PUBLIC AUDIT AND POST-LEGISLATIVE SCRUTINY COMMITTEE

AGENDA

21st Meeting, 2017 (Session 5)

Thursday 21 September 2017

The Committee will meet at 9.00 am in the Adam Smith Room (CR5).

1. **Decision on taking business in private:** The Committee will decide whether to take item 3 in private.

2. **NHS workforce planning:** The Committee will take evidence from—
   
   Caroline Gardner, Auditor General for Scotland;
   
   Richard Robinson, Audit Manager, and Nichola Williams, Auditor, Audit Scotland.

3. **NHS Workforce planning:** The Committee will consider the evidence heard at agenda item 2 and take further evidence from—

   Caroline Gardner, Auditor General for Scotland;
   
   Richard Robinson, Audit Manager, and Nichola Williams, Auditor, Audit Scotland.

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The papers for this meeting are as follows—

**Item 2:**

*Item 2 Written Submissions*  
PAPLS/S5/17/21/1

*PRIVATE PAPER*  
PAPLS/S5/17/21/2 (P)
Public Audit and Post-legislative Scrutiny Committee

21st Meeting, 2017 (Session 5), Thursday 21 September 2017

NHS workforce planning

Introduction

1. The Committee will take evidence from Audit Scotland on the Auditor General's report published July 2017 ‘NHS Workforce planning’.

Written submissions

2. Audit Scotland and Paul Gray, Director-General Health & Social Care, Scottish Government, Chief Executive, NHSScotland provided written submissions, these are attached below.

1. The Auditor General’s report on NHS workforce planning was published on 27 July 2017. This report is the first in a two-part audit on the NHS workforce. It focuses on the overall planning arrangements looking at how well placed the NHS workforce is to meet the current and future demands of the Scottish population. The scope covers NHS staff employed by NHS boards, including clinical staff working in hospitals. The second report, to be published in 2018/19, will look more closely at the community-based NHS workforce, including those employed by general practices.

2. As some health and social care resources are delegated to IAs, workforce strategies and planning within these partnerships will become increasingly important to delivering healthcare. This will be considered as part of our subsequent reports on health and social care integration, as well as being considered in our second report on the NHS workforce.

3. Key messages from the report are:

- Between 2011/12 and 2016/17, spending on NHS staff increased by 11 per cent to £6.5 billion. Overall staff levels in the NHS are at the highest level ever, with 139,431 whole-time equivalent (WTE) staff employed as at March 2017. The recently published *National Health and Social Care Workforce Plan – Part 1* acknowledges that the answer to future challenges cannot always be to grow its workforce, and that the workforce will need to work differently. In reaching current staffing levels, most NHS territorial boards overspent against their pay budget in 2016/17, with agency staff costs increasing in real terms by 107 per cent in six years, from £82.8 million in 2011/12 to £171.4 million in 2016/17. Overall, patients give positive feedback about their NHS experience and the staff they meet, although numbers of staff-related complaints are rising.

- The Scottish Government and NHS boards have not planned their NHS workforce effectively for the long term. Responsibility for NHS workforce planning is confused, and is split between the Scottish Government, NHS boards, and three regional workforce groups. There is a risk that responsibilities will further fragment as health and social care integration authorities develop their own workforce planning arrangements and new specialist centres for certain medical procedures are
established. There are separate planning processes for recruiting doctors, nurses and other professional groups. This makes it more difficult to consider how skills across different groups can complement each other. The Scottish Government is setting up a National Workforce Planning Group to improve joint working.

- There are urgent workforce challenges facing the NHS and improving workforce planning is critical to addressing these pressures. The NHS in Scotland is undergoing major reform, in particular seeking to shift towards more community and home-based care. Dedicated funding to support NHS reform does not clearly identify associated workforce costs. Vacancies for certain consultant and nursing positions remain high and are proving difficult to fill. Upcoming retirements may increase vacancy levels in parts of the NHS where the age profile of the staff is older. This includes certain consultant specialties and locations, and the nursing workforce in general. NHS staff continue to raise concerns about their workload and there are signs that NHS services are under increasing stress.

