Portsmouth Hospitals NHS
NHS Trust

**TRUST BOARD PART I - FEBRUARY 2012**

**Agenda Item Number: 21/12**
**Enclosure Number: (4)**

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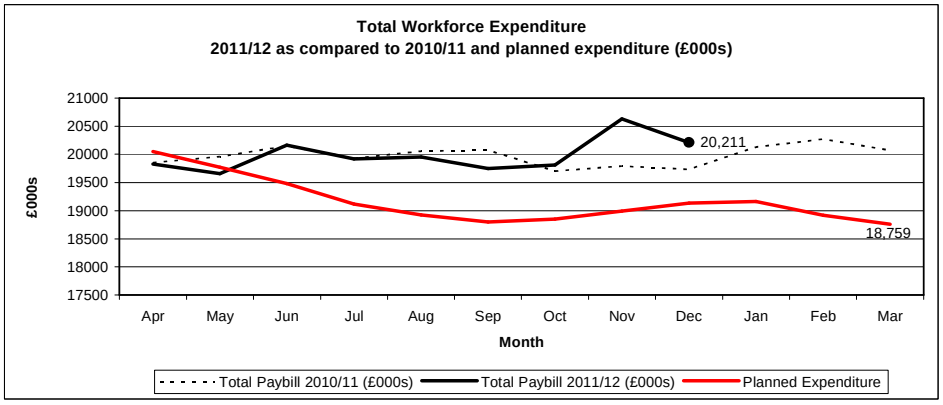
|---|---|
| **Subject:** | Workforce Performance Report |
| **Prepared by:**<br><br>**Sponsored by:**<br><br>**Presented by:** | Abi Williams, Workforce Planning & Intelligence Manager<br><br>Tim Powell, Director of Workforce and Organisational Development<br><br>Tim Powell, Director of Workforce and Organisational Development |
| **Purpose of paper**<br><br>*Why is this paper going to the Trust Board?* | Regular Reporting |
| **Key points for Trust Board members**<br>*Briefly summarise in bullet point format the main points and key issues that the Trust Board members should focus on including conclusions and proposals* | The Board is asked to note:<br>▪ Key workforce indicators for Month 9 (December 2011) |
| **Options and decisions required**<br>*Clearly identify options that are to be considered and any decisions required* | Board members are asked to note the performance issues highlighted in the report when considering the specific actions being presented separately by individual Executive Directors. |
| **Next steps / future actions**:<br>*Clearly identify what will follow the Trust Board's discussion* | NA |
| **Consideration of legal issues (including Equality Impact Assessment)?** | Considered but not applicable |
| **Consideration of Public and Patient Involvement and Communications Implications?** | Considered but not applicable |

## 1 Workforce Expenditure

1.1 The overall paybill (all pay elements) increased by £420k to £20.2m in December as detailed in figure 1 below. The cumulative paybill is £179.9m, compared to a plan of £173.1m, and is therefore £6.8m greater than the planned position for December 2011. Further detail is available in appendix 1a and 1b.

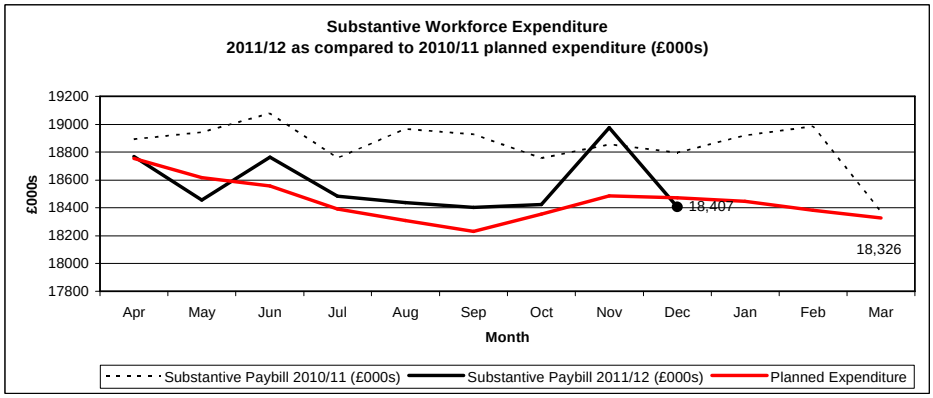
1.2 The adverse variance in the cumulative paybill is mitigated by considerable additional activity delivered in the first 8 months of the year (£10.4m). Unsurprisingly, this has resulted in additional workforce costs incurred. The additional activity value takes into account the amendment of the baseline contract by the commissioners (£3.7m). The planned reductions in workforce expenditure included £5.5m demand management savings in workforce, however this has not been fully implemented and therefore associated reductions in workforce costs have not been possible, as previously described.

