

# Nurse Recruitment/Nurse Clinical Fellowship Programme 30 July 2018

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Agenda Item No: 7.6

## Trust Board Report

<b>Meeting Date:</b>	July 2018
<b>Title:</b>	Nurse Recruitment/Nurse Clinical Fellowship Programme
<b>Executive Summary:</b>	<ul style="list-style-type: none"> <li>• Figures published by the Nursing and Midwifery Council in July 2017 showed that more nurses and midwives left the professional register in the previous year than joined it.</li> <li>• Newer NMC figures from April 2018 show that the total number of nurses and midwives on the register have gone down further in the year to March 2018.</li> <li>• In a report conducted by the House of Commons Health Committee in 2018, it acknowledges how the UK depends on nurses recruited from overseas and will do so for many years to come.</li> <li>• The Trust has a current vacancy factor of around 200 WTE Registered Nurses</li> <li>• Combining the Trust's nursing vacancy position and the anticipated retirement of our current nurses, demonstrates a serious risk to maintaining the required number registered nurses to deliver a safe service in the future unless we address the pipeline.</li> <li>• If the Trust is unable to recruit the required number of nurses, nurse agency expenditure will be required which will see a cost pressure to the Trust of c£2m by 2021/22.</li> <li>• This paper explores two options with regards to international nurse recruitment.</li> </ul>
<b>Report of:</b>	Professor Ann-Marie Cannaby – Chief Nurse
<b>Action Requested:</b>	<b>Receive</b>
<b>For the attention of the Board</b>	
<b>Assure</b>	<ul style="list-style-type: none"> <li>• A high level nursing workforce strategic plan has been developed to address the Trust's current and future nursing workforce challenges. As part of this, two options have been explored with regards to international recruitment. Proceeding with the Clinical Fellowship Programme for Nursing is the preferred option.</li> </ul>
<b>Author + Contact Details:</b>	Zoe Marsh - Deputy Head of Education Tel 01902 307999 Email zoe.marsh@nhs.net
<b>Links to Trust Strategic Objectives</b>	<ol style="list-style-type: none"> <li>1. Create a culture of compassion, safety and quality</li> <li>3. To have an effective and well integrated local health and care system that operates efficiently</li> <li>4. Attract, retain and develop our staff, and improve employee engagement</li> <li>5. Maintain financial health – Appropriate investment to patient services</li> </ol>
<b>Resource Implications:</b>	See appendix D
<b>CQC Domains</b>	<p><b>Safe:</b> patients, staff and the public are protected from abuse and avoidable harm.</p> <p><b>Effective:</b> care, treatment and support achieves good outcomes, helping people maintain quality of life and is based on the best available evidence.</p> <p><b>Caring:</b> staff involve and treat everyone with compassion, kindness, dignity and respect.</p>

	<p><b>Responsive:</b> services are organised so that they meet people's needs.</p> <p><b>Well-led:</b> the leadership, management and governance of the organisation make sure it's providing high-quality care that's based around individual needs, that it encourages learning and innovation, and that it promotes an open and fair culture.</p>
<b>Equality and Diversity Impact</b>	EIA to be completed
<b>Risks: BAF/ TRR</b>	RED - SR1 - Workforce - Recruitment and Retention of staff across the Trust and in particular the future pipeline of nursing and medical staff
<b>Risk: Appetite</b>	
<b>Public or Private:</b>	Private
<b>Other formal bodies involved:</b>	Contracts and Commissioning Trust Management Committee
<b>References</b>	
<b>NHS Constitution:</b>	<p>In determining this matter, the Board should have regard to the Core principles contained in the Constitution of:</p> <ul style="list-style-type: none"> <li>• Equality of treatment and access to services</li> <li>• High standards of excellence and professionalism</li> <li>• Service user preferences</li> <li>• Cross community working</li> <li>• Best Value</li> <li>• Accountability through local influence and scrutiny</li> </ul>

Report Details	

## PURPOSE

The purpose of this paper is to summarise the planned recruitment of registered nurses using the Trust's Clinical Fellowship Programme.

The aim is to use the Clinical Fellowship Programme to attract and retain registered nurses as part of a wider strategic nursing workforce plan to; meet the Trust's current and future workforce needs and prevent the Trust's future forecasted nurse agency expenditure.