- The Scottish Government expects demand for health and social care to rise but it has not yet adequately projected how this will impact on the skills and workforce numbers needed to meet this demand. It has not looked at long-term scenarios for future patient demand when considering recruitment decisions and future workforce costs. This is a continuing challenge for medical recruitment, where consultants can take more than ten years to train. NHS Education for Scotland (NES) is working to improve NHS workforce projections, with a new approach due in early 2018.

- The Scottish Government intended to publish a single workforce plan covering health and social care in spring 2017. It is now publishing it in three stages, with the first, covering the NHS workforce, published in June 2017. The second publication, covering the social care workforce, is due to be published in autumn 2017; and the third, covering primary care, due to be published by the end of 2017. The recently published National Health and Social Care Workforce Plan - Part 1 is a broad framework to consider future workforce planning challenges and not a detailed plan to address immediate and future issues.
PAUL GRAY, Director-General Health & Social Care, Scottish Government, Chief Executive NHSScotland written submission of 11 September 2017

AUDIT SCOTLAND RECOMMENDATIONS FOR SCOTTISH GOVERNMENT

Context

The Health and Social Care Delivery Plan published in December 2016 is explicit about reforming the planning and delivery of NHS Scotland services. Part 1 of the National Workforce Plan, published in June 2017, is a key element of the Delivery Plan and recognises that improvements to workforce planning need to happen at the right scale, particularly in a regional context.

Part 1 therefore sets out the national, regional and local improvements required to workforce planning – covering themes including data, workforce supply and demand, recruitment and retention and the skills staff will need in future. It also makes clear that scenario planning will help to inform decision-making about how best to use those skills - such as the AHP roles we see helping to free up Radiologists’ time, or Physiotherapists treating patients in GP practices.

Many of the issues addressed in Part 1 are also raised by Audit Scotland’s subsequent report on NHS workforce planning, which makes specific recommendations for Scottish Government and NHS Boards.

Parts 2 and 3 of the Plan will be published later this year.

Part 2 will cover social care, and we are working jointly with COSLA, Integration Joint Boards and social care stakeholders to set out workforce planning recommendations specific to that workforce. The Health and Social Care Delivery Plan is helping us to understand the need for a more accurate picture of the staff NHS Scotland, IJBs, local authorities and the third and independent sector providers will require - not just locally, but regionally and nationally – to sustain high quality treatment and services.

Part 3, covering Primary Care, will help determine how Multi-Disciplinary Teams can contribute most effectively to safe, high quality treatment in Primary Care settings.
DATA

Audit Scotland recommendations:

SG should improve understanding of future demand to inform workforce decisions, including:

Collating, comparing and monitoring NHS Board assessments of demand and supply to help form a national picture and manage risks.

We already have an annual workforce planning and projections process which applies to all NHS Boards. At national level, detailed assessments are already made of the training numbers required for the medical, nursing and midwifery and dental workforces, based on a combination of professional input and analytical expertise. These approaches have been refined over recent years.

We are reflecting carefully on Audit Scotland’s report, and note its reference to the complexity of planning the NHS workforce. We recognise that NHS Board workforce plans and projections need to model the workforce against changing clinical demand, and be clearer about how we continue to provide sustainable and high quality services into the future. So we are working with Boards to refine their planning and projections processes to ensure that their assessments of supply and demand reflect the significant changes which are taking place to services.

We will publish refreshed guidance to Boards early next year which will set out the refinements Boards need to make to the planning they currently do, and also how to project forward the future workforce they will require against the demand for services. This will be an iterative process that will bring about improvements in local workforce planning.

The Regional Delivery Plans which we require – in draft by the end of September, and in final form by end of March 2018 - will also contain evidence of progress on regional working, including on workforce planning. We are already working with NHS Boards and Integration Joint Boards to shape their capacity to bring workforce planning on to a more regional footing, to tie it closely to changing services, and to service planning and financial planning requirements.

Audit Scotland recommendations:

SG should determine the data required for decisions on the workforce. This will include data on EU citizens working in the NHS in Scotland, and agency spending by professional group.

We have asked NHS Education for Scotland (NES) to bring together for the first time existing workforce data sources in a new supply side “platform” by autumn this year. NES will work alongside ISD Scotland, other NHS Boards and Scottish Government to bring training data into a strategic “pipeline” which extends into employment; and will lead development of a minimum standardised dataset with potential for use across different sectors, with agreed data collection and collation parameters. This will allow better, more consistent decision-making which benefits from improved analysis of future demand and supply, and a co-ordinated timeline between education and employment.
We recognise that EU citizens play an important part in Scotland’s future, both in sustaining economic growth and mitigating the effects of demographic change. We are working with NES and other organisations within NHS Scotland to improve the available data on EU citizens working in the NHS in Scotland.

