

Successful agency cost reduction

Case Study

South Tees Hospitals NHS Foundation Trust



“The NHSP dashboards are invaluable. They show me where demand is increasing, giving us much better control.”

Joanne Pugh,
E-rostering Senior Nurse Lead, STHFT

South Tees Hospitals NHS Foundation Trust (STHFT) is the largest Trust in the Tees Valley, providing specialist services to 1.5 million people in this area as well as in parts of Durham, North Yorkshire and Cumbria.

A workforce of almost 9,000 people provides comprehensive services to the local population and a range of specialist regional services including heart disease, trauma, spinal injuries, neurosciences, renal and oncology.

STHFT is nationally recognised as one of the leading healthcare providers in England. Initially two acute hospitals, the James Cook University Hospital in Middlesbrough and the Friarage Hospital in Northallerton. In 2009 the Trust was awarded Foundation status and in 2011 integrated with community services in Middlesbrough, Redcar and Cleveland, and Hambleton and Richmondshire. The Trust bank and agency policy was applied across the extended service and all nursing banks transferred to NHS Professionals.

“We recently switched to centralised rostering. This means that if we have excess hours available in any area ‘Bronze Command’ can move people to where they are needed.”

Joanne Pugh,
E-rostering Senior Nurse Lead, STHFT

Making a Difference

The Trust appointed NHS Professionals (NHSP) in 2002, following a decision by Heads of Nursing and Managing Directors to have the bank operated by an external organisation with economies of scale and the ability to coordinate requirements across all geographical locations.

“Dispensing with staffing agencies is quite feasible, but you do need a clear action plan, with risks identified to ensure that patient needs are met. Quality impact assessments for each directorate were vital. We had full commitment at board level and of course, once you’ve started everyone needs to know that there’s no going back.”

Joanne Pugh,
E-rostering Senior Nurse Lead, STHFT

NHSP made recommendations to the nursing team on improvements to policies that were adopted across all services. As the Trust has expanded, these policies have been applied consistently across all locations. In 2012 South Tees Hospitals NHS Foundation Trust and NHS Professionals celebrated ten years of working in partnership.

“We have a very tight working relationship with NHSP at all levels. Whenever there is a demand issue, we share it with the local NHSP team who are highly responsive to our needs.”

Joanne Pugh,
E-rostering Senior Nurse Lead, STHFT

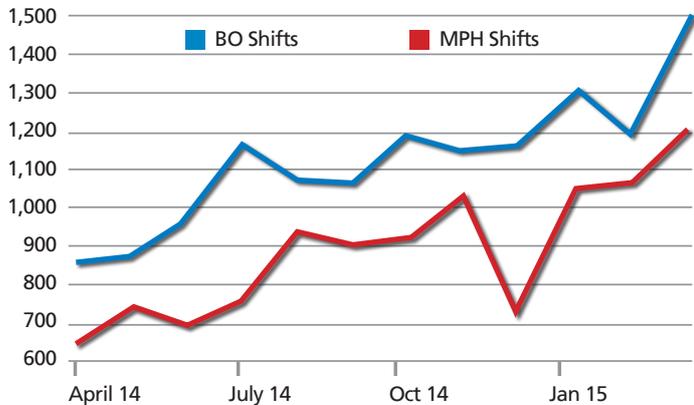
Management Information

A vital component of the bank service provision is the Management Information (MI) that NHS Professionals delivers. Usage reports are regularly distributed to senior nurses and divisional managers to help them understand and manage demand. To ensure the best possible patient care, Clinical Governance updates provide reassurance on the quality of bank staff working at the Trust.

Reducing agency usage

In 2014, the Trust introduced an action plan to stop using staffing agencies with anticipated savings target of £180,000 per quarter. Despite patient volumes being maintained throughout the period, the Trust was able to virtually eliminate agency usage.

Total Shifts Worked



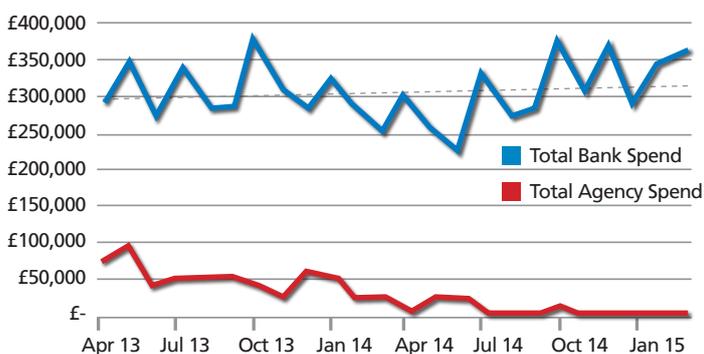
The key to the reduction in agency usage was a clear action plan, identifying the risk in each directorate and helping local teams put plans in place to mitigate known risks. The Trust worked closely with NHS Professionals to ensure that adequate bank coverage would be in place. Bank recruitment was stepped up in December 2013 to meet the first wave of restrictions in February 2014 and the subsequent restrictions in Community and Neuro wards that followed in June 2014.

STHFT is now benefitting from further cost-savings by restricting overtime in most directorates and driving all additional hours through the Bank. This has been supported by a local recruitment drive to encourage substantive staff to join the bank. In the six months from August 2014 to January 2015, more than 250 substantive staff joined the bank and 75% of those are actively working shifts.

Agency Cost savings

Between August 2014 and February 2015, the Trust spent less than £6,000 on agency staff compared with more than £300,000 in the same period in 2013 and £500,000 in 2012. The savings have been sustained, with Agency spend reduced by more than £520,000 (89%) and Bank spend increased by £24,000 (1%), delivering a net improvement of £500,000 between April 2014 and March 2015.

Temporary Staff Spend



On-cost savings

Because NHS Professionals directly employs all nurses working through the bank at the Trust, STHFT benefits from additional on-cost savings derived from the employment model (i.e. Employers National Insurance, Pension contributions, HR, OH, Payroll). In financial year 2013/14, STHFT saved an estimated £213,000 through reduction in "on costs", equivalent to 6% of the £3.5 million bank nursing payroll cost.

"To increase opportunities for the bank, we reduced advance notice on the agency cascade to 24 hours and established 24-hour pool wards for both qualified and unqualified bank staff."

Joanne Pugh,
E-rostering Senior Nurse Lead, STHFT

Partnership Benefits

Working in partnership with NHS Professionals, STHFT has benefited from all the improvements NHSP's service has to offer the Trust's service and systems, specifically:

- Cost savings from reduced agency usage
- Visibility and control of agency usage by ward
- Second tier authorisation of agency shifts
- Clinical Governance compliance evidenced
- Transparent bank recruitment process
- Continuous maintenance of bank training records
- Ward managers' time freed-up for patients and staff
- Consistent bank policies across all directorates

"Temporary staff are an important part of our workforce. They do, however, represent a significant financial cost to the organisation. As a Trust we were keen to minimise this cost while ensuring that the nurses and health care assistants who worked on a temporary basis within the organisation were appropriately trained and reliable."

By working with NHS Professionals to increase the numbers of staff available to us and by actively recruiting to all our nursing and midwifery vacancies, we have managed to stop the booking of agency staff thus significantly reducing cost while increasing the number of shifts filled by NHSP.

We now have a more consistent and reliable workforce and have done so while maintaining the quality of patient care."

Ruth Holt,
Director of Nursing, STHFT