## NATIONAL NURSING WORKFORCE

Figures published by the Nursing and Midwifery Council in July 2017 showed that more nurses and midwives left the professional register in the previous year than joined it.

Newer NMC figures from April 2018 show that the total number of nurses and midwives on the register have gone down further in the year to March 2018.

NHS Digital data showed that over 33,000 nurses and health visitors left the NHS in the year to September 2017 (10.5 per cent of the profession) – over 3,000 more than how many joined the health service during the same period.

Both the nursing and midwifery professions have an ageing demographic. More than half of nurses are older than 45, with a third aged between 45 and 54 and 13.6 per cent between 55 and 64.

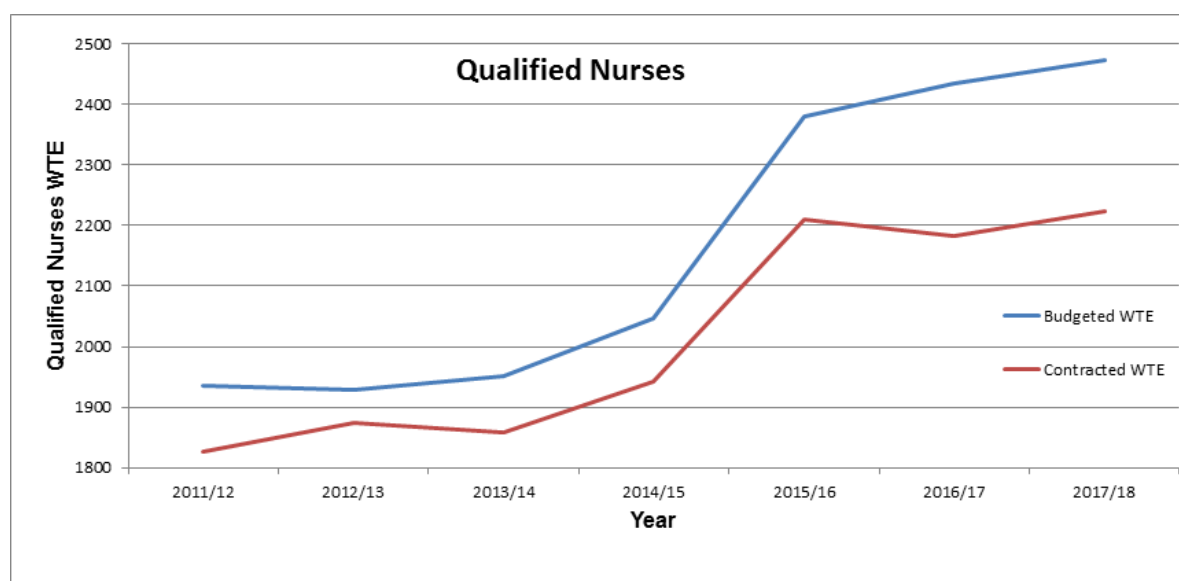
In a report conducted by the House of Commons Health Committee in 2018, it acknowledges how the UK depends on nurses recruited from overseas and will do so for many years to come.

## LOCAL NURSING WORKFORCE

The Trust has a current vacancy factor of around 200 WTE Registered Nurses. This has remained static for circa 2 years despite close collaboration with our HR colleagues exploring and initiating a range of recruitment and retention initiatives.

