National Audit Office

Department of Health

Good practice in managing the use of temporary nursing staff

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NHS Employers is part of the NHS Confederation and has specific responsibility for representing the views of NHS employers in England on workforce matters. NHS Employers endorses this guide and encourages employers to learn from the messages within it.

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PREFACE

1 This good practice guide has been prepared by the National Audit Office in collaboration with the Audit Commission and the Department of Health. It draws on the research carried out as part of the National Audit Office's study on the use of temporary nursing staff in NHS acute and foundation trusts. It is intended as a practical guide for trust boards and managers to help them to use temporary nursing staff effectively.

2 The guide comprises a narrative of the salient points in the use and management of temporary nursing staff and includes a number of good practice checklists. The actions are addressed to trust boards (executive and non-executive directors); executive directors (for example, the chief nurse, finance director, human resources director); middle managers (for example divisional managers, clinical management team heads, specialty managers); and ward managers (for example modern matrons and ward sisters). Actions for each management level are grouped together and summarized at the end of the guide (Appendix 1).

3 The guide also provides case studies drawn from study visits and the work of the Department of Health's National Agency Staffing Project. Further and fuller examples of good practice are available on the project's website: www.agencybestpractice.nhs.uk.

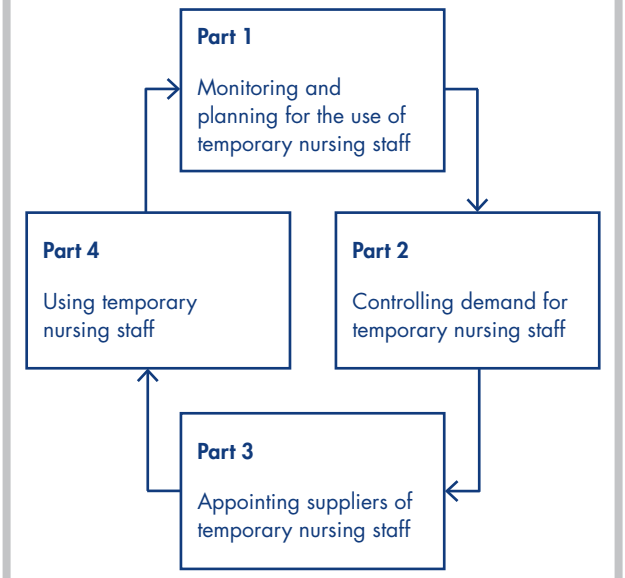
INTRODUCTION

1 The boards of NHS acute and NHS foundation trusts have a statutory duty to assure themselves of the quality of care they provide to patients; a statutory duty to achieve financial balance and a statutory duty of staff welfare. Poor management of the use of temporary nursing staff could put all three duties at risk and accordingly the subject should be given a high priority.

2 Temporary nursing staff can mean staff supplied through nursing banks, nursing agencies or NHS Professionals. Good management of the use of these staff can help trusts to achieve reductions in cost and improve the quality of care given to patients. Trusts are only to likely to succeed in improving their management of temporary nursing staff if they implement a planned, logical approach that gives as much consideration to the underlying reasons creating demand for temporary nursing staff as it does to addressing the management arrangements for their supply.

3 This guide looks at the steps that trusts can take to improve the management of their use of temporary nursing staff. It is set out in four parts **(Figure 1)** and includes checklists to assess trusts' performance and case examples of actions taken by individual trusts to improve their management of the use of temporary nursing staff. As you read through the guide you will need to consider how appropriate these practices are to your trust's individual circumstances.

1 The structure of the good practice guide



PART ONE

Monitoring and planning for the use of temporary nursing staff

1.1 As more choice and contestability is introduced into healthcare it is likely that activity levels in individual trusts will fluctuate more drastically and become more unpredictable than at present. As such workforce planning will become more challenging but even more important if trusts are to be able to balance their budgets. Trusts need to consider to what extent it is desirable for them to use temporary nursing staff to help them accommodate variation in activity levels in their planning.

1.2 In looking at this part of the guide ask yourself whether your trust:

- Has in place a clear workforce plan based on forecast levels of activity and planned service developments.
- Plans strategically for the use of temporary nursing staff.
- Sets a budget for the use of temporary nursing staff and monitors performance against it.
- Maintains an accurate running total of expenditure on temporary staff and can identify the supply source for each shift.

Managing the use of temporary nursing staff strategically

1.3 All foundation trusts will have, and all aspirant foundation trusts will need to have, a service development strategy from which will flow a clear workforce plan based on forecast levels of activity and planned service developments. The plan should identify the numbers of staff that will be required in the future and include plans that address any variance between numbers and skills. This will help trusts to avoid a future situation in which they are forced to rely on temporary nursing staff to make up for skill shortages within their permanent staff.

1.4 Where trusts experience significant variation in activity level on a daily or seasonal basis they should consider the best method of staffing up for these fluctuations. They may consider that the use of temporary nursing staff is the most effective method of accommodating fluctuation. However, they should also consider other methods such as building more flexibility into their permanent workforce. Where trusts do decide to use temporary nursing staff they should plan, budget for and monitor their use of temporary nursing staff in order to ensure that temporary nursing staff are used to good effect.

1.5 Where trusts decide that they need to reduce their expenditure on temporary nursing staff they should not attempt to separate making the best use of temporary nursing staff from making the best use of permanent nursing staff. Trusts that have high use of temporary nursing staff need to adopt a strategic approach to managing expenditure by first tackling the issue from the demand side and getting the establishment of permanent staff right before trying to tackle supply side issues such as reviewing the performance of the nursing bank or nursing agencies **(Case study 1 overleaf)**.

Setting and monitoring temporary nursing budgets

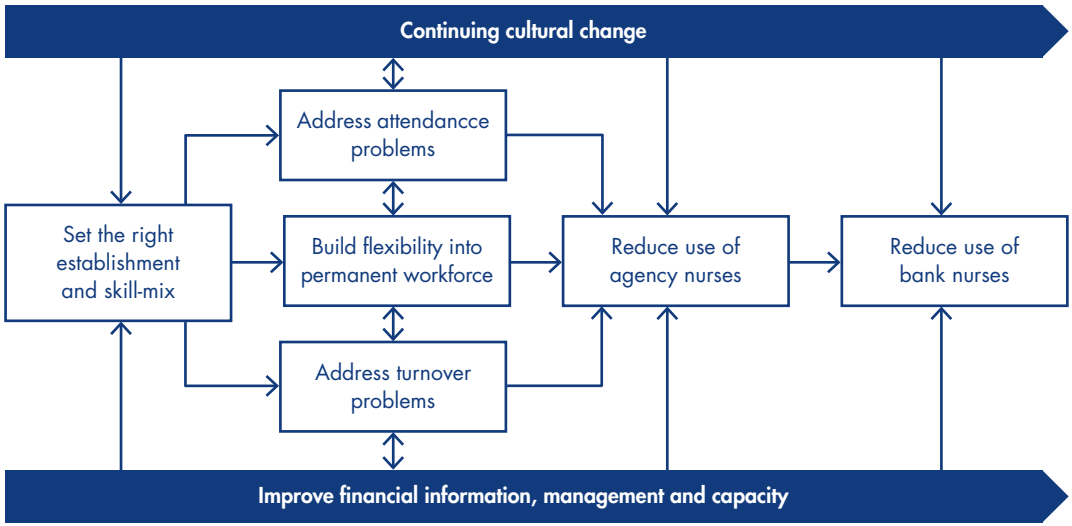
1.6 Ward budgets should be accurate and owned at ward level by staff with a genuine commitment to and responsibility for improving the quality of patient care. Trusts should ensure that ward managers have input into the budget setting process and that ward budgets include an element for the planned use of temporary nursing staff if appropriate. Once budgets have been agreed the Director of Nursing should monitor both total and temporary nursing expenditure against budget and investigate the reason for any significant variation.

