

1. Introduction and Background

NHS organisations are required to include Annual Governance Statements (AGS's) as part of their Annual Report. Each year, organisations are provided with guidance and a pro-forma AGS setting out required content and coverage. In February 2019, NHS improvement published guidance to NHS Trusts that was to be used for the 2018/19 declaration.

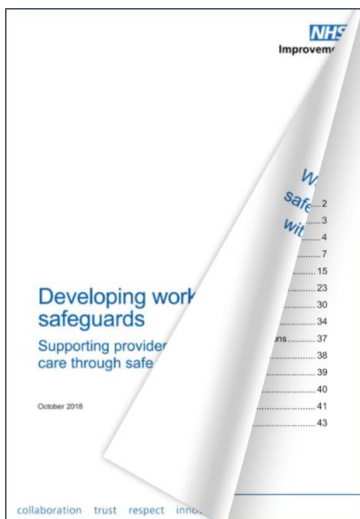
The 2018/19 guidance contained two new areas relating to 'Workforce Strategies' and 'Managing Conflicts of Interest' and an up-date to the declaration regarding the Climate Change Act and Sustainability.

This paper reviews how Trusts have responded to the new 'Workforce Strategies' declaration requirement based on an overview analysis of AGS's completed by a sample of Trusts across the East Midlands and Yorkshire.

2. The 2018/19 AGS new 'Workforce' requirement

The NHS improvement guidance required Trusts to **'Describe the ways in which the trust ensures that short, medium and long-term strategies and staffing systems are in place which assure the Board that staffing processes are safe, sustainable and effective'**.

They were also asked to **'Describe how your trust complies with the 'Developing Workforce Safeguards' recommendations'**.



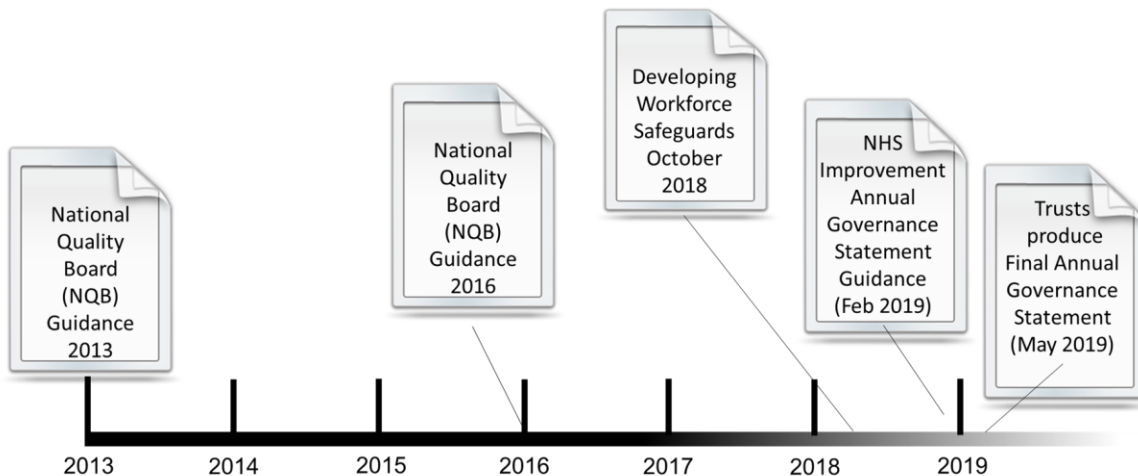
'Developing Workforce Safeguards' was published by NHS improvement in October 2018 and builds on the National Quality Boards (NQB) guidance issued in 2013 and 2016.

Chapter 2 of 'Developing Workforce Safeguards' contains 14 recommendations, some of which are directed 'must' actions while others are more advisory. Recommendation 3 advises that NHS improvement will *'base our assessment on the annual governance statement in which trusts will be required to confirm their staffing governance processes are safe and sustainable'*.

In Chapter 7, NHS Improvement advises that a 'new section' has been added to the AGS where *'trusts will be able to describe or explain the extent of their compliance with the NQB guidance'*.

A full list of recommendations is appended to this paper and evidences the range of issues trusts are required to comply with.

Trusts were advised in October 2018 that the 2018/19 AGS, (which is reviewed by the Audit Committee), would be required to make a declaration relating to workforce which would be formally assessed by NHS Improvement.



3. Overview of 2018/19 AGS returns regarding workforce

In line with our AGS discussion paper issued in March 2019, this review assessed:-

1. The breadth of responses.
2. The evidence provided.
3. The completeness of the answer given.

Breadth of responses

There were significant differences in the breadth of Trust responses. Just under half of Trust's sampled provided a single paragraph answer to address the declaration required, while others ran to a page containing between, (typically), five to six paragraphs. One Trust response ran to just over two pages. In the sample reviewed, one Trust had the required 'heading' but with no narrative beneath.

In those instances where the final AGS entry was towards a paragraph in length, Trusts typically referenced that they had:-

- a Board approved 'People/Workforce' Strategy.
- sub-Committee structures in place to provide review and assurance to the Board
- received regular reports, typically on a monthly basis (one did cite a six monthly report)
- developed key workforce metrics such as establishment data and sickness.

Where single paragraph responses were noted, there was often (but not always) mention of the 'Developing Workforce Safeguards' document and that strategies were in place to look at the short, medium and long-term plans.

