

TRUST BOARD – JANUARY 2013

Workforce Report

PURPOSE	To provide information and analysis on standard monthly metrics and Trust wide issues relating to management of the workforce
PREVIOUSLY CONSIDERED BY	Finance & Performance Committee
Objective(s) to which issue relates *	<input checked="" type="checkbox"/> 1. To improve continuously the quality of all aspects of our services <input type="checkbox"/> 2. To consolidate acute services for complex or serious conditions onto a single site <input type="checkbox"/> 3. To work with colleagues in primary care to expand local access to specialist acute services <input type="checkbox"/> 4. To maintain the pre-eminence of Mount Vernon as a tertiary Cancer Centre, and to provide more cancer care locally
Risk Issues (Quality, safety, financial, HR, legal issues, equality issues)	Financial: increased workforce costs HR: failure to meet agreed standards Legal: failure to meet CQC and other national standards Patient Safety: failure to maintain appropriately trained workforce
Healthcare/ National Policy (includes CQC/Monitor)	CQC 14 NHSLA
CRR/Board Assurance Framework *	<input checked="" type="checkbox"/> Corporate Risk Register <input type="checkbox"/> BAF
ACTION REQUIRED *	
For approval	<input type="checkbox"/>
For discussion	<input checked="" type="checkbox"/>
For decision	<input type="checkbox"/>
For information	<input type="checkbox"/>
DIRECTOR:	Director of Workforce and Organisation Development
PRESENTED BY:	Director of Workforce and Organisation Development
AUTHOR:	Director of Workforce and Organisation Development
DATE:	January 2013

*We put our patients first We work as a team We value everybody We are open and honest
We strive for excellence and continuous improvement*

* tick applicable box

WORKFORCE REPORT January 2012

1. EXECUTIVE SUMMARY

This report is designed to provide an assessment of the workforce in terms of the management of identified risks and ongoing performance through standard metrics. The key workforce issue for the Trust is the delivery of the ongoing programme of service consolidation via the Our Changing Hospitals (OCH) programme. Adherence to workforce trajectories is managed through the Workforce Management Group, the OCH Programme Board, FPC and ultimately the Trust Board. Benchmarked data against SHA metrics is provided where available.

The standard workforce indicators are set out in **Appendix 1**, giving the latest workforce data to the end of December 2012.

Summary workforce analysis

The workforce targets for the Trust are based on the LTFM, which triangulates activity, finance and workforce. The LTFM sets workforce targets based on the WTE (whole time equivalent) 'Worked'. This is the sum of the WTE worked by the Trust's contracted staff, WTE of bank worked and WTE of agency worked.

By March 2013, the target for the Trust's 'Worked' position is 4995 WTE, including a target of 58 WTE agency staff. At the end of December 2012 the Trust's Worked WTE including bank and agency was 4945 WTE, with agency usage at 56.90 WTE. The most recent revision of the LTFM was in July 2012, with another refresh due shortly, which is likely to revise these figures.

Workforce plans are in place for each Division but are subject to ongoing development – noting that these are evolving documents. The process of identifying changes due to OCH, cost improvement programmes (CIPs) and service developments is ongoing. It is expected that the Trust's workforce will reduce by 8% in the next four years due to OCH.

The challenge will be to realise these planned OCH changes but also the 5% CIP year on year savings, with a possible additional 1% next year. The process of separating what is OCH-enabled and what will be a CIP saving will ensure savings are not double counted.

Further detailed workforce analysis is provided in the body of this report.

2. WORKFORCE

2.1 Flexible Workforce

A framework for the engagement of self-employed contractors and a Trust policy on the engagement of self-employed contractors were presented to FPC in December 2012. The Executive Committee has now approved these documents.

2.2 Temporary Staff

The current annual £20m spend on bank and agency is driving specific Executive and Divisional focus on the need to reduce this expenditure, to embed a more appropriate blend of permanent to flexible staffing and to performance manage Divisional trajectories to achieve this.

As such, agreed workforce schemes associated with the use of temporary staff include the following principles and actions:

- Outsource supply of bank, agency and locum staff to NHS Professionals (NHSP) – savings targeted at £700k in the current financial year rising to £1m pa full year effect.
- Increase the staff bank.
- Reduce the vacancy rate in high turnover areas.
- Reduce commercial agency use by 25% per annum and seek to eliminate agency usage by March 2016.

The Director of Finance has included information in recent Finance Reports with regard to the review of Trust spend on agency and bank. Further work will be completed through the Finance team and Divisional HRMs to consolidate the Divisional level trajectories with the Trust level financial analysis.

A number of fortnightly meetings have been arranged with NHS Professionals, following recent discussions with that organisation about outstanding issues.

