

# briefing

SEPTEMBER 2001

## Brief Encounters

### Getting the Best from Temporary Nursing Staff

**Bank and agency nursing staff make an enormous contribution to patient care, enabling NHS trusts to maintain service delivery and ensure continuity by covering for staffing shortfalls and fluctuating workloads...**

- on a typical day about 20,000 bank and agency staff work in NHS trusts, covering 10 per cent of shifts
- use of bank and agency staff is growing and costs are escalating rapidly
- in 1999/2000 NHS expenditure on agency staff grew by a third (to £360 million in England, £8 million in Wales)
- expenditure on bank staff grew by 14 per cent (to an estimated £430 million in England and £10 million in Wales)

**...but sometimes the use of temporary staff can undermine the quality of patient care...**

- pre-employment checks on qualifications, registration and occupational health are not always completed
- induction may be inadequate – only two out of five bank staff had an induction before working in an unfamiliar area
- three out of four bank nurses had no clinical practice training last year



- half the nurses with full-time and bank jobs worked more than 48 hours a week

**...and unnecessary costs are being incurred.**

- higher rates of pay plus commission mean that, on average, it costs trusts 5 per cent more for shifts filled by agency nurses
- trusts can get better terms by contracting with agencies – only two out of five trusts have done so
- money is wasted through failure of basic checks on timesheets and payments

**Trusts can improve efficiency by...**

- centrally co-ordinating staff cover – nearly half have more than one bank
- eliminating unnecessary bookings
- investing in IT – only one in five uses software that can match staff and shifts

**The Government is setting up NHS Professionals, an NHS-run temporary staffing service. It aims to...**

- reduce dependence on commercial agencies
- improve quality and risk management
- provide safe and well-trained staff

**By encouraging collaboration between NHS trusts and by using modern call-centre technology, NHS Professionals could radically alter the ways that trusts arrange cover. To be successful it must aid trusts locally to reduce demand for cover, improve the rostering of permanent staff and meet cover needs more cost-effectively.**

# Introduction

1. The Government has acknowledged that a shortage of skilled and experienced nursing staff could undermine the effective delivery of healthcare and plans for expansion. There are significant programmes in place to tackle the shortfall, for example, by increasing the numbers of training places, by encouraging nurses to return to practice in the NHS and by encouraging more flexible working hours and patterns. But it will be some time before the full effect of these initiatives is felt.

2. In the short term NHS trusts have increasingly turned to temporary staff to help fill the gap. On a typical day about 20,000 nursing staff<sup>1</sup> provide temporary cover for vacancies, sickness absence, annual leave and peaks in demand [EXHIBIT 1]. These staff are usually from in-house reserves (known as NHS banks) or from commercial nursing agencies. The NHS currently spends nearly £810 million a year on bank and agency nursing staff – about 10 per cent of the nursing paybill – and these costs are rising.

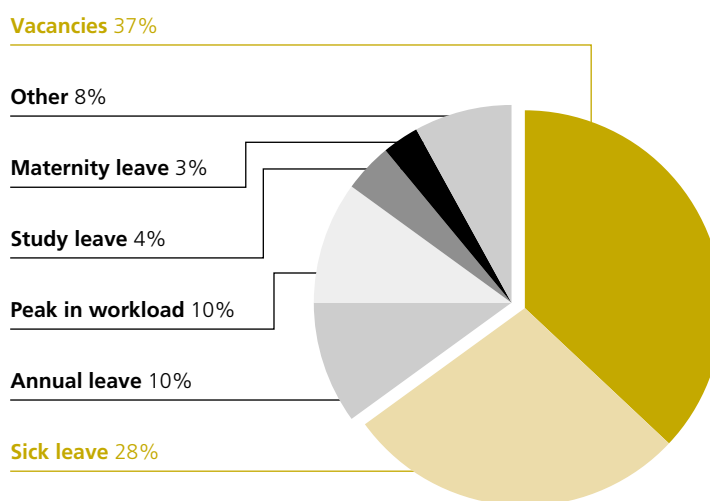
3. It is vital that the quality of care which bank and agency staff provide matches that of the best achieved by permanent staff. And, in view of the cost, it is crucial that they are used appropriately. Trusts need to:

- assure the quality of care provided by bank and agency nursing staff;

EXHIBIT 1

## Reasons for booking bank and agency nursing cover

Vacancies and sickness absence account for two-thirds of shifts booked.



