%
Paid leave covered by statutory sick pay	15%	17%	30%	10%	23%
Unpaid leave	16%	14%	34%	22%	7%
Part of your holiday allowance	12%	8%	10%	5%	19%
Covered by changing your working hours that week	11%	9%	13%	2%	16%
Something else	6%	10%	13%	4%	0%
Don't know	7%	6%	5%	12%	13%

This data shows that social care workers are at unique risk if faced with an income shock. Social care workers have lower levels of savings to absorb unexpected periods without pay, but are also less likely to have adequate structural support if and when they are forced to take time out of work.

We also see that social care workers have slightly, but consistently, lower levels of savings than key workers on average. Combined with findings from SAGE, this may explain why many report finding it more difficult to take time off if unwell.

## Social care workers total savings against all key workers



### We also find:

- Londoners agree the most that it has become more difficult to take time off if unwell at 26 percent, compared to 21 percent of key workers nationwide.
- Self-employed key workers (28 percent), and key workers with household members who are self-employed (26 percent) have found it more difficult to take time off compared to household with no self-employed people (21 percent).
- BME key workers are also most likely to say they have found it more difficult to take time off if unwell: 27 percent compared to 21 percent of white key workers.<sup>iv</sup>

### Social care workers are also most pessimistic about the future of their household finances

While those in social care are the most likely key worker role to take a financial penalty if forced to take time off, they are also, broadly the most pessimistic about their household's financial future *after* Coronavirus:

- Social care workers are most likely to expect their pay to fall after Coronavirus (24 percent), and to expect their household member's pay to fall (35 percent).
- Most likely to expect their hours to fall (20 percent), and to expect their household member's hours to fall (36 percent).

<sup>iv</sup> Caution, however, should be noted with all BME statistics because of the known problems in the polling community with reporting on BME groups, namely: reporting all non-white groups as homogenous; underreaching those with poor English, underreaching first generation immigrants. Also, BME respondents account for around 16 percent (n = 176) of the overall sample meaning our findings are also possibly constrained by sample size.



- Most likely to expect a household member to become unemployed (29 percent).

Looking forward to AFTER the coronavirus outbreak is over, how much of a risk, if any, do you think there is that the following will happen as a result of the longer term impact of the coronavirus? (percent who said 'large' or 'significant' risk)	All Key workers	NHS Staff	Social care workers	Schools and nursery staff	Supermarket workers
You will become unemployed?	17%	12%	18%	17%	20%
You will see your working hours reduced?	16%	11%	20%	15%	16%
You will see your pay cut?	17%	14%	24%	14%	13%
Someone else in your household will become unemployed?	22%	22%	29%	22%	21%
Someone else in your household will see their working hours reduced?	25%	26%	36%	21%	26%
Someone else in your household will see their pay cut?	26%	28%	35%	26%	23%

### Renters are starting to feel the pinch

In October the Resolution Foundation reported that renters, including both private and social renters, are facing greater hardship in the pandemic. They are more likely to be currently unemployed as well as less able to meet their housing costs. The Resolution Foundation report 17 percent of all those in social renting and 12 percent privately renting have fallen behind on all or some of their housing costs, compared to 7% of those who own their house with a mortgage.<sup>11</sup>

In our findings, we see that key workers who rent are also of greater economic insecurity than those with a mortgage or who own outright. For instance, when asked if they would struggle to pay an unexpected bill of £100, 13% of mortgage holders said yes. **However, this number was doubled to 27% for those in private rented housing and rises again to 45% for those renting from their local authority or a housing association.**



We also find that 13 percent of key workers in social housing or housing associations have fallen behind on their rent payments since the end of the last lockdown, though this figure is only 4 percent for those in private rented housing, and only 3 percent of those with mortgages have fallen behind on mortgage payments.

Percent of key workers who said they would struggle to pay unexpected bill of £100, by housing type



We also find:

- **BME key workers are struggling most with housing costs: 14 percent, or nearly one in seven, have fallen behind on their rent or mortgage, compared to just 2 percent of white key workers.**
  - This corroborates with Resolution Foundation findings on the whole labour market which show 13 percent of BME people of working age have fallen behind on some or all of their housing costs, nearly twice the number they report for white adults.
- Inability to meet rent or mortgage payments was much **higher for key workers that were self-employed or whose household member was self-employed**, where nearly one in ten indicate they have fallen behind on rent, raising further question for the Government’s much criticised Self-Employment Income Support Scheme (SEISS).<sup>12</sup>

### **Shop workers feel least supported by the public, school and nursery staff least supported by the Government.**

The services that key workers provide have kept the country running, and as part of that effort we asked key workers how ‘supported’ in their role they feel by Government, their employer, the public, and how ‘recognised’ they feel by society at large.



