Trust Board Meeting in Public: Wednesday 8 November 2017
TB2017.109

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<tr>
<th>Title</th>
<th>Workforce and Organisational Development Performance Report, Quarter 2, 2017/2018</th>
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<tr>
<td>Status</td>
<td>For comment and noting</td>
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<tr>
<td>History</td>
<td>The Quality Committee receives reports for Q1 and Q3. The Trust Board receives reports for Q2 and Q4. The Workforce Committee receives all quarterly reports.</td>
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<td>Board Lead(s)</td>
<td>Mr John Drew Director of Improvement and Culture</td>
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<td>Key purpose</td>
<td>Strategy</td>
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Executive Summary

1. Total pay expenditure, for the financial year to date exceeds the pay budget by £2.0m. When compared to Q1 staff in post (excluding Research and Development) has risen by 29 WTE when compared to the end of Q1 and is broadly at the same level as the end of the previous financial year. There has been a corresponding increase in the quarterly pay cost from £47.73m (Q1) to £47.95m at the end of Q2. For comparison, in 2016/17 average quarterly pay cost was £48.2m.

2. Recruitment campaigns continue across the UK and overseas to attract talent to the organisation, in particular nursing roles. The Trust is working with TTM Healthcare to initially source 50 European Registered Nurses and with Your World Recruitment to source a minimum of 100 theatre, ward and children’s Registered Nurses from both India and the Philippines. The Trust has recently interviewed in India and made offers to 177 candidates.

3. Staff turnover has fallen marginally since Q1 and is currently 14.7%. High turnover levels are still being experienced across many staff groups and bands, and within particular teams, which is a cause for concern and further attention to understand the root causes.

4. Sickness absence levels have plateaued across the Trust at 3.2%. As noted previously, this relatively low level of sickness absence compares very well with the NHS and Shelford group, as well as more local comparators such as Southampton and Bristol. We believe that the use of the FirstCare is a major factor here, complemented by good management disciplines across the Trust.

5. The National Annual Staff Survey was launched on 25 September, and will run for 9 weeks until 1 December. There is a comprehensive campaign to engage staff to ‘Have Their Say’ as we endeavour to lift the Trust response rate to 45% and with a stretch goal of 50%. Results will be released in the latter part of January 2018.

Recommendation

The Trust Board is asked to note the performance against the workforce KPI’s summarised in Section A of this report. The committee is further asked to note and endorse its support for the work programmes and initiatives highlighted in Section B.
QUARTERLY REPORT ON WORKFORCE AND ORGANISATIONAL DEVELOPMENT PERFORMANCE

1. Introduction

1.1. This report provides summary information relating to organisational development (OD) and Workforce Performance for Quarter 2 (Q2), period 1 July 2017 to 30 September 2017.

1.2. Section A describes performance and progress against workforce key performance indicators (KPI's).

1.3. Section B provides an update on a number of work programmes and initiatives associated with the OD and Workforce Directorate.

1.4. The Trust-level OD and Workforce Performance Dashboard is presented in Appendix 1 and provides both in-month and rolling 12 month data relating to the principal Workforce KPI's. This information is distributed monthly to management teams for their respective divisions, with the functionality to drill down to ward level.

SECTION A: PERFORMANCE AGAINST KEY PERFORMANCE INDICATORS

2. Workforce Capacity

Substantive Workforce Capacity

2.1. Substantive workforce capacity, excluding Research and Development, has risen by 29 WTE when compared to the end of Q1 and is broadly at the same level as the end of the previous financial year. Whilst welcome, the increase is significantly down on the previous year when the interquartile increase was 80 WTE. Some key points are

- Despite the graduate intake, Nursing and Midwifery staff has fallen by 50 WTE when compared to Q1.
- Administrative and Clerical staff has reduced by 27 WTE between quarters. Staff numbers particularly have reduced in part due to the combined effect of turnover and also the work of the pay panels.

2.2. The national "Nurse First" campaign will seek to address the national nursing shortages and start to impact in 2019 with an additional 2,200 nurses entering the system. This campaign is in response to European Union nurses leaving the NHS, post referendum. The Trust has recruited internationally from India and Spain and is also due to go the Philippines.

2.3. International recruitment and closer ties with Oxford Brookes University will assist with nursing as will the increased emphasis on retention initiatives, as agreed by the Quality Committee in summer 2017. Our goal here is to get back to historical levels of recruiting 75% of the nursing graduates from Brookes, as against last year's figure of around 50%, and we are working hard to present a welcoming face to the final year
students and have revised and simplified our recruitment procedure to take account of the fact that we already know these candidates well.