1.7 Maternity leave accounts on average for 2.5 per cent of nursing costs but on individual wards can commonly reach levels of five to ten percent. Such random variation can render ward nursing budgets unachievable. Some trusts use a central budget contingency to cover the cost of maternity which can smooth the impact of the costs of maternity leave by spreading the effect across the trust.

CASE STUDY 1

A strategic approach to reducing reliance on temporary nursing staff

Coventry and Warwickshire Hospitals NHS Trust faced significant financial difficulties over several years with expenditure on bank and agency nurses contributing to the problem. In order to address the problem, the Trust's new Executive team introduced a planned, incremental programme to set the trust's nursing establishment at a fair level, and then to tackle the underlying problems of nurse turnover and high sickness before driving down on the high use of first agency and then bank staff. Over two years they succeeded in reducing their total expenditure on temporary nursing staff by over £1 million.



Financial Year	Expenditure on bank nursing staff (£ million)	Expenditure on agency nursing staff (£ million)	Total expenditure on temporary nursing staff (£ million)
2003-04	5.8	1.7	7.5
2004-05	6.7	0.48	7.2
2005-06	6.2	0.06	6.3

PART TWO

Controlling demand for temporary nursing staff

2.1 Understanding and controlling the demand for temporary nursing staff is as important as managing their supply. However, trusts often neglect to concentrate attention on their demand for temporary nursing staff making it unlikely that they will achieve long term success in controlling their expenditure in this area.

2.2 In looking at this part of the guide, ask yourself whether your trust has:

- A clear understanding of the reasons why temporary nursing staff are being booked.
- A review process in place to ensure that nursing establishment levels are appropriate to deal with fluctuations in patient volume and acuity.
- An effective rostering process which minimises the demand for temporary nursing staff.
- Has undertaken steps to create a flexible permanent workforce.
- A documented process in place to control bookings of temporary nursing staff.
- Procedures in place to control vacancy levels.
- A written policy in place for dealing with sickness absence.
- Undertaken an analysis of variation in absence levels across the trust and taken action to reduce unacceptable levels of absence.

Understanding the reasons for booking temporary nursing staff

2.3 In order to begin to control the demand for temporary nursing staff it is important for trusts to understand the reasons why they are booked. Trusts should have a system in place to record the reason for all temporary staff bookings and should verify this information against independently collected information for example on vacancies and sickness absence.

Setting the right establishment

2.4 The use of temporary nursing staff is inextricably linked to the use of permanent nursing staff. Hence setting an appropriate nursing establishment is essential to the management of temporary nursing staff. If nursing establishments are reviewed too infrequently then they can become the product of accretion offset by budget constraints rather than a true reflection of the number and skill-mix of nurses that are needed. Consequently ward managers may feel that they need to routinely bring in temporary nursing staff to operate their ward safely.

2.5 Research has emphasized the importance of getting the right number and skill-mix of nurses to the quality of care delivered. The US Agency for Healthcare Research and Quality[1] concluded that, in both hospital and nursing home settings, rates of complications and adverse incidents are inversely related to staffing levels. Increasing staffing levels led to lower rates of medication errors and other adverse outcomes including pneumonia, cardiac arrest and urinary tract infections. There was also evidence that the richer the skill-mix of nurses, the better the outcomes – a finding supported by two UK studies.[2, 3]

2.6 There are many different methods of calculating nursing establishment levels and this guide does not recommend any one particular method. It does however highlight the importance of trusts having processes in place to ensure that nursing establishment levels can reflect changes in patient volume and dependency. Trusts can achieve this through periodic establishment reviews; through benchmarking staffing levels against other trust and through IT based workforce management systems **(Case study 2)**.

2.7 Trusts can benchmark their ward staffing levels in 2004-05 against comparator trusts using the Healthcare Commission's ward staffing tool[4] and the Audit Commission's analysis of the Acute Hospital Portfolio **(Figure 2)**. For more up to date benchmarking information trusts will need to form benchmarking groups and share information with comparable trusts.

2 There is significant variation in establishment per bed in some specialties

The number of whole time equivalent number of nursing staff which trusts judged that they needed to employ per bed in 2004-05

Specialty	Lower quartile	Average	Upper quartile
Coronary Care Unit	1.5	2.2	2.6
Cardiology	0.9	1.1	1.2
Ear, nose and throat	0.9	1.1	1.3
Care of older people	0.9	1.0	1.1
General medicine	0.9	1.0	1.1
General surgery	0.9	1.0	1.1
Gynaecology	0.9	1.0	1.1
High dependency unit	2.9	3.3	3.8
Intensive care unit	4.7	5.4	6.2
Medical admissions unit	1.1	1.3	1.5
Neurosurgery	1.2	1.4	1.6
Oncology	1.0	1.1	1.3
Paediatric medicine	1.1	1.5	1.6
Rehabilitation	0.9	1.1	1.2
Stroke unit	1.0	1.2	1.2
Surgical admissions unit	1.0	1.3	1.4
Trauma	0.9	1.1	1.2
Trauma and orthopaedics	0.9	1.0	1.1
Urology	0.9	1.0	1.1

Source: National Audit Office/Audit Commission analysis of Healthcare Commission data collected from 4600 wards in 173 trusts

CASE STUDY 2

Use of information technology to manage demand

At the Princess Margaret Hospital in Windsor, part of the BMI group, they have developed a sophisticated demand management system which has helped reduce expenditure on nursing staff whilst admissions continue to increase. The system is used to enter patients' dependency data, roster nursing staff on to wards and generate real time management information about workforce planning and the extent and cost of the use of nursing staff.

The hospital has conducted time series analysis to determine the average amount of time nursing staff need to spend with patients before, during and after surgery for all common operations (for example hip replacements) and for medical patients. This data has been entered in to the system and, together with information about the number of patients booked and the expected time of their scheduled operations, allows ward managers to predict the number of nurses they will need on their ward throughout the day.

Ward managers prepare rosters for staff a month in advance taking into account staff preferences and patient requirements. Each day the ward manager will go into the system and look at the current patients and admissions for the following day. The system will automatically calculate the number of nurses that should be working throughout the day and the ward manager can evaluate this information against the number of nurses that she has rostered on the ward. If necessary the ward manager can adjust staffing levels on her ward as follows:

- By asking staff to work a different shift if more staff than necessary are rostered on the ward;
- By using the system to look across the hospital to determine whether staff can be borrowed from another ward which has more nurses than required;
- By using the system to work out how long it may be necessary to bring a temporary nurse e.g. for three hours rather than a full shift.

The Director of Nursing can obtain real time management information from the system which allows her to monitor expenditure on all nursing staff and to detect and deal with all staffing issues as they arise. Since the system was implemented, the paid hours per patient day have decreased by 0.8 hours per patient due to more efficient rostering. At an average cost of £15 per hour this results in a net saving of £210,000 since the introduction of the new system in September 2003.

2.8 Many privately run hospitals use IT based workforce management systems to ensure that day to day staffing levels reflect changes in patient volumes and dependency. Some NHS acute trusts are piloting the use of similar systems. Such systems can help trusts save money by not rostering staff unnecessarily and improve patient safety by ensuring that there are always sufficient staff to cope with the volume and dependency of the patients on the ward.

Rostering effectively

2.9 Once an agreed nursing establishment has been determined, it becomes much easier to optimise the use of permanent nursing staff by effective operational management. Trusts can make the best use of their own permanent staff and manage their demand for temporary nursing staff by rostering effectively. Some examples of effective rostering include:

- The use of self-rostering to allow staff to express their preferences for shifts and take ownership of the roster.
- The introduction of rules to ensure a fair allocation of shifts e.g. all nursing staff must work one weekend per month.
- Spreading annual leave and study leave evenly throughout the year **(Figure 3)**.
- Always rostering permanent staff on to expensive shifts (weekends and nights) so that temporary nursing staff can cover less costly shifts and work under supervision.

