



NHS staffing from the inside out

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Foreword by Chairman

“Flexible working is a force for good in the NHS, offering increased flexibility to accommodate an individual’s personal lifestyle and commitments, whilst facilitating the NHS’ delivery of its performance objectives and its national role in our healthcare.”

A reflection on the year

Having joined NHS Professionals (NHSP) in June 2018, I have been delighted with what we have been able to achieve for our many NHS client Trusts, for the National Health Service, and for our shareholder the Department of Health and Social Care (DHSC). I am also excited by the journey that we are on together to meet the challenging demands of the NHS Interim People Plan. As part of the NHS family, we at (NHSP) are an integral part of that change, and have a responsibility to help deliver it.

Without doubt, 2018-19 was a year of change for NHSP: changing leadership, changing premises and changing gear. The business has taken that change in its stride and remained financially sustainable through a year of planned transformation, sufficiently so to pay a dividend to DHSC.

I am also pleased to report that our plans for recruiting new leadership have been successful. As we closed the 2018-19 financial year, we had an agreed recruitment strategy and pipeline of seasoned executives to fill critical roles, including our Chief Executive Officer, Chief Financial Officer and Chief Operating Officer. These roles have now been successfully filled with permanent appointments, and more recently we have seen the start of their impact. We have also had the opportunity to refresh the Board with some key non-executive appointments, Adele Barker and Dr. Kate Langford. I would like to welcome all our new executives and Board members, and thank our existing Board members for the warm welcome they have given them. There is much to do, and the pace will be blistering.

As we look back on the year, it is clear that we have made good progress on many fronts. We have three new clients and have deployed additional staff groups at many of our existing client Trusts, including our Doctors Direct service, which is gaining traction in the market and displacing expensive medical staffing agencies.

With the rise of Sustainability Transformation Plans (STPs) and now Integrated Care Systems (ICS), we are actively helping Trusts to deliver dynamic workforce models at both national and regional levels. This gives us a fresh perspective and insight, and is helping us design and deliver solutions to meet changing local needs.

It is very encouraging to see that we continue to increase our bank fill rates and agency staff usage is generally declining across our entire client base. Equally, we have seen a continuing rise in the numbers of bank staff who are working with NHSP, and also those who are now actively booking their annual leave entitlement – something we have actively promoted.

Reflecting on the achievements of this year and our ambition for the future, it is important we hold on to our core purpose. We aim to deliver a cost-effective, professional and reliable flexible workforce to the NHS. Ultimately, our goal is to provide a national staff bank, where NHS staff can move freely between Trusts.

We firmly believe that flexible working is a force for good in the NHS, offering increased flexibility to accommodate an individual’s personal lifestyle and commitments whilst facilitating the NHS’ delivery of its performance objectives and its national role in our healthcare.

With growing numbers of clinical staff choosing to work flexibly, the NHS Interim People Plan recognises that we need different people in different professions working in different ways. Flexible working is the solution to help close this gap and deliver quality patient care, and currently represents some 10% of all delivered NHS staff resource.

We will continue to support our staff who have chosen a career in the NHS by providing them with flexible working opportunities, whilst promoting work life balance. We will continue to support NHS client Trusts to access this pool of skilled and experienced staff, on a cost effective and delivery-focussed basis

Looking ahead

Following the DHSC decision in 2017 to retain NHSP in public ownership, we are now making up for the distraction and lost time and investing in NHSP for the benefit of our NHS client Trusts, bank members and corporate staff alike. We have agreed an investment plan for £20 million over 18 months to allow NHSP to deliver against the changing needs of NHS client Trusts, and to maintain leadership in an increasingly competitive and crowded market.

As we continue our transformation journey to deliver service improvements and further cost efficiencies, new services are being and have been developed – for example, Doctors Direct. Furthermore as part of our plans, our international recruitment programme will be greatly enhanced to support the changes in the government’s immigration rules for nurses and revision of the English Language Testing Standards by the NMC. We hope to report in more detail on these developments in the year ahead.

In closing, I would personally like to thank those individuals who have made an invaluable contribution to the business. Particularly, Colin McCready and Anne O’Brien, who have stepped down from the Board, for their exemplary service which has helped lay the foundation for the changes we now see being implemented across NHSP.

I would also like to thank my Board colleagues for their hard work, energy and support. But most importantly, I would like to recognise the contribution of our dedicated corporate staff and thank them for their excellent service delivery, and for so enthusiastically embracing and then delivering on the first stages of our transformation journey.

Finally, I would acknowledge the outstanding contribution and continuing commitment shown by all 126,000 members of our bank staff in supporting NHSP to help build a workforce that befits a world-class healthcare system, and for their work across our NHS clients. You are the backbone of NHSP, and we are grateful to each of you.



Stephen J Collier
Chairman

Foreword by CEO

“ The true potential of NHS Professionals is significant in terms of the role we can play in helping to bridge the gap between staff availability and utilisation within the NHS. We are NHS staffing from the inside out. ”



It has been an incredible start to my tenure as Chief Executive Officer at NHS Professionals (NHSP) which commenced on 1st September this year. My own background is in managing large recruitment organisations in the private sector. This gives me a strong foundation and level of experience to draw on when taking a fresh look at our organisation, exploring not only our current position and challenges that exist, but more importantly focussing on our future ambitions. The capacity we have to fully live up to our potential to play a far more primary role in solving our NHS workforce challenges is very exciting. It was the main motivator for me to take on the CEO role and lead us towards this goal.

When I first joined the organisation in January 2019 as Chief Operating Officer, my primary remit was to address some of these fundamental challenges within our existing business model. We need to improve the effectiveness and efficiency of our engagement with both our NHS client Trusts and our workforce to deliver better on our remit to maximise available talent resources.

The year ending March 2019 represents a year of significant change in NHSP. We have renewed focus on our primary business of providing a means for professional, committed people to work flexibly within the NHS. As described in the Interim People Plan, the NHS is facing some tough challenges in its staffing model. As the market leader in managed flexible workforce services, NHSP already plays an important role in forming solutions to NHS staffing requirements.