Figure 1




1.3 Substantive workforce expenditure (i.e. NHS and Military) decreased by £271k, to £18.7m in December, as detailed in figure 2 below. Cumulative substantive paybill is approximately £1m above the planned position for December. This decrease brings the monthly paybill back to a similar level as October, prior to the inflation of November paybill by CEA and other pay arrears.

Figure 2

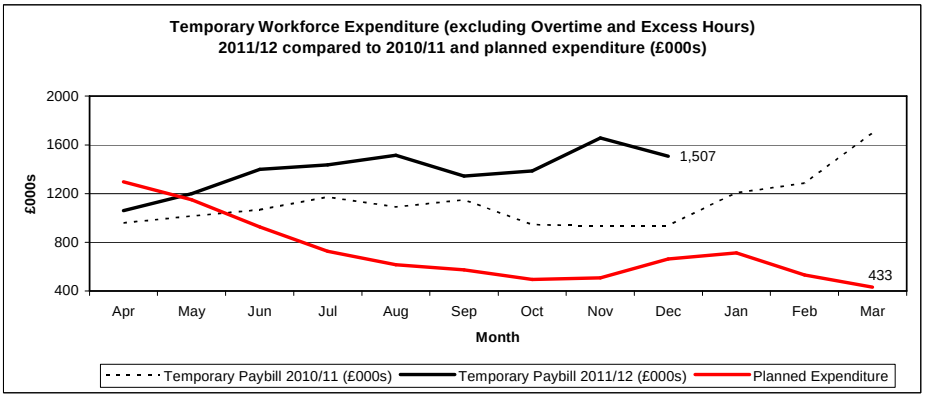



1.4 Temporary workforce expenditure (i.e. combined bank, agency, and all premium payments) decreased by £149k to £1.51m in December, as shown below in Figure 3. Expenditure has increased in Emergency, particularly within nursing, as winter activity continues, and whilst a small reduction is evident in MOPRS there continues to be considerably temporary resources used within the CSC to maintain winter capacity.

1.5 Increases have been observed in medical locum and agency spend in Cancer, relating to increased activity; CHAT, due to rota gaps and activity increases; and Renal, due to sickness absence.

1.6 Pharmacy have incurred considerable additional spend, due to additional workloads with winter capacity, as well as a change with GU Medicine, which has necessitated additional work, though will be offset by additional income.

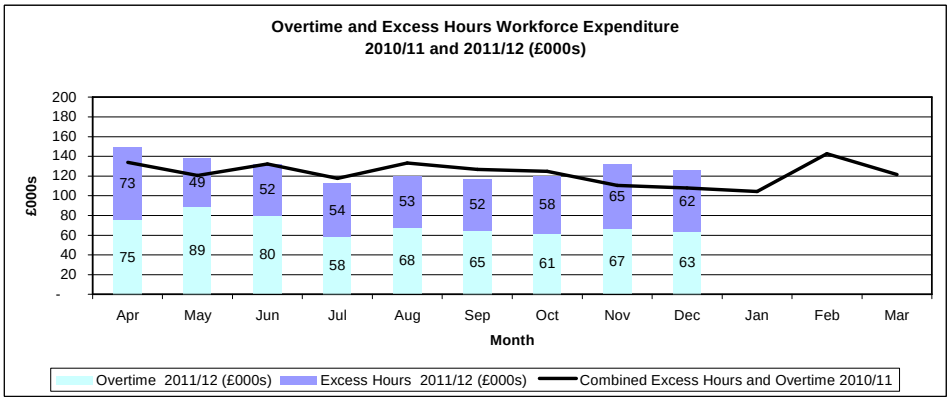
Figure 3




1.7 Appendix 1c indicates a more detailed breakdown of temporary staffing type, with an increase observed in December of locum spend, however when considered with agency medical staffing, the overall level has reduced.