2.10 Some trusts have introduced the use of IT rostering packages to help ward managers prepare rosters **(Case study 3)**. The packages can determine minimum staffing levels and grade mix required for each shift and can analyse shift patterns and take account of staff preferences to help assign duties fairly. IT based rostering systems can also make it easy for staff to self-roster within set parameters and reduce administration time for ward managers.

3 Guy's and St Thomas' annual leave calculation

Ward A has **21** trained staff.

Assuming each member of staff has 7 weeks leave each this means there are 147 weeks of annual leave which need to be taken throughout the year. (21 x 7 = 147)

Ward A should therefore aim to have three members of staff on an annual leave each week throughout the year to achieve an even distribution of leave and minimise the need for temporary nursing staff. (147/52 = 2.8)

If nurses have different amounts of annual leave then add up all weeks of annual leave due to trained staff and divide by 52 to achieve the same result.

CASE STUDY 3

IT based rostering

Bedford Hospital NHS Trust has piloted electronic rostering on four wards in an effort to improve the cost effective management of its nursing and midwifery staff. As a result of the pilot the trust has introduced a new electronic rostering system which will be implemented in a phased roll out that is expected to take approximately ten months.

The trust anticipates that the combination of the electronic rostering system, and a new rostering policy which it introduced simultaneously, will improve the utilisation of existing staff and reduce expenditure on temporary nursing staff and overtime. It should also ensure that all departments are staffed appropriately and minimise clinical risk.

The trust anticipates that the system will improve its ability to monitor sickness and absence by generating comparisons and identifying trends and priorities for action. Furthermore it will improve planning of annual leave and study days.

The trust estimates that in total the project will result in net savings of £250,000 in the first year rising to over £500,000 in subsequent years.

The task of improving patient care whilst controlling cost led **North Tees and Hartlepool NHS Trust** to trial the use of electronic rostering. The trust believed that electronic rostering could help them to:

- Reduce expenditure on temporary nursing staff and overtime.
- Use permanent staff more productively through cross ward staff movement linked to dependency based rosters.
- Remove the complexity of rostering in light of working restrictions, irregular shift patterns and the need to achieve a balance between the needs of staff and the needs of the wards.
- Reduce time spent on paper based rostering.

The trial was very successful and resulted in a reduction in temporary nursing and overtime expenditure of 44 and 40 per cent respectively whilst showing an increase of 45 per cent in staff utilisation. This is partly because senior nurses were able to view resource availability and utilisation across wards and redeploy staff as required. The trust is now rolling the software out across all wards and is considering using the system to manage the rosters of junior doctors and allied health professionals.

Creating a flexible workforce

2.11 The Department of Health's, "Improving Working Lives Standard" states that NHS employers should accept joint responsibility with staff for developing a range of working arrangements that balance the needs of patients and services with the needs of staff.[5] Trusts can reduce their demand for temporary nursing staff and improve recruitment and retention in their permanent staff by allowing staff to work flexibly through initiatives such as:

- Creating a pool of permanent staff who can be allocated across divisions or across the trust **(Case study 4)**.
- Allowing staff to work on annualised hours contracts which give the nurse and the trust some flexibility about when hours are worked during the year.
- Allowing staff with school aged children to work on term time only contracts.
- Allowing staff to increase or decrease their work commitment by buying or selling annual leave from the trust.

2.12 However, unless use of flexible working is well controlled it can result in an increase in the demand for temporary nursing staff. Trusts should balance the demands of their staff with the demands of running a 24 hour service. In order to do this they will need to regularly review the situations of those on flexible contracts to determine whether they are still required and attempt to balance the different preferences of their staff, for example by encouraging staff without school aged children to work more hours during school holidays and fewer during term time.

Controlling bookings of temporary nursing staff

2.13 Some trusts have increased their control over bookings of temporary nursing staff by introducing trust wide booking guidelines **(Figure 4 overleaf)** and by increasing the seniority of the member of staff who can authorise temporary nursing bookings. Many nursing directors and assistant nursing directors now hold weekly meetings with their ward managers at which they assess levels of booking and discuss the reasons why temporary nursing staff were required.

CASE STUDY 4

Introducing flexibility into the permanent workforce

Salford Royal NHS Trust sought to introduce flexibility into its permanent healthcare assistant workforce in order to reduce spending on NHS Professionals and agency nurses. The trust recruited a pool of thirty healthcare assistants and in tandem implemented a 'no agency policy' for healthcare assistant shifts. Staff in the pool are assigned to wards where there is high usage of healthcare assistants. The pool has never reached its full establishment as the new recruits are often used to fill ward vacancies. As these vacancies have reduced the number of requests to NHS Professionals has also fallen.

In addition, the trust:

- revisited its temporary nursing staff booking policy and required that all internal sources of staff be explored and exhausted before a request for a temporary nurse is made;
- made ward managers accountable for the use of temporary staff including overseeing ward induction of new starters and verifying timesheets; and
- reduced the number of agency suppliers from eight to four in order to built stronger relationships with the agencies. This resulted in an improvement in the percentage of shifts which the agencies have been able to fill.

NHS Professionals supported the trust with an extensive awareness and recruitment campaign by:

- cold-calling staff who have not worked recently to generate availability;
- working collaboratively with wards to target and recruit agency staff on shifts in the lead-up to the changes;
- providing management information to support the trust in identifying wards making high usage of agency nurses; and
- providing senior management with information on wards with high vacancy and staff sickness levels.

As a result of these steps, the trust reduced its use of agency nurses, generating savings of £1.3 million.

4 A good practice decision tree

The decision tree used by Guy's and St Thomas' NHS Foundation Trust to determine whether to book temporary nursing staff.

1 Identify staff shortage

Staff shortage may be caused by:

- Maternity leave
- Staff vacancy (longer than a week)
- Sickness

↓

2 Immediate considerations (how urgent is the booking?)

- Can this shortage be accommodated within existing resources and skill mix?
- What is the anticipated workload for the period in question?
- How will the shortfall affect patient care / delivery?
- Can less important work be postponed until more staff become available?

↓

3 Explore all options

- If it is considered vital that an additional person is needed can they be sourced from within the organisation?
- Have you contacted all of your permanent staff to see if they can fill the shortage?
- Have you contacted your manager to inform them of your staff shortage allowing them to try and source from elsewhere within the Trust?

↓

4 If additional staff cannot be found through the above options

Proceed to request staff from the staff bank. The decision to request staff must be validated by a second person.

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5 Book temporary staff

Complete booking form including:

- Details of shift time and date;
- Name of person making booking and person validating booking;
- Location and contact number of ward/area;
- Professional/grade/experience required;
- Reason for booking request;
- Position management number.

Managing vacancies

2.14 Vacancies are cited by trusts as the most common reason for booking temporary nursing staff.[6] Many trusts deliberately hold vacancies to create workforce flexibility through using temporary nursing staff. It is therefore important that trusts monitor the number of vacancies that they are holding to ensure that levels remain acceptable. In order to reduce unnecessary use of temporary staff caused by vacancies trusts should:

- Seek to reduce turnover and improve recruitment and retention rates through the use of secondments, rotation, family-friendly policies, sabbaticals, improving child care facilities and providing training and development opportunities **(Case study 5)**.
- Allocate all establishment posts, whether filled or not, with a unique number to facilitate a common definition of the number and location of vacancies throughout the trust. The use of a unique reference number is an excellent mechanism for increasing control over the whole process of using temporary staff. It can be used to control demand, generate information on reasons for booking and track the temporary staff bookings all the way through the system to payment.
- Avoid the practice of freezing vacancies in times of financial pressure and then filling these posts with temporary staff.
- Avoid unnecessary delays in the recruitment of permanent staff by streamlining recruitment procedures **(Case study 6 overleaf)**.