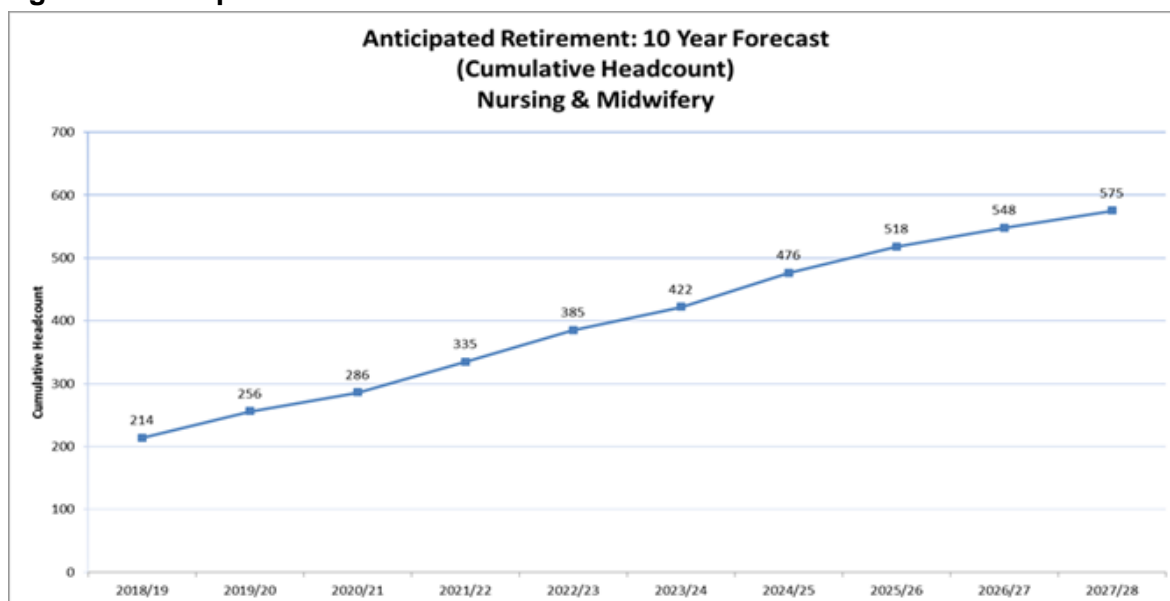
Figure 1 shows the trend of registered nurse vacancies by financial year. The gap between budgeted WTE and contracted WTE is widening.

**Figure 1: Registered Nurse Vacancies Per Year**



Combining the Trust's nursing vacancy position and the anticipated retirement of our current nurses [Figure 2], demonstrates a serious risk to maintaining the required number registered nurses to deliver a safe service in the future unless we address the pipeline.

**Figure 2: Anticipated Retirement 10 Year Forecast**



With the static number of vacancies and retirement predictions the Trust needs to recruit circa 450 additional registered nurses per year.

Full details of how the retirement forecast data has been collated can be found in Appendix A. It should be noted that for 2018/19, of the 214 predicted retirements, 183 nurses are still eligible to retire but haven't as of yet.

A high level nursing workforce strategic plan has been developed to address the Trust's current and future nursing workforce challenges. The plan includes;

1. Increase student numbers
2. **Attract/ retain experienced qualified staff**
3. **International nurse recruitment**
4. Developing the supporting roles
5. Develop a strong base of Healthcare Assistants

**FINANCIAL RISK**

If the Trust is unable to recruit the required number of nurses [Figure 2] nurse agency expenditure will be required which will see a cost pressure to the Trust of c£2m by 2021/22. A full breakdown of the forecast nurse agency costs can be found in Appendix B.

A summary of the forecasted agency nurse expenditure by financial year is shown in Table 1. This is based on agency nurse utilisation at the point of 250 registered nurse vacancies within the Trust using the nurse vacancy data shown in Figure 2.

**Table 1: Forecast Nurse Agency Cost Pressure**

	Anticipated vacancy	Maximum vacancy allowed	Difference	Cost pressure
2019/20	256	250	6	140,727
2020/21	286	250	36	844,364
2021/22	335	250	85	1,993,637
2022/23	385	250	135	3,166,365

2023/24	422	250	172	4,034,184
2024/25	476	250	226	5,300,730
2025/26	518	250	268	6,285,821
2026/27	548	250	298	6,989,458
2027/28	575	250	325	7,622,731

### THE CLINICAL FELLOWSHIP PROGRAMME – NURSING

Further to the success of the Clinical Fellowship Programme for doctors. It is proposed that the Clinical Fellowship Programme is extended to nursing.

The aim of the Clinical Fellowship Programme for nursing is to attract UK and non-UK registered nurses to support the Trust's current and future workforce needs as part of a wider nursing workforce strategy. In turn, it will support nurse agency cost avoidance as shown in table 1.

Table 2 shows the proposed number of UK and non-UK posts Clinical Fellow (CF) nurse posts over the next 4 years.