2.4. Since Q1 the Trust’s reported vacancy percentage has reduced from 9.7% in Q1 to 7.3% in Q2. This is due in part to the rise in staff, and also the reductions in establishments that were enacted in month 4. Between month 3 and month 6 the establishment has reduced by 275 WTE. Vacancy calculations exclude Research and Development staff.

3. **Workforce Costs**

3.1 The average pay cost per quarter increased from £47.73m (Q1) to £47.95m at the end of Q2. In Q4 of 2016/17 average pay expenditure was £48.2m. Total pay expenditure, for the financial year to date exceeds the pay budget by £2.0m.

3.2 Expenditure on agency staff continues to track below previous year. Tables 1 and 2 illustrate this point. Total temporary staffing expenditure in the financial year to date was £19.0m, which represents 6.6% of the total pay bill. In 2016/17 this figure was 6.7%.

Table 1- Year to Date Agency Expenditure Comparisons – 2016/17 to 2017/18

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<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
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<tr>
<td>Agency Spend 2016-17 £</td>
<td>1.27</td>
<td>1.32</td>
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<td>-0.11</td>
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<td>-0.79</td>
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Table 2 - Year to Date Agency Performance against Cap 2017/18.
4. **Workforce Efficiency**

**Staff Turnover**

4.1. Q2 staff turnover has fallen marginally since Q1 and is currently at 14.7%. Despite a marginal downward trend the rate of leavers remains high. The Trust’s KPI rate is 12.0%.

Table 3 Turnover by Rolling 12 months

![Graph showing turnover by rolling 12 months]

4.2. Other Trusts, particularly those in London and the South East are experiencing similar if not worse issues. It is interesting to note, as illustrated in the last report, that the Association of UK University Hospitals (AUKH) ranked OUHFT as having the 8th highest turnover rate out of 26 trusts (Q4 2017/18). Those higher were located in London and Bristol.

4.3. Key points to note:

- Registered nurses and midwives continue to comprise of the highest percentage of overall leavers within the Trust at 39%; At Q2 2016/17 this figure was 34%, Q2 2015/16 it was 35%.
- All clinical divisions are operating at turnover levels in excess of 11.8%, with Medicine Rehabilitation and Cardiac (MRC) having the highest divisional rate of turnover at 18.6%. For MRC the turnover is being driven by high leaver rates of staff in clinical support roles (26.5%), Administrative and Clerical (21.1%), Allied Health Professionals (19.8%) and Nursing (16.8%).
- At a notional cost of £10,000 per leaver, if the Trust reduced its turnover rate by 10%, this could save over £1.0m. We should take this into account in our approach to managing and reducing staff turnover as the direct and indirect costs are high.
- Approximately 27% of Trust leavers in the last 12 months who had permanent contracts and left for a voluntary reason have less than a year’s service. In lower banded positions e.g. AFC band 2 this figure rises to 54% and at AFC band 3 this figure is 32%.
- Within nursing and midwifery staff, 18% of band 5 staff leave within one year. This figure rises to 52% for staff with less than 2 years’ service. 29% of Allied Health...
Professionals at AFC Band 5 leave within one year. This would suggest that our induction and onboarding process needs improving and work has begun to review how best we can do this.

- By staff group, Clinical Support staff at 19.6% have the highest turnover rate, followed by Allied Health Professionals at 16.1%. Nursing and Midwifery is at 15.7%.

- Historical exit data has highlighted “promotion/career development” as a principal reason why staff have chosen to leave the organisation. In a recent survey in Surgery and Oncology “career development” was also highlighted as a key reason for staff leaving the Trust. A dedicated group will be formed to look at a strategy on exit interviews to obtain further exit information. The work we have done to put in place the Foundation Programme for nurses has made very well received and has made a big difference here, and we should look to develop similar programmes for other staff groups.

Sickness Absence

4.4. Absence rates at 3.2% are at the same level as reported in Q4 of 2016/17 and Q1 of this financial year, suggesting absence rates are plateauing, albeit at a relatively low level. This equates to a loss of c 350 WTE per annum. The Trust continues to compare favourably with both the Shelford Group 3.7%, and all NHS Trusts in England and Wales where the absence rate is 4.1%. We believe that the use of the FirstCare is a major factor here, complemented by good management disciplines across the Trust.