On agency spending, NHS National Services Scotland (NSS) already provide a variety of financial reports on agency spending, including a monthly Board Reports Framework. Agency suppliers are required to supply a variety of information to NHS National Services which remains available to NHS Boards.

**SUPPLY AND DEMAND**

**Audit Scotland recommendation:**

SG should carry out scenario planning on the future population health demand and workforce supply changes (such as staff retiring), including how this will affect the types of treatments provided.

Nationally, we already undertake planning based on available information about supply and demand in determining student intakes across Nursing and Midwifery, Medicine and Dentistry. Our work with NES to develop a more consistent data platform across different professions is helping NHS Boards and Scottish Government to analyse the underlying reasons behind workforce supply changes, and respond proactively to the effects of demand.

The Scottish Government’s Medical Specialty supply/demand Profiles enable us to examine the effects of different factors, including retirement, on the future supply of doctors required. The Profiles have been used for a number of years to adjust medical training intakes and support a number of other measures to meet future trained doctor need. They are now being further developed by SG in partnership with NES to improve accessibility and data governance with particular immediate focus on supporting new Regional Planning processes and on risk assessing supply by specialty, and improving supply/demand information around the GP workforce. These new approaches will be accessible to best effect nationally, and where appropriate at local and regional levels.

We will circulate refreshed guidance on workforce planning to Boards early next year which will help them to monitor trends in supply and demand; factor in demographic and other changes affecting the workforce, including retirement; inform recruitment strategies across different areas – particularly in a regional context - and professions; and help bring further intelligence and co-ordination to the student intake process.

As set out in the Workforce Plan, we will shape this work around the measures we are taking to address recruitment and retention, and build in steps allowing us to review progress regularly.

**Audit Scotland recommendation:**

SG should demonstrate how policy initiatives, such as safe staffing levels and elective centres, are expected to affect staffing requirements in NHS Boards.

The Health and Social Care Delivery Plan is clear that workforce issues need to be considered alongside service and financial planning issues. Part 1 of the Workforce Plan is explicit about this, and we have a clear expectation that in delivering key policies like safe staffing, or in determining the approach to the new elective centres in Scotland, workforce planning issues should be fully considered.
This includes the effective planning and delivery of services for local communities and, crucially, securing the transition to a position where the planning and delivery of services (with coherent shared support services) is undertaken at regional level or on a ‘Once for Scotland’ national basis, where it is appropriate to do so, and in line with the direction of travel set in the National Clinical Strategy.

**SKILLS**

**Audit Scotland recommendation:**

**SG should consider and clarify potential future skills mix with NHS Boards and stakeholders to determine how a future team can work to meet this demand.**

This is already under active consideration, and Part 1 of the Workforce Plan is clear about the need to develop multi-disciplinary team approaches. It underlines the importance of a workforce built on teams, with full recognition given to the different skills and qualifications that different workers bring, whether they are delivering care, or supporting those who deliver care. Parts 2 and 3 of the Plan, to be published later this year, will address skills mix issues and team working respectively for social care and primary care services, taking account of the existing developmental work on MDTs in Primary Care. Future editions of the Plan from 2018 will also refer to developing models for multi-disciplinary working, and this work will be considered in the developing remit for the new National Workforce Planning Group from its inception this month. The first meeting of the group will be on 14th September 2017 where its terms of reference will be agreed.

**Audit Scotland recommendation:**

**SG should progress arrangements to create national or regional staff banks, or both national and regional banks.**

Regional Medical and Nursing Banks have been operational since May 2017 in the West and East. Staff are now able to work across multiple boards through these Staff Bank arrangements. All NHS Boards have access to internal Medical and Nursing staff banks which operate within agreed NHS pay scales. We continue to work closely in the North of Scotland to further develop their bank arrangements but geography means the benefits of a regional bank in the North may not be as significant as those in the West and East.