3. KEY PERFORMANCE INDICATORS

3.1 Turnover & Vacancy Management

Trust turnover has remained between 10% and 10.87% during the last 12 months. Turnover was running at 9.93% in December 2012, a decrease from 10.24% in November 2012. As a comparator, the most up to date SHA figures (Qtr 1 2012/13) report an overall position of 13.2%. As centralisation and change of services continues, the relationship between turnover and vacancy rate becomes more crucial and will be monitored down to speciality level via the Workforce Management Group. Vacancies have increased from 8.54% in November to 8.71% in December. The overall average for the year currently sits at 9 % against a target of 8%. The turnover & vacancy rate by Division are given below.

DIVISION	TURNOVER RATE	VACANCY RATE
Cancer	8.04%	2.17%
Clinical Support Services	10.75%	9.49%
Medicine	8.11%	10.24%
Corporate Services	13.31%	9.88%
Surgery	10.47%	8.57%
Women & Children's	10.39%	6.82%
TRUST	9.93%	8.71%

The DHRMs are tracking any increased turnover & vacancy rates which result from a combination of increased nursing establishments following the Director of Nursing's review and specific areas of repeated difficulty in recruiting. These are actively monitored at the Divisional Performance Meetings.

3.3 Sickness Management

The percentage rate for long term sickness has increased from 1.72% in November to 1.94% over the last month. Short term sickness has increased from 1.76% in November to 1.80% in December, giving an overall increase in the monthly sickness figure from 3.48% to 3.73%. This compares favourably with the most recent Midlands & East SHA figure of 4.1%.

The Department of Health has funded a project to support 60 Trusts across the country to become organisations that are using the DH five impact changes to implement evidence based strategies to produce significant cost savings through reduced sickness absence. The Trust was selected by DH as an organisation that already has a relatively good sickness absence rate but would benefit from this approach. This work is moving forwards and is in line with the Trust's Health & Wellbeing Strategy - which was approved by the Risk and Quality Committee (RAQC) in December 2012, with a planned formal launch in January 2013.

3.4 Appraisal

Overall Trust appraisal rates have decreased slightly this month from 74.3% in November to 73.37% in December 2012. The appraisal rate for permanently employed Medical staff (Consultants and SAS doctors) has remained static at 70%. Specific action is being taken by Divisions to assure the Workforce Management Group of remedial actions to bring overall compliance rates back to overall trajectory.

4. HUMAN RESOURCE ADVISORY SERVICE

The Human Resource Advisory Service, supplied by Capsticks, commenced in May 2011. A discussion paper on lessons learned from disciplinary cases was presented to the RAQC in December 2012. A full review of the Capsticks HR Advisory Service has now been commissioned by RAQC and is due to be concluded by the end of January 2013.

Capsticks have recently suggested that it is appropriate to use a capped level of capacity around their service to the Trust at 2-3% of headcount. However, the Trust has not agreed to this percentage and this will be part of the full review of the Capsticks contract currently under way. The Trust continues to work closely with Capsticks to ensure that cases are managed in a timely fashion. During recent months work has continued to reduce the number of "initial advice" sickness cases that are registered with Capsticks in order to target more time on the longer and more complex cases.

Disciplinary Cases

All the cases are now rated as red, amber or green based on the KPIs in the current service level agreement (SLA), with 89 days as the current agreed cut-off level for acceptable time to completion:

Red	over 100 days
Amber	between 90 – 100 days
Green	below 90 days

As of 11 January 2013 there were 44 (reduced from 56 on 5 December 2012) live non-medical disciplinary cases and 6 live medical cases under the framework "Maintaining High Professional Standards in the Modern NHS" (MHPS).

Of the 44 non-medical cases:

25 are red (range between 104 and 259 days)
1 is amber (91 days)
18 are green (range between 7 days to 89 days)

Of the 6 live medical cases

1 red (open for 374 days)
1 amber (open for 93 days)
4 green (range between 27 and 70 days)

Further detail was provided to the FPC and the RAQC has commissioned a review of this area.

5. STAFF CONSULTATIONS

Several Consultations / related processes are ongoing:

- Consultation in relation to the growth of the renal satellite units commenced on 28th June and closed on 5th November. The consultation outcome paper was sent to all staff on 21st November. The Directorate will introduce a temporary rotational staffing model which will be in place when the new units open in Spring and early Summer 2013.
- Health Records Project – The staff consultation commenced on 10th October and completed on 10th January 2012.
- The review of the Michael Sobell House Outreach/Hospice at Home Service has taken the form of a consultation document and ended on the 14th December 2012. Two Nursing staff will be at risk of redundancy if the closure is confirmed.
- Transforming Pathology Partnership (TPP) - ongoing consultation plans are in place, and the preferred bidder letter has now been received from the SHA.

January 2013

Appendices in data pack:

1 - Monthly workforce data