Oxford University Hospitals NHS
NHS Foundation Trust

Trust Board Meeting in Public: Wednesday 11 November 2015

TB2015.133

Title	**Quarterly Report on Workforce and Organisational Development Performance**

Status	For information and discussion
History	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.

Executive Lead	**Mark Power** **Director of Organisational Development and Workforce**			
Key purpose	Strategy	**Assurance**	Policy	**Performance**

EXECUTIVE SUMMARY

1.	This is a routine report to the Trust Board, which presents summary information relating to Organisational Development (OD) and Workforce Performance for the Quarter 2 (Q2) period, 1 July to 30 September 2015. Information is provided on a range of key performance indicators (KPIs), and a number of principal work programmes and initiatives being led by the OD and Workforce Directorate.
2.	KPI reporting data for the period highlights that substantive staff capacity has continued to increase, overall staff turnover has stabilised and vacancy rates continue to reduce. Notwithstanding this progress, in a number of areas turnover remains above the average Trust rate and is impacting on the ability to sustainably close staff vacancy gaps.
3.	Whilst the substantive pay bill remains underspent, at the end of Q2 total pay expenditure exceeded budget by £7.6m. This overspend is attributable to the continued reliance on bank and agency staff, the total year to date expenditure on which totals £22.9m representing 9.1% of the total current pay bill. New national rules have been introduced to establish a ceiling on the level of nurse agency spend, and targets have been imposed for the remaining two quarters of this financial year, and beyond. Reducing reliance (and thereby expenditure) on temporary staffing remains a key priority.
4.	The overall staff sickness absence rate has reduced to a 12 month rolling average of 3.6%, against a target of 3.0%. Statutory and mandatory training compliance remains unchanged, at 83.3% against a target of 90%. The completion of annual appraisals for non-medical clinical staff remains challenging. The Trust's overall compliance rate of 70.4% represents a decrease between reporting periods.
5.	The report provides summary updates relating to the following areas of work: ▪ staff recruitment and retention; ▪ workforce cost controls; ▪ staff engagement; ▪ values into action; ▪ learning and development; ▪ staff health and wellbeing; ▪ equality and diversity, and; ▪ HR policies and procedures.
6.	The Trust Board is asked to consider the summary information presented within the report.

QUARTERLY REPORT ON WORKFORCE AND ORGANISATIONAL DEVELOPMENT PERFORMANCE

1. Purpose

1.1 The purpose of this report is to provide summary information relating to Organisational Development (OD) and Workforce Performance for the Quarter 2 (Q2) period, 1 July to 30 September 2015. Section A describes performance and progress against Workforce key performance indicators (KPIs). Section B provides an update on a number of work programmes and initiatives associated with the OD and Workforce Directorate.

1.2 The Trust-level OD and Workforce Performance Dashboard is presented at **Appendix 1** and provides both in-month and rolling 12 month data relating to the principal Workforce KPIs. This information is distributed monthly to management teams for their respective Division.

SECTION A: PERFORMANCE AGAINST KEY PERFORMANCE INDICATORS

Unless stated otherwise, comparisons are made between 2015/16 Q1 and 2015/16 Q2 data

2. Workforce Capacity

Substantive Workforce Capacity

2.1 Substantive capacity increased by 247 wte compared to the end of Q1. This continues to reflect the Trust's strategic objective of recruiting to all established (i.e. budgeted) posts. Net movement in substantive staff capacity is shown in Table 1, below (N.B: substantive workforce capacity excludes research and development, and staff coded to recoverable cost centres).

Table 1: Net Movement in Substantive Workforce Capacity (whole time equivalent - wte)

Staff Group	Q1 2015/16	Q2 2015/16	Q1-Q2 Net Movement
Nursing and Midwifery Registered	3,299.90	3,413.7	113.8
Medical and Dental	1,609.50	1,671.8	62.3
Administrative and Clerical	2,102.10	2,144.9	42.8
Professional Scientific and Technical	347.4	373.0	25.6
Allied Health Professionals	526.8	536.4	9.6
Healthcare Scientists	488	493.0	5.0
Estates and Ancillary	158.2	156.4	-1.8
Clinical Support	1,608.70	1,598.2	-10.5
Total	**10,140.60**	**10,387.3**	**246.7**

2.2 Overall nursing and midwifery staff capacity increased by 114 wte, which represents 46% of the total increase between quarters. The EU nurse recruitment

programme has made a notable contribution to the increase in overall staff numbers in both quarters. This programme is continuing into the New Year, with an additional cohort in November 2015. No cohorts will be recruited to in December 2015. Since the start of the programme in December 2014, a total of 264 nurses have been recruited from a number of EU countries, including Spain, Portugal, Italy and Poland.

2.3 In September the Trust recruited 294 wte non-medical staff. In the previous five months an average of 141 wte were recruited in each month. Typically, an increase in the number of new starters is experienced in Q2 as a consequence of the intake of newly qualified graduates.

Total Workforce Capacity

2.4 Total workforce capacity is defined as substantive and temporary workforce (i.e. bank and agency) combined. When assessing total workforce capacity, monthly bank and agency expenditure is converted to whole time equivalent by applying an average cost per shift. Table 2, below, shows the movement in total workforce capacity, by Division, between the reporting periods. The total net movement was an increase of 186 wte.

Table 2: Total Workforce Capacity by Division (whole time equivalent - wte)

Division	Q1 2015/16	Q2 2015/16	Q1-Q2 Net Movement
Corporate	922.4	1,012.7	90.3
Children's and Women's (CHWO)	1,408.3	1,457.9	49.6
Clinical Support Services (CSS)	2,058.9	2,107.3	48.4
Surgery and Oncology (SUON)	1,896.8	1,942.3	45.5
Medicine Rehabilitation and Cardiac (MRC)	2,448.4	2,473.0	24.6
Neurosciences Orthopaedics Trauma and Specialist Surgery (NOTSS)	1,818.8	1,835.2	16.4
Operations and Service Improvement	205.8	199.8	-6.0
Other *	82.2	0.0	-82.2
Total	**10,841.6**	**11,028.1**	**186.5**

* Other - staff previously accounted for under 'Operating Expenses' and paid for by income from education monies and I&E transactions associated with externally funded projects. These staff were re-assigned to 'Corporate' in Q2.

2.5 Despite the continued increase in substantive workforce capacity, reliance upon bank and agency staff remains high, predominantly within clinical areas. During the Q2 reporting period, the average number of bank and agency hours requested for nursing and midwifery shifts was 69,000 per month. This represents an increase of 4,000 hours when compared with the 2014/15 monthly average. Between April and September, the fill rate for all shifts was 81%, compared with 76% for the same period in 2014/15.