We are beginning to transform the business to focus more on the needs of the NHS and make it easier for bank members to choose working patterns that match their requirements to better fulfil the staffing demands of our hospitals. But we can be doing more, and some new initiatives are now beginning to be implemented to put us firmly on this path.

NHSP is evolving

I am delighted to report that we have made good progress in appointing all the roles for the Senior Leadership Team. This will ensure that we have a robust, experienced and stable management structure going forward as we continue to change our ways of working for a better NHS.

We also took the opportunity this year to move our southern headquarters out of Watford into more suitable accommodation in Hemel Hempstead, with some of our staff relocated to our northern headquarters in Tingley, Yorkshire. We thank our dedicated staff, our clients and bank members for their patience as we worked through this significant move.

We are now starting to benefit from some infrastructure developments including finance systems that have reduced our administration costs, plus improved booking systems to make them more easily accessible for both NHS managers and our bank members.

It is essential that we continue to put our customers at the heart of everything we do at NHSP. This includes our bank members, who are critical to addressing the workforce challenges in the NHS, and our client Trusts, whose needs are ever evolving in this fast-changing market.

Becoming customer obsessed

In any managed service market, there are a wide variety of needs and every offer we make is tailored to suit each client at the point of the procurement. Be that the needs of a Trust coming to market for the very first time, or those of a more established organisation looking to renew their relationship with us. In addition to this, over the length of the contract, the market changes and the client's original needs may also evolve. It is therefore essential that our contractual arrangements accommodate the breadth and depth of clients we work with and be flexible when we need to, including making sure we meet the demands of the market within which we operate.



NHS Professionals as a business must be able to respond to these needs in a far more agile and proactive manner. This is something for us to focus on going forward.

Feedback from our various stakeholders and a comprehensive review of our engagement and support structure has resulted in a complete redesign of our client-facing field team. We have redefined our purpose to be more customer centric by splitting the service into two distinct functions; Trust Services and Account Management.

The Trust Services teams will focus on the customer at an operational level ensuring the smooth running of day-to-day operations, maximising shift fill and monitoring our performance against contract, whilst the Account Management teams will nurture long-term relationships and proactively help to address workforce challenges faced by client Trusts. This change is revolutionary in terms of our client and member engagement and is an exciting leap forward in how we operate within the market to put our customers at the heart of everything we do.

Simple changes in policy can make huge differences in service delivery. We have re-analysed our call centre approach to ensure that 'first-call resolution' is our number one priority. Changing the patterns of incoming enquires has allowed us to attain greater than 80% first-contact resolution, which means most enquiries from bank members and Trusts are now resolved in one call, allowing them to get back to what they do best – looking after patients.

Delivering for the NHS

As the leader in healthcare workforce management solutions, we have a responsibility to engage with all our stakeholders. Our purpose is to find and facilitate solutions that resolve some of the biggest workforce issues facing our National Health Service, both today and for the foreseeable future.

NHS Professionals' business goals are set to align and support the overall strategic objectives of the NHS itself. As a core provider within the NHS family, Trusts are encouraged to work with us to address their workforce challenges for the best outcomes across patient care, supporting our NHS talent and addressing the specific needs of each Trust we work with. We work to do this in the most cost-efficient way without compromising on quality and ensuring we provide a better and more affordable service than independent staffing agencies.

Historically, this focus has been within nursing and we are proud to have the biggest bank of flexible workers in the country. With over 126,000 available workers and commitments to improve the bank year on year, we are looking to how we can achieve this through more innovative means. This includes focussing on attracting and supporting the types of nurses we know the Trusts have the most demand for, including paediatrics and midwifery for example. It also includes offering more access to development opportunities to encourage our talent to continue their career journey with NHSP.

We are also investing more in our already strong international recruitment arm, working hard to bring the best talent we can into the NHS from territories who may have a surplus of talent that matches where we have a deficit.

I am also very excited to continue the investment in development of our Doctors Direct business. We have brought renewed focus to this initiative after a successful couple of years establishing the opportunity for NHSP to engage in this market. Our goal is to make a real difference in this sector by offering an attractive alternative to the agencies currently dominating here. Combining this with our strong foothold in nursing and extending our Allied Health and Administration and Clerical services is again another step forward in developing a more well-rounded offering for our NHS Trusts. The introduction of our accredited Direct Engagement model also helps client Trusts optimise their engagement of the non-nursing workforce.

Continued growth

2018/19 has been another year of strong demand for flexible workers from our NHS client Trusts, increasing by 1.5%. We have also seen growth in adoption of non-nursing staff groups by clients. NHSP delivered 32.9 million hours, up 4.4% on the previous year, with an overall fill rate of 78.7%, an increase of 2.2%.

The core business continues to grow in strength with an increase in gross profit for the year of 4.2%, up £2.4m to £59.5m. Exceptional costs relating to business transformation accounted for a reduction in profit before tax of £5.1m to £6.9m.

However, as a more consistent measure of operating performance, and a true reflection on the success of the transformation programme, NHSP reported a 21.4% increase (up £3.4m) in EBITDAE (earnings before interest, tax, depreciation, amortisation, and exceptional items), delivering £19.3m.

Order book

Three new client Trusts joined the managed service this year with an annualised value of £52m, lifting our order book for supply of bank and locum staff to approximately £855m.

We have re-contracted with 33 of our clients throughout the year, with annual revenues totalling £542m. The managed service frameworks continue to gain momentum, with eight NHS client Trusts moving onto the CCS procurement framework and 11 transferring onto the Health Trust Europe procurement framework.

The bank has grown from 100,000 to 126,000 with an average of 3,467 flexible workers joining the bank each month during 2018/19, including close to 6,000 new workers transferred into NHSP via TUPE.

Looking ahead

We are proud to have returned £20 million to the Department of Health and Social Care which can be redeployed where it is needed most across the healthcare service. We have also agreed a £20 million self-funded investment programme for 2018 onwards, that has already seen several excellent initiatives go into development.

The true potential of NHSP is significant in terms of the role we can play in helping to bridge the gap between staff availability and utilisation within the NHS. That potential is yet to be realised. We believe that no other workforce managed service provider can match the level of support that we have to offer the NHS. I am genuinely looking forward to the next stage of our journey supporting the NHS in maintaining and extending world-class patient care.

