

## Briefing

# What's happening with the NHS workforce?

### The facts

#### What is the actual number of redundancies?

Information gathered from NHS organisations between late March and early May 2006 indicates that few people working in the NHS are losing their jobs and the figures quoted recently in the media are misleading.

Where trusts are making reductions in their workforce they are typically doing so by freezing vacancies or reducing the use of agency and temporary staff, as well as redeploying staff in different ways.

It is not unusual for employers to continually review and amend the number of posts in their organisations to keep pace with changes in the way services are provided – including new treatments and new roles for staff.

Compulsory redundancies are a last resort and NHS employers are doing all they can not to lose valuable staff or to compromise patient care.

NHS Employers conducted a survey of HR directors which indicated that many organisations are currently reviewing workforce numbers, though in many cases precise changes are yet to be finalised.

However, it suggested that only a small number of organisations – mainly those with the largest deficits – have outlined plans for actual redundancies.

A significant minority of organisations also say they are planning reductions in posts – as opposed to actual redundancies – over an extended period of time through a range of measures.

#### So what is happening in those trusts that have reported reductions in staff?

Following up responses to the questionnaire we sent out to all trusts at the end of March, on May 8 NHS Employers/NHS Confederation contacted those NHS trusts where job losses have been reported in national media in the past month.

We found redundancies were dramatically lower than headlines have suggested. Although exact numbers of job losses were still unclear in many trusts, almost all were confident that they could avoid compulsory redundancies. Only one trust with a history of significant financial and managerial problems – University Hospital of North Staffordshire – is planning to make a large number of staff redundant.

Trusts are keeping actual redundancies to a minimum by natural wastage through staff turnover, reducing agency costs, reviewing temporary staff and strict controls on filling vacancies.

**This is the current situation in those trusts able to confirm their plans and willing to be named:**

Trust	Reported losses	Expected redundancies
Norfolk and Norwich University Hospital	450	very low
Pennine Acute Trust	800	uncertain
East Sussex Hospitals Trust	250	none likely
Royal Free Hospital	480	0
University Hospital of North Staffordshire	1000	max 550
Peterborough & Stamford Hospitals Foundation Trust	185	single figures
South Tees Hospitals Trust	300	4
York Hospital	200	very low
Homerton Hospital	100	very small

**Why have there been reports of tens of thousands of jobs being lost?**

Figures appear to have been derived from a mixture of unions memes and media reports, extrapolating from a relatively small number of trusts where announcements have been made about making reductions in posts.

Our information, derived directly from HR departments, indicated that the impact of change is overwhelmingly on posts not people. Where posts are being reduced, employers are involving staff in consultation about the way forward and are making every effort to ensure that care for patients is not affected.

**So what type of posts are being cut?**

The survey indicated that where reductions in NHS posts are taking place they are predominantly among administrative and clerical staff with every effort being made to protect clinical jobs.

The current reorganisation of SHAs and PCTs is leading to the loss of some management posts this year and we would expect the number of actual redundancies to be much higher among management and administrative staff than other groups.

**Why is it happening?**

Patient care remains paramount. Where reductions in workforce

numbers are being considered it is for a range of reasons as well as finances – including the reconfiguration of primary care trusts; changes in NHS funding arrangements; the introduction of new providers of services; and provision of more care in the community rather than in hospitals.

Many organisations are reviewing and rationalising the way they work to ensure they are fit for purpose and this includes considering the number of staff they employ and how they are best used.

Some financial changes in the past year have been quite significant and sudden at a local level, in part because of organisations preparing for the

introduction of the new 'payment by results' system as well as some PCTs commissioning less work from their local NHS hospital or uncertainty about the level of work they will require them to do.

A number of NHS trusts also have substantial historical debts which they now have to pay off.

### Has all the extra recent investment in the NHS gone on staff pay?

There have been significant increases in NHS staff pay in the past two years which were long overdue. The new pay system Agenda for Change rewards staff fairly for the work they do as well as encouraging more flexibility so that staff have more incentive to progress and patients get the care they need. New contracts for doctors have been devised to ensure that their pay is increasingly linked directly to the care patients receive.

Of the extra NHS money in 2004/5: 30% was spent on pay, 48% was spent on extra staff (includes both pay and pensions), operations and drugs, 18% on capital (like new hospitals) and training and 5% on other costs.

### How is the current situation affecting staff working in the NHS?

Employers are working closely with staff and staff organisations

at both a local and national level in planning any changes.

The trade unions acknowledge the strength of partnership working between employers and staff representatives which has been built up over the past few years and which both sides have pledged to maintain through the current challenges.

The recent media attention on NHS jobs has undoubtedly been worrying for staff, creating uncertainty and causing damage to morale.

The NHS strives to be an employer of excellence supporting its 1.3 million staff through a wide range of initiatives, including fair pay and opportunities, flexible working and promotion of equality and diversity. Those efforts remain undiluted.

### Will people who qualify this year be able to find jobs?

There are more clinical staff graduating and fewer vacancies than in recent years but the NHS is the country's largest employer so there are jobs, albeit with tougher competition for applicants – which ultimately should increase standards. Greater mobility and flexibility among job applicants may well be necessary.

There are at least 1000 nursing and midwifery jobs on the e-recruitment site 'NHS Jobs'

and more than 17,000 nursing posts have been advertised on the site since last September. The number of jobs advertised hasn't changed in recent months.

Trusts are also ring fencing vacancies for local graduates and arranging interviews for nurses due to graduate later in the year – even where the overall number of posts in the organisation is being reduced.

Some trusts are giving newly qualified nurses the opportunity to join a flexible pool of staff who can work in rotation where they're needed in the hospital, responding to service needs and gaining a range of experience in different settings.

### How come a few years ago we heard so much about NHS staff shortages and now it seems we have too many staff? Did we recruit too many?

There were major workforce shortages in the NHS through the 1980s and 1990s which have been redressed in the past five years. Targets to increase clinical staff numbers very significantly were introduced as part of the NHS Plan and these targets were met and in many cases exceeded.

There are now 122,345 doctors compared to 97,319 in 2000, while the number of nurses has risen from 335,352 to 404,161

over the past five years and the number of allied health professionals has gone up from 49,358 to 61,082.

While the number of places on training courses have increased rapidly, the NHS has been successful in recruiting from overseas and encouraging former staff to return.

The growth in numbers is now levelling off but as a huge employer the NHS needs to continue to recruit and NHS Careers is maintaining its work including a new focus on attracting young people.

## How can we ensure the NHS gets workforce numbers right in the future?

With normal staff turnover and, in some occupational groups, an ageing workforce, NHS organisations need to ensure that they are planning for the future as well as the present.

Balancing local workforce needs is increasingly challenging because more care is provided outside hospital, treatments and technologies are impacting on staff time and there are increasing numbers of non-

NHS organisations providing NHS services.

Employers want to ensure that valuable skills are retained and developed and that they have a fit-for-purpose workforce. This can only be done through a continued dialogue between healthcare providers at a local level based around patient needs, supported by effective national processes to recruit, retain and reward staff.

## Contact us

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## NHS Employers

NHS Employers is the employers' organisation for the NHS in England. Our aim is to help employers improve the working lives of staff who work in the NHS and, through them, to provide better care for patients. NHS Employers is part of the NHS Confederation but we have our own director, policy board and assembly. In striving to make the NHS an employer of excellence, we have four key roles: negotiating on behalf of employers; representing employers; supporting employers; promoting the NHS as an employer.