3. Workforce Costs

3.1 At the end of Q2 the total pay budget (excluding research and development) was overspent by £7.6m (i.e. £250.4m actual against £242.8m plan). Consistent with much of 2014/15 and Q1, the monthly substantive staff pay bill at Q2 tracked below the budgeted total and at the end of September was £15.3m below plan for the financial year to date. However, with the inclusion of temporary staffing expenditure, the total pay bill exceeded the budgeted pay position. This trend reflects the impact of premium costs associated with the use of agency staff to cover gaps in establishment levels and other staff absence (e.g. sickness absence, annual leave, maternity leave).

3.2 Table 3, below, shows the monthly run rate expenditure on temporary staffing, across all groups. In September, agency expenditure increased by a total of £300k, whilst bank expenditure reduced by £400k, representing a net total reduction of £100k in month. Despite the in-month reduction, total expenditure on bank and agency staff in Q2 increased by £700k compared with Q1 (i.e. an increase from £11.1m to £11.8m).

Table 3: Total Bank and Agency Expenditure - April to September 2015 (excluding research and development)

Bank and Agency Expenditure	Apr £m	May £m	Jun £m	Jul £m	Aug £m	Sep £m	YTD £m
Agency	2.3	2.5	2.7	3.0	2.4	2.7	**15.6**
NHSP (Bank)	1.1	1.3	1.2	1.3	1.4	1.0	**7.3**
Total Expenditure	**3.4**	**3.8**	**3.9**	**4.3**	**3.8**	**3.7**	**22.9**
% of Total Pay Bill	8.3%	9.4%	9.2%	10.1%	8.9%	8.8%	9.1%

3.3 The £22.9m year to date expenditure on all temporary staff represents 9.1% of the total pay bill for the same period. The positive in-month movement is modest and needs to be improved over the remaining six months of the financial year. Actions being taken to control costs associated with the temporary workforce will continue. These include the elimination of agency long lines, directly-booked staff and non-framework agencies, authorisation restrictions, and the cessation of the use of temporary Administrative and Clerical staff in some Divisions (which is to be extended to all areas from 1 November).

3.4 Within the nursing and midwifery staff group, which accounts for the majority of bank and agency use, in-month expenditure reduced by £200k (total expenditure in September was £1.7m, compared with £1.9m in August). This represents the lowest level of expenditure this financial year. Quarterly performance has also improved, with total expenditure reducing by £500k, from £6.2m in Q1 to £5.7m in Q2 (Table 4, overleaf, refers). Expenditure on nursing and midwifery temporary staffing is highest in the neonatology and adult critical care specialties, and within JR and Churchill theatres.

3.5 The year to date expenditure on temporary medical and dental staff is £3.7m, of which £2.6m is attributable to agency use. The areas in which expenditure is greatest are Cardiothoracic (£523k), Urology (£351k) and Radiology (£297k).

Table 4: Nursing and Midwifery Bank and Agency Expenditure - April to September 2015 (excluding research and development)

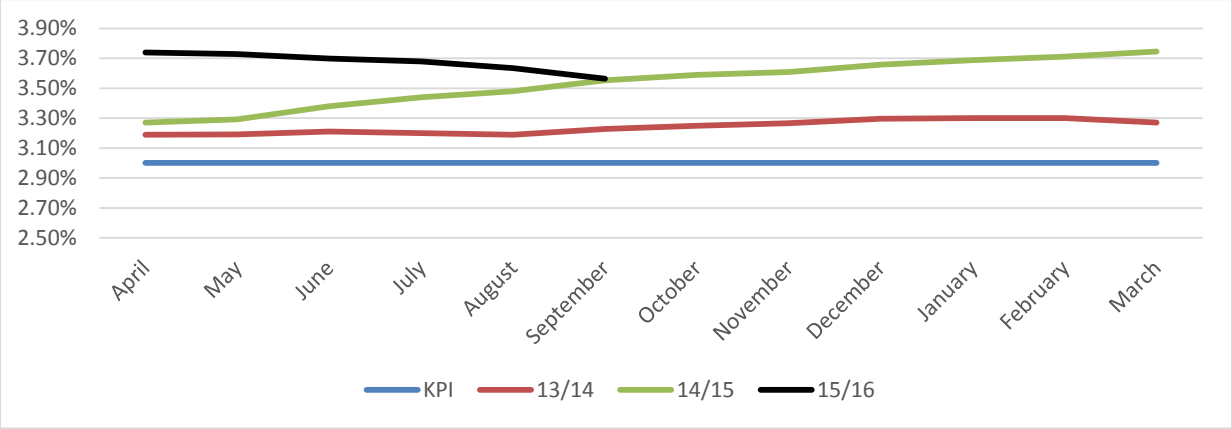
Bank and Agency Expenditure	Apr £m	May £m	Jun £m	Jul £m	Aug £m	Sep £m	YTD £m
Agency	1.4	1.3	1.3	1.4	1.1	1.1	**7.6**
NHSP (Bank)	0.7	0.8	0.7	0.7	0.8	0.6	**4.3**
Total Expenditure	**2.1**	**2.1**	**2.0**	**2.1**	**1.9**	**1.7**	**11.9**
% of Nursing and Midwifery Pay Bill	17.0%	16.5%	16.2%	16.6%	15.6%	13.5%	15.9%

3.6 Section B provides further commentary relating to bank and agency controls.

Sickness Absence

3.7 The current Trust-level sickness absence rate is 3.6%. Table 5, below, shows the rolling 12-month absence rate for the year to date and for the preceding two financial years. Following the introduction of the FirstCare absence management system in April 2014, the overall absence rate increased by 0.4% during the proceeding 12-month period. This upward trend has been reversed during the first six months of this financial year and current performance is consistent with that of September 2014. National benchmarking via the Health and Social Care Information Centre confirms that the Trust continues to compare favourably against the latest published figures of 4.3% for NHS England and Wales, and similarly the 3.8% Shelford Group average.

Table 5: Rolling 12-Month Absence by Month/Year



3.8 Within the clinical Divisions, the highest levels of sickness absence are recorded within CSS (4.0%) and CHWO (3.8%). Illness relating to mental health is the most frequently recorded reason for staff absence, accounting for the highest number of days lost for the rolling year to date (i.e. 13.7% of all days lost). The clinical support staff group (which comprises health care assistants and other support staff) has the highest rate of absence (6.0%).