Nicola McQueen

Chief Executive Officer



The year in numbers

National fill for the year was

78.7%

which is up 2.3% on the previous year. Of this total fill, 76% was supplied by bank.



Delivered

32.9m

bank hours for our client Trusts, up 4.4% on the previous year, with an overall fill rate of 78.7%, an increase of 2.2%.



Every year, NHS Professionals **reinvests 100% of its surplus revenue** back into the NHS. In 2018-19,

£6.92m

will go towards enhancing services to achieve better, more effective patient care.



Added

28

additional staff groups to existing clients, including Doctors Direct, Direct Engagement, Admin & Clerical and Allied Health Professionals.



Received an all time high

91.7%

positive satisfaction level from our Trust Leads on our Annual Client Survey, based on 96% response rate.



The 5 Day way [£]

Designed and implemented an **improved weekly pay cycle**.

NHSP has helped partner Trusts generate

£47.9m

in agency migration savings through the development of robust agency management plans and controls that support effective migration from high-cost suppliers to the bank.



126,385

registered bank workers; 100,808 flexible workers have undertaken a shift in the period.



Holiday bookings are 20% up on previous year with over

2.87m

paid holiday hours taken.



41,471

flexible workers joined the bank to support Trusts meet demand across all staff groups.



Working in partnership with over

55

NHS Trusts. Signed managed service contracts with three more Trusts; 2 Acute and 1 Mental Health.



Successfully piloted new **technological innovation** through the DHSC pilots across 5 Trusts.



Case Study

Barnsley Hospital NHS Foundation Trust

- ✓ Average bank hours each month increased by more than **50%**
- ✓ Trust bank increased by **70%**, with more than **60** people joining the bank each month

“ I would say that NHSP has had a very significant impact at the Trust. One year on, we have absolute control of agency use, assurance over governance and a robust complaints process. We have saved a significant amount on agency spend, but we still have more to achieve with our agency use. ”

Abigail Trainer

Deputy Director of Nursing (operations),
Barnsley Hospital NHS Foundation Trust

Case Study

“ NHSP team members feel part of the whole Trust team and go above and beyond in leading data collection, liaising with agencies on our behalf and providing support in managing poor behaviours of agencies to reduce both cost and demand. Great job! ”

Dawn Parkes

Deputy Director of Nursing,
Mid Yorkshire Hospitals NHS Trust

Mid Yorkshire Hospitals NHS Trust

- ✓ Bank fill doubled and agency fill down from **27%** to **19%**
- ✓ Bank hours for qualified theatre staff increased by **50%**
- ✓ Elimination of agency for care support staff increasing bank fill by **20%** to **78%** in 3 months

Making the most of the managed service opportunity

One of the biggest challenges NHS Trusts face is ensuring the quality of patient care, whilst working within strict budgets. A lack of available staff means unfilled shifts, which in turn leads to unfilled commitments to patients and their families. What NHS Trusts need is a reliable supply of experienced staff, ready to step in and fill shifts when Trusts need them most.

We work in partnership with over 55 NHS Trusts to help them to reduce their reliance on agencies. We provide a service that combines an intimate understanding of the Trusts' temporary workforce requirements with the reassurance of a safe, high quality and reliable supply of cost-effective temporary staff.

And because NHSP is wholly owned by the Department of Health and Social Care, all our profits are reinvested back into the NHS.

We're more than just nursing

Our business was founded on nursing and midwifery, but now we specialise in much more. Right now, we have over 126,000 members registered on our bank from various roles, grades and specialities.

We employ flexible workers in the following staff groups:

- **Admin & Clerical**
- **Allied Health Professionals**
- **Doctors**
- **Estates & Facilities**
- **Healthcare Scientists**

Our bank members fill around 26 million hours for our client Trusts each year, working flexibly around their lifestyles by choosing the hours that suit them.

We employ the bank

NHSP employs bank staff so that the Trust doesn't have to. This means we take responsibility for all back-office administration. Behind the scenes, our specialist teams manage recruitment, HR, payroll, flexible worker benefits, education, complaints and performance management and provide clients with complete oversight on spend and shift fill.

We maintain the highest levels of clinical governance for the bank workforce across all staff groups, ensuring that our client trusts and their patients are always in safe hands.

Our technology – nothing to install, update or maintain

Our continuous investment programme ensures that our bank management systems are robust to withstand both deliberate cyber-attacks and hardware failure. Our business continuity infrastructure ensures we are able to maintain our core service in the event that our primary facilities become inaccessible.

Many of our clients have very diverse IT systems, so we like to keep it simple. We believe that a cloud-based service platform helps keep infrastructure costs down. It is accessed over the internet and therefore Trusts do not have the added cost of purchasing, developing or supporting any systems. Our bank service platform requires no capital investment from our clients – this means no licence fees, ongoing maintenance fees or upgrade costs.

Our unique booking management platform is designed and built to operate across all healthcare environment settings. It has been specifically designed to integrate with existing Workforce Management Solutions, such as Allocate HealthRoster, and we offer a sophisticated interface with these solutions, so Trusts avoid the problems associated with separated systems.

Cost-effective flexible staffing

As the largest healthcare staffing business in Europe, NHSP is strategically aligned to reduce agency use in the NHS. We aim to deliver workforce solutions that add real value to the NHS and help Trusts deliver first rate patient care through services that are intuitive and accessible.

The key elements of our model are shown in the diagram below.