CASE STUDY 5

Improving recruitment and retention

St. George's Healthcare NHS Trust reduced its expenditure on temporary nursing staff from £14.6 million to £11.6 million over a year through a wide range of measures including the introduction of flexible working policies and career breaks to aid recruitment and retention and the introduction of a childcare coordinator who offers a range of facilities to support nurses with childcare responsibilities. The trust also appointed two senior nurses with responsibility for recruitment and retention: one for nursing posts and another for midwifery posts. These staff work closely with the local universities to coordinate clinical placements and to organise career events for student nurses. They also monitor and provide support to wards with particular recruitment difficulties. In addition the trust reviewed the skill mix in all clinical areas as part of a five project Nursing Turnaround Programme.

CASE STUDY 6

Streamlining recruitment procedures

At the **University of Leicester Hospitals NHS Trust**, there is a centralized recruitment process which organizes quarterly recruitment days for healthcare assistants. Typically, about 100 prospective candidates attend each event and a waiting list is kept of successful candidates should a vacancy arise between open days. This process saves money on recruitment and means that vacancies can be filled quickly to reduce the use of temporary nurses.

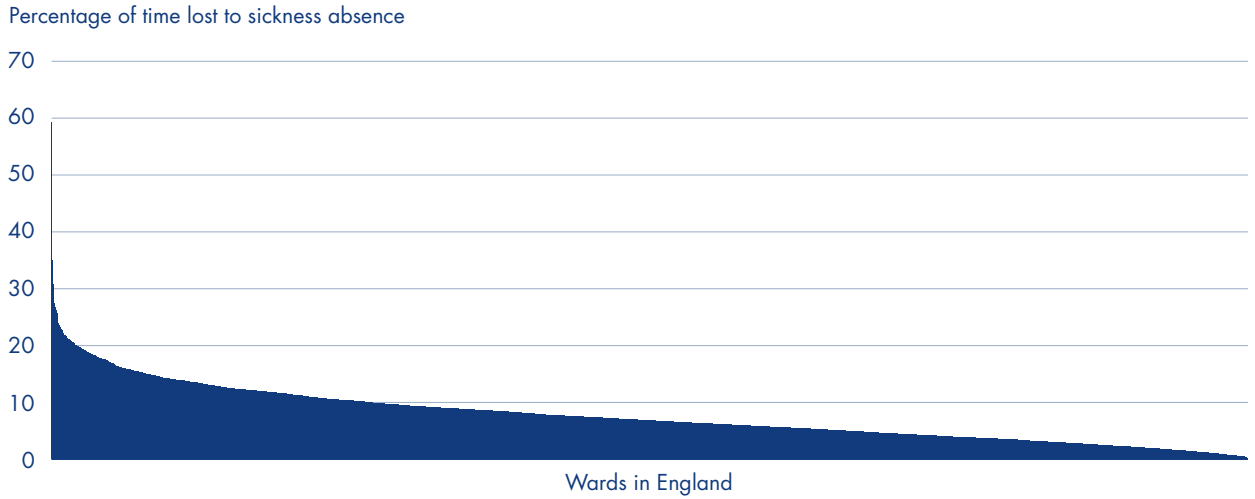
Leicester's turnover rates have also been reduced by improving local nurse leadership and through *Improving Working Lives*. The trust provides a job-shop for careers advice, provides high-quality appraisal to all nurses and offers education and development. There are dedicated education leads in each clinical division as well as clinical support nurses, whose role is to mentor newly qualified staff and nurses recruited from other countries who are new to the NHS.

Managing absence

2.15 The Healthcare Commission found that in 2004-05 the average rate of sickness absence for nursing staff is 7.5 per cent (16.8 days per year). However, our analysis shows that there is wide variation in the sickness absence levels between wards **(Figure 5)**, specialties **(Figure 6 overleaf)** and grades **(Figure 7 on page 21)**. There is also significant variation in the average rates of sickness absence between different types of department or specialty. The greatest problems reside in services dealing for the most part with older patients such as stroke units, rehabilitation, geriatrics and general medicine. There is less sickness absence in departments that provide specialist services, such as coronary care units, cardiothoracic surgery, intensive therapy units and paediatrics although rates remain high.

5 There is significant variation in sickness absence rates across wards

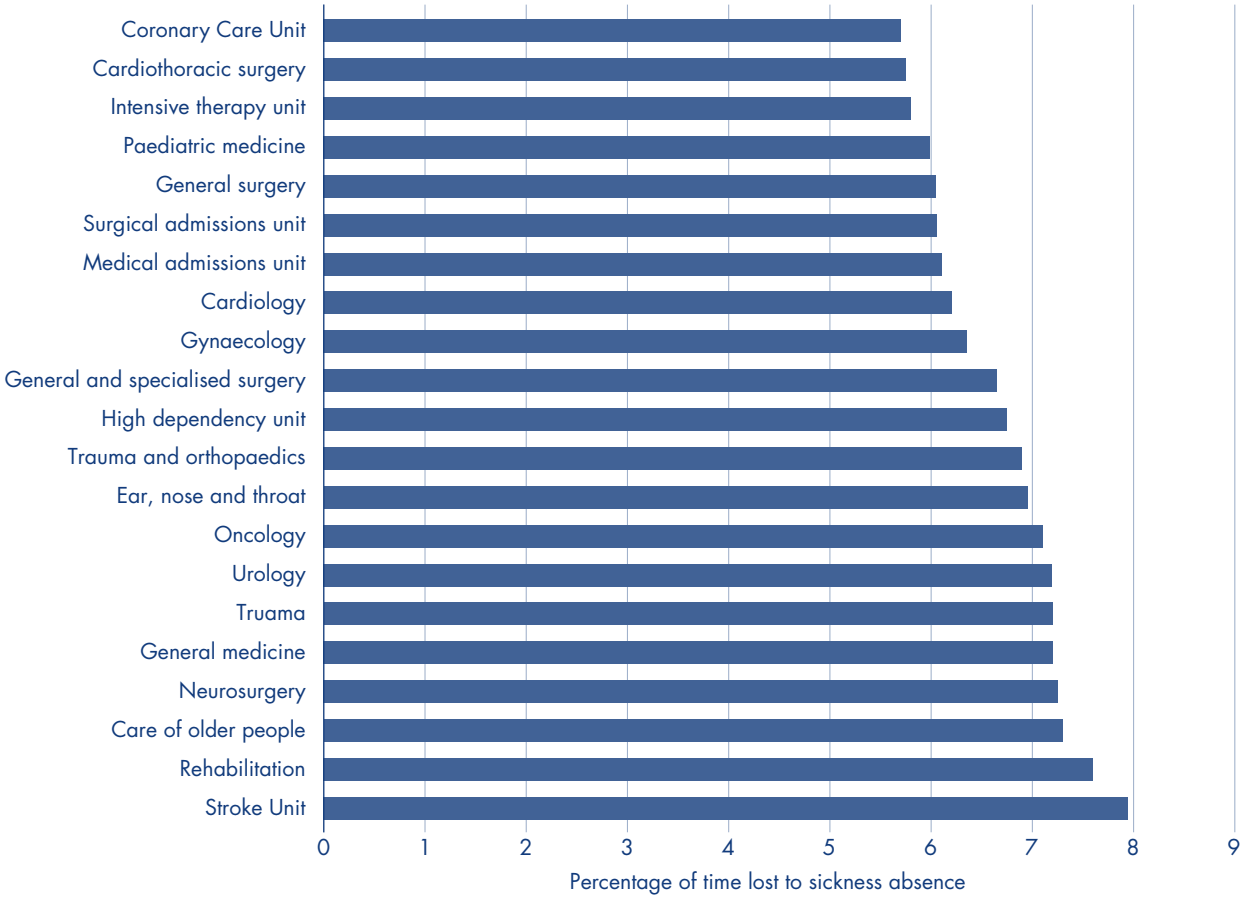
The percentage of time lost to sickness absence in wards in acute trusts in England during one month in 2004



Source: Audit Commission analysis of data collected by the Healthcare Commission. N = 4,600 wards in 173 trusts.