3.9 The Trust's Absence Management Procedure has been further strengthened and close partnership working between line managers, Divisional HR teams and the Occupational Health Service continues. The implementation of the Employee Assistance Programme (EAP) complements the work of FirstCare, and the new Line

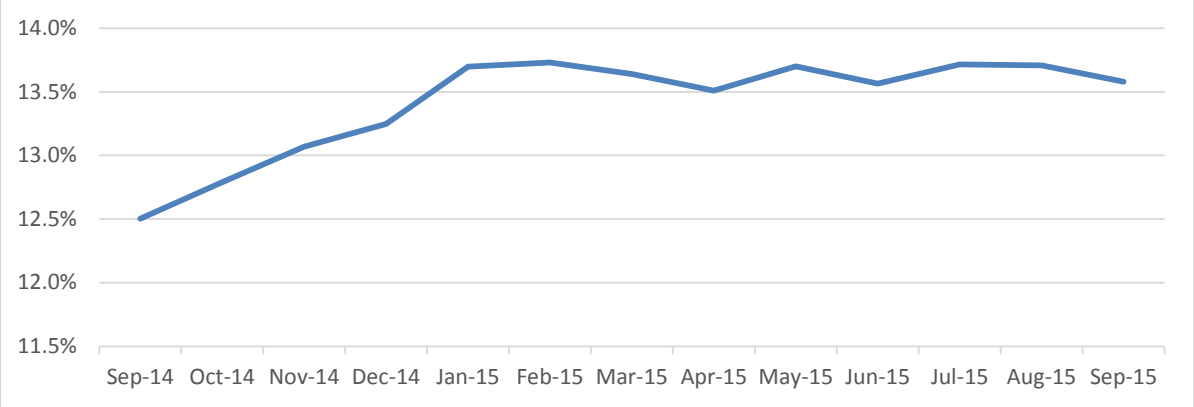
Managers' Toolkit includes support and guidance for the effective management of staff absence (Section B refers).

4. Workforce Efficiency

Staff Turnover

4.1 Table 6, below, reflects that overall staff turnover remains relatively stable at 13.6%. Within the clinical Divisions, MRC has the highest turnover level (14.6%), which represents an improved position when compared with Q1 (15.7%), whilst CHWO has the lowest level (11.1%). The aim remains to reduce overall turnover to 10.5%, or below. The two areas which most influence the higher level of turnover in the MRC Division are ambulatory medicine, and acute medicine and rehabilitation, where attrition is greatest amongst clinical support staff and registered nursing staff.

Table 6: Overall Staff Turnover - September 2014 to September 2015



4.2 When assessed by staff group, the highest levels of turnover persist amongst clinical support staff (17.3%) and allied health professionals (17.0%). This is broadly consistent with the Q1 performance. Within the nursing and midwifery staff group, turnover has reduced from 14% in April to 13.1% in September. In the previous performance report, turnover amongst nursing and midwifery staff employed at band 5 was highlighted as being of particular concern. Whilst this remains true, the position improved in Q2 and turnover has reduced from 17.5% to 16.3%.

Staff Vacancy Rates

4.3 In August 2015 financial adjustments were made to establishment levels within a number of Divisions. As a consequence of this adjustment staff vacancy rates, which are measured as the differences between budgeted establishment and staff in post (expressed as a percentage of budgeted establishments) increased. Despite this increase, a reduction in the overall vacancy rate was achieved in Q2, such that the Q1 position was maintained: At the end of September, the overall vacancy rate was 5.4%, against the target of 5%.

4.4 Vacancy levels remain relatively high in a number of areas where recruitment and retention is challenging, and where there are recognised national shortages in particular staff groups/specialties, such as adult and children's critical care, and theatres. However, across the whole of the band 5 nursing and midwifery staff

group, the overall vacancy rate has reduced to from 18.5% in August to 14.6% in September. Across all registered nursing and midwifery posts, the current vacancy rate is 10.1%, compared with 12.6% at the end of Q1.

4.5 At Divisional level, NOTSS and SUON are experiencing the highest vacancy rates (i.e. 10.4% and 8.5% respectively). Within the MRC Division, the overall vacancy rate has reduced to 4%, from a peak of 9.3% in September 2014.

5. Workforce Compliance

Statutory and Mandatory Training

5.1 At the end of Q2, the overall statutory and mandatory training compliance rate was 83.3% against a target of 90%. Performance at a Divisional level is highlighted in Table 7, below.

Table 7: Statutory and Mandatory Compliance Rates by Division - Q2

Division/ Function	Q2	Movement Q1 - Q2
Operations and Service Improvement	91.7%	+3.3%
Clinical Support Services	88.9%	-0.5%
Corporate Services	86.3%	-2.4%
Children's and Women's	86.1%	+0.7%
Surgery and Oncology	85.8%	+1.1%
Neurosciences Orthopaedics Trauma and Specialist Surgery	85.1%	-0.1%
Medicine Rehabilitation and Cardiac	80.1%	-1.5%
Research and Development	63.7%	+3.1%
Overall Trust Compliance	**83.3%**	**+0.4%**

5.2 Those elements of statutory and mandatory training which are most significantly below target are detailed in Table 8, below. The OD and Workforce Directorate recognises the need to continue to improve statutory and mandatory training completion, in order to achieve the 90% compliance rate in 2015/16. The entire core skills training framework is being refreshed, with the aim of making the learning more engaging and improving user experience. In addition, a review of statutory and mandatory training has been initiated. This work will inform an updated Policy and greater alignment with the Trust's risk profile.

Table 8: Statutory and Mandatory Training - Elements Below 70% Compliance

Competence	Q2	Movement Q1 - Q2
Medicines Management - Controlled Drugs (Doctors)	67.4%	-1.9%
EPR Millennium Basics for Doctors	66.0%	+6.0%
Conflict Resolution	54.6%	-7.6%

Annual Appraisal

5.3 At the end of Q2, the overall compliance rate for the completion of non-medical annual appraisal was 70.4% against a target of 90%. This represents a reduction of 1.9% against the Q1 performance. Table 9, below, provides compliance rates by Division.

Table 9: Non-Medical Appraisal Compliance

Division / Function	Q2	Movement Q1 - Q2
Surgery and Oncology	79.7%	-5.1%
Neuroscience Orthopaedics Trauma and Specialist Surgery	75.7%	-1.5%
Clinical Support Services	74.9%	-0.8%
Medicine Rehabilitation and Cardiac	62.8%	-6.2%
Children's and Women's	66.5%	-1.7%
Corporate Services	66.1%	+7.7%
Operations and Service Improvement	60.2%	+3.3%
Overall Trust Compliance	**70.4%**	**-1.9%**

5.4 The deterioration in compliance is of concern and the Learning and Development function is taking measures to further support Divisional management teams in improving their respective positions. Work is being undertaken with Enterprise Study (the suppliers of ELMS) to enhance the functionality of appraisal templates and further reduce the administration associated with appraisal completion and recording. The Line Managers' Toolkit (discussed further under Section B) includes an appraisal element.

SECTION B: SUMMARY OF KEY WORK PROGRAMMES AND INITIATIVES

6. Staff Recruitment and Retention

6.1 Improving staff recruitment and retention remains a key priority for the OD and Workforce Directorate. This section summarises a number of initiatives and developments associated with this important area of work.

