

Sherwood Forest Hospitals NHS Foundation Trust
Board of Directors – 27 March 2014
Workforce Report

Monitoring of Key Performance Indicators

A number of key workforce performance indicators are reported, analysed and monitored across the Trust each month. The Trust has an established performance management escalation process for workforce key performance indicators. The feedback from meetings held in relation to February data are described below:

- Long term sickness is being managed appropriately with support from HR, this is also reflected in the long term sickness absence figures which have shown an overall reduction in long term sickness.
- There is concern that sickness absence is not being managed at the appropriate level and the divisions are working through how this can be improved.
- Managers are engaged with the performance management process and are given actions to address and report back the following month.
- The appraisal rate has improved in some areas but dropped in others, managers are asked to plan their appraisals in advance and support is being provided by HR in order to avoid significant numbers of appraisal meetings being scheduled throughout the winter period.

Key Performance Indicators – Information and Actions

1.0 Staff Numbers

The number of staff in post has increased by 9.2 wte to 3585.08 wte in February 2014. Nursing staff in post increased by nearly 13 wte's, however Medical staff in post decreased to 405.77 wte from 413.43 wte in January 2014 (-7.66wte).

There are currently 224 wte vacant posts across the Trust which equates to a 5.9% vacancy rate. Registered Nursing vacancies decreased by 13 wte to 100.54 wte's, with the number of nursing staff employed increasing by 13 wte. The nursing establishment has increased by 57.25 wte's since 1st April 2013. In the Medical staff group there are 33 wte vacant posts.

The Trust now employs 195.89 additional wte staff when compared to 1st April 2013, the most significant number of increases being within the administrative and clerical and registered nurse workforce.

The budgeted establishment remains higher than plan predominantly due to assumptions around workforce reductions due to cost improvements not being achieved.

1.1 Recruitment Activity

- Diagnostics and Rehabilitation has significant recruitment activity.
- The HR department continues to engage with international recruitment for nursing and medical staff, during February 15 nurses were offered employment as a result of international recruitment. The Trust will also return to Italy in mid March to continue with the recruitment campaign. Standard employment checks are currently being undertaken and all employment is subject to NMC registration.
- The recruitment team throughout February were actively progressing recruitment to an average of 95 posts per week.

1.2 Actions for Improvement

- Continued focus on International recruitment for Medical and Nursing Staff
- Support the development new roles identified in workforce planning process.
- Ensure appropriate support and training in the workplace for International recruits to ensure retention
- Review effectiveness of current advertising activity and consider innovative advertising campaigns.

2.0 Pay Spend

Total pay spend decreased by £21k in February 2014 to £13.95m. However, variable pay increased by £122,901k in February with the main increase attributable to non-clinical pay which includes administrative and clerical staff, this

includes staff that support clinical services, the total variable pay spend in this area amounted to £292,341k and increase of £66k in month.

Vacancies continue to impact on the nursing and medical spend. Nursing variable pay spend totalled £891,740 which was an increase of £37k compared to January 2014. The agency cost to the Trust for Nursing in February 2014 was £511,039k which decreased from January 2014 (£560,487k). The spend with the Trust's bank increased by £38,875 totalling £156,211 in month, other variable pay increases within nursing included additional hours (£78,648, increase of 21k) and overtime (£145,842, increase of 24k). Pay spend also remains higher than planned due to cost improvement plans not being achieved across the Trust and additional registered nurse investment across the wards.

2.1 Actions for Improvement

- Investigation into non clinical pay spend to determine if this trend will continue during March and April and develop plans for reduction
- Continue to monitor variable pay spend to ensure an overall reduction in line with the recruitment activities that are taking place
- The HR department are focusing work on the Nurse Bank and further recruitment is being undertaken, in February 24 Nurses and Health Care Support workers were started on the Trust Bank.

3.0 Sickness Absence

Sickness absence remains an area of concern and is significantly above the Trust target of 3.5%. In January 2014 the rate was 5.09%, but this did fall to 4.51% in February 2014. There were 695 episodes of sickness absence throughout February. Short term sickness absence remains an issue with 2.85% of the workforce taking time off sick in February due to short term sickness absence, this meant that 583 staff had short term sickness, 39 of those staff had 2 episodes of absence each. Long term sickness absence decreased again in February 2014 to 1.66% from 1.94% in January, there has been a concerted effort within the divisions during previous months to tackle long term sickness absence. The cost of paying staff off sick remains high for the Trust totalling £4.85m since April 2013.