Note: 'Other' includes patient escorts, 'specialling' patients and other leave

Source: Audit Commission survey of bank and agency cover (N=828 bookings)

- keep the costs of bank and agency staffing under control;
- improve the efficiency of temporary staffing arrangements; and
- reduce demand for temporary staff by recruiting, retaining and deploying the right numbers and mix of permanent staff.

<sup>1</sup> The term 'nurse' is used as shorthand in this briefing to mean nurses, midwives, health visitors. 'Nursing staff' refers to these registered 'nurses' as well as to nursing auxiliaries and healthcare assistants.

## Assuring the quality of care

4. The majority of bank nursing staff have substantive contracts in NHS posts, largely work bank shifts in familiar wards or teams and should provide care to a consistent standard. This applies equally to many agency nursing staff who also regularly work in the same wards and units. But when bank and agency staff are asked to work in an unfamiliar area or only work on an occasional basis, it can be more difficult for them to provide care of the same standard, and continuity for individual patients may be interrupted.

5. The ways in which some bank and agency staff are recruited, inducted and carry out their duties are less than ideal. They may be unfamiliar with those in their care, with local procedures, practices and equipment, with their surroundings and with their colleagues. Combined with lower participation in mandatory training and continuing professional development, and the general absence of performance review, these factors increase the chances of patients receiving care of a poorer quality.

6. To minimise the risks to the quality of patient care, and to promote the best standards, trusts need to have effective systems in place which ensure that all temporary staff:

- are appropriately qualified, experienced and fit for the roles they are asked to perform;

- receive effective local, as well as general, induction;
- have access to training and development opportunities; and
- receive regular, timely and objective feedback so that any problems with their performance are recognised at an early stage and are dealt with promptly.

### Recruitment

7. It should be normal practice for trusts to employ the same rigorous recruitment checks for bank staff as for substantive staff and to require agencies to do the same. It is essential that proper checks are made to ensure that all prospective nursing staff are:

- registered with the appropriate statutory body;<sup>1</sup>
- checked against police records – especially where they may have significant unsupervised access to children and vulnerable adults;
- holding valid permits to work in the UK (where appropriate);
- competent to perform the duties that the job may require; and
- fit for duty.

8. But the Audit Commission found that trusts' pre-employment checks on new bank staff – for example confirming registration status with the UKCC – are not always completed. The introduction of electronic 'smart

cards' – as issued by some agencies – holding an individual's qualifications, employment history, health status and photograph, could streamline and improve these processes.

### Induction

9. Any nurse, however well qualified or experienced, is likely to perform below their best in an unfamiliar setting. This is especially true of those who have not worked at a particular hospital before. Even when bank staff have attended a general induction, it is important that they – and agency staff – get appropriate induction to the particular area they are working in. But local induction can have significant gaps [EXHIBIT 2, overleaf].

10. Some trusts have made real progress in this area by, for example, making sure that new bank staff work alongside a 'buddy' and are objectively assessed before undertaking shifts.

<sup>1</sup> For qualified nurses, midwives and health visitors, this is currently the United Kingdom Central Council for Nursing, Midwifery and Health Visiting (UKCC).

## Fit for duty

11. Trusts also have a responsibility to ensure that staff are fit for duty so that they do not pose a risk to patients, themselves or colleagues through infection, injury, ill health or working excessively long hours. But the Audit Commission found that some bank staff are working without having occupational health checks. And, when bank work is taken into account, almost half the nursing staff with a substantive full-time post worked more than 48 hours in their most recent working week. There are no simple solutions to the problem. Some trusts have set limits designed to reduce the risks by, for example, specifying that those with a full-time post may not work more than two bank shifts per week.