EU and Overseas Recruitment

6.2 In Q2, the Trust recruited a total of 110 registered nurses from non-UK EU countries. To date, this major recruitment initiative has provided the Trust with an additional 264 nurses, who are being deployed across the Divisions. This activity is likely to continue for the foreseeable future, in order to supplement UK recruitment.

6.3 Following the successful establishment of an international recruitment programme of neonatology medical staff from the Indian subcontinent, the possibility of extending this programme to include neonatal and children's nurses is being explored. The Trust has also advertised other 'hard to recruit' posts in non-EU countries, including Australia for ultrasound advanced practitioners (sonographers),

nuclear medicine advanced practitioners, and specialist radiographers. Also, physiotherapists and occupational therapists are being recruited from Ireland.

UK Visa Restrictions

6.4 Over recent months OUH has worked with Shelford Group colleagues to highlight concerns relating to tier 2 visa restrictions associated with NHS posts. Since 2011, an annual immigration cap of 20,700 tier 2 general visas has prevailed for non-EU workers, except for those in occupations which are included in the Shortage Occupation List. In 2014-15, around one quarter of visas under the cap were taken up for healthcare roles. A proposal for a new rule to be introduced from April 2016 would have further restricted the ability of trusts to recruit and retain healthcare staff from non-EU countries by imposing a requirement for migrants on a tier 2 visa applying for settlement to be earning £35k or more. The exemptions from this earning category would have applied only to those jobs included within the shortage occupation list. Notification of this proposal caused great concern for a significant number of trusts, including OUH, and many staff (including nurses) whose salaries are below the £35k minimum requirement.

6.5 Following widespread petitioning via NHS Employers, in mid-October the government confirmed its decision, as an interim measure, to include nursing on the shortage occupation list with immediate effect. Although this decision is subject to future review, it will have a significant and positive impact on the ability for organisations to recruit from overseas and will allow current OUH nurses who are employed under tier 2 visa restrictions to apply for settlement, once they have worked within the UK for a specified qualifying period. Additionally, this now means that there are an unlimited number of tier 2 general visas available for nurses who seek employment with employers holding a sponsorship licence. The Migration Advisory Committee, which determines the shortage occupation list, is to review whether nurses should be added to the list permanently.

Appointment of Nurse Recruitment Advisor

6.6 A new Nurse Recruitment Advisor post was established in September. The purpose of this role is to provide dedicated support in the recruitment and retention of nursing and midwifery staff. In particular, the post holder is undertaking work to increase the applicant-to-interview rate, review all unsuccessful candidates to determine whether the offer of alternative roles might be appropriate, and (in support of Divisional teams) provide additional direct assistance to the Trust's EU recruits. Also, the role is directly supporting Divisional nursing teams in the identification of particular interventions to assist staff retention.

Introduction of Link Grades

6.7 A further initiative aimed at improving retention is the introduction of 'link grades'. Where applicants excel at interview by demonstrating a high level of motivation, strong work ethic and alignment with Trust values, but lack certain competencies and experience, recruiting managers are able to appoint into a lower grade post called a link grade position. Whilst occupying such a position, individuals are provided with further agreed training and, when considered appropriate, promoted into the higher-banded post. This initiative has already been successful in

cardiac physiology and is being applied in radiotherapy. The IM&T department is also adopting link grades as a means by which to compete with private sector competitors.

Tax Efficient Schemes

6.8 In order to further enhance the range of tax efficient (or salary sacrifice) schemes available to staff, the Trust has entered into a partnership with Oxfordshire Credit Union. The scheme invites staff to join the credit union and make regular savings by way of deduction from salary, into a credit union account. Members are also able to apply for personal loans at highly competitive rates. This facility provides an ethical and safe alternative to 'payday' lenders. Other schemes to be introduced in the near future include dental care insurance and a 'give as you earn' facility, which allows donations to charities to be made as tax-exempt deductions from salary.

7. Workforce Cost Controls - Bank and Agency

7.1 As part of a national programme to assist NHS foundation trusts and NHS trusts in meeting their workforce challenges, a new set of rules governing the use of bank and agency have been jointly established by Monitor and the Trust Development Authority (TDA). Correspondence issued in September explaining the requirements imposed by the new rules highlighted that, since 2012/13, the NHS has experienced a one third increase in agency expenditure associated with all staff groups. This increase is acknowledged as being a direct consequence of both financial and quality issues. All trusts are facing rising workforce cost pressures because staff shortages in certain specialties have increased the bargaining power of agencies. These problems are being made worse by:

- demand for NHS nurses increasing in response to the sector's heightened emphasis on service quality and safety;
- the movement towards seven-day access to services;
- the number of nurses prematurely leaving the profession rising by nearly 30% over the past two years;
- inadequate supply of nurses from UK training sources.

7.2 The current environment provides a perfect opportunity for agencies to develop an attractive offering to nurses, against which trusts are unable to compete. As a consequence, high rates of pay, flexibility and almost guaranteed full-time agency work mean that more staff are choosing to provide their services exclusively via agency contract arrangements, rather than by occupying substantive posts. In order to assist in addressing this situation nationally, Monitor and the TDA have established two specific rules governing the use of nursing agency capacity, namely:

- the imposition of an annual ceiling for total nursing agency spending for each trust;
- the mandated use of approved frameworks for procuring agency staff.

These rules, which took effect from 1 October, aim to assist in redressing the balance by increasing the bargaining power of trusts when they procure from

agencies and encouraging nurses to return to permanent NHS roles, or bank contracts.

7.3 In addition to these rules, Monitor and the TDA plan to implement price caps later in 2015 and trusts have been invited to contribute to an associated consultation process being conducted throughout November. The implementation of price capping is likely to make the biggest impact on the entire nursing agency market, provided that the regulators set the caps at the optimum level. The Shelford Group procurement forum (which is led by OUH) has offered its support with this work.

7.4 The rules established by Monitor and the TDA are recognised as complementing the work undertaken by the Trust's Workforce Cost Improvement Group over the past twelve months. The main purpose of this Group is to oversee the delivery of those requirements within the Trust's cost improvement plan (CIP) which relate to workforce costs. Predominantly, work is focused on the reduction of agency expenditure and reducing to an absolute minimum the use of non-framework (i.e. non-approved) and high cost agency suppliers.