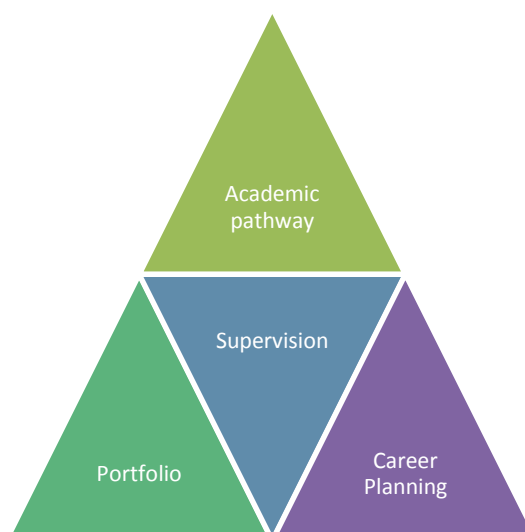
**Table 2: Proposed Number of Nursing Clinical Fellow Posts**

Year	Number of Clinical Fellow Nurses	Number of UK Clinical Fellow Nurse posts	Number of Non-UK Clinical Fellow Nurse posts
2018/19	50	20	30
2019/20	70	35	35
2020/21	100	50	50
2021/22	100	50	50

Clinical Fellow posts are fixed term posts for a period of 1-3 years.

To attract nurses, the existing model of the Clinical Fellowship Programme [Figure3] will be used, tailoring the academic elements to support the nursing career pathways.

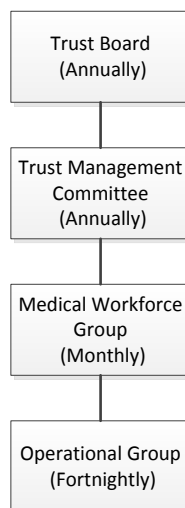
**Figure 3: Clinical Fellowship Programme Model**



## PROGRAMME GOVERNANCE

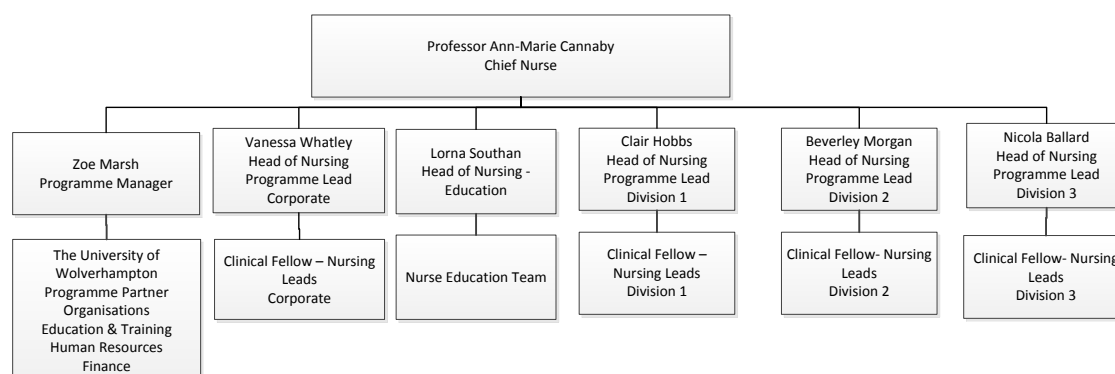
The Clinical Fellowship Programme will continue to report through its existing governance reporting structure [Figure 4], although it is recommended the frequency of reporting through to TMC and Trust Board should be reviewed.

**Figure 4: Clinical Fellowship Programme Governance Reporting Structure**



The Clinical Fellowship Programme organisational structure for nursing will mirror the medical model [Figure 5]<sup>1</sup>.

**Figure 5: Clinical Fellowship Programme Organisational Structure - Nursing**



## FINANCIAL SUMMARY

Table 3 shows the recruitment costs per nurse using the Clinical Fellowship Programme vs. the cost per nurse using the traditional international recruitment model. A full breakdown of recruitment costs can be found in Appendix C.

**Table 3: Nurse Recruitment Costs**

Country	Clinical fellow recruitment costs per Nurse	Traditional international recruitment costs per nurse	Saving per nurse £	Y1 Saving £	Y2 Saving £	Y3 Saving £
UK	0	0	0	0	0	0
Non-UK	7096	12000	4904	147,120	171,640	245,200

<sup>1</sup> The chart shows lines of communication as required for the programme.

Through the existing recruitment strategy of the Clinical Fellowship Programme, both stand-alone adverts and international partnerships will be used to recruit nurses to Clinical Fellowship Programme – Nursing, from within the UK, EU and non-EU countries negating the need for a nurse recruitment agency.