## Training, development and performance management

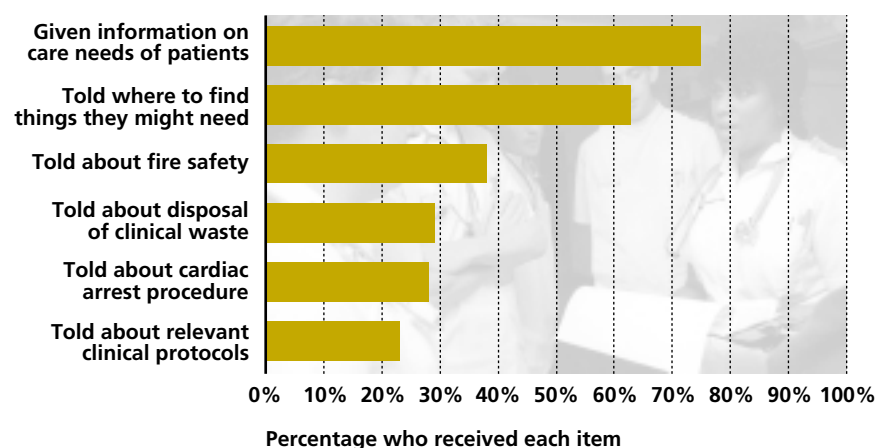
12. Trusts have a responsibility to protect patients from incompetent staff and to take action when the standards of care fall short of those expected. But with bank and agency staff there can be a temptation simply to avoid booking particular individuals in the future, rather than tackling the performance issue or training need [CASE NOTE A].

13. Effective performance review is essential to ensure that problems with clinical performance are

EXHIBIT 2

### Induction provided to agency nurses on unfamiliar wards

Local induction can have significant gaps.



Source: Audit Commission survey of agency nurses (N=1005)

detected and addressed promptly. But one in three of the trusts able to report a figure said that none of their bank staff had been appraised.

14. Nursing staff who only work on a temporary basis can find it more difficult to address changing professional development and skill needs. Only one in four registered nurses on bank-only<sup>1</sup> contracts attended any clinical practice training last year. These nurses were also less likely than permanent staff to attend mandatory training: fewer than two in five had updated their basic life support skills. NHS trusts must ensure that all bank staff have completed mandatory training.

Lack of pay for training days is a barrier: one in five trusts do not pay bank-only staff for mandatory training days.

15. The uptake of clinical practice and mandatory training is higher among agency than bank nurses. The Audit Commission found that the majority of agency nurses had attended annual update training in safer patient handling and basic life support. Much of this training was provided by agencies, many of which have set up their own training departments.

<sup>1</sup> 'Bank-only' staff are those that do not hold permanent posts elsewhere. They make up about 20 per cent of all bank staff.



## CASE NOTE A

## Maintaining clinical competence

### Details

An agency nurse who usually worked in a nursing home was assigned to a busy A&E department. She was asked to take an ECG (heart tracing) of a 70-year-old man admitted with chest pain. The nurse failed to tell anyone that she did not know how to do it. The patient had a heart attack and stopped breathing. The nurse was unable to resuscitate him and had to wait for assistance. She had not attended basic life support training for more than three years.

### Lessons for trusts

- Trusts must assure themselves that agencies assign nurses with appropriate skills and qualifications.
- Trusts must ensure that bank and agency staff have completed mandatory training and regularly update their skills.
- The work delegated to unsupervised, temporary staff must be appropriate to their competencies.

Source: Audit Commission

## Keeping costs under control

**16.** The costs of temporary nursing cover in the NHS are rising.

Expenditure on agency staff grew by 32 per cent (to £360 million in England and £8 million in Wales) in 1999/2000, with eight out of ten trusts spending more than they had in 1998/99. Bank staff expenditure (estimated at £430 million in England and £10 million in Wales) increased by about 14 per cent, with most trusts seeing a rise.