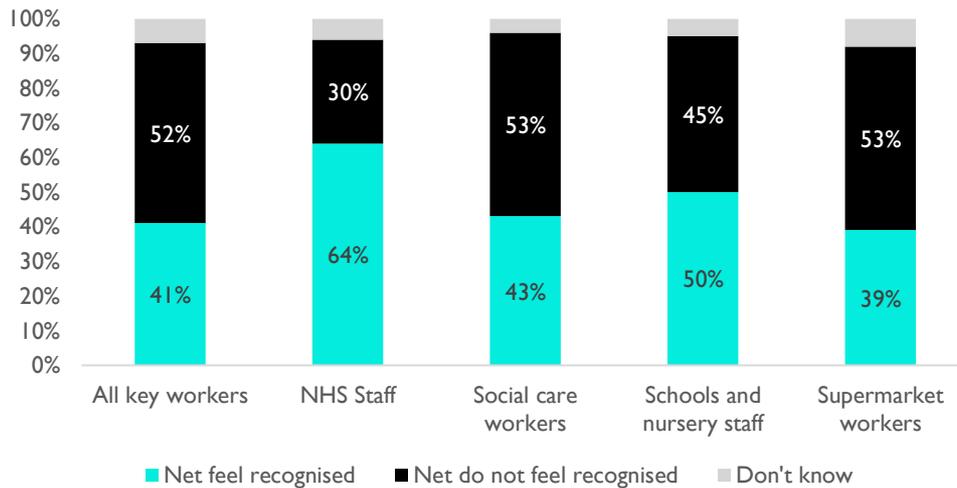
“How well or badly do you think the following have done in supporting you in your role at work?”		All key workers	NHS Staff	Social care workers	Schools and nursery staff	Supermarket workers
The Government	Well	31%	30%	27%	25%	39%
	Badly	53%	57%	61%	66%	44%
The public	Well	35%	42%	39%	31%	26%
	Badly	45%	43%	41%	51%	67%
Your employer	Well	68%	64%	67%	70%	71%
	Badly	26%	30%	26%	24%	27%

We found that, overall, key workers feel well supported by their employers (68 percent saying they have done “fairly” or “very” well), which is relatively universal among key workers. They also feel generally unsupported by Government (53 saying the government has done “fairly” or “very” badly), with school and nursery staff feeling particularly aggrieved (66 percent). However, perceptions of public support are mixed.

Most notably, two-thirds (67 percent) of supermarket workers feel that the public have done “fairly” or “very” badly in supporting them, compared to just 26 percent who feel the public have done well. As was mentioned earlier, Usdaw survey data shows increased abuse of supermarket workers through the pandemic, including anecdotal evidence of coughing on shop workers.

We also see that while NHS workers feel the strongest the public has been supportive (42 percent), an equal amount felt the public have done badly in their support for them (43 percent).

"To what extent do you feel society recognises the contribution your occupation has made to Britain"



On the question of ‘recognition by society’, NHS staff had the highest net figure of feeling recognised, while supermarket workers had the highest recognition deficit, narrowly behind social care workers.

## NEXT STEPS

### How can we support key workers?

59 percent of all key workers think the government is handling the crisis badly so far, with only 18 percent saying it is going well — an opinion shared across occupations, gender and regions. This is somewhat unsurprising given findings presented here which show that key workers often fall into an ‘economic security trap’: they can be forced to choose between supporting their families, supporting the public, and maintaining their own physical and mental health.

With effective vaccines seemingly around the corner, the end-game of the pandemic must be managed in a way that allows key workers to continue to provide essential services, provide for themselves, while also recognising the costs already paid.

To do this, key workers need support. In particular we believe there are five areas that must be addressed immediately: Full-wage sick pay for all employees, the Real Living Wage for all key workers, a pay premium, a ‘benevolent fund’ to support key worker mental health and wellbeing, and measures that can help end abuse against shop workers. Finally, we believe these policies should be part-paid for through a supernormal profits tax, and an online sales tax.