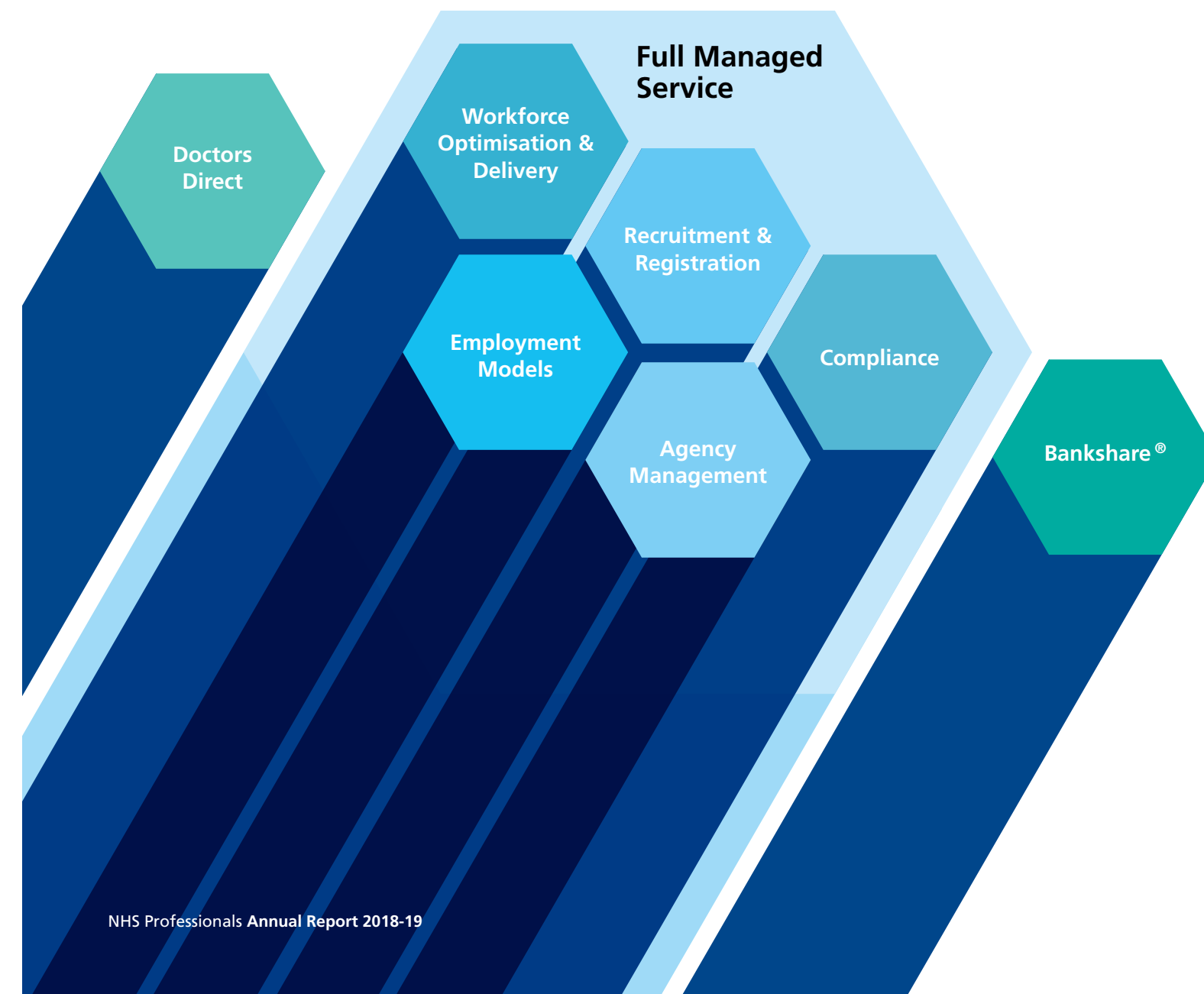
Full managed service

The managed service charging method offers a number of advantages for NHS clients. The total cost of operating the Bank is transparent and predictable. It allows the Trust to meet demand at the lowest possible cost through a single platform.

As an essential part of the NHS, NHSP's business model accurately reflects the true cost of running flexible staffing services for a multi-disciplinary workforce. Key Performance Indicators (KPI) are built into each contract and our local teams, based in each Trust, work to deliver the KPIs against a scorecard that is shared with the Trust.

Components of the managed service:

- **Recruitment and registration**
- **Compliance**
- **Agency management**
- **Employment models**
- **Workforce optimisation and delivery**



Collaborative working

Bankshare® allows Trusts to share their own substantively employed staff between Trust banks. This means together we can help reduce the number of agency staff who are actually NHS staff at a neighbouring Trust.

By engaging staff through a collaborative bank, we can offer them work across the region at attractive, agreed rates. With no agency commission to pay, everybody wins.

Benefits of working together

- **Patient safety**

Substantive staff working additional hours through the bank at their home Trust means enhanced continuity of patient care and reduced gaps in shift fill with fewer random agency staff. We also oversee all compliance and make sure all our bank members have the right skills and training.

- **Reducing cost**

Every agency shift converted to bank saves around a third of the shift cost. Even if we have to pay bank members more for roles that are hard to fill, at worst it's likely to be cost neutral for the Trust, but a better outcome for both bank members and patient experience.

- **Working under agreed vendor frameworks**

When neighbouring Trusts work together, it's easier to manage agency supply across the whole territory. Rates can be agreed with agencies under approved frameworks across the region that are consistent for all Trusts.

- **Bank retention**

With fewer agency opportunities, substantive staff are more likely to work additional hours through the bank.

DOCTORS DIRECT

Doctors Direct by NHS Professionals is an end to end solution, enabling Trusts to manage medical locum activity effectively. The service is focused on building a bank supply of locum doctors and reducing agency costs.

Our Direct Engagement model allows Trusts greater transparency in costs and more control over the supply process. Paying locums directly also means the NHS has influence over the doctor's rates of pay, and offers clear visibility over agency commission, which does create a more regulated pay system.

Our client Trusts using this service are relieved from the extra administrative burden associated with the booking of locum shifts through a simple booking process.

In addition, with our own in-house Responsible Officer, we ensure the highest levels of clinical governance for the medical locums placed at our client Trust sites.



Our commitment

We believe that integrated workforce management solutions and services across the NHS, that are intuitive, enjoyable to use and add real value to the user, are the key to a successful bank operation – which is the heart of our business. Every improvement we make helps our client Trusts get the best from their bank and locum service.

We help NHS Trusts focus on what they do best – looking after patients. All our investments support our core service to the NHS – we do it so that our clients don't have to. With the NHS under increasing pressure, we are committed to helping Trusts deliver sustainable workforce solutions which enable world-class patient care.