6 There is more sickness absence in departments which provide services for older people

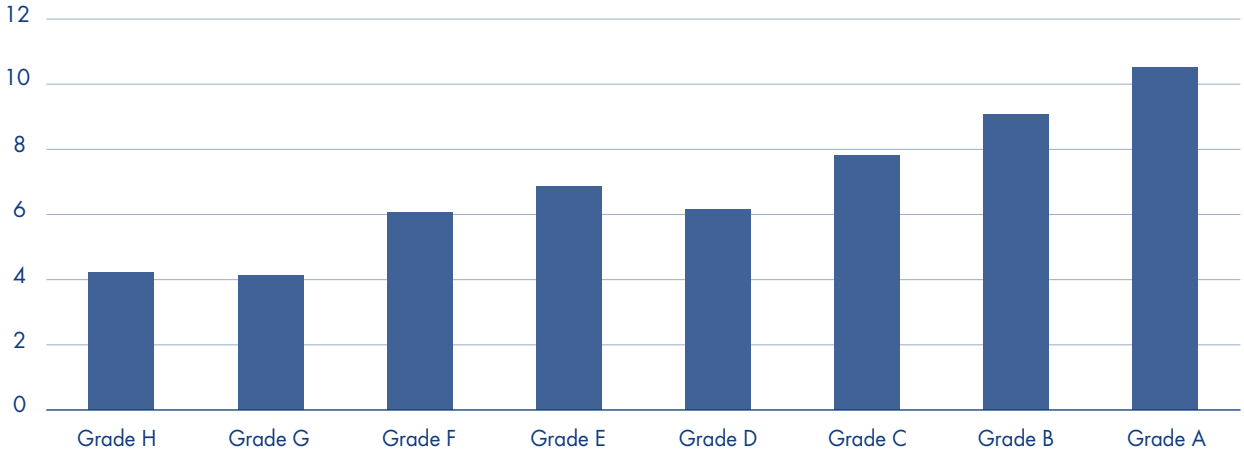
The percentage of time lost to sickness absence in acute trusts in England by specialty during one month in 2004



Source: Audit Commission analysis of data collected by the Healthcare Commission. N = 4,600 wards in 173 trusts.

7 Staff employed at lower grades have higher rates of sickness absence

The percentage of time lost to sickness absence in acute trusts in England by grade during one month in 2004



Source: Audit Commission analysis of data collected by the Healthcare Commission. N = 4,600 in 173 trusts.

2.16 Variation in sickness absence rates is often related to the effectiveness with which line management control sickness absence. In order to improve the management of sickness absence trusts should:

- Undertake an analysis of sickness absence by ward, specialty, grade and individual **(Case study 7)**.
- Investigate and act on the reasons for above average sickness levels.
- Read the Health and Safety Executive Guidance HSG 249 *Managing Sickness Absence and Return to Work* which will help trusts put in place suitable arrangements.
- Regularly review all long term sickness cases to see if there is any opportunity for staff to return to work either in their previous job or in one more suited to their new circumstances.
- Read the recommendations in the National Audit Office's good practice guide on managing attendance[7] and implement as appropriate.

CASE STUDY 7

Improving the management of sickness absence

In June 2005 the **Whittington Hospital NHS Trust** board decided to run a specific project to address sickness absence levels in the trust, which had averaged six per cent in the preceding 15 months. The aim of the project was to address the detrimental consequences of employee absence in terms of quality of patient care, staff morale and cost implications. The target set by the board was to

"Demonstrably reduce sickness absence within the trust by a minimum of a one per cent reduction over a six-month period and in stages working initially to a local target of four per cent and thereafter to a target of 2.7 per cent.

In order to achieve this target the trust undertook a number of activities including:

- Adopting the use of the Bradford Score Index (see Appendix 2) and targeting the "top 50" absences in the trust which consisted of 15 long term sick cases and 35 cases of individuals who were frequently absent for short periods.
- Streamlining the IT system to improve the capture of sickness absence data.
- Delivering training across the trust to enhance managers' skills at effectively managing sickness absence.
- Revising and implementing changes in policy and procedures e.g. updating the sickness absence guidelines.

Throughout the project the project team worked closely in partnership with staff representatives and communicated the goals and results of the project to staff, for example through the staff magazine. They feel that this has been key to the trust achieving a reduction in sickness absence rates of one per cent across the trust from six to five per cent in 12 months. They estimate that this has saved the trust approximately 700 working days since July 2005. This has been calculated using the number of days that they would have expected individuals in the "top 50" to have taken sick from July 2005 compared with the six months prior to the project commencing.

PART THREE

Appointing suppliers of temporary nursing staff

3.1 All trusts need to draw on temporary nursing staff to some extent. It is therefore important that trusts can demonstrate that they are procuring temporary nursing staff through mechanisms that minimise the cost and assure the quality of temporary staff.

3.2 In looking at this part of the guide, ask yourself whether your trust:

- Understands the whole cost of using temporary nursing staff.
- Has evaluated its internal bank to consider whether efficiency savings could be realised through better use of information technology.
- Has undertaken an evidence based assessment of whether or not to use NHS Professionals.
- Uses nursing staff only from agencies on the NHS Purchasing and Supply Agency Framework Agreements.
- Has arrangements in place to procure agency nursing staff at best value.
- Has performance measures in place to assess all providers of temporary nursing staff to the trust.

Analysing the costs of using temporary nursing staff

3.3 When comparing the relative costs of different types of nursing staff, many trusts compare only pay rates. Trusts should compare the detailed costs of the different grades of nursing staff in which they use significant numbers of temporary nursing staff. This will allow them to make informed decisions about staff allocation. **Figure 8 overleaf** sets out a table that trusts can use to compare the relative cost of permanent, bank/NHS Professionals and agency nursing staff within their trust.

Using nursing banks and NHS Professionals

3.4 Most trusts use either NHS Professionals or a nursing bank as their primary supplier of temporary nursing staff. Trusts should make an objective and evidence based decision on which to use taking into account both cost and quality standards. Trusts should benchmark their nursing bank(s) against the quality standards operated by NHS Professionals. Where their quality standards fall short of NHS Professionals they should undertake a detailed exercise to determine the cost of bringing them up to these standards. Where these costs are higher than those incurred by using NHS Professionals, they should develop a business case which evaluates the costs and benefits of engaging NHS Professionals to manage their temporary staffing service. In some cases, where trusts wish to invest their management capacity and capability in other areas, outsourcing their temporary staffing service to NHS Professionals has proved effective **(Case study 8)**.

8 Table for comparing the relative costs of staff

	Permanent	Bank	NHS Professionals	Nursing agency
Basic pay per hour				
Pay per week based on 37.5 hour week				
Employer's National Insurance Contributions at 12.8 per cent on earnings between £91 and £610 per week				
Employer's pension contributions at 14 per cent x pension uptake (uptake of pension to be calculated by trust)				
Agency commission rate	n/a	n/a	n/a	
NHS Professionals commission rate	n/a	n/a		n/a
Bank overheads	n/a		n/a	n/a
Overhead costs to cover annual leave, sick leave and study leave at 22 per cent		n/a	n/a	n/a
Total				

CASE STUDY 8

Using NHS Professionals

Ashford and St Peter's NHS Trust has established a partnership with NHS Professionals as part of a series of measures aimed at changing working practices in conjunction with Improving Working Lives. As part of the project, the trust sought to reduce the use of agency staff as patients had greater confidence in the trust's own staff and the inconsistent quality and high cost of agency nursing staff was adversely affecting staff morale.