Annual ceiling for total nursing agency spending

7.5 Under this first rule, each trust has been set an annual limit for nursing agency expenditure as a percentage of total nursing staff spend. For the purpose of this rule, nursing is defined as registered general and specialist nursing staff, midwives and health visitors. The ceilings set depend upon trusts' 2014/15 percentage expenditure and the prescribed ceilings for OUH, for the remainder of 2015/16, and for 2016/17 to 2018/19, are as follows:

Q3/4 2015/16	2016/17	2017/18	2018/19
8%	6%	4%	3%

The Trust has submitted a profile for our planned monthly spending across the remaining quarters of this financial year. The profile forecasts an out turn of 8.7% for the full year position, against the Month 5 actual position of 10.6%. Although the trajectory was not met for Month 6, the Divisional plans are forecasting out turns of 7.1% and 5.8% for Q3 and 4, respectively, representing a full year position of 8.3%.

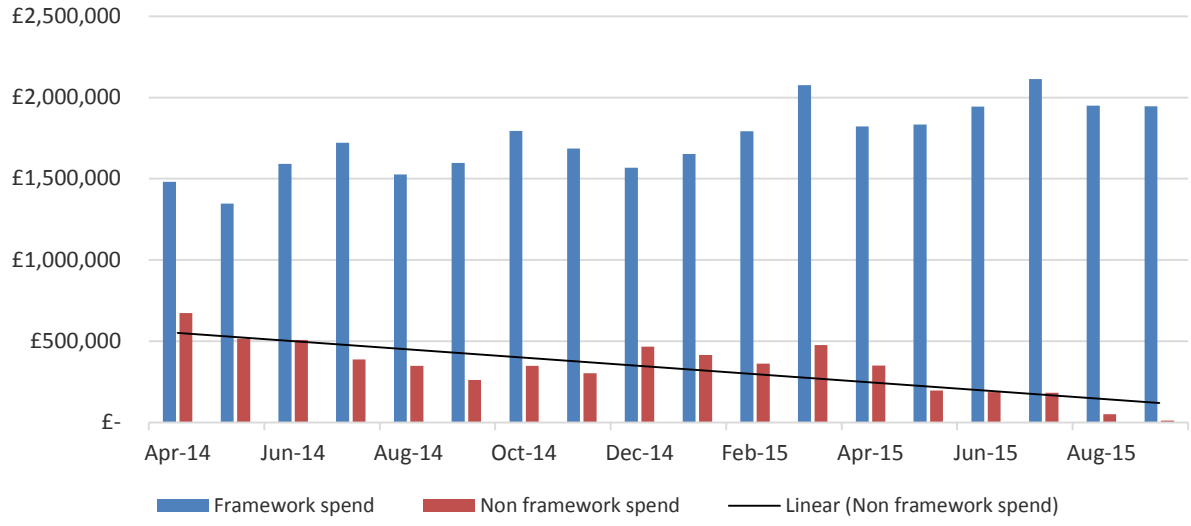
7.6 Performance against the annual ceilings will be monitored via monthly returns and trajectories may be adjusted, based upon the progress of the sector, or individual trusts, or as new data becomes available. Locally, the Trust will influence and monitor progress against the submitted profile via the Workforce Cost Improvement Group, through which additional controls relating to all staff groups were implemented in August 2015. These controls include the removal of long-term agency placements and direct agency bookings (i.e. allowing bank workers the opportunity to fill the shift first); maximum notice periods for agency bookings; authorisation protocols; cessation of bookings with non-framework suppliers, and the removal of high cost agencies.

Mandatory use of approved frameworks for procuring agency staff

7.7 On 1 September Monitor and the TDA invited framework owners to submit business cases to obtain endorsement for their framework to be used by the NHS. The assessment criteria included consideration of: value for money; legal status of the framework; quality and cost improvement, and customer support. Against these criteria, four framework agreements have been endorsed, namely: Crown Commercial Services RM3711 and RM970, Health Trust Europe Agency Nursing and Care Services, and the National Collaborative Framework for the Supply of Nursing and Nursing Related Staff. These approved frameworks are required to fully comply with all the terms of their agreements, including the pay and charge rates. With effect from 19 October 2015, all trusts which are subject to the nursing agency rules will have to secure agency staff via these frameworks, only. This rule is designed to bring: greater transparency on nursing agency spend; greater assurance on quality of nursing agency supply, and control on the cost of nursing agency use.

7.8 For the supply of nursing agency staff, locally, OUH uses the National Collaborative Framework for the Supply of Nursing and Nursing Related Staff and, in the year to date, has achieved a marked decrease in non-framework nursing agency spend (i.e. from 19% of total agency expenditure in Month 1 to just 1% in Month 6). This reduction, which is illustrated in Table 10, below, has been achieved by working closely with ward managers and service leads to recruit into substantive posts, transfer agency to the bank and removing non-framework suppliers from the NHS Professionals platform as soon as is practicable. Where the procurement of agency staff from a non-framework supplier is deemed to be essential, then approval can only be granted by the Chief Nurse.

Table10: Reduction in Non-Framework Agency Nursing Expenditure



7.9 Strict adherence to the framework will achieve further reductions in the charge rates associated with the two main providers (i.e. Crown Commercial Services and the National Collaborative Framework). Additional benefits have already been achieved by aggregating the collective purchasing influence of the Shelford Group to obtain a higher volume-based discount, which will deliver in-year and recurrent savings. These improvements will assist in the achievement of the annual ceiling requirement.

7.10 Notwithstanding the particular focus on nursing agency expenditure, these same controls are being applied to all categories of staff and demonstrable progress is being made. Total expenditure associated with non-framework agencies reduced from £333k (i.e. 15.5% of total agency spend) in Month 1 to just £12k (i.e. 0.6% of total agency spend) in Month 6.

8. Staff Engagement

Staff Friends and Family Test

8.1 A positive endorsement to our main strategic objective of delivering compassionate excellence is evidenced through the staff friends and family test (FFT) Q2 survey, conducted in September. A total of 1,924 members of staff participated in the survey, 88% of whom indicated they would recommend OUH to friends and family for care and treatment. This result (which is consistent with Q1) is 8% above the national average, with positive percentage increases being achieved in the NOTSS and SUON Divisions. However, 63% of staff confirmed they would recommend our Trust as a place to work, with scores ranging from 56% in the CSS Division to 66% in the MRC Division. The overall score is consistent with both the national average and the local Q1 position.

Staff Recognition

8.2 A total of 746 nominations (the highest number to date) have been received in response to the Trust's fourth Annual Staff Recognition Awards scheme. Divisional recognition panels met in September to agree shortlists, and the Trust panel has decided upon the overall winners for each category. Divisional Award events are scheduled during October and November, prior to the main Awards evening in early December.

8.3 Over 70 nominations were received in response to the Oxford Mail Hospital Heroes scheme and shortlists have been agreed for both the individual and team award categories. Profiles of shortlisted staff are being featured in the Oxford Mail and, again, the category winners will be announced at the December Awards evening.