SECTION B: PRINCIPAL WORK PROGRAMMES AND INITIATIVES

5. Recruitment and Retention

Recruitment Perfect Week

5.1. The Recruitment Perfect Week was conducted from 2 to 6 October 2017 with the aim of analysing the step by step recruitment pathway and on-boarding experience for new starters. The week was successful and identified some immediate actions that can be taken along with some further work streams which will enhance the candidate experience. Actions identified are:

- Data cleanse in TRAC and Occupational Health systems
- Reminders to candidates about Occupational Health clearance
- Review KPI's
- Monthly reporting dashboards
- Refresh corporate and medical induction
- Standardise marketing and advertising strategies

Response to Recruitment Challenges

5.2. Registered nurses in the UK fell in 2016/17 by 1,783. Brexit is thought to be the primary reason for the decrease in numbers. With the new Westgate Shopping Centre opening this autumn, it is thought that Oxford will have increased competition in recruiting and retaining talent across a number of staff groups. In response to this, the Trust has
raised its profile as an employer of choice across the local area by attending some local events including the Oxford Mail Jobs Fair and a local event in Witney with around c30 expressions of interest to work at the Trust. The Trust however will only see the success of these events over the coming months. The Oxford Mail also ran an article covering our response to staffing challenges on 1 November.

5.3. The last stages of the band 5 to 6 registered nurse career pathway is in its final implementation stages. The two year Foundation Programme commences in November and the incremental increase for nurses staying for 2 years post-graduation has been implemented across all band 5 RNs in the Trust. The initial impact on the retention of band 5s will be reviewed and reported back to TME after it has been fully implemented.

Brookes Recruitment

5.4. The percentage of graduates from Oxford Brookes University (OBU) taking up Registered Nurse positions within the Trust has been in gradual decline with only 50% of graduates having accepted a position by August 2017. OUH is working in conjunction with Oxford Health on an initiative of joint recruitment of OBU graduates which is hoped to increase the number of graduates taking up Registered Nurse positions in both Trusts. A letter has been issued to all second year and third year students to notify them that on successful completion of their nursing qualification and a structured values and competency conversation, a conditional offer is available. As part of the process the Trust has invited the students to visit ward areas to see future work placements and Trust staff have been available at Brookes for students to discuss their OUH career. To date, c120 applications have been received. Our goal is to recruit 75% of Brookes’ nursing graduates, in line with historic performance.

In partnership with Brookes, a campaign to recruit nurses via the return to practice route will launch in November 2017 offering initial placements on wards to allow returning candidates experience of working back in the wards as a nursing assistant.

Overseas Recruitment for Nurses

5.5. The Trust is working with Your World Recruitment to source a minimum of 100 theatre, ward and children’s Registered Nurses from both India and the Philippines. The Trust has recently interviewed in India and successfully offered roles to 177 nurses. The national picture would suggest that 40% of these applicants will either choose not to accept or be unable to start due to the immigration processes and language checks. However, the Trust is working closely with the agency to ensure these candidates commence employment, when the applicants successfully achieve NMC registration they will automatically obtain a registered nurse position at the Trust. It is expected that the Trust will start to see the first cohort commence as band 5 nurses in January/February 2018, with 10-15 expected per month from that point on.

5.6. The Trust is working with TTM Healthcare to initially source 50 European Registered Nurses. Interviews in Madrid were held in September 2017 with 23 candidates receiving a conditional offer. 14 candidates will start on the 16th November as band 3s whilst working towards their English language and NMC registration. Further Skype interviews will be conducted in early November.
5.7. Successful attendance at a recruitment event in Dublin on the 14th October led to over 100 expressions of interest in employment being made. All are now being followed up by the Recruitment Manager and Matrons who attended.

5.8. Further nursing events are planned in November 2017 which includes the University of Southampton, Buckinghamshire New University and the University of Staffordshire where there will be a drive to recruit third year nursing students with the view to increasing the number of newly qualified nurses commencing in Aug/Sept 2018.

6. Staff Engagement

Friends and Family Test (FFT)

6.1. The Pulse Staff Friends and Family Test (FFT) survey ran for 3 weeks, closing on the 10th September. Traditionally Q2 FFT falls within a high annual leave period and consequently we saw a particularly low response rate of 14%. There have been slight reductions of 2% of staff recommending the Trust for treatment and care plus a reduction of 1% of staff recommending the Trust as a place to work.

Staff Survey

6.2. The National Annual Staff Survey was launched on 25 September, and will run for 9 weeks until 1 December. There is a comprehensive campaign to engage staff to ‘Have Their Say’ as we endeavour to lift the Trust response rate to 45%, with a stretch goal of 50%. Results will be released in the latter part of January 2018. The management of, and participation in, response plans will be widespread across the Trust to extend ownership and accountability of action plans in response to the key themes identified. The overall return rate for the Trust at the end of week 4, 20 October 2017, is 20.9% (2485 respondents), which is above the 18.3% we had achieved at the same stage last year.