1.8 Overtime costs have decreased by £4k to £63k in December, and Excess Hours payments have decreased by £3k to £63k. The combined overtime and excess hours costs are higher than the same period last year. as detailed in Figure 4 below Further details are available in Appendix 1d.

Figure 4

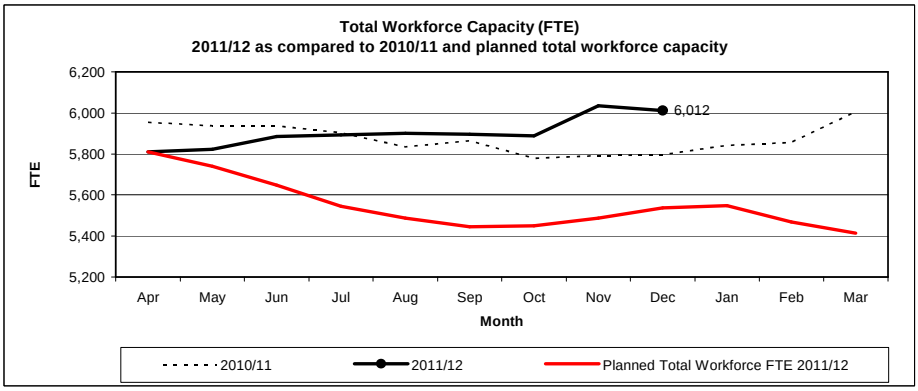



1.9 <u>Unit staff costs</u> are calculated by dividing the total workforce paybill by the Total Workforce FTE, and multiplied by 12 (months) to provide an annual figure which is an indicative gross cost per employee. Unit staff costs have decreased by £0.9k in December to £44.6k. This relates to reductions in agency usage and payments against RTT performance improvements.

## 2 Workforce Capacity – Full Time Equivalent (FTE) Staff

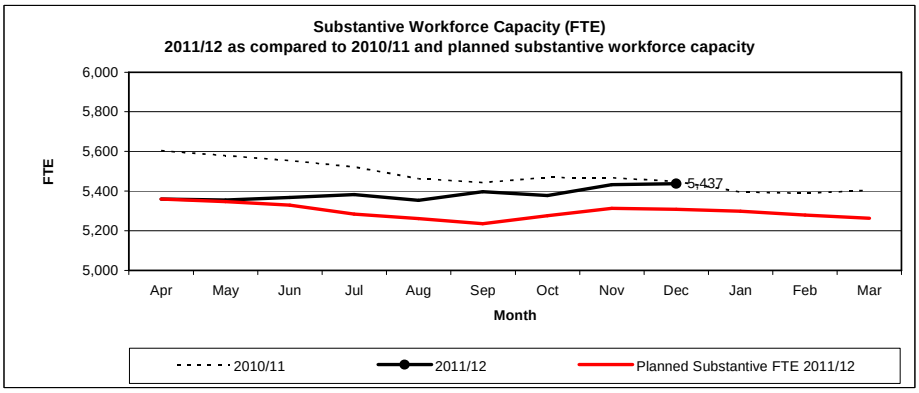
2.1 In December, total workforce capacity (i.e. substantive staff plus temporary capacity) decreased by 23 FTE, to 6,012 FTE, as a result of Temporary workforce, as shown below in Figures 5, 6 and 7. This is 474 FTE above planned position for December, however as previously described in section 1.1, this position relates to the plan submitted to the SHA, and assumes reductions in staffing for demand management, the majority of which was unidentified, and delivery of agreed activity levels.