8.4 Building upon the popularity and success of the Staff Recognition Awards scheme, 'e-thank you' cards were launched in August, via the staff recognition portal. This simple and convenient facility provides all staff with the opportunity to send an instant personal thank you to a colleague. The initiative has proved to be popular with staff and, to date, nearly 300 e-thank you cards have been issued.

NHS Annual Staff Survey

8.5 The annual NHS Staff Survey is recognised as being an important means by which the views of staff working in the NHS inform local improvements and input in to local and national assessments of quality, safety, and delivery of the NHS Constitution. The minimum requirement for OUH is to Survey a statistically representative sample of the workforce consisting of 850 substantive employees. The sample group is selected by the Trust's independent Survey administrator (Picker Institute Europe) from a full staff list provided by the Trust in September. Outcome data arising from this same group is used for national benchmarking purposes and is made publicly available. Since a sample group of 850 employees represents less than eight per cent of the overall workforce, for the past three years OUH has elected to apply the Survey to all substantive members of staff. This provides for a greater level of confidence in the validity of the Survey outcomes,

more effectively highlights key themes and better informs responses to particular areas of concern.

8.6 Implementation of the 2015 Staff Survey commenced in the last week of September. All substantively employed members of staff, and those holding honorary contracts, who were in post on 1 September 2015 have received a Survey questionnaire, which must be returned by 30 November. A 'mixed mode' approach has been applied to the distribution and receipt of questionnaires. Every member of staff who has an active email account will receive an emailed link to the questionnaire and will be able to complete and submit online. For those individuals who do not have direct email access (approximately 2,000), paper copies will be issued. The online facility should encourage and facilitate a higher overall participation rate.

8.7 This year the Survey core questionnaire has undergone extensive re-development, making it more relevant and useful for participating organisations. A total of 14 questions have been removed and 11 new questions introduced. A number of updates have been made to the question wording and response options. Whilst trusts are able to include a limited number of additional questions within the Survey, in the interest of maintaining the overall number of questions to a minimum, only one such question has been included within OUH questionnaires. This relates to organisational values, and is as follows:

(Q23a) Are you aware of your Trust's six core values?
b. Do managers demonstrate these values at work?
c. Do other colleagues demonstrate these values at work?

8.8 As part of the Survey pre-launch communication, a series of posters at Trust and Divisional levels highlighted the principal actions taken as a consequence of the 2014 feedback, together with information emphasising the importance of participation in the Survey, and how the information is used and kept confidential. During the Survey period, weekly messages and response rate updates are being provided via the Trust intranet, team talk and OUH News. The Workforce team has also established a number of 'Survey Hubs' to support staff who may not have routine access to a computer, by providing the time and space in which to complete their questionnaire.

8.9 Following the Survey closure on 1 December, early results will be available in January 2016, and publication of full results is planned for February 2016. Response rates and results will be analysed to Clinical Service Unit level, provided there are more than 11 employees within a particular department.

9. Values into Action

Value Based Interviewing

9.1 During Q2, Value Based Interviewing (VBI) continued to be implemented within Divisions and a further 48 managers received training in technique and application, taking the total to nearly 400. In response to the high demand for training spaces, an additional five members of staff have been trained in VBI

delivery. This has achieved an increase in training capacity for the remainder of 2015/16.

9.2 A well-received VBI showcase event was held in September. The Trust's OD team hosted over 150 attendees, including representatives from 37 external organisations. Participants included NHS Employers, Health Education England, the Health Foundation, other NHS trusts, and academic providers from across the UK. Guests were invited to hear from speakers including Nita Clarke, co-author of 'Engaging for Success', as well as two OUH Sisters from the Oncology Directorate who provided an insight into how VBI had supported their cultural change programme. The event was recorded and a website including the audio visual material associated with all speakers is being created, for circulation through the national OD, and NHS Employers networks.

Values, Behaviours and Attitudes Conversations

9.3 Values, Behaviours and Attitudes Conversation (VBC) training continued on a monthly basis throughout Q2. This training takes the VBI principles, skills and techniques and applies them in the broader context of managers having quality 'value based conversations' with their staff. Over 400 line managers have attended VBC training since its implementation in mid-2014 and approximately 40 individuals receive training each month. Feedback is extremely positive, with managers endorsing the initiative and overwhelmingly reporting how they now feel confident to immediately implement their new skills, in order to both enrich their performance and appraisal discussions with staff and to address issues of concern.

Delivering Compassionate Care Programme

9.4 Provision of the Delivering Compassionate Care (DCC) programme continues on a weekly basis. The training, which is funded as part of the Health Education Thames Valley Compassionate Care bid, is delivered as a one-day development workshop aimed at providing participants with an appreciation of the impact of behaviour and attitudes on the patient, and an understanding of effective communication styles with those who are vulnerable (i.e. anyone receiving treatment within our hospitals).

9.5 A total of 169 staff attended the training course in Q2, bringing the total trained to 310. Between October and December the OD team will offer an additional 400 training places for DCC, bringing the total trained to c700. Qualitative feedback collated to date highlight an increased confidence amongst staff in raising concerns at work and improved awareness of the need to challenge poor behaviours and standards in others.

10. Learning and Development

Leadership and Talent development

10.1 An important training need, highlighted by staff exit interviews and annual Staff Survey feedback, is the provision of support for line managers in the day to day management of people and resources, and the appropriate application of Trust policies and procedures. In response, the 'Line Managers Toolkit' (a suite of

essential and complementary training modules) was successfully launched in September and training dates have been published through to March 2016. The interest and uptake amongst managers and supervisors has been extremely positive and additional dates have been provided for appraisal, performance management and managing bullying and harassment training.

10.2 Following the Trust's success in securing funding from the Thames Valley and Wessex Leadership Academy (TVWLA) to support the application of a talent management framework, a pilot scheme has been implemented within the NOTSS Division. The pilot, which will conclude in March 2016, will assist in assessing effectiveness in both clinical and non-clinical settings and support a full talent management implementation programme, across all Divisions.

Learning and Education Strategy

10.3 Work has been completed on the production of a new Trust Learning and Education Strategy, the purpose of which is to establish challenging but realistic goals to improve the quality of learning, education and training provision within OUH over the next five years. The Strategy is aligned with our Trust's tripartite mission to provide excellent and compassionate care, support high quality learning and education, and encourage innovation and research. A consultative approach was taken in the development of the document, including the use of the NHS Patient and Staff Surveys, focus groups and an interactive 'world café' event to create debate and engagement amongst a broad cross-section of the workforce.

10.4 Successful implementation of the Strategy aims to:

- establish an appropriately resourced OUH 'Healthcare Academy', through which innovative and flexible learning, education and training programmes are accessible to all staff;

- position OUH as a recognised centre of excellence for the provision of leadership and talent development programmes, and

- ensure that learning, education and training underpins quality and safety improvement, and supports the personal and professional development of our staff.