A focus on clinical governance

Managing risk

Clinical governance (CG) must be at the forefront of any managed workforce services provider. NHS Professionals (NHSP) adheres to strict clinical governance guidelines when recruiting, training and managing bank members, so that our Trusts can have confidence in the managed bank service.

The CG Committee reports to the NHSP Board and its comprehensive work demonstrates our commitment to providing a safe and accountable service for the NHS. The Committee is overseen by a non-executive director and is a core focus for the Board.

We are confident that our clinical governance strategy is designed to meet the challenges of a rapidly changing health and social care landscape while mitigating risk. Our governance models enhance our recruitment processes and support the changing flexible workforce market.

Peace of mind

Trusts are more dependent on the flexible workforce than ever before. Therefore, we need adaptable and stringent CG policies, procedures and guidance in place, to ensure that clinical staff working at our client Trusts are deemed safe, competent and compliant. We help clients ensure maintenance of patient care standards by adhering rigorously to NHS Employment Check Standards.

Our bank members must complete mandatory training before they can work bank shifts in a clinical setting. The training required is in the form of both e-learning modules and practical sessions and is aligned to the Skills for Health Core Skills Training Framework. NHSP's validation system ensures all bank members comply with the mandatory training requirements for their roles, whilst promoting improved quality of care.

For physicians, NHSP effectively supports its locum doctors in transition to ensure they meet the required competencies in connection with their Annual Review of Clinical Practice (ARCP). The obligation of revalidation is to "put doctors into a safe governance structure" and NHSP offers continuity for locums by providing a Responsible Officer on behalf of the Trust.

Service improvement

NHSP takes complaints and incidents very seriously and our senior clinicians investigate them thoroughly, reporting findings to both the team and the CG Committee.

Another important role for the Compliance Team is to assess and validate the records of all flexible workers joining NHSP from new clients. This ensures that their records remain up-to-date, reflecting current Disclosure and Barring Service (DBS) Practice, training records and revalidation status.

Our clinical governance journey

In 2019, NHSP seeks to strengthen our core CG systems and processes and this will continue through 2020. We will be actively seeking the views of chief nurses and medical directors in our client Trusts and listening to their feedback on our CG policies and procedures. We are also on track to recruit a Director of Medical Training to advise on all aspects of clinical education and development for doctors.

Professor Elizabeth Robb O.B.E
Non-Executive Director

Helen Thomson
Director of clinical governance

Dr Helen McGill
Medical Director

Our client Trust experience

Agency management

The introduction of Agency Caps on staffing agencies by NHS Improvement in 2015 has made it easier for NHS Trusts to push back on the excessive rates being charged by some agencies. The disclosure of how much of the fee is actually paid to the agency worker has made it easier for Trust banks to recruit flexible workers who had previously worked through staffing agencies.

NHSP has been able to establish a fast-track process and capitalise on both opportunities by migrating many ex-agency staff onto the bank for the benefit of client Trusts. We have also put in measures and controls where there is still a need to ensure safe staffing levels and best value for our client Trusts.

More than 1,200 people who had previously worked through staffing agencies joined the bank in 2019, mostly registered nurses. Collectively, they worked more than 60,000 bank shifts. Compared with working through agencies, they saved the NHS an estimated half a million pounds.

Agency bumping

First utilised in 2013, our unique agency bumping control allows a bank member, and more recently a lower cost agency worker, to bump a more expensive agency worker out of a shift. During the year, NHSP saved client Trusts a total of £3.2m via Bank Bumping Agency, whilst saving an additional £307k from Agency Bumping Agency.

Agency cascade

With more functionality than any other on the market a Trust agency cascade can be moulded across qualifications, day of week, time of day and areas. With no restriction on the number of tiers, this makes it a truly tailored product for our client Trusts.

Breach management

Since the introduction of the Agency Caps, there has been several significant reductions in cap, as well as incremental changes applied to the provision of agency. NHSP regularly monitors and reports on breaches to help Trusts understand the drivers and improve awareness. In 2018/19 we observed a total of 429,000 breaches across all our client Trusts.

Off-payroll working

As of April 2017, agency workers and 'consultants' that have been working through personal service companies now have to comply with the IR35 taxation rules on contractors. This means that for the vast majority of people previously working "off-payroll" through their own personal service companies, it is now more cost effective to be employed and meet their PAYE obligations.

Some are still choosing to use umbrella companies to process their payroll administration and helping to get their NI and tax deductions right at source.

For many this leaves them open to unscrupulous umbrella companies and tax evasion schemes which are only going to end badly for the worker. This year alone we have migrated 5,606 workers from agency to bank.



Procurement channels

While NHS Trusts can choose to run full scale procurement exercises to secure contracts for workforce management, there are now well-established procurement frameworks that make the process simpler. Frameworks offer a means for key providers to pre-qualify for procurement in specific fields to limit the number of responses to a manageable number of organisations that can actually provide the service.

NHSP is already on the two primary procurement frameworks. Crown Commercial Services (CCS) and Health Trust Europe.

Frameworks also allow Trusts to award directly to a specific provider where it is clear that they meet the requirements. This is a useful mechanism for Trusts to avoid a lengthy procurement process and ensure best value for money. NHSP was awarded a place on the RM6158 Flexible Resource Pool – Staff Bank Framework from Crown Commercial Services and CCS RM 6160, which replaces the last RM1072 Workforce Management Framework, where NHSP was the largest provider, and through which many of our client Trusts are contracted.

Now also part of the CCS RM 6160 Non-Clinical Temporary and Short-Term Staff framework, this is a key strand in our strategy for 2019/20 to offer a full suite of workforce solutions.

Collaborative working

Since 2016, we have seen a shift towards a new regional model: Transformation Plans (STPs). These are designed to help address the ever-growing pressures on the health service. In addition, the STPs have evolved into Integrated Care Systems (ICS) that involve working with other care providers across their healthcare economy to provide streamlined care pathways for service users across a geographical region.

With this new model of care, we need a new model of working within the NHS and its associated providers. Collaborative working offers the opportunity to redress the balance and shift resources to where they can be used most effectively.