**17.** Trusts can cut the costs of temporary staffing by:

- reducing the overall need for temporary staff;

- switching more cover from agency to bank;
- preventing errors and fraud; and
- improving the efficiency of their staff bank operations.

**18.** On average, agency nurses are paid nearly 20 per cent more than bank nurses. In some locations, specialties, and shifts, the pay gap is even greater. In order to compete with agencies, some trusts have targeted short-term-enhanced bank pay at those grades and specialties where they are most dependent. To be successful, this strategy must be accompanied by stricter controls over demand.

**19.** There are also wide variations in the commission rates charged by agencies. The average is 20.5 per cent, but one in three trusts pays 25 per cent or more while one in six pays 10 per cent or less. These variations suggest that there is scope for trusts to achieve savings by negotiating with agencies.

## Contracts

20. One way that trusts can reduce costs is by contracting with a small number of agencies rather than hiring nursing staff on a more expensive day-rate basis [EXHIBIT 3]. If all trusts benefited from the lower charges that those with contracts have secured, the NHS could save approximately £20 million a year.

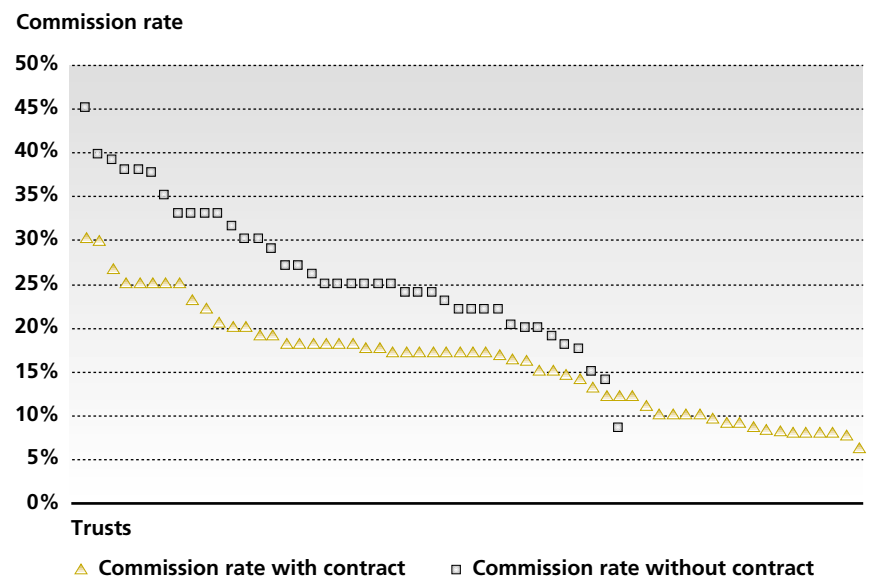
## Controls

21. Money can also be wasted through error and fraud [CASE NOTE B]. On one in six of the agency invoices reviewed by the Audit Commission, the hours claimed did not match the timesheet. Trusts should have adequate controls in place to ensure that timesheets and invoices have been properly authorised and they should insist on fully itemised invoices so that they can check that commission, National Insurance Contributions and VAT have been charged correctly.

EXHIBIT 3

### Commission rates

Trusts with contracts are charged lower commission rates.



Source: Audit Commission survey of NHS trusts (N=256)



### CASE NOTE B

#### Timesheet design and authorisation

#### Details

For three years a student nurse forged authorising signatures and used fictitious names on timesheets for bank shifts that she had not worked. The £15,000 fraud was possible because staff had access to blank timesheets, they were allowed to pre-book shifts direct with the bank co-ordinator and authorising signatures were rarely checked.

#### Lessons for trusts

- Timesheet design should minimise the risk of fraud.
- All bank shift bookings should be confirmed by a ward manager.
- Authorised signatures should be checked on a regular basis.