The Strategy has received the support of the Trust Management Executive and will be presented, for endorsement, to the Trust Board in November.

11. Staff Health and Wellbeing

Mental Wellbeing

11.1 The Trust's Centre for Occupational Health and Wellbeing continues to see a high number of mental health referrals and FirstCare records confirm that a principle reason provided by staff for their absence is stress, anxiety, depression, or other psychological illnesses. Whilst, in the majority of cases, these symptoms are not directly linked to work issues, they have a direct impact on the workplace. In response, a number of interventions and initiatives are being pursued, which aim to

provide direct support to staff and managers, and to promote awareness regarding the recognition and management of mental health-related issues.

11.2 A key priority has been to offer managers new training opportunities to explore how they can influence the Trust's culture and manage their own mental wellbeing, thus helping to create and sustain a 'mentally healthy workplace'. Associated training, sponsored by NHS Employers, continues to be delivered. To date, a total of 92 managers have benefitted by this important and well-evaluated initiative, and the target of ensuring at least 100 managers receive training by January 2016 will be exceeded. Requests for team 'building resilience' workshops have increased and the Health and Wellbeing Promotion Specialist continues to provide a range of shorter interventions to suit the particular needs of staff and departments.

11.3 The Employee Assistance Programme (EAP), introduced in July 2015, is available for all staff on a 24/7 basis. The EAP facility can be accessed via telephone and online and provides a wealth of information and advice on a number of topics and issues that may be a cause of anxiety. A confidential counselling service is also available. The first quarterly performance report will be received in Q3.

Manual handling training

11.4 Due to the redevelopment of the Churchill Hospital and associated proposed demolition of buildings, the manual handling training centre ceased to be available from September 2015. In order that the Trust is able to meet its legal obligations relating to manual handling and health and safety responsibilities, an alternative permanent venue is being sought. In the interim, a temporary solution has been identified and a full programme of training will recommence from early November, which will prioritise the management of an accumulation of requests received over the past three months.

Flu Vaccination Programme 2015

11.5 This year's flu vaccination programme launched in nearly October and aims to exceed the previous year's achievement in vaccinating 63% of all Trust staff. Clinics are being conducted on all four sites and over 40 trained ward vaccinators will be assisting the occupational health and wellbeing team in maximising staff uptake.

12. Equality and Diversity

Bullying and Harassment

12.1 One of the Trust's equality objectives is to reduce, year on year, the amount of bullying, harassment or abuse experienced by staff at work. The 'Line Managers Toolkit' (highlighted above) includes a managing bullying and harassment module, and the network of bullying and harassment support colleagues is being further developed. The role of these colleagues is to provide support and guidance to staff who feel they are being, or have been, bullied or harassed. An information gathering exercise has been undertaken to better understand how the Trust can support network colleagues in their roles, and to raise awareness across the Trust. During

Q3 this information will be collated and a schedule of communications and support activities developed.

Equality Delivery System 2

12.2 Via the Trust's Equality, Diversity and Inclusion Steering Group, preparation for the Equality Delivery System (EDS2) submission has commenced, with the public grading panels scheduled for early 2016. The EDS2 process requires all NHS providers to submit evidence to demonstrate how they comply with the requirements of the public sector equality duty, including compliance against 18 specified equality outcomes. During Q3 workforce and patient evidence will be collated and analysed, in readiness for presentation at the grading panels.

Workforce Race Equality Standard

12.3 The Workforce Race Equality Standard requires the Trust to demonstrate progress against nine indicators of workforce race equality and is included within the Standard NHS Contract for 2015/16. Further to meeting the July 2015 deadline for publication of the data, a Workforce Race Equality Standard Action Group was established, which is progressing a work programme to better understand the data and undertake actions to close the metrics gap between the experience of White and Black and Minority Ethnic (BME) staff where there is no objective justification for any differences. The Action Group will ensure the Trust is ready for publication of the next set of data in April 2016.

Equality and Diversity Training

12.4 Mandatory equality and diversity training is delivered to all staff as part of the induction process and on a three yearly basis thereafter. This training aims to raise awareness of the equality legislation and health inequalities as well as encouraging staff to understand the importance of equality and diversity considerations to patient outcomes. During Q2 a review of the training material was undertaken to ensure the content reflects current legislation and best practice. This has included the production of revised training presentation material which will be launched in November.

13. HR Policies and Procedures

13.1 During Q2, six HR policies and procedures were reviewed or developed, issued for consultation and subsequently approved at the July meeting of the Workforce Committee. The new policies are:

- Reservist Policy
- Approved Visitors Policy
- Managing Allegations of Harm Staff Policy

Those procedures reviewed and updated are:

- Procedure for Handling Concerns Related to Conduct, Capability or Health of Medical and Dental Staff
- Maternity, Paternity, Adoption and Shared Parental Leave Procedure

- Job Evaluation Procedure (previously called Job Banding)

14. Recommendation

14.1 This report provides a summary of performance against the main Workforce Indicators and progress being made with respect to a number of key work programmes and initiatives associated with the delivery of the OD and Workforce Strategy. The Trust Board is asked to note the contents of the report.

Appendix

1. OD and Workforce Performance Dashboard 2015/16 - Q2

Mark Power
Director of OD and Workforce

November 2015

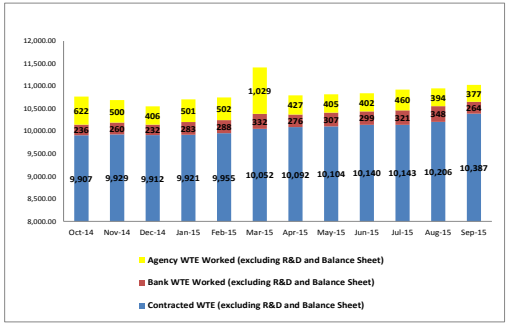
Report prepared by:
Carl Jenkinson
Deputy Director of Workforce

WORKFORCE CAPACITY

Whole Time Equivalent (WTE)

Workforce Category	Q2 August 2015 (M5)	Q2 September 2015 (M6)
Budgeted Staff in Post	10,957.2	10,977.3
Actual Staff in Post	10,206.3	10,387.3
Temporary Workforce	742.8	640.8
Total Workforce Capacity	10,949.1	11,028.1

Workforce Capacity - WTE



SIP and Budget WTE excludes employees in Research & Development and in the Balance Sheet - recoverable staff who are paid by the OUH but funded from external organisations.