More than 20 Trusts supported by NHSP are involved in some form of collaborative relationship to share access to a common bank of flexible workers. For example, the South Yorkshire & Bassetlaw ICS have joined forces to share a bank of more than 7,000 staff, including more than 3,000 registered nurses. Likewise, The Bank Network® in Hertfordshire has seen the Princess Alexandra Hospital NHS Trust join their collaborative bank early this year, increasing their pool of flexible workers to just over 9,000.

Advancing technology

NHSP is primarily a managed service provider, but its people are also experts in the use of technology. Engaging with software providers that Trusts use, helps to ensure that technology developments are effective and prioritised.

Not all Trusts use the same roster software for their flexible staff. That can create a critical failure point for integrating services and technology platforms. NHSP has been working with several technology partners to ensure that its cloud-based bank management and Doctors Direct booking platforms are able to link with other Trust systems, such as Clarity, Patchwork, 'Locums on Duty' and 247Time. The middleware that is being developed will help Trusts work together, regardless of what software they have already invested in.

These are the essential building blocks of a collaborative NHS, where Trusts work together to share resources.

Achieving the best of both worlds – where client and worker expectations meet

The market for flexible workforce management and client Trust expectations are changing. Staffing agencies will always have a role to play in helping to find specialist staff at short notice. New technology, predominantly software 'apps', provide opportunities to help organise activity.

However, technology can only do so much. Experience shows that technology alone will not resolve all the NHS staffing issues. Experts working behind the scenes to make things happen, supporting recruitment, registration and compliance are essential.

Direct engagement has clear benefits for some staff groups; where it is compliant with HMRC rules, the service provides genuine added value, and cost savings.

Recruitment and retention continue to be the number one issue on most Trust board agendas, because filling gaps in the roster is what flexible working is all about. NHSP will continue with its investment programme to both drive staffing improvement initiatives and provide a safe recruitment channel for professionals outside of direct NHS employment.



Our bank member experience

Flexible working

There is a recognised shortage in certain staff groups across the NHS, including 40,000 nursing staff as reported in the NHS Long Term Plan and Interim NHS People Plan. This has led to excessive use of staffing agencies over a number of years which has driven an increase in hourly rates for agency staff to cover shifts.

The number one priority for NHS Trusts is recruiting clinical staff. Individuals who choose to work flexibly through the bank, help to fill gaps in shift rosters and subsequently reduces the reliance on expensive agencies. Many of these individuals already have substantive roles in the NHS and choose to work additional hours through the bank. Some choose to work only through the bank to suit their lifestyle, family or other commitments. In a time of scarce resources, their contribution is invaluable to the NHS.

“After a 44-year full time NHS career, it is now nice to work as much or as little as I want. This enables me to still feel my skills are valuable whilst allowing me to enjoy some retirement leisure time.”

Leigh, Northern Devon Healthcare

Recruitment avenues

Like most businesses, patient demand in the NHS has seasonal fluctuations. Trusts are typically staffed to support a wide range in levels of demand but recent unforeseen increases in demand have created shortages in some professions.

Substantively employed staff, working at NHS managed service client Trusts, simply express their interest in joining the bank through our online substantive application form. Their application is processed quickly as a **‘known applicant’**, endorsed by their Trust manager and they can be selecting shifts on the bank usually **within 24 hours**.

Others join through the **‘Bank Only’** route. This follows a standard application process for the NHS. Applicants are fully vetted to ensure that they meet the selection criteria, including Right to Work, professional registration and occupational health. Disclosure and Barring checks and references are required to ensure that people are suitable for the role for which they are applying.

Normally an applicant is not allowed to work through the bank until the checks are complete. However, where the applicant is known to the Trust, such as a recent retiree or agency worker already engaged at the Trust, they are often permitted to work through our **‘Bank Exclusive’** route, on condition that their credentials are presented and processed within an agreed time limit.

International recruitment

NHSP has recruited more than 1,000 experienced, qualified nurses across all specialties, predominantly from India and the Philippines, through highly developed networks. Several hundred high-calibre nurses have been placed into individual Trusts, with a 98.5% retention rate measured over a two-year period. NHSP has helped two client Trusts completely fill their nursing vacancies through this channel. And, of course, most of these nurses also join the bank.

Care Support Worker Development (CSWD) programme

So far, our CSWD programme has delivered 3,500 new healthcare assistants into the NHS through recruitment and training programmes with 39 NHS Trusts. Collectively, they have delivered three million hours of care.

“As a newly qualified nurse, working with NHSP has given me easy access to areas of work that can extend my skill set, increase my confidence and knowledge base.”

Robert, Coventry and Warwickshire Partnership NHS Trust



Nicola McQueen

“Our aim is to make bank members feel valued and just as important as substantive members of staff and encourage Trust staff to treat them the same as everyone else. Bank staff are still vital, experienced, qualified, ambitious members, even though they work flexibly.”

Case Study

Northern Care Alliance

The Northern Care Alliance NHS Group (NCA) covers Salford Royal and Pennine Acute Hospitals NHS Trust. The Group is being developed to align with the strategic priorities of the Greater Manchester Health and Social Care Partnership, helping to develop new ways of working to deliver consistently high standards of care across the region.

Alongside providing hospital care, the four Care Organisations are supporting the establishment of new integrated models of care.

NHS Professionals' was selected to provide a direct engagement mechanism for the 450 locum doctors working across the group. The NHSP Doctors' Direct team is located on-site at NCA during office hours, backed-up by the call centre, 24 hours a day, every day of the year.

“Collectively we spend in the region of £40 million each year on locum doctors. The Doctors Direct service is saving us in the region of £6 million per annum. NHS Professionals clearly shares the same values as NCA Group. I would not hesitate to recommend NHSP as a principled and trusted partner”

David Hargreaves, Director of Workforce.

Customer centric

NHSP is passionate about ensuring excellence in customer service. Each bank member experience helps to determine whether they will continue to work shifts through NHSP. This could be through the onboarding process, shift booking service, treatment on the ward or resolving any queries.

NHSP is committed to understanding and enhancing our bank member experience through regular communications and engagement.