Source: Audit Commission

## Improving efficiency

**22.** Using temporary nursing staff can also have significant indirect costs. For example, the Audit Commission found that booking cover often takes senior nursing staff away from patient care for up to half an hour each time they have to re-arrange a shift. Trusts need to improve the efficiency of their temporary staffing operations to minimise this disruption.

**23.** Almost a half of trusts have more than one nurse bank. This can mean a lack of common standards, policies and practices, and it can lead to higher costs and greater reliance on agency staff. Trusts can improve efficiency by centrally co-ordinating temporary staffing, but they need to do this without losing the advantages (local knowledge and skills) that specialist banks can give.

### Information technology

**24.** Investment in information technology is key to the modernisation of bank administration. Searching manual records to identify appropriate staff is cumbersome and time-consuming, but only one in five trusts uses a computerised bank management system. The Audit Commission found that bank management software (costing about £25,000) can reduce the administration cost per shift by about 10 per cent. In trusts using such software the proportion of shifts filled by bank, rather than agency, staff is higher, reflecting better matching of supply with demand and improved response times. In the future more trusts will be able to use intranet systems, so that bank staff can notify their availability, and wards can advertise their shift requirements and monitor the status of their bookings.

### Alternatives

**25.** Bank and agency staff are frequently booked with little consideration of whether cover is actually needed or what alternatives there might be. In over half of the shift bookings examined by the Audit Commission no alternatives were examined. Trusts could manage demand better by providing clear guidance on when it is appropriate to book nursing cover and what other options might be used. These may include:

- asking permanent staff to swap shifts;
- sharing staff informally between wards, teams or units;
- using formal cross-cover, 'pool' or relief team arrangements; and
- working additional hours at plain time or overtime rates.

## The way forward

**26.** Faced with growing demand and, in many cases, arrangements that do not offer best value for money, trusts need to examine and improve the ways in which they provide nursing cover.

**27.** NHS Professionals is a new initiative that could radically alter the ways in which trusts arrange temporary staffing cover and work with commercial agencies. Using call-centre technology, it intends to

provide a nation-wide service offering NHS trusts cost-effective, flexible access to staff across the full range of clinical and support roles. Although it is being set up in England, there may be scope to apply the approach in Wales.

**28.** But evidence from some of the early implementers shows that having a more reliable booking process can mean that ward managers are less likely to consider

alternative, potentially cheaper, cover options. Consequently, demand for cover may increase. To be successful, NHS Professionals needs to help trusts tackle inappropriate demand, improve the rostering of permanent staff and make best use of alternatives (where these are appropriate) at the same time as meeting genuine cover needs cost-effectively.

# Key recommendations for NHS trusts

## To safeguard the quality of patient care, trusts need to:

- 1 Operate the same stringent pre-employment checks for bank staff as they apply in recruitment to substantive posts and only use agencies that have equally robust practices.
- 2 Ensure that all temporary staff have an effective local induction before starting work and introduce positive identity checks as a standard procedure.
- 3 Guarantee that temporary nursing staff attend annual update training in basic life support, moving and handling, fire safety and other health and safety skills.
- 4 Ensure bank staff are not discriminated against in accessing funding for continuing development and are paid for their time attending mandatory training.

## To reduce the costs of temporary cover, trusts need to:

- 5 Establish proper contractual arrangements with a limited number of suppliers to secure lower commission charges and promote quality improvements.
- 6 Put in place adequate controls for the authorisation of timesheets and payment of creditors.

## To manage demand and improve efficiency, trusts need to:

- 7 Use cross-cover support, staff pool arrangements and additional hours when these are more cost-effective and promote good patient care.
- 8 Improve efficiency by centrally co-ordinating cover arrangements and matching better the number and mix of bank staff to demand for cover.
- 9 Minimise the amount of time spent by clinical staff arranging cover by standardising booking processes and promoting good communications between clinical areas and bank services.
- 10 Invest in information technology to modernise bank administration and speed up shift bookings.

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 If you want to know more: the full national report, **Brief Encounters: Getting the Best from Temporary Nursing Staff** looks at all of these issues in more detail and includes background information, case studies and specific guidance.  
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