Vacancy Rate

September 2015 (M6)				
Division	Budgeted staff in Post	Actual Staff in Post	Vacancy %	Vacancy WTE
Children's & Women's	1,482.2	1,403.4	5.3%	78.8
Clinical Support Services	2,039.7	1,990.0	2.4%	49.7
Corporate Services*	974.9	984.3	-1.0%	-9.4
MRC**	2,425.4	2,326.9	4.1%	98.5
NOTSS***	1,863.7	1,705.6	8.5%	158.1
Other	0.0	0.0	n/a	0.0
Operations & Service Improvement	187.8	182.3	2.9%	5.4
Surgery & Oncology	2,003.6	1,794.7	10.4%	208.9
Total Substantive	**10,977.3**	**10,387.3**	**5.4%**	**589.9**

Excludes Balance Sheet and R&D staff

Other represents staff in Operating Expenses which reflects income from education monies and I&E transactions from externally funded projects, mostly R&D, but which need to be reported within I&E.

Total Temporary Workforce (Bank and Agency) by Division/Function (WTE)

Division	Agency WTE	Bank WTE	Total Temporary WTE
Children's & Women's	28.5	25.9	54.5
Clinical Support Services	80.4	36.9	117.3
Corporate Services*	25.8	2.6	28.4
MRC**	70.8	75.3	146.1
NOTSS***	76.1	53.5	129.6
Operations & Service Improvement	16.2	1.2	17.5
Surgery & Oncology	78.9	68.7	147.6
Other	0.0	0.0	0.0
Total Temporary Workforce	**376.7**	**264.1**	**640.8**

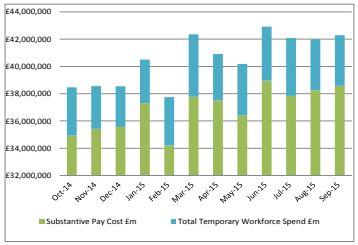
* Corporate Services - OD & Workforce; Finance & Procurement; Planning & Information; Assurance; Chief Nurse Office; Medical Director Office; Clinical services:

**Medicine, Rehabilitation and Cardiac

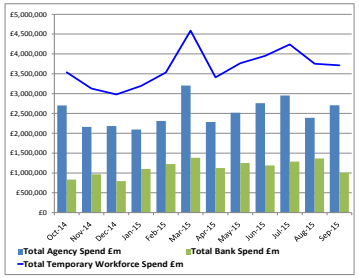
***Neurosciences, Orthopaedic, Trauma and Specialist Surgery

WORKFORCE COSTS

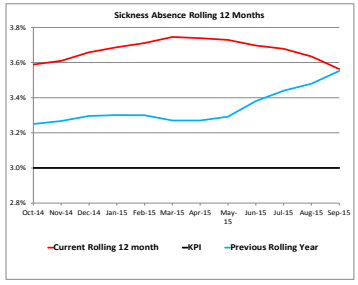
Workforce Pay Cost



Temporary Workforce Expenditure	September 2015 (M6)	Movement in Month
Bank Spend (£)	£1,008,103	-£356,679
Agency Spend (£)	£2,705,367	£316,246
Total Expenditure Temporary Workforce	**£3,713,470**	**-£40,432**



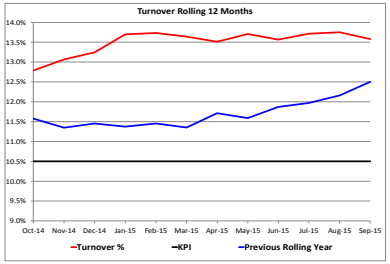
Sickness Absence



Division	September 2015 (M6)	KPI Variance	Movement in Month
Children's & Women's	3.8%	0.8%	-0.1%
Clinical Support Services	4.0%	1.0%	-0.1%
Corporate Services*	3.0%	0.0%	-0.1%
MRC**	3.5%	0.5%	-0.1%
NOTSS***	3.5%	0.5%	-0.1%
Operations & Service Improvement	4.5%	1.5%	0.1%
Research & Development	1.1%	-1.9%	-0.1%
Surgery & Oncology	3.3%	0.3%	-0.1%
Trust	**3.6%**	**0.6%**	**-0.1%**

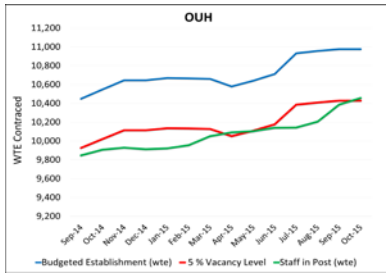
WORKFORCE EFFICIENCY

Turnover

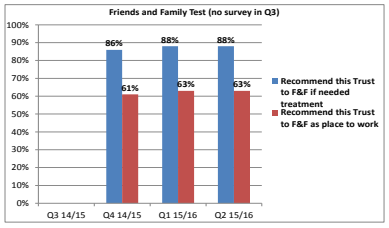


Division	August 2015 (M5)	September 2015 (M6)	KPI	Movement in month
Childrens and Womens	11.5%	11.1%	10.5%	-0.4%
Clinical Support Services	13.9%	13.5%	10.5%	-0.4%
Corporate*	13.2%	13.4%	10.5%	0.2%
MRC**	15.1%	14.6%	10.5%	-0.5%
NOTSS***	13.5%	13.8%	10.5%	0.3%
OSI	10.8%	9.8%	10.5%	-0.9%
Research & Development	25.9%	26.2%	10.5%	0.2%
Surgery and Oncology	14.4%	14.4%	10.5%	0.1%
Total	**13.7%**	**13.6%**	**10.5%**	**-0.2%**

Vacancy Trajectory KPI

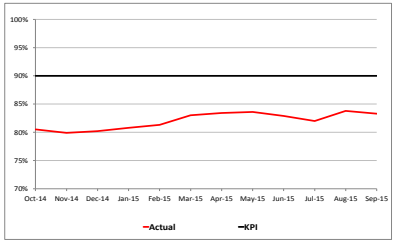


Engagement Index

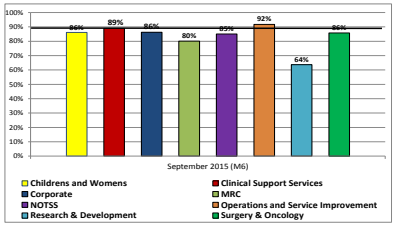


COMPLIANCE

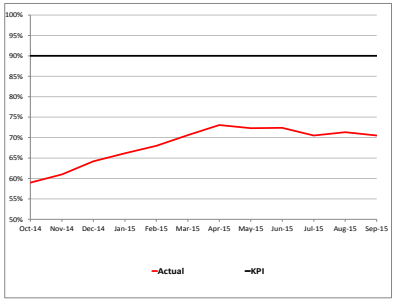
All Staff Mandatory Training Compliance



Staff Mandatory Training Compliance by Division/Function



Non Medical Annual Appraisal Rates



Non Medical Staff Appraisal by Division/Function