#### 1. Enhanced Statutory Sick Pay

Since our first briefing, *All Clapped Out?*, sick pay as a means of controlling the virus has become an even more glaring issue. The effect of the current mechanisms (Statutory Sick Pay (SSP) of £95 per week and £500 self-isolation grants



for those receiving Universal Credit) has been minimal, as the rates of isolation show. This is because any form of major pay cut, especially for the economically insecure, offers significant economic disincentives to isolate.

We therefore believe that the UK Government should temporarily use the furlough scheme to pay 80% of the wages of self-isolating employees who are too sick to work or cannot work at home. This would of course use the same upper limit of £2500 per month, meaning the top amount received by any worker would be capped at £1250 for two weeks self-isolation. The furlough scheme is the right mechanism because it is already well established, well known, and has proven successful in getting money to employees efficiently.

We conservatively estimate that this would cost no more than £3.9bn until the end of March. This is based on 2020 average weekly pay (£523), and assumes the latest NHS Test and Trace figures at the time of publishing (19-25 November) for positive infection (110,620) and close contact numbers (246,604) will continue until April.<sup>viii</sup> However, the total cost is likely to be significantly less because positive infection rates are expected to continue to decline as we emerge from the second lockdown. This figure is also likely to decrease given that those capable of working from home should not need to use the furlough scheme to maintain their income. For context, the furlough scheme is estimated to cost £62.5bn in total, and NHS Test and Trace has so far cost £22bn.<sup>16, 17</sup>

We accept this system does not work for all, most notably the self-employed. We remain disappointed that significant eligibility issues concerning the Self Employment Income Support Scheme (SEISS) scheme have not been addressed. Nevertheless, we believe that the most time-efficient solution would be to use an enhanced SEISS to support the self-employed, who are either self-isolating or struggling to find adequate levels of work. Specifically, we feel paying on a monthly basis to smooth income for Universal Credit assessments would be most beneficial for those on low incomes.<sup>18</sup>

## 2. Real Living Wage for all key workers

In both survey waves we have seen that many key workers are highly economically insecure and face tough working conditions. To support key workers transition into 'good work', we believe strong sectoral institutions should be set up to promote and enable better pay and working conditions, with the eventual aim of having all key worker roles receive the Real Living Wage (RLW), currently £9.50 per hour outside of London and £10.85 within London.

We estimate that currently 37 percent of all care workers earn below the RLW.<sup>ix</sup> To top up their income this would cost around £212m per year, helping 319,000 care sector workers by on average £663 per year, though the lowest paid would receive up to £1200 per year.<sup>x</sup> Given the financial squeeze already faced by care employers and local councils, we believe the costs of this should be covered by the UK Government.

We estimate 39 percent of all supermarket workers, or 353,000 key workers, earn below £9.50 per hour. It would cost the entire industry around £171m per year to top up their wages by an average of £485 each per year, though the lowest paid would receive up to £940 per year. For reference, Tesco alone reported £551m profits in the first half of this year, up 29 percent on the period the year before.<sup>19</sup> Given these profits and the issues their workers face with

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viii The total cost also accounts for 2020 national employment and self-employment rates.

ix This is based on analysis of the 2020 Annual Survey of Hours and Earnings, hourly gross pay, available via the ONS. We use Standard Occupational Categories (SOC) Care workers & home carers (6145), Senior Care Workers (6146) and Care Escorts (6147)

x We estimate the total cost by calculating the top up per hour for each care worker percentile. We multiply the average top up needed (44p for care workers and home carers) by average hours worked per week (29.3) for the occupation, then times by 52 weeks to gain total cost per worker per year. We then multiplying this by the number below the RLW (293,436).



economic security, it does not seem unreasonable to expect supermarkets to raise the wage floor for their lowest paid workers. The Government could also consider legislation if such action were not taken after a reasonable period.

For the NHS, this figure is likely to be far lower given that most in the NHS already earn significantly above the Real Living Wage, and that all those on Band 1 (the lowest paid) are to be put up to Band 2 (£9.21 per hour) by March 2021.<sup>20</sup> We estimate that for all those currently in Band 1 (6829 full time equivalent workers outside London) to be given a 29p top up this would mean a £565 yearly top up each at a total cost of £3.8m.<sup>xii</sup> NHS workers in London already earn above the London Living Wage on all bands.