Figure 5



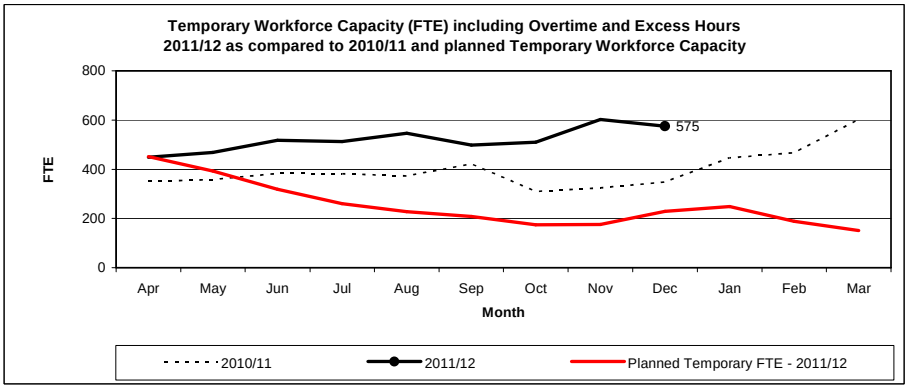

2.2 Substantive workforce capacity increased by 4 FTE to 5,437 FTE in December, as shown below in Figure 6 and is 129 FTE above plan for December. This increase relates to continued recruitment to substantive posts, currently filled by temporary staff.

Figure 6




2.3 Temporary workforce capacity (i.e. total expenditure on temporary capacity, including bank, agency, locums and overtime, converted to an indicative FTE) decreased by 27 FTE to 575 FTE in December as shown in Figure 7 below, and is 345 FTE above planned position. Further details are available in appendix 2 and 3. As previously advised, high levels of temporary staffing continue to be used to maintain services where demand is not reducing as planned, to cover critical vacancies, and to resource the winter capacity.

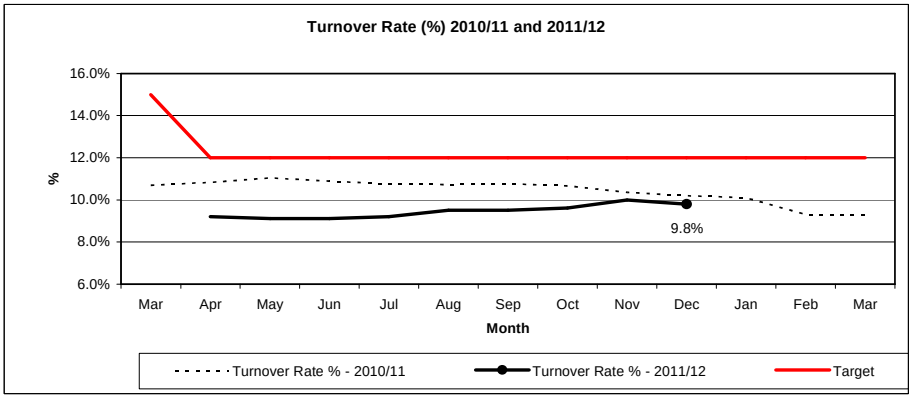
Figure 7



## 3 Workforce Performance

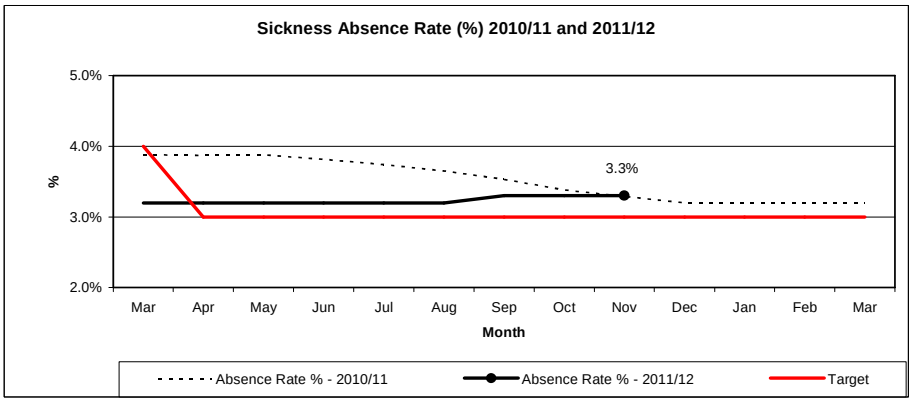
3.1 Turnover has decreased in month by 0.2% to 9.8% in December, as shown in Figure 8.