In response to the feedback we have received from our bank members in October 2019, NHSP changed the pay cycle for bank members from ten days to just five days.

The 5 Day way [£]

Trends in authorisation

- Better Ward Manager behaviours have led to consistent shift authorisation throughout the week.
- The 5 Day Way has helped reduce pressures on Ward Managers, increase shifts released by the payroll cut-off and increase overall Bank shifts worked

Impact on shift fill

- NHSP bank shift fill has increased by 2.5%, or 5200 shifts per month
- 72% of Trusts have experienced an increase in bank shift fill
- At these Trusts the average increase in bank fill was 6.1%

Our journey – looking ahead



Service delivery

As the largest provider in the marketplace, NHSP is delivering workforce solutions that add true value to the NHS, helping Trusts deliver world-class patient care. Ensuring that all customers, especially flexible workers, are firmly established at the heart of the business is the number one priority for the future.

An investment plan for the service totalling £20 million over 18 months has been agreed to allow NHSP to deliver what Trusts need and to maintain leadership in an increasingly competitive market for managed workforce services.

NHSP is transforming the way services are delivered. With over 200 NHS Trusts in England and a range of bank models in operation, we recognise that a fully managed service isn't always required, but elements of this could significantly benefit Trusts. By identifying gaps in the marketplace, we aim to help drive efficiencies and meet the ever-changing needs of the NHS.

To support these initiatives, 'service directors' have been appointed to deliver a range of new modular services. This includes the GP Nurse Bank pilot, a National Bank and a permanent recruitment service for NHS Trusts.

Permanent recruitment

NHSP does not charge client Trusts when they recruit bank members substantively, so long as they remain registered on the bank and remain available to work bank shifts at that Trust.

With so many vacancies to fill, the NHSP Client Board has tasked NHSP to support them with permanent recruitment. This new service is now in development under a service director. The recruitment process is identical, whether locum or permanently employed. NHSP focuses on workforce management solutions so that long-term temporary positions can be turned into permanent recruitment. Maternity leave, for instance, could be covered by one hire or by multiple people working through the bank.



International recruitment

International recruitment has made a vital contribution to the NHS and will continue to play an increasingly important part of NHSP's workforce supply strategy as we help to ameliorate England's critical shortfall of registered nurses.

NHS Professionals International was launched in 2016 and has recruited 1,000 high calibre nurses into permanent positions at many of our client Trusts – including hundreds into several individual Trusts – which has almost entirely eradicated their nurse vacancies. There are already a further 1,000 nurses in our pipeline and plans to expand the service are well underway so that many more client Trusts can benefit.

Our international team has knowledge and expertise that is unrivalled in the global nursing workforce arena – we routinely receive very positive feedback from every client who uses this specialist service.

As well as making sure we get everything right for our client Trusts, we also ensure the best possible experience for our international candidates. We provide individual support to these valuable healthcare professionals who are leaving home for the first time to start their careers in the NHS.

Investing in Doctors

The NHS is heavily reliant on professional, qualified medical staff, which account for around half of all employees. Trusts are actively choosing to partner with our Doctors Direct locum service because it is part of the NHS and is making a significant investment to build a more enhanced service offering for both clients and locums.

Seeking new and innovative ways to fill the gaps in rosters for medical staff, NHSP has launched a new pilot, Gateway for Doctors, which aims to provide British doctors who have trained overseas the opportunity to work and gain experience in the NHS. Several Trusts have already registered for the pilot and the first cohort arrived in the UK in November 2019, with a full pipeline following on behind.

This unique programme offers a multitude of benefits to our clients Trusts, the doctors involved and the NHS.

The Doctors Direct service is extremely important for clients and is growing very quickly, with a Managing Director recruited to focus specifically on this aspect of the business.

Career partner

There is real scope for NHSP to be a 'career partner' for all grades of flexible workers in all disciplines. NHSP is well placed to provide support and development at different stages of an individual's career journey, offering placements as well as online and practical training.

The Care Support Worker Development (CSWD) programme was established by NHSP in 2012 to help Trusts with excessive agency cost to cover gaps in the positions of care support workers and health care associates. In collaboration with the Trust, NHSP recruits staff from the local community to train for a role in which they will provide safe, high quality care and support.

Since its inception, the programme has been adopted by 47 NHS Trusts and is currently deployed at 39 Trusts. To date, more than 3,500 healthcare assistants have been recruited and trained by NHSP, collectively delivering more than three million hours of care. More than three quarters are still working shifts at their Trust through the NHSP bank.

Upskilling the workforce through career development pathways and technology that is sophisticated will play an important role in retention of experienced staff within the health service. A key part of the NHSP value proposition is to develop a 'digital member platform', a one-stop-shop to cater for all needs. This starts with developing a digital passport for compliance and CPD to streamline the on-boarding experience and enable staff to move seamlessly across Trusts. There is a real need to capture and maintain information about relevant skills, experience, and competencies to support internal mobility and credentialing.

The first building blocks are already in place with our move to the Skills for Health training platform. Achieving greater collaboration across the whole system is the next critical phase in that journey. NHS Professionals is here to play its part.

Our people

Nicola McQueen

Chief Executive Officer

Following a 20-year career in the recruitment and flexible staffing industry, Nicola McQueen joined NHS Professionals in January 2019 as Interim Chief Operating Officer and secured the role of Chief Executive in September 2019.

Nicola's career began at Hays then moving to Capita. By 2010, she was appointed as Managing Director of Capita Resourcing and significantly grew the business, launching new services internationally and integrating strategic acquisitions to enhance the existing proposition.

In 2016, Nicola was appointed as Executive Director of the Workplace Services division. Nicola not only has experience of growing businesses from within, but took the bold decision to lead a management buyout of Capita's specialist recruitment businesses, forming Affinity Workforce in 2016.

She has also been recognised for her leadership by being named Executive of the Year at the Women in Business Awards in 2016 and has also achieved the Global Power 150 Woman in Staffing 2017, 2018 and 2019.