3.1 Absence Reasons

- Of the total 4554.32 working days lost due to sickness, the most significant reason was anxiety/stress/depression which totalled 886.61 days (19.46% of total absence).
- The **highest number of episodes**, which can be mapped back to short term sickness absence was gastrointestinal problems accounting for 162 episodes of absence, 428.11 days. This will link with the Norovirus outbreak that took place throughout February.

3.2 Actions Taken Place

- Line managers and HR have been working together within the Divisions to tackle those staff who have exceeded targets and ensuring that meetings take place to discuss absence.
- Confirm and challenge meetings continue to take place where managers are challenged on their workforce information and asked to address arising concerns.

3.3 Actions for Improvement

- Consultation on the revised Sickness Absence Policy will be completed during March. The new policy incorporates stricter short term sickness absence triggers, allows managers to consider long and short term sickness as a whole and provides a mechanism for managing particular patterns of absence, for example members of staff who have repeated sickness on Bank Holidays.
- The Human Resources department will continue to work closely with line managers and head of services to ensure management of absence in line with Trust policy
- A review of sickness absence workforce information to be completed throughout March and April to ensure information is accessible and understood by managers.

4.0 Agenda for Change Staff Appraisal Completion

The Trust appraisal completion rate for Agenda for Change staff for February 2014 is 75.54%, this is a decrease from the January position which was 77.63%. This is the second month running that the appraisal rate has decreased with 530 appraisals outstanding compared to 469 in January.

The increased appraisal rate in year for 2013 is a positive achievement; the focus will be on reinstating the upward trend, developing management skills for conducting appraisals and identifying and implementing quality assurance measures. Managers are stating they have found it difficult completing appraisals during the winter period.

4.1 Actions Taken Place

- Work has taken place to identify and target hot spot areas of low appraisal completion and work with the managers on undertaking appraisals.
- On-going coaching and advice continues to be provided to managers on undertaking an appraisal.

4.2 Actions for Improvement

- Review of appraisal training and ensure roll out to all appraising managers
- Begin to undertake work to build in the Trust values 'Quality for All' into the appraisal process.
- HR to support line managers on planning appraisals at appropriate points in the year to ensure that appraisals do not need to be undertaken during Winter pressures.

5.0 Employee Relations

There are currently 20 on-going employee relations cases all being managed in conjunction with Human Resources:

- **Disciplinary** – 7
- **Grievance** – 3
- **Harassment & Bullying** – 2
- **Capability** – 6 (this includes sickness capability cases)
- **Referral** – 1
- **Whistleblowing** – 1

6.0 Pay Award – Announcement from the Government

The Government has now responded to the NHS and Doctors and Dentist's Pay Review Body and announced their plans for the next two years in terms of the pay awards for NHS staff.

The NHS and Doctors and Dentist's Pay Review Body proposed 1% uplift to all payscales, however the Government has rejected this and announced an annual increase of 1% via either incremental pay or a non-consolidated payment:

- Those staff who are not eligible to receive an incremental pay rise e.g. those at the top of the pay scale, will be given a 1% pay rise which is a non-consolidated payment to be paid from 1st April 2014. This 1% increase will be non-consolidated which means that the pay scales will remain the same; this also means that the 1% uplift is non-pensionable. The consolidated pay scales (current payscales) will continue to remain the basis for banding supplements, overtime, unsocial hours enhancements, sick pay.
- Other staff will receive at least a 1% pay increase via incremental pay progression subject to meeting requirements of terms and conditions and local performance requirements.
- The same approach will apply for the 2015/2016 round where staff who are not eligible to receive incremental pay will then receive a non-consolidated pay rise of 2% (equivalent to an additional 1 per cent non-consolidated in each of the two years concerned).
- The Government has been clear that if the NHS Trade Unions are prepared to agree an incremental progression freeze for one year in 2015/2016 then they would be prepared to consolidate the 1% and 2% uplift.

7.0 Agenda for Change Negotiations

NHS Employers are commencing stage 2 of the national negotiations regarding changes to Agenda for Change Terms and Conditions of Service. NHS Employers will be negotiating on the following areas:

- Annual leave entitlement
- Redundancy payments and agreements

Nationally the HRD's have been requested to determine what other areas of terms and conditions of service review would enable the delivery of NHS objectives. The response has predominantly concerned negotiation of changes to

enhanced pay and overtime payments to enable 7 day services and the reduction in the duration of the entitlement to full pay and half pay for sick pay.

These areas will be considered at a national meeting with NHS Employers and HRD's in April 2014.