Figure 8




3.2 Sickness absence rate in November remained unchanged at 3.3% as detailed in Figure 9 below. This is above the Trust target of 3%; however does compare favourably at a regional and national level against other acute hospitals. Sickness Absence data is one month in arrears and is calculated as a rolling 12 month average.

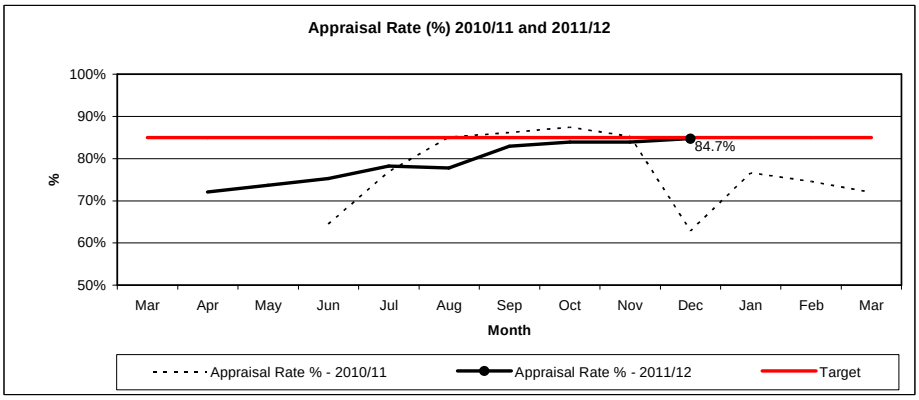
Figure 9




3.3 MSK continues to be the CSC with the highest sickness absence (4.7%), increasing in month. Increases have also been observed in MOPRS (4.4%) and Emergency (2.9%). Targeted work is in progress to reduce sickness absence particularly within MOPRS and MSK; and additional support will be provided to Emergency CSC, which whilst not breaching the Trust target, is in fact beginning to show an upward trajectory in sickness absence.

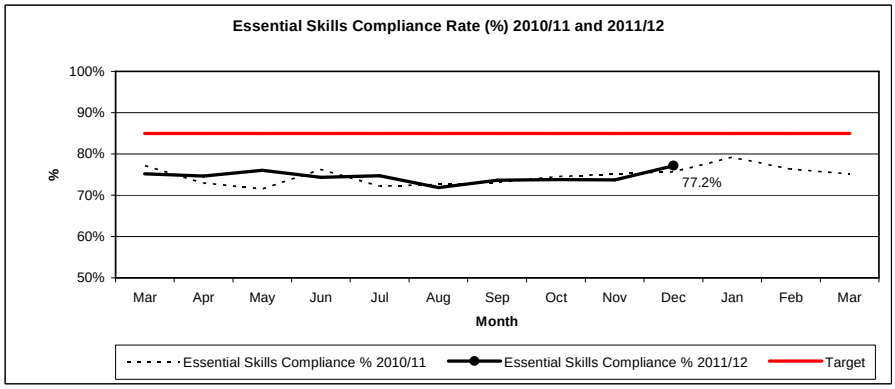
3.4 Appraisal Compliance has increased further in December by 0.8% to 84.7% as demonstrated in figure 10. This continues to be an area of high priority for the Trust, and work is ongoing to improve compliance and quality of appraisals. Significant improvements have been observed in Medicine (86.4%) and MOPRS (85.3%), both reaching the target levels for the first time this financial year. Cancer, Emergency, Head & Neck and Renal have also increased in month but have yet to reach the target of 85%.

Figure 10




3.5 Increases have been observed in every clinical service centre in Essential Skills compliance, increasing the overall compliance rate to 77.4% as detailed in Figure 11. Specific targeted work continues and is led by the Learning and Development Team, with a view to simplify the process, and make sure all staff are compliant.

Figure 11




Further information relating to sections 1, 2 and 3 is available in Appendix 4.