Staff on the trust's bank were transferred to NHS Professionals in December 2001 and over the following three years the trust's expenditure on agency nursing staff fell from £4.7 million to £1.6 million. By using NHS Professionals the trust estimates that it has been able to avoid costs of £3.1 million since 2002-03. It has also been able to reduce the number of requested shifts which remain unfilled from one in five to one in ten.

Year	2001-02[1] (£ million)	2002-03 (£ million)	2003-04 (£ million)	2004-05 (£ million)
NHS Professionals	3.0	4.9	5.6	5.5
Agency	4.7	2.2	1.9	1.6
Total	7.7	7.1	7.5	7.1

The introduction of NHS Professionals led to a number of benefits:

- Staff at all levels were involved from the start of the project with an initial period of consultation to explain the objectives and reasoning behind it. In order to reduce agency expenditure and attract staff, an increase in bank pay-rates was required on an invest-to-save basis.
- NHS Professionals improved communication and continuity between the trust's sites and provide the trust with a consistent standard of temporary nurses who have attended mandatory training and completed a trust induction course. This has had a positive effect on permanent nurses who feel reassured about the quality of temporary nurses. Training and development has been made more rigorous with a two-day induction programme.
- Since NHS Professionals began operating in the trust, over 120 substantive appointments have been made from their staff. NHS Professionals has also provided new career opportunities for staff who wish to gain experience in specialist areas. Moreover, the flexibility of the 'return to practice' part of the service has been very successful for substantive posts with the majority of applicants completing the necessary courses and taking up permanent positions in the trust.

NOTE

1 Prior to establishing a partnership with NHS Professionals.

3.5 Where trusts do decide to run their own nursing bank they should ensure that the bank provides value for money by:

- Forming one central bank which manages staffing requests across the whole trust (or trusts).
- Establishing agreed measures against which the performance of the bank can be assessed.
- Investing in a nurse bank management system which is capable of being integrated with other systems within the trust e.g. rostering and payroll systems thereby cutting administration costs. The system should be capable of producing reports on:
  - Number of requests by ward.
  - Percentage of requests filled by grade at long and short notice (less than 48 hours).
  - Reason for use by ward.
  - Analysis of seasonal variations.
  - Trends against target usage of temporary nursing staff.

Using nursing agencies

3.6 Most trusts rely on agency nursing staff to some extent. Whilst agency nursing staff have an important role they are normally more expensive than the equivalent permanent, bank or NHS Professionals staff. Excessive reliance on agency nursing staff is often contributed to by poor management control. Trusts can reduce their reliance on agency nursing staff:

- Introducing policies that do not allow substantive nurses from the trust to work in its hospitals through an agency.
- Encouraging agency nursing staff to join the nursing bank or NHS Professionals in preference to nursing agencies.
- Using recruitment and retention premia to encourage hard to recruit staff to work in substantive posts.
- Introducing specialist rates for hard to recruit bank nursing staff.
- Training up staff in areas where there are national shortages (e.g. Operating Department Practitioners) to avoid reliance on nursing agencies to fill posts.

CASE STUDY 9

Using IT to support the nursing bank

Blackpool Fylde and Wyre Hospitals NHS Trust has 1,100 beds and employs just over 2,000 nurses and midwives. The current temporary staffing arrangements were set up in May 2003 and this coincided with the implementation of an IT system designed to modernize the way temporary staffing is managed and to provide the opportunity to reduce the use of agency nurses. The trust currently has 1,100 bank staff of which 600 are 'bank only' staff; the remaining staff also hold substantive posts within the trust.

The challenges facing the Trust were:

- the need to reduce expenditure on agency nursing staff which had risen to £1 million a year in 2001-2002;
- the need to improve the education and training of bank staff; and
- the need to improve management arrangements to deliver a more effective and efficient temporary staffing service.

The trust considered the possibility of using NHS Professionals but decided to instead to invest in an in house central nursing bank which would manage all bank and agency bookings. A number of initiatives were implemented to improve the service and to match NHS Professional's standards. These include the implementation of web enablement, which allows ward staff to book and then visualise their bank bookings via their ward PC. The system links to the bank office so that bookings can be constantly updated. This reduces the amount of paper work that is generated by requests for shifts and allows bank nurses to view the shifts they have booked.

Ward managers had to adjust to the fact that they had to drastically cut their use of agency nursing staff and use bank nursing staff instead. Support from executive directors, especially the director of nursing, was crucial at this stage. However, the strategy has been very successful and the trust has reduced its expenditure on agency nursing staff dramatically from £1 million in 2001-02 to £34,000 in 2004-05. An overview of expenditure over the last two years is given below.

	2004-05	2005-06
Expenditure on bank staff	3,245,370	3,080,311
Expenditure on agency staff	33,904	0
Total	3,279,274	3,080,311

3.7 Where trusts do use nursing agencies they should ensure that they are getting best value from the agencies in terms both of cost and quality of nursing staff by:

- Only using nursing staff on NHS Purchasing and Supply Agency Framework Agreements to the agreed terms and conditions.
- Putting in place a Service Level Agreement with the nursing agency.
- Consolidating the number of agencies supplying nursing staff to the trust.
- Adopt the use of the NHS Professionals clinical coding system so that all trusts have a common approach to describing roles.
- Forming procurement consortia with other trusts to achieve bulk purchase discounts **(Case Study 10)**.
- Have robust procedures in place to check trust records of rates charged and hours worked against agency invoices **(Case study 11)**.
- Maintaining an effective internal approval protocol for ordering from commercial agencies.
- Providing adequate notice of available shifts to improve fill rates at lower costs.
- Enforcing a clear policy that the trust will not pay rates higher than those on the agreed framework in order to obtain fill.

CASE STUDY 10

Procuring through consortia

NHS trusts in **Bristol, Bath and Weston** have worked together as a consortium to negotiate local service agreements for the supply of agency nurses under the NHS Purchasing and Supply Agency's South West agency framework agreement. Part of this process involved undertaking local audits using the Purchasing and Supply Agency audit tool prior to awarding the local service agreements. In addition, low commission rates were negotiated (nine per cent for preferred suppliers) with a limited number of preferred agencies on an approved list based on cost, quality and supply. Six monthly reviews are undertaken of the performance of all agencies listed as approved to supply to the consortium, and agencies may be allocated preferred to secondary status depending on recent performance. Measures of performance take into account cost, quality and continued efforts of agencies to fill shifts. The NHS trusts in the consortium have presented a united front to agencies from the start of the local negotiations and have worked together to manage agency use through robust operational policies and sharing of management strategies.

A local consortium of **Aintree, Royal Liverpool and Broadgreen and St Helens and Knowsley NHS hospital trusts** was established in 2002. The consortium has 3,500 nurses available on a bank and allows placements between trusts. The consortium uses its purchasing power to secure best value for money from local nursing agencies. Contracts are based on NHS Purchasing and Supply Agency Framework Agreements and quality standards and systems match those available from NHS Professionals. The arrangement has eliminated the need for agency cover in two of the trusts and reduced it to less than 15 per cent of total expenditure on temporary staffing in the third, from an overall figure of 53 per cent two years previously. A reduction in expenditure on agency nurses from £7 million in 2002-03 to £1.5 million in 2004-05 has been achieved.