### **3. Premium pay – a £500 thank you to key workers**

While the two thirds of the UK workforce who are not key workers continued to work at home, or were placed on furlough, during both national lockdowns, key workers continued to work in order to maintain essential public services. In recognition of the essential work done in keeping the country running, we propose to follow the example set by Joe Biden and Senate Democrats in calling for a premium pay for key workers, alongside higher living wages.<sup>22</sup>

We propose a £500 cash bonus to the lowest earning key workers. If this were to focus on the bottom 50 percent of earners this would cost in around £1.9bn, according to ONS figures.<sup>23</sup> This policy would support 3.9 million key workers, 85 percent of which would be in the sectors Health and Social Care sector (39 percent), Food and Necessary Goods (24 percent), and Education and Childcare (21 percent). This would be paid through a pot that employers can request on behalf of their employees, or the self-employed can access.

### **4. A Key Worker Benevolent Fund**

As we have seen, the risk of burnout for key workers, in particular NHS staff and those in social care, is especially high this winter, given the usual winter crunch on top of coronavirus factors. The issue of burnout in health and social care, and how we successfully build resilience to it, is also under investigation by the Health and Social Care Select Committee. But while long-term resilience building is certainly needed, we also need shorter-term immediate support for key workers.

To support them, a fund of £250m could be established to pay for mental health and wellbeing support in the Health and Social care sector. This will be part-paid for by a tax on super-normal profits through the pandemic, originally proposed by the Resolution Foundation and discussed below. The fund should be distributed to health and social care unions, who can best decide how to offer mental health and wellbeing support. However, we calculate a £250m fund would be enough to give every nurse on the average nurse's salary an extra paid holiday day plus £210m remaining for psychological services.

In line with the Royal College of Nursing and Our Frontline, we recommend:

- Immediate risk assessments of the mental health of all NHS and social care staff.
- All employers of any key workers should offer confidential counselling and psychological support services to their employees.
- Extra paid time away from work, where and when staffing numbers allow.<sup>24</sup>

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<sup>xii</sup> We use the latest (Aug 2020) NHS Workforce Statistics, from NHS Digital. This number does not include those already on Band 2 as accurate figures for those on the lower end of band 2 could not be found and this figure does not include outsourced services as accurate data on the earnings of, for example, cleaners exclusively in hospitals cannot be located.



However, as mentioned, we also recognise longer-term and systemic issues play critical roles on long-term mental health. For instance, low pay and economic precarity, understaffing and chronic workloads, societal esteem and recognition – this has been said in reference to social care, but could apply to supermarket staff given our findings.

**These proposals would be funded through an Online Sales Tax and a supernormal profits tax.**

First, a one-time-only tax on supernormal profits through the pandemic. Given the highly unequal outcomes of the pandemic, for both households and organisations, where some have done exceptionally well while others are near collapse, we believe it fair that the supernormal profits of companies should be part-returned to public good. The original proposal by the Resolution Foundation calculate that a 10 percent ‘Pandemic Profits Levy’ for 2020-21 would raise £130m.<sup>25</sup> We believe this would be put to best use to support the mental health and wellbeing of key workers, as described above.

Second, the pandemic has seen a permanent shift in how we shop for food and goods. Ten years of the transition to online retail has happened in the last ten months.<sup>26</sup> We therefore believe that an Online Sales Tax, set at 2 percent of the revenue of goods sold online by large firms (who account for 77 percent of sales in 2019), should be introduced to both ease the transition towards a more online economy, as well as share some of permanently extra profits with individuals who have struggled this year.<sup>xiv</sup> Some revenue of this should be used to support the struggling British High Street, for instance through Business Rates relief, with the remainder used to support key workers and fight against Coronavirus. The Treasury are currently investigating the use of an Online Sales Tax. We estimate that a 2 percent levy on retail sales online by large firms can be expected to raise £1.7bn per year.<sup>xv</sup>

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<sup>xv</sup> This is estimated using ONS figures on retail sales by large firms (£305bn) in 2019, divided by fraction of sales that are online (28% October 2020) to get an estimate of income from a 2% levy.



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