A financial proforma outlining the full Clinical Fellowship Programme recruitment and academic costs is shown in Appendix D.

Table 4 shows the potential cost avoidance of using the Clinical Fellowship Programme for Nursing.

**Table 4: Agency Cost Avoidance**

Financial Year	Cost Pressure £	Clinical Fellowship Programme Costs £	Agency Avoidance £
2018/19	0	193,380	-193,380
2019/20	140,727	326,320	- 52,653
2020/21	844,364	543,800	518,044
2021/22	1,993,637	620,300	1,373,337

**APPRENTICESHIP LEVY**

It is proposed that the associated academic costs of the Clinical Fellowship Programme – Nursing are paid through the apprenticeship Levy, once the University of Wolverhampton have aligned the course to the apprenticeship framework. This is being explored further by the Clinical Fellowship Programme Manager and Head of the Academic Institute of Medicine at the University of Wolverhampton.

**CLINICAL FELLOWSHIP PROGRAMME NURSING - SWOT ANALYSIS**

A high level swot analysis [Table 5] has been completed for the Clinical Fellowship Programme – Nursing. There are many strengths of expanding the Clinical Fellowship Programme to Nursing and potential opportunities to maximise.

The identified weaknesses are the same for both the Clinical Fellowship Programme and traditional international nurse recruitment.

All of the identified threats/risks have been explored in detail; assurance from the University of Wolverhampton has been received in terms of the supply of nurses through their international bases, in addition to assurance on their capacity to deliver the required academic modules as part of the programme. The 3 attempts of the OSCE examination applies to both recruitment routes (Clinical Fellowship Programme and the Traditional Route), as does the UKVI visa cap, which has now been lifted but we are awaiting to see the outputs of this from the first visa panel due 11 July 2018.

**Table 5: SWOT Analysis for the Clinical Fellowship Programme – nursing**

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• A unique attractive nursing post with academic opportunities</li> <li>• Links to the nursing career pathway</li> <li>• An already established programme with strong</li> </ul>	<ul style="list-style-type: none"> <li>• Length of pathway (up to 8months depending on number of attempts at OSCE)</li> <li>• No extra resources to support back-office functions</li> </ul>



	<p>relationships with international partners</p> <ul style="list-style-type: none"> <li>• The CFP has already proven to be successful in the recruitment and retention of doctors</li> <li>• Costs to implement are much less than the traditional international recruitment route</li> </ul>			
	<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Retention – keeping our UK registered nurses within the Trust</li> <li>• Attracting UK registered nurses from outside of the Trust</li> <li>• Attract nursing home registered nurses</li> <li>• Strengthens partnership with the University of Wolverhampton</li> <li>• It will encourage multi-disciplinary learning</li> <li>• Supporting the retention of nurses through the links with the nurse career pathway</li> <li>• University of Wolverhampton Modules to be aligned to the apprenticeship framework in order for payments to be made through the apprenticeship levy</li> </ul>	<p><b>Threats/Risks</b></p> <ul style="list-style-type: none"> <li>• UKVI Tier 2 cap – to be lifted July</li> <li>• 3 attempts at OSCE within country</li> <li>• Lack of supply of the required number of nurses from international partner organisations</li> <li>• University of Wolverhampton capacity</li> </ul>		
	<p><b>OPTIONS</b></p> <ol style="list-style-type: none"> <li>1. Do nothing. Potential nurse agency cost pressure [Table 1].</li> <li>2. Peruse the traditional route of international nurse recruitment through the use of a nurse recruitment agency. Year 1 costs c£360,000 (excluding flights).</li> <li>3. Peruse UK and non-UK nurse recruitment through the Clinical Fellowship Programme. Year 1 costs £193,380 (including flights and educational costs). <b>(Preferred)</b></li> </ol>			

<b>Appendices</b>	
	<p><b>Appendix A – Retirement data</b>  <b>Appendix B – Appendix B – Nurse Agency Costings</b>  <b>Appendix C – International Recruitment Costs</b>  <b>Appendix D – Financial Proforma</b></p>

## **Appendix A – Retirement data**

### **Retirement Forecast**

This analysis has been carried out based on a number of assumptions, as Pension information is accessed on a case-by-case basis only, and so there is limited reporting functionality available. It is therefore recommended to use caution when interpreting this data.

The information contained is based on the staff in post effective 31st December 2017.