CASE STUDY 11

Checking agency invoices

The Trust Standing Financial Instructions at **Central Manchester and Manchester Children's University Hospital NHS Trust** stipulate that all charge rates and units of time detailed on invoices must be checked for accuracy and all invoices must be arithmetically correct. However, the trust recognised that these checks can be very complicated and time consuming in relation to temporary staffing transactions due to the volume of transactions and multiplicity of rates at which time can be charged. In response to this, a software tool was developed which can identify inaccurate invoices and substantially reduces the time that ward managers need to spend checking the invoice before they can authorise payment. Using the software, £50,000 of nurse agency overcharge has been detected and recovered relating to a 12 month period. A further £30,000 has been identified relating to a 23 week period (left undetected, the overcharge would have cost £68,000 per annum). The latest overcharges occurred even though NHS Professionals were in place and despite the audits conducted upon the agencies, demonstrating the subtlety of the overcharges. The software has also been applied to other disciplines and again substantial levels of overcharge have been detected. Given their nature and complexity, it is felt that these overcharges will be occurring across the NHS as a whole. The Trust intends to test earlier periods to recover all overcharges to date.

The software also streamlines existing processes utilising auto-emailing facilities and speeds up the invoice certification process. The system also generates useful management information reports such as:

- Incidence of duplicate shifts (currently undetected by existing bank management software).
- Usage of agency nursing staff by shift type (e.g. night shift, day shift, Sunday shift etc.).
- The volume of shifts authorised, unauthorised and in dispute.

Whilst this aspect of the software has been tested, use of the software has yet to be trialled and rolled out across all areas/wards.

PART FOUR

Using temporary nursing staff

4.1 Good working arrangements are needed to manage the use of temporary nursing staff and minimise risks to patients. Research has found that people are significantly more likely to make errors when they have received inadequate training, when they are working in unfamiliar or pressurised environments or when they are tired. These ingredients can be typical of the circumstances in which temporary nursing staff may find themselves. Trusts need to implement proper induction, training and performance review procedures for temporary staff and monitor compliance with the European Working Time Directive in order to minimise risks to patient care.

4.2 In looking at this part, ask yourself whether your trust:

- Has processes in place to ensure that all temporary nursing staff are subject to the same recruitment, training and performance assessment procedures as permanent staff to ensure that all staff are fit for purpose.
- Has processes in place to ensure that all temporary nursing staff receive effective induction to unfamiliar working environments.
- Has processes in place to monitor the number of hours being worked by nursing staff.
- Has taken action to minimise the risk of fraud relating to the payment of temporary nursing staff.

Recruiting temporary nursing staff

4.3 The Department of Health's, "Code of practice for the supply of temporary nursing staff" states that all temporary staff are subject to the same requirements in respect of quality and clinical governance as permanent staff. It also sets out the recruitment and selection criteria against which all staff working in the NHS should be judged. Trusts should ensure that the recruitment and selection procedures used by all bodies which supply nursing staff to the trust, including NHS Professionals, internal banks and nursing agencies, comply with the standards set out in the code of practice.

Training and performance assessment of temporary nursing staff

4.4 Temporary nursing staff should have access to the same training and development opportunities as substantive staff. Where trusts obtain their nursing staff from nursing NHS Professionals and nursing agencies they should request information on the training provided to nursing staff and assure themselves this is sufficient for the trust's requirements. Where the trust runs its own nursing bank the nurse bank manager should be allocated responsibility for ensuring that all bank staff receive their mandatory training and have an annual performance appraisal resulting in a personal development plan **(Case study 12)**. Some trusts have used specialist training of bank nursing staff to fill vacancies within the trust and reduce reliance on agency nursing staff **(Case study 13 overleaf)**.

CASE STUDY 12

Training and personal development of bank nursing staff

All bank nursing staff at the **University Hospital of Birmingham NHS Foundation Trust** are given personal reviews and provided with support to enable them to develop their skills. The trust has two clinical educators who are dedicated to the development of bank nurses and a dedicated PA who ensures all mandatory training is attended and kept up-to-date. The operational manager of the bank and the clinical educators also hold monthly open surgeries which bank nurses can attend if they wish to discuss any development or personal issues.

County Durham and Darlington Acute Hospitals NHS Trust specifically recruits Healthcare Assistants to the nurse bank in groups of 24 at least four times a year. Recruitment and induction training is controlled centrally and in addition Healthcare Assistants also attend a series of skills workshops including: Basic Anatomy and Physiology, Introduction to Health and Safety, Assisting Patients to Mobilise, Pressure Area Care, Manual Handling, Diet and Assisting Patients to eat, Respiratory Conditions and associated observations, Diabetes, Introduction to Record Keeping, Supervised Experience on an Acute Ward. The classroom learning is reinforced on the ward by practical assessments undertaken by a registered nurse. On completion of six months experience bank Healthcare Assistants who work for the Trust on a regular basis are encouraged to undertake an NVQ3 in Health and Social Care.

CASE STUDY 13

Using bank nursing staff to address skill shortages

In January 2005 **North Bristol NHS Trust** began a scheme to train bank nurses to work in specialist areas within the Trust. This scheme covered Accident and Emergency, the Neo-natal Intensive Care Unit, Operating Theatres, the Intensive Care Unit and the High Dependency Unit. The scheme has been successful at reducing expenditure on agency nursing staff throughout the trust.

4.5 In order to secure business or reach fill-rate targets, there is a risk that temporary staffing providers may supply nurses who do not have the necessary competencies or experience of the area in which they have been sent to work. This approach puts more pressure on substantive nurses as the time required to supervise the temporary nurses can be detrimental to the overall running of the ward. However, ward staff do not always report poor performance by bank, NHS Professionals and agency nursing staff but merely request that these staff do not work on the same ward again. This increases the risk that the poor performance will be repeated elsewhere. Trusts should encourage ward managers to make complaints about temporary nursing staff to the appropriate supplier in a timely fashion so that any issues can be addressed. They should also request from their temporary nursing suppliers a monthly report of all reported complaints and incidents and the resulting actions.

Inducting temporary nursing staff

4.6 All temporary nursing staff should be paid to attend trust induction and ward induction when they begin work in an unfamiliar environment. Generic induction should cover trust policies and procedures in health and safety, moving and handling, and fire safety. Local induction should include essential information about clinical protocols and other specialty-specific information. Some trusts have introduced checklists against which new nursing staff can tick that they have received specified information about clinical protocols, emergency procedures and use of equipment.

4.7 Prior to induction, the manager in charge of a shift must take responsibility for checking the identity of bank and agency nurses and their suitability to work on the ward. This includes checking the nurse's identity and NMC registration, if applicable, which verifies the nurse as the one booked by the bank or agency.

Reducing the risk of fraud

4.8 The NHS Counter Fraud and Security Management Service has designed a "fraud proofed" timesheet to reduce the risk of fraud. In March 2006 the Service issued an instruction to all trusts entitled, "Specific action to ensure that counter fraud measures are incorporated into staff bank timesheets". The instruction stated that all trusts should adopt the timesheet in full or, as a minimum, adopt specified key elements of the timesheets. All trusts should ensure that they have followed the Counter Fraud and Security Management Service's instructions.

APPENDIX ONE

Actions for different management levels

Action for trust boards

Monitoring and planning

- Receive monthly summary reports of spending on temporary nursing staff which observe variations between wards and which compare use with similar trusts.

Controlling demand

- Require that the assurance framework includes the trust's statutory duty of staff welfare and identifies the associated risks and controls.
- Receive an annual report on the use of temporary staff, including a clear explanation of the reasons for the use of temporary nurses.

Appointing suppliers

- Require that the decision whether or not to use NHS Professionals is the subject of a robust evaluation that demonstrates the value for money of the option chosen. Arrangements should be formally reviewed annually and more frequently if problems arise.
- Agree an annual supplies procurement strategy that includes the use of NHS Purchasing and Supply Agency framework agreements for the use of nursing agencies.

Action for executive directors

Monitoring and planning

- Receive regular summary reports on the use and cost of temporary nurses by ward.
- Establish a central budget to cover maternity leave to spread risk across the whole trust.
- Provide systems that enable ward managers to keep a record of each agency nursing appointment including shift worked, agency nurse's name, and agency supplier.
- Review the trust's safeguards against the risk of fraud in the use of temporary nurses.
- Require that specific reviews by internal audit are undertaken at least every three years.