Around 30,000 nurses are registered with NHSScotland staff banks, ensuring that the majority of temporary nursing staff in NHSScotland are supplied through the NHS Staff Bank and are paid according to national terms and conditions of service. Over 2,000 doctors are now registered on Medical Staff Banks and this figure will continue to increase. A National Critical Care and Theatres Nursing Bank is also in development and will be operational before the end of 2017. This represents a significant proportion of nursing agency spend.

We will consider establishing more National Banks if it is clear that they will provide value, and where there is evidence that staff would be willing to travel the distances between NHS Boards (evidence shows however that the majority of staff prefer to work locally or regionally).
We have a framework agency contract in place for the supply of both Medical and Nursing agency staff. Agencies on this contract supply NHSScotland staff at NHS rates of pay, which means pay rates are capped for those suppliers on the contract. In return for being on the framework contract, agencies know that they are likely to be contacted to supply staff and are therefore more likely to get business. Up to 80% of medical locums are supplied through this contract.

**RECRUITMENT AND TRAINING**

Audit Scotland recommendation:

SG should demonstrate how training and recruitment numbers will meet estimated demand for healthcare – if it does not, document and cost how the gap between demand and supply in the future will be covered.

Part 1 of the Workforce Plan set out how over the next three years we will need to increase training places for Nursing and Midwifery and for Medicine.

For Nursing and Midwifery, we already have mandatory planning tools which help Boards ensure those staff are in place in the right numbers, at the right time and in the circumstances appropriate to people’s needs. For Medicine, we are working with NHS Education for Scotland to refine our Medical Specialty Profiles - which already help decisions on where and how to concentrate our resources – and on how to provide better linkage between the information we hold on the various stages of training and employment, so that training places are part of a “pipeline” supplying the staff that we need in future.

The work being taken forward by NES to co-ordinate and develop workforce data and analytical capacity will help to inform our approach to workforce modelling, which we will put in place at national level. This work is iterative and the issues are complex, and as Audit Scotland acknowledges in its report, “the broad framework which [Scottish Government is] putting in place should help in making more informed decisions in the future”. The Workforce Plan will be an annual publication enabling us to refine and build our knowledge, and this work will be kept under close and regular review as an important part of our approach to managing risk across the NHS in Scotland.

**COSTS**

Audit Scotland recommendation:

SG should provide a clear breakdown of the costs of meeting projected demand through additional recruitment across all healthcare staff groups.

We already have an annual workforce planning and projections process with NHS Boards, and we factor these workforce assumptions into our future Draft Budget financial planning.

Audit Scotland rightly highlight the importance of fully understanding the cost of additional recruitment to meet projected demand. Taking into account the planned increase in medical and nursing training places, we have assumed an increase in funding which rises to an estimated £45m per annum from 2020-21. The exact phasing of this will be determined by our modelling work with training providers and NES.
Audit Scotland recommendation:

SG should set out the expected transitional workforce costs and expected savings associated with implementing NHS reform. This includes transitional costs attached to increase regional and national working, costs in relation to moving staff into elective centres and into the community, and savings through increased efficiencies.

As Audit Scotland will be aware, we are building on existing regional planning arrangements and have commissioned regional delivery plans, which will set out how the regional aspects of the Health and Social Care Delivery Plan, including implementation of the National Clinical Strategy, will be taken forward. The Regional plans - for the east, north and west regions – must ensure that the overall design and planning of services takes into account the particular features of each area and the local population. An important component of this will be appropriate workforce planning arrangements, including transitional workforce costs.

Outline regional plans are due to the Scottish Government by the end of September 2017, and final plans by the end of March 2018. Transitional costs to support transformational change, including those costs in relation to elective centres and shifting the balance of care from an acute to community setting, will form part of the plans as they develop through to March 2018.

We agree with Audit Scotland that we need to fully understand the financial impact of implementing reform and the changes set out in the National Clinical Strategy, but these costs must not be seen in isolation. This is why we have asked regions to model the impact of changes required to service delivery, alongside, and in the context of, our total finance and workforce resources.

Funding is being allocated specifically to support the regions as they develop their plans, and to support the reform required, such as shifting resources from an acute to a community setting, which will clearly have workforce implications. While funding for this investment in reform of services in future years will be subject to approval of future Budgets by the Scottish Parliament, £128 million has specifically been set aside in 2017-18, as the first part of total planned investment in reform, which is expected to exceed £1 billion by 2021-22.