Trusts providing a more extensive response often included much more detail around the governance processes, with clearer descriptions of the role of sub-committees and the groups that report to them, including escalation to the Board.

For longer responses, the other area greatly expanded upon was the metrics used to measure the workforce position and a clear link to the processes and systems being utilised e.g. ESR. Some responses referenced triangulation of data being received with other 'softer' intelligence (such as staff surveys) and drilled down to key risk areas and staff groups that presented particular issues.

It followed that these Trusts also provided greater detail of the strategies they had in place to address staffing issues in general. Although a clearer link could have been made to the areas covered by *'Developing Workforce Safeguards'*, it was much easier to understand the measures being utilised and deployed by these Trusts.

We noted that on a small number of occasions, the 'draft' AGS, though complete for most of the areas required, did not contain a narrative at that stage for the workforce declaration.

Evidence

There was very little by way of evidence for those Trusts that provided the single paragraph response. In terms of governance arrangements, Trusts who provided a more extensive response included a measure of evidence by their description of Board, sub-committee, specific groups and key staff in terms of roles and regularity of reporting. There was, however, little empirical evidence to assess what was being done and measures of success. A few Trusts provided evidence in relation to measures such as a reduction in staff turnover and growth in the size of the bank.

Wherever possible, we consider that Trusts should develop and report on empirical evidence in the AGS in order to demonstrate the year-on-year improvements being made as a result of the strategies they implement.

Completeness of the answer given

NHS Improvement guidance requires Trusts to respond to two questions relating to the *'Developing Workforce Safeguards'* document in general and to specifically address how they were complying with the related recommendations.

Similar to the findings from our assessments of AGSs (issued in March 2019), Trusts did not often answer the guidance as required. We've already mentioned in this paper that reference was not always made to the NHS Improvement document and our analysis identified that over half of Trusts sampled did not specifically mention the recommendations contained within '*Developing Workforce Safeguards*'. Very few provided any level of detail as to how they were addressing the recommendations made.

4. Questions for Audit Committee Members

This summary analysis of a sample of Trusts AGSs has identified similar issues to those contained within the AGS report we issued in March 2019:

- There was a significant range of responses;
- There was clearly more scope to provide evidence of strategies being achieved; and
- There was a need to address the questions being posed.

There were, however, elements of good practice and scope for Trusts to look at the AGS completed by other organisations to measure how they compare, not just generally, but for specific elements of the AGS requirements. We are therefore asking Audit Committee Members to consider the following questions.

1. Were you provided with the 2018/19 AGS pro-forma guidance issued in February 2019?
2. Were you advised that the AGS would require an entry relating to workforce as stated in the October 2018 document '*Developing Workforce Safeguards*' and that the trust response would be formally assessed by NHSI?
3. Was any assurance sought and received at Audit Committee or from your people/workforce committee or other sub-committee/source in relation to compliance with National Quality Board (NQB) guidance and recommendations?

Developing Workforce Safeguards - Recommendations

1. Trusts must formally ensure NQB's 2016 guidance is embedded in their safe staffing governance.

2. Trusts must ensure the three components are used in their safe staffing processes:
 - evidence-based tools (where they exist)
 - professional judgement
 - outcomes.

We will check this in our yearly assessment.

3. We will base our assessment on the annual governance statement, in which trusts will be required to confirm their staffing governance processes are safe and sustainable

4. We will review the annual governance statement through our usual regulatory arrangements and performance management processes, which complement quality outcomes, operational and finance performance measures.

5. As part of this yearly assessment we will also seek assurance through the SOF, in which a provider's performance is monitored against five themes.

6. As part of the safe staffing review, the director of nursing and medical director **must** confirm in a statement to their board that they are satisfied with the outcome of any assessment that staffing is safe, effective and sustainable.

7. Trusts **must** have an effective workforce plan that is updated annually and signed off by the chief executive and executive leaders. The board should discuss the workforce plan in a public meeting.

8. They must ensure their organisation has an agreed local quality dashboard that cross-checks comparative data on staffing and skill mix with other efficiency and quality

metrics such as the Model Hospital dashboard. Trusts should report on this to their board every month.

9. An assessment or re-setting of the nursing establishment and skill mix (based on acuity and dependency data and using an evidence-based toolkit where available) must be reported to the board by ward or service area twice a year, in accordance with NQB guidance and NHS Improvement resources. This must also be linked to professional judgement and outcomes.

10. There must be no local manipulation of the identified nursing resource from the evidence-based figures embedded in the evidence-based tool used, except in the context of a rigorous independent research study, as this may adversely affect the recommended establishment figures derived from the use of the tool.

11. As stated in CQC's well-led framework guidance (2018) and NQB's guidance any service changes, including skill-mix changes, must have a full quality impact assessment (QIA) review.

12. Any redesign or introduction of new roles (including but not limited to physician associate, nursing associates and advanced clinical practitioners – ACPs) would be considered a service change and must have a full QIA.

13. Given day-to-day operational challenges, we expect trusts to carry out business-as-usual dynamic staffing risk assessments including formal escalation processes. Any risk to safety, quality, finance, performance and staff experience must be clearly described in these risk assessments.

14. Should risks associated with staffing continue or increase and mitigations prove insufficient, trusts must escalate the issue (and where appropriate, implement business continuity plans) to the board to maintain safety and care quality. Actions may include part or full closure of a service or reduced provision: for example, wards, beds and teams, realignment, or a return to the original skill mix.



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