### **Assumptions**

- All employees are enrolled onto NHS Pension Schemes
- Pension Scheme allocated by NHS and Trust Start Dates on ESR record
- Nurses, Midwives, and Physiotherapists who joined NHS before 1990 can retire at 55 (assume remain in 1995 Pension / with 5 years in NHS)
- All other staff who joined NHS in / before 1995 can retire at 60 (assume remain in 1995 Pension / no opt-in to 2008/2015)
- All other staff who joined NHS between 1995 and 2008 can retire at 65 (assume remain in 2008 Pension / no opt-in to 2015)
- Staff who joined NHS after 2008 can retire at State Pension Age (assume in 2015 Pension)

## Appendix A – Retirement data (cont)

### Anticipated Retirement Options

Retirement Age	Headcount	% Headcount
55 Years	372	15.33%
60 Years	127	5.23%
65 Years	873	35.97%
State Pension Age	1055	43.47%
<b>Grand Total</b>	<b>2427</b>	<b>100.00%</b>

By 2027/28 the analysis indicates that 23.69% of the current qualified Nursing & Midwifery workforce would be eligible to have taken retirement.

Retirement Age	Headcount	% Headcount
Immediately	183	7.54%
2018/19	31	1.28%
2019/20	42	1.73%
2020/21	30	1.24%
2021/22	49	2.02%
2022/23	50	2.06%
2023/24	37	1.52%
2024/25	54	2.22%
2025/26	42	1.73%
2026/27	30	1.24%
2027/28	27	1.11%
After 10 Years	1852	76.31%
<b>Grand Total</b>	<b>2427</b>	<b>23.69%</b>

## Appendix B – Nurse Agency Costings

Monday - Friday 8am to 2pm	885
Monday - Thursday 2pm - 8am	2,376
Friday 2pm - Monday 8am	2,475
	5,736
	298,272
Approximate agency cost per wte	55,236
Band 5 budgeted nurse with 20% enhancements	31,781
Cost pressure if agency is recruited to	<b>23,455</b>

	Anticipated vacancy	Maximum vacancy allowed	difference	Cost Pressure
2019/20	256	250	6	140,727
2020/21	286	250	36	844,364
2021/22	335	250	85	1,993,637
2022/23	385	250	135	3,166,365
2023/24	422	250	172	4,034,184
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2027/28	575	250	325	7,622,731

**Appendix C – International Recruitment Costs**

<b>Fee Item</b>	<b>Clinical Fellowship Recruitment Costs</b>
IELTS Exam Fee	230
CBT Exam Fee	130
NMC Application Fee	140
TB Medical	55
Flight and Transport to Accommodation	700
Visa	446
Health Surcharge Fees	600
Immigration Skills Charge	3000
1 Month accommodation	650
OSCE Exam Fee	992
NMC Registration Fee	153
Agent Service Fee	0
	<b>7096</b>

**Appendix D – Financial Proforma (see attached PDF)**

Version: 1

Ref: 01954

**CAPITAL COST:-**

Capital £ Year 1	Life Years	Capital £ Year 2	Life Years	Capital £ Total
				0
				0
				0
<b>TOTAL CAPITAL</b>		<b>0</b>		<b>0</b>

**ACTIVITY & OTHER INCOME:-**

Description	Activity		Tariff		Income			
	Year 1	Year 2 FYE	Year 1	Year 2 FYE	Year 1	Year 2	Year 3	Year 4
			£	£	£	£	£	£
Activity Income must be entered by Point of Delivery					0	0	0	0
					0	0	0	0
					0	0	0	0
					0	0	0	0
<b>TOTAL INCOME</b>					<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**REVENUE COST:-**

Note: All entered as minus values (-£)