Controlling demand

- Prepare a workforce plan that identifies the number of nurses that will be required in the future and address any variance between existing and required numbers and skills.
- Review and where necessary change nursing establishments.
- Agree a common methodology for calculating the nursing establishment.
- Adopt a unique reference number for each post in the trust which can be used to monitor usage of temporary staff against vacancies and track bookings through the system.
- Achieve compliance with the Improving Working Lives Standard and establish a range of workforce scheduling systems that enable staff to have greater control over the hours they work.
- Analyse the percentage of the total nursing pay-bill that is associated with bank and agency staff.
- Read the National Audit Office's good practice guide on managing attendance[7] and put in place policies and procedures and check regularly that they are achieving 'good-practice' sickness absence levels.
- Improve recruitment and retention through the use of secondments, rotation, family-friendly policies, sabbaticals, flexible hours and flexibility between different nursing roles; and by improving facilities for child care and providing training and development opportunities.
- Improve the flexibility of the permanent workforce.
- Reduce dependence on overseas recruitment to fill vacancies and fully explore options to attract nurses from the local labour market.
- Consider investing in IT systems to help manage demand for staff e.g. electronic rostering.
- Generate a culture of sharing staff across wards.

Appointing suppliers

- Introduce a trust-wide policy that prevents nurses filling a bank shift if they have been absent on sick leave in the previous five days or have a generally poor attendance record.
- When using nursing agencies, only use those on the NHS Purchasing and Supply Agency Framework Agreements to the agreed terms and conditions.
- Require that the standards used in appointing agency nurses are as rigorous as those for recruitment to substantive posts.
- Introduce policies that bank staff with substantive posts can work no more than two shifts in any 48-hour period, even if they have opted out of European Working Time Directive regulations.
- Introduce rigorous procedures to appoint to the nurse bank.

- Establish written procedures on the use of bank and agency nurses with user-friendly extracts of procedures made available for ward managers.
- Establish one central unit to receive all requests, place orders and receive invoices for bank or agency staff.
- Establish a clear and consistent procedure to validate agency invoices before authorising payment.
- Require that the nurse bank manager establishes measures to demonstrate the performance of the bank.
- Establish formal long-term contracts with a limited number of agencies to safeguard the trust's interests.

Using temporary nursing staff

- Establish arrangements which, in the event of unsatisfactory performance by an agency nurse, enable the trust to consider whether:
  - the nurse should be employed by them again;
  - the nursing agency should be informed.
- Report all instances of unsatisfactory performance of temporary nursing staff to the relevant supplier and, if relevant, to the Nursing and Midwifery Council and the NHS Purchasing and Supply Agency.

Action for middle managers

Monitoring and planning

- Establish ward-level budgets that are linked to cost-centres and owned by local managers. The budgets should be set so that ward managers are aware of the costs they incur through the use of bank or agency nurses.
- Establish clear accountability for overspending on bank and agency nursing budget and clear responsibility for budget management and monitoring at ward level.
- Establish separate budgets to assist monitoring of activity levels and to highlight exceptions.
- Establish clear procedures for authorising payments to temporary nurses or agencies.
- Update the register of nurses working on the bank and remove those who have not worked for six-months, provided that the nurse has not indicated that they only wish to work intermittently.

Controlling demand

- Prepare an up-to-date nursing plan for each specialty, based on an analysis of the numbers and grades needed to deliver the range and volume of services to which the trust is contracted.
- Monitor staff plans against service needs and establish sufficient flexibility in substantive posts to meet foreseen service demands.

- Review nurse staffing levels in anticipation of the modernizing potential of Agenda for Change, Connecting for Health, Payment by Results and Patient Choice.
- Reduce inappropriate demand for temporary staff by addressing the underlying cause of their use and introducing a decision tree such as in Figure 4.
- Review establishments annually following the agreement of the local delivery plan and supporting activity/business plans. The reviews should take into account changes in patient dependency, throughput, and changes in technology and workforce design
- Observe variations in sickness absence between similar wards and check that ward managers are competent in implementing local policies.
- Find out what would improve nurses' work experience; and conduct exit interviews to find out why people leave.
- Streamline recruitment procedures to prevent the unnecessary use of bank and agency nurses.

Appointing suppliers

- Establish a clear escalation policy for covering vacant shifts.
- Ensure that the nurses supplied by agencies are adequately qualified and have been vetted with the same rigour as for a substantive appointment.

Using temporary nursing staff

- Provide agencies with induction packs to issue to the temporary nurses.
- Check that all bank staff are included in all relevant training and development programmes.

Action for ward managers

Monitoring and planning

- Agree and communicate procedures for payment to staff.
- Make sure that invoices and timesheets are authorized by different people.

Controlling demand

- Plan rosters comprehensively: annual leave and study leave should be planned throughout the year by calculating the number of shifts each week that need to be allocated for these purposes. Particular attention is needed to avoid an accumulation of untaken leave at the end of the leave year.
- Encourage nurses to work flexibly within their knowledge and skills.
- Minimize the use of bank and agency nurses: vacant posts should never be filled by bank and agency nurses as a matter of routine. Each decision to appoint a bank and agency nurse should be assessed against other options, for example, altering working patterns or arranging for cross-cover between wards.

Appointing suppliers

- Allow agency nurses to work only if:
  - there are no reservations about standards of competence or performance;
  - they provide their most recent structured appraisal report and are willing to identify their most recent agency nursing employment;
  - the appointment would not entail their exceeding their contracted hours (unless the bank and agency nursing employment is within their own trust and time off is given in lieu).
- Give the nurse bank as much notice as possible of future demand.

Using temporary nursing staff

- Brief temporary nurses before they commence their duties.
- Provide feedback to the bank or agency on temporary nurses' performance, providing an assessment of clinical skills, knowledge, attitude, and relationships.
- Only allow temporary nurses to work unsupervised if deemed competent.
- Document examples of poor performance and send them to the hospital director, chief nurse and the employing agency or nurse bank manager – a formal untoward incident report should be made if appropriate.
- Be alert to the risk of nurses being tired.

APPENDIX TWO

Managing attendance

The NAO research paper 'Current thinking on managing attendance: A short guide for HR professionals'[8] identified the use of trigger-points as one of the most effective measures for managing staff attendance. In order to manage absenteeism and thereby reduce the demand for temporary nurses, trusts should agree formal policies with their staff-sides that require action at agreed explicit trigger-points.

One approach is suggested by the Northern Ireland practice and education council for nursing and midwifery.[9] It recommends the use of the 'Bradford Index' (derived from Bradford University School of Management), which is based on a series of triggers based on the formula ($S^2 \times D$) where: S represents the number of spells of sickness absence in the previous rolling year; and where D represents the number of days of sickness absence. The formula accentuates the effect of multiple spells of short-term absence in order to recognize the disruption caused by short-term absence. It is currently used by about 35 NHS trusts.[10]

Under this methodology:

- a score of more than 100 [for example, four episodes of absence totalling seven days in the last year – (4x4x7=112)] triggers a formal return-to-work interview that is kept on the nurse's employment record;
- a score of more than 500 [for example, eight episodes of absence totalling eight days in the last year – (8x8x8=512)] triggers a referral to the occupational health service and a warning of possible disciplinary action;
- a score of more than 1,000 [for example, ten episodes of absence totalling ten days in the last year – (10x10x10=1,000)] triggers formal disciplinary action and possible termination of employment on the grounds of ill-health.

Analysis of the absence patterns of over 2,000 nurses at the trusts visited indicates that in the previous year, 35 per cent of nurses would have required a formal return-to-work interview; nine per cent would have been referred to the occupational health service and formally warned about disciplinary action; and four per cent would have faced formal disciplinary action.

END NOTES

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