

Agenda Item:
Subject: Quarterly Workforce Report
Date: Thursday 31st July 2014
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Lead Director: Karen Fisher - Executive Director of Human Resources

Staff in post numbers continue to increase month on month with an increase of 71wte's in quarter 2 the increase was anticipated due to the high volume of nurse recruitment the Trust has been undertaking, there were 29 newly qualified nurses in September and 2 international starters which brings the total to 27 since January 2014. However registered nurse recruitment still remains challenging for the Trust and recruitment activity continues at a high level to support registered nurse recruitment. At the end of quarter 2 the Trust **budgeted establishment** remained broadly comparable to quarter 1 with a small decrease of 8.37 wte's due to the transaction of CIP schemes in September. The **vacancy rate** has decreased in quarter 2 to 5.68%, this is due to the increase in staff in post and the transaction of CIP's from divisional budgets.

Total Pay increased to £43.57m in quarter 2, an increase of £1.27m when compared to quarter 1. Central reserves and facilities figures have not been accounted for within these numbers. **Fixed pay** totalled £36.75m in quarter 2 which was an increased position reflective of the increase in staff in post. **Variable pay** continues at an unacceptable level, despite actions taken to reduce the run rate increasing to £6.83m in quarter 2 compared with £6.1m spend in quarter 1. Medical and Nursing variable pay continues to impact with a heavy reliance upon agency and locum staff to cover vacancies.

Recruitment activity has remained high within quarter 2 with the junior doctor changeover having a planned impact on the Recruitment Department. There were a total of 175 adverts placed on NHS jobs in quarter 2 compared with 162 in quarter one. There are a number of recruitment initiatives taking place for Registered Nurse recruitment, however the Trust recognises the impact of the local and national shortages within Registered Nurses, the recruitment initiatives include:

- Trip to Ireland – 14th October 2014 – Newly Qualified Nurses due to register in February 2015.
- Recruitment in Athens on the 17th & 18th of November 2014
- Open day at Kings Mill Hospital 1st November 2014
- NUH Recruitment Fair 24th October 2014
- A recruitment brand and marketing strategy is currently being developed to attract potential candidates to the Trust.

The Recruitment team has supported local recruitment fairs to promote SFH as a local employer for a variety of professions. International recruitment continues to be pursued for Medical staff.

Turnover remains low for the Trust with the average turnover for quarter 2 being 1.61%, this was a slight increase due to the junior doctor changeover, Registered Nurse turnover remains low at an average of 0.71% in the quarter, this was a slight increase compared with 0.68% average turnover in quarter 1.

Sickness absence at the end of quarter 2 stood at 3.74%, this is a decrease of 0.72% from quarter 1. Short term sickness did increase at the end of September 2014 with areas of concern being escalated within the divisions for action. Long term sickness has decreased which is attributable to the proactive management of long term sickness absences. The **cost of sickness absence** in quarter 2 was £1.04m which brings the year to date total to £2.33m, this is a significant improvement in quarter and is attributable to the introduction of the new sickness absence management policy.

Appraisal compliance increased by 1% in quarter 2, the new 98% compliance continues to be driven within the divisions and areas with a high amount of outstanding appraisals are being contacted directly and asked to increase their compliance as a matter of urgency.

There were 37 on-going cases for employee relations at the end of September 2014, this is an increased position and all cases are being managed with HR support.

The **Staff Survey** action plan has been completed and leads for each action identified, an update against plan is provided within the main body of the report with notable progress being made. Results from the exit interviews completed in quarter 2 have improved and triangulate with the responses from the Friends and Family test that was undertaken in quarter 2. Exit interview uptake has increased. The Trust continues to meet national requirements by offering staff the opportunity to respond to the Staff Family and Friends Test in three of the quarters. Response rates for Q1 were 708 this fell to 239 in quarter 2, discussions are taking place with regards to increasing response rate for the next FFT.

Mandatory training completion stood at 80% at the end of quarter 2 which was an increase of 2% from quarter 1, the Training & Development department have been working on a number of initiatives such as increased use and access of e-learning resources to help improve compliance rates and the development of a new suite of performance management reports through the ESR system which will assist managers to drive compliance at a local level. Letters have been sent to every member of staff to address compliance rates within individuals directly, this is an exercise that will be undertaken on an annual basis going forward.

HEEM visit - The Trust received the HEEM Annual Quality Visit on 15 October 2014. The Trust was subject to a level 2 visit under new assessment arrangements which focus on multi professional staff groups, rather than simply junior doctors as was previously the case. The trust received feedback immediately following the visit and awaits the final report. HEEM reported many areas of good practice that were noted during the visit. There were however four areas of concern that were raised as patient safety concerns to the CQC on 16 October 2014 - these related to Trauma and Orthopaedics, Emergency Department, IT systems (ICE) and Cardiology. A detailed action plan has been developed and activities are already taking place to resolve the concerns raised and the CQC have noted that we are working on the identified issues with HEEM.

Recommendation for the Board of Directors:

Note the workforce information presented and acknowledge the actions being taken to improve performance.

Relevant Strategic Objectives (please mark in bold)	
Achieve the best patient experience	Achieve financial sustainability
Improve patient safety and provide high quality care	Build successful relationships with external organisations and regulators
Attract, develop and motivate effective teams	

Links to the BAF & Corporate Risk Register	
Details of additional risks associated with this paper (may include CQC Essential Standards, NHSLA, NHS Constitution)	All HR policies and procedures are produced in line with CQC standards. Where targets aren't met, this can provide a risk to quality of care and financial position.
Links to NHS Constitution	Staff – your rights and NHS pledges to you Staff – your responsibilities
Financial Implications/Impact	Reporting of staff numbers which have an impact on pay spend.
Legal Implications/Impact	Non compliance with mandatory training targets can impact upon litigation cases
Partnership working & Public Engagement Implications/Impact	N/A
Committees/groups where this item has been presented	N/A
Monitoring and Review	Executive Director of HR monitors performance and actions on a monthly basis. Trust workforce performance is also tracked via a number of performance meetings, specifically the monthly Confirm & Challenge which are chaired by the Deputy HR Director.
Is a QIA required/been completed?	N/A