Staff Recognition Awards 2017

6.3. Six divisional Award panels considered the 565 nominations received in the 2017 Staff Recognition Awards. The final shortlist will be considered by the Trust Panel in October to determine the overall winners. Patients and their loved ones were also invited to nominate the doctors, nurses and other hospital staff who have delivered outstanding care to them over the past year. 45 nominations were received and a shortlist of nominations will be reviewed by a Patient Panel in late October to determine the overall winners.

6.4. A new Chairman’s Award introduced this year recognises an individual or team whom in the view of the Chairman has made a significant impact during the year and:

- is committed to quality of care and achieved outstanding success in their job;
- has made an exceptional contribution to clinical or non-clinical service provision in a way that adds significantly to the organisation, patients or other staff
- has shown tangible evidence of change and/or improvement that enhances the Trust’s reputation
- demonstrates the Trust values
6.5. The winners will be announced at the Awards evening on 7 December at the Oxford Town Hall.

7. **Workforce Development**

**Statutory and Mandatory Training**

7.1. At the end of Q2, the overall statutory and mandatory training compliance rate was 84.4% against a target of 90%. Overall compliance rates have remained stable. The worst performing areas are currently, Research and Development, 68.1%, Operational Services, 79.7%, MRC, 81.8% and NOTSS at 83.8%. A change in the Statutory and Mandatory Training Policy was recently approved by TME and Clinical Governance. This will reduce the mandatory training burden by aligning training to the Skills for Health Framework. The level of CQC mandatory reporting will be reduced thus effectively enhancing the likelihood of compliance. It is expected that Q3 reporting will be much improved.

**Non-Medical Annual Appraisal Compliance**

7.2. At the end of Q2 the compliance rate for the completion of non-medical annual appraisals was 64.5% against a target of 90%, which is a cause for concern. There has been a 4.9% decrease in the compliance rate, the learning and development team continue to work with the divisions to improve compliance and ensure that the data is captured correctly. The worst performing area for appraisals is Research and Development at 41.7% and Corporate at 48.1% and Medicine, Rehabilitation and Cardiac at 54.9%. However, no area has exceeded 75.1% achieved by CSS this quarter. In respect of nursing compliance the Chief Nurse, through the Nursing and Midwifery Board has tasked the Divisional professional leads to implement action plans to enhance compliance. Actions and efficacy are to be reported monthly. The Divisional Education and Practice Development Leads are running appraisal training sessions to support staff. Further work is being undertaken with Enterprise Study to explore more intuitive and supportive functionality for uploading paper appraisals where these can or have been already undertaken. Corporate HR is due to roll out a new generic appraisal template to encourage meaningful conversations and aid completion. It is anticipated there will be improvements over the next quarter.

**Trust-delivered and University-accredited Clinical Programmes**

7.3. The Trust is currently delivering and supporting the following accredited clinical programmes:

- 2 Cohorts of up to 60 students a year on the Post graduate Certificate in Leading Compassionate Excellence in Nursing and Midwifery.
- 1 Cohort of up to 10 students year on the Post graduate Certificate in Person centred Ophthalmic Care
- 1 Cohort of up to 25 students a year on the Post graduate Certificate
- 1 Cohort of up to 25 students on the Post graduate Certificate in Advanced Neuroscience Care
7.4 Significant interest has been generated in developing and running our own Trust academic programmes. Current plans are to develop and run a further 6 post graduate programmes in 2018/19. These will significantly reduce the impact of the reduction in external funding and will in due course provide income generation opportunities. As these are Trust delivered training programmes, the lecturers are able to provide significant specialist expertise as well as support and guidance whilst studying. The average cost of an external postgraduate certificate would be £3,000, the Trust is able to deliver the same training at a charge of £500. The training that is being developing is transferable as it has academic credit recognised by all UK Universities. In addition, many of the programmes have been developed specific to the needs of the services.

8. Centre for Occupational Health and Wellbeing

Flu Vaccination Programme 2017

8.1. This year’s flu vaccination programme started on 25th September 2017. The Commissioning for Quality and Innovation (CQUIN) target for frontline healthcare workers is 70% this year, previously 75% in 2016/17. The COHWB has trained over 70 ward vaccinators to assist with the delivery of the programme and at the end of the third week over 47% of staff had received the vaccine, a 4% increase from this time last year.

9 Recommendation

This report provides a summary of performance against a range of workforce indicators and the progress being made with respect to a number of key work programmes and initiatives. The Trust board is asked to note the contents of this report, in particular the actions being taken to improve staff recruitment and retention.

Mr John Drew

Director of Improvement and Culture

October 2017

Contributions from a number of corporate departments

Appendix 1: Workforce Performance Dashboard (Q2)