Executive Directors



Anne Challinor

Director of Client Relations



Megan Grant

Director of Service Design and Proposition



Simon Hall

Chief Financial Officer

Non-executive Directors



Stephen J Collier

Chairman



Nick Kirkbride



John Flook



Professor Elizabeth Robb O.B.E



Adele Barker



Oli Blackaby



Dr Kate Langford

Our performance

Business performance

Revenue for the year to 31st March 2019 grew by 13.8% from £493m to £561m and NHSP recorded its ninth year of profit, of £6.9m.

Gross profit increased by £2.4m from £57.1m to £59.4m. Profit before tax reduced by £5.1m in the year, largely due to exceptional costs relating to business transformation. As a result, NHSP reported EBITDAE (earnings before interest, tax, amortisation, depreciation and exceptional items) of £19.3m, an increase of £3.4m from 2017/18.

Increased profitability was driven by increased like for like bank fill which rose to an average of 60.5% for the year (2017/18, 54.0%).

Expenditure budgets were also effectively controlled during the year, with three new clients going live and increased activity with existing clients.

New business

New business signed during the year has an annualised value of £52m, lifting our order book to approximately £855m for supply of bank staff. Net assets have increased by £5.5m since 2017/18.

Financial summary

The following statements give a summary of the financial performance of NHS Professionals Limited for the year ended 31 March 2019. These are extracts from the full financial statements, which have been audited by Price Waterhouse Coopers (PWC) LLC and are available from Companies House or via the Company's registered office.

- **Statement of comprehensive income for the year ended 31 March 2019**
- **Statement of financial position as at 31 March 2019**
- **Statement of changes in equity for the year ended 31 March 2019**
- **Statement of cash flows for the year ended 31 March 2019**

Statement of Comprehensive Income for the year ended 31 March 2019

	Note	Year ended 31 March 2019 £000	Year ended 31 March 2018 £000
Revenue	3	561,193	493,328
Cost of sales	4	(501,772)	(436,258)
Gross profit		59,421	57,070
Administrative expenses	4	(46,443)	(43,156)
Operating profit before exceptional items		12,978	13,914
Exceptional items	7	(6,329)	(1,982)
Operating Profit		6,649	11,932
Finance income	6	275	57
Finance Cost	6	(3)	- 0
Profit before taxation		6,921	11,989
Tax expense	17	(1,454)	(2,464)
Profit for the year		5,467	9,525
Profit and total comprehensive income for the year		5,467	9,525

Statement of Financial Position as at 31 March 2019

	Note	As at 31 March 2019 £000	As at 31 March 2018 £000
Non-current assets			
Property, plant and equipment	8	2,922	1,253
Intangible assets	9	1,356	1,003
		4,278	2,256
Deferred tax	17	568	314
		4,846	2,570
Current assets	10		
Trade and other receivables	10	65,107	68,208
Other current assets	11	34,714	35,632
Cash and cash equivalents		56,286	55,639
		156,107	159,479
Total assets		160,953	162,049
Current liabilities	13		
Trade and other payables		(42,370)	(40,957)
Current tax liabilities	13	(304)	(1,247)
Other liabilities	14	(56,262)	(63,101)
Provisions		(610)	(804)
Total assets less current liabilities		61,407	55,940
Non-current liabilities			
		- 0	- 0
Net Assets		61,407	55,940
Equity			
	12		
Ordinary shares	12	20,000	20,000
Share premium		3,369	3,369
Retained earnings	20	28,738	23,271
Capital reserve		9,300	9,300
Total equity		61,407	55,940

Statement of Changes in Equity for the year ended 31 March 2019

	Ordinary Shares £000	Share premium £000	Retained earnings £000	Capital reserve £000	Total Equity £000
Balance at 01 April 2017	20,000	3,369	23,746	9,300	56,415
Profit for the year and total comprehensive income for the year	0	0	9,525	0	9,525
Dividend payable			(10,000)		(10,000)
Balance at 31 March 2018	20,000	3,369	23,271	9,300	55,940
Profit for the year and total comprehensive income for the year	0	0	5,467	0	5,467
Balance at 31 March 2019	20,000	3,369	28,738	9,300	61,407

A dividend of £10 million of 2017/18 was paid to shareholders this year

Statement of Cash Flows for the year ended 31 March 2019

	Note	Year ended 31 March 2019 £000	Year ended 31 March 2018 £000
Cash flows from operating activities			
Cash generated from operations	19	16,068	34,682
Tax paid		(2,653)	(2,335)
		13,415	32,347
Net cash generated from operating activities			
Cash flows from investing activities			
Payments for intangible assets	9	(798)	(600)
Payments for property, plant and equipment	8	(2,245)	(374)
Net cash used in investing activities		(3,043)	(974)
		10,372	31,373
Net cash inflow before financing			
Cash flows from financing activities			
Interest received on overdue receivables	6	275	57
Dividends Paid to Shareholders	6	(10,000)	- 0
Net cash outflow from financing activities		(9,725)	57
Net increase in cash and cash equivalents		647	31,430
Cash and cash equivalents at beginning of year		55,639	24,209
Cash and cash equivalents at end of year		56,286	55,639

A service in the public interest

Statutory background

Accounts for the 12 months ended 31 March 2019 have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union, IFRIC Interpretations and The Companies Act 2006 applicable to companies reporting under IFRS.

On 1 April 2010, the assets, liabilities and rights of NHS Professionals Special Health Authority transferred to NHS Professionals Limited, a public body and company guaranteed by shares held 100% by the Secretary of State for Health. The objective of the transfer was to implement the optimum trading form for NHS Professionals, its clients and its flexible staff, while giving the Company greater financial independence in order to ensure the continuity of its services long term.

NHS Professionals Limited is now self-funding from operations and no longer receives financial support from the Department of Health and Social Care. It is funded through charges to clients within the NHS that cover the costs of acquiring flexible workers' services plus an amount to contribute to the operating costs of the organisation.

Impact on the environment

NHS Professionals has continued to invest in its programme of technology advancements this year, which limits the organisation's impact on the environment. Not only does technology make the service easy to use and accessible, it also limits our use of resources such as paper. The move to eTimesheets, ePayroll and self-billing, in particular, further limits the use of non-sustainable resources.