Description	Department	Number of nurses	Cost	Spend			
				2018/19	2019/20	2020/21	2021/22
				£	£	£	£
<b>Cohort 1 (50 nurses, 20 UK, 30 Non UK)</b>							
IELTS Exam Fee		30	230	(6,900)			
CBT Exam Fee		30	130	(3,900)			
NMC Application Fee		30	140	(4,200)			
TB Medical		30	55	(1,650)			
Flight and Transport to Accommodation		30	700	(21,000)			
Visa		30	446	(13,380)			
Health Surcharge Fees		30	200 per year	(6,000)	(6,000)	(6,000)	
Immigration Skills Charge		30	1,000 per year	(30,000)	(30,000)	(30,000)	
1 Month accommodation		30	650	(19,500)			
OSCE Exam Fee		30	992	(29,760)			
NMC Registration Fee		30	153	(4,590)			
Education - Assumed 70% of all nurses		50	1,500	(52,500)	(52,500)	(52,500)	
<b>Cohort 2 (70 nurses, 35 UK, 35 Non UK)</b>							
IELTS Exam Fee		35	230		(8,050)		
CBT Exam Fee		35	130		(4,550)		
NMC Application Fee		35	140		(4,900)		
TB Medical		35	55		(1,925)		
Flight and Transport to Accommodation		35	700		(24,500)		
Visa		35	446		(15,610)		
Health Surcharge Fees		35	200 per year		(7,000)	(7,000)	(7,000)
Immigration Skills Charge		35	1,000 per year		(35,000)	(35,000)	(35,000)
1 Month accommodation		35	650		(22,750)		
OSCE Exam Fee		35	992		(34,720)		
NMC Registration Fee		35	153		(5,355)		
Education - Assumed 70% of all nurses		70	1,500		(73,500)	(73,500)	(73,500)
<b>Cohort 3 (100 nurses, 50 UK, 50 Non UK)</b>							
IELTS Exam Fee		50	230			(11,500)	
CBT Exam Fee		50	130			(6,500)	
NMC Application Fee		50	140			(7,000)	
TB Medical		50	55			(2,750)	
Flight and Transport to Accommodation		50	700			(35,000)	
Visa		50	446			(22,300)	
Health Surcharge Fees		50	200 per year			(10,000)	(10,000)
Immigration Skills Charge		50	1,000 per year			(50,000)	(50,000)
1 Month accommodation		50	650			(32,500)	
OSCE Exam Fee		50	992			(49,600)	
NMC Registration Fee		50	153			(7,650)	
Education - Assumed 70% of all nurses		100	1,500			(105,000)	(105,000)
<b>Cohort 4 (100 nurses, 50 UK, 50 Non UK)</b>							
IELTS Exam Fee		50	230				(11,500)
CBT Exam Fee		50	130				(6,500)
NMC Application Fee		50	140				(7,000)
TB Medical		50	55				(2,750)
Flight and Transport to Accommodation		50	700				(35,000)
Visa		50	446				(22,300)
Health Surcharge Fees		50	200 per year				(10,000)
Immigration Skills Charge		50	1,000 per year				(50,000)
1 Month accommodation		50	650				(32,500)
OSCE Exam Fee		50	992				(49,600)
NMC Registration Fee		50	153				(7,650)
Education - Assumed 70% of all nurses		100	1,500				(105,000)

TOTAL CLINICAL AND CLINICAL SUPPORT COSTS	(193,380)	(326,360)	(543,800)	(620,300)						
TOTAL CONTRIBUTION TO TRUST OVERHEADS AS PERCENTAGE (Should be 20% or above)	<u>(193,380)</u>	<u>(326,360)</u>	<u>(543,800)</u>	<u>(620,300)</u>						
<b>OVERHEAD COSTS:-</b>										
TOTAL OVERHEAD COSTS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>						
TOTAL EBITDA MARGIN AS PERCENTAGE (Should be 10% or above)	<u>(193,380)</u>	<u>(326,360)</u>	<u>(543,800)</u>	<u>(620,300)</u>						
<b>CAPITAL CHARGES:-</b>										
<i>Note: All entered as minus values (-£)</i>										
Impairment										
Depreciation	0	0	0	0						
Rate of Return	0	0	0	0						
TOTAL COST OF CAPITAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>						
NET SURPLUS MARGIN AS PERCENTAGE (Should be 3% or above)	<u>(193,380)</u>	<u>(326,360)</u>	<u>(543,800)</u>	<u>(620,300)</u>						
<table border="0"> <tr> <td><u>Clinical / Corporate Finance Manager</u></td> <td><u>Divisional Manager / Director</u></td> </tr> <tr> <td>Name: _____</td> <td>Name: _____</td> </tr> <tr> <td>Date: _____</td> <td>Date: _____</td> </tr> </table>					<u>Clinical / Corporate Finance Manager</u>	<u>Divisional Manager / Director</u>	Name: _____	Name: _____	Date: _____	Date: _____
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