Workforce Development
Confederations

Findings from the ‘Fitness for Purpose’ audits
The Audit Commission is an independent body responsible for ensuring that public money is spent economically, efficiently and effectively, to achieve high-quality local and national services for the public. Our work covers local government, housing, health, criminal justice and fire and rescue services.

As an independent watchdog, we provide important information on the quality of public services. As a driving force for improvement in those services, we provide practical recommendations and spread best practice. As an independent auditor, we monitor spending to ensure public services are good value for money.

For further information on the work of the Commission please contact:
Steve Bundred, Audit Commission, 1st floor, Millbank Tower, Millbank, London SW1P 4HQ Tel: 020 7828 1212
1 Introduction

1.1 Purpose of this briefing

2 Overall assessment

3 Findings

3.1 A. Develop a Strategic Workforce Framework to support stakeholders in their Local Delivery Plan

3.2 B. Increasing workforce numbers to meet NHS Plan targets

3.3 C. Modernising processes and roles to increase productivity and capacity

3.4 D. Modernising learning and personal development

3.5 E. Making the NHS a ‘model employer’

3.6 F. Developing HR management capacity and capability

4 Further work
Introduction

1 Workforce Development Confederations (WDCs) were established in April 2001 to plan and develop the whole healthcare workforce. They work with Postgraduate Deaneries to commission education and training, and manage the Department of Health’s (DOH) annual training investment of almost £3 billion. From April 2002 they became coterminous with, and performance managed by, the newly established Strategic Health Authorities (SHAs). From April 2004 all WDCs will be fully integrated into SHAs.

2 This audit was developed to assist WDCs in identifying development needs. We focused on the key roles of the WDCs including their responsibilities for working with partners to develop and support workforce planning and human resource capacity and capability.

3 Our work was carried out between the end of July and mid-October 2003 at 25 out of 27 WDCs. The work at two WDCs was delayed for organisational or structural reasons, but is being completed early in 2004. Our work also surveyed local trusts’ and primary care trusts’ (PCTs) views – selected comments from the surveys are included in this briefing, marked ![]. Each WDC has received an individual report to assess their progress in developing their role.

4 Results were compared against common criteria to ensure consistency and to support the sharing of notable practice. This has given insight into the work of WDCs across the country and we have been able to compare and contrast progress, strengths and weaknesses of WDCs.

Purpose of this briefing

5 This briefing provides a national context in which WDCs can assess their individual results.

6 It summarises key messages about notable practice and improvement needs in:
   A developing a strategic workforce framework to support stakeholders in their Local Delivery Plan (LDP);
   B increasing workforce numbers to meet NHS Plan targets;
   C modernising processes and roles to increase productivity and capacity;
   D modernising learning and personal development;
   E making the NHS a ‘model employer’; and
   F developing human resource (HR) management capacity and capability.

7 For each WDC our judgement of progress has been subject to peer review and used a rating scale of 1 to 4 (1 = weak; 2 = average; 3 = strong; 4 = very strong).
Overall assessment

8 Good progress has been made by the WDCs in establishing themselves and in delivering their key priorities. Most WDCs have a clear strategy built through partnership and stakeholder consultation, supported by good business planning arrangements. Increasing workforce numbers and supporting flexible working initiatives were generally assessed as strengths. Good progress was also being made in modernising learning and personal development.

9 However, WDCs’ performance management, resource allocation and contracting and procurement arrangements were not as well developed. Of their key priorities, progress was limited on equality and diversity and developing the HR workforce. Our work identified a lack of robust information at trust and PCT level to inform planning and performance management. Further work is needed to ensure a shift away from historic patterns to deliver value for money from investment in training. Finally, progress has been limited in relation to modernising processes and roles. This is significant given the challenge of pay modernisation and service redesign.
Findings

A. Develop a Strategic Workforce Framework to support stakeholders in their Local Delivery Plan

What we were looking for

- Strength and clarity of vision and direction developed through partner and stakeholder consultation.
- Broad and systematic stakeholder input into workforce planning.
- Good business planning and resource allocation linked with Local Delivery Plans supported by performance management.
- Management capacity for effective delivery.

What we found

10 Most WDCs have a clear strategy built through partnership and stakeholder consultation. This is supported by good business planning arrangements. Over 70 per cent of those responding to the external stakeholder survey agreed that WDCs had clearly defined objectives which fit with health economy LDP priorities, and that the executive board of their WDC was representative of its constituent bodies.

11 However, performance management, resource allocation and contracting and procurement arrangements were not as well developed. The survey found less than 40 per cent had confidence in their WDC’s processes and criteria for allocating funds.

- The WDC has done a lot in a short space of time and should be congratulated on this.
- ...absolute clarity about what it should be resourcing us to do locally, what we could do better collaboratively and what it could do better on our behalf.
- ...stop allocating funds pro rata – it undermines workforce planning.
- WDCs should ‘concentrate on what the gaps are – robust workforce planning and commissioning the resultant education contracts.'
B. Increasing workforce numbers to meet NHS Plan targets

What we were looking for

- Widening access to careers in healthcare.
- Implementing local recruitment campaigns targeted at key workforce gaps.
- International recruitment to support local workforce priorities.
- Retention and return to practice schemes.

What we found

Performance in this area was rated strong for the majority of WDCs, and this was one of the highest scoring areas of the audit. We found a wide range of innovative recruitment schemes. Our stakeholder survey supported these findings, but revealed demand for improved promotion of healthcare careers.

C. Modernising processes and roles to increase productivity and capacity

What we were looking for

- Planning along care pathways to support National Service Frameworks (NSFs).
- Plans to support pay modernisation and implementation of new contracts.

What we found

Performance was rated as average to strong, with a few weak and no very strong scores. Most WDCs have a range of modernisation initiatives, but not all are fully integrated, or systematically deployed. The majority of survey respondent rated the WDCs’ support for those assessing the workforce implications of service redesign as poor or very poor. They also rated the WDCs’ support and advice in implementing ‘Agenda for Change’ and the European Working Time Directive as poor or very poor. Improvements in structures and processes will be needed to support the current pay modernisation agenda.

Trusts are not being consulted about what ‘changing workforce’ issues they wish to give priority to. They are being consulted about ‘solutions’ for which funding may be available.
D. Modernising learning and personal development

What we were looking for

• Contract reviews and Life Long Learning strategy linked to LDR.
• Evaluative allocation of funds to contracts and Life Long Learning based on value for money.
• Student, carer and patient involvement in planning and evaluation.
• Practice placements focused on workforce needs, not historic patterns.
• Common learning programmes to promote shared learning.
• Life Long Learning strategy covering wide range of initiatives and skills across all sectors.

What we found

WDCs are making good progress in modernising learning. Performance was generally rated strong, with a small number of weak and of very strong scores. The majority of those responding to the external survey rated as good, or very good, all questions relating to the modernisation of training and Life Long Learning. However, the significant annual investment in training still requires further evaluation to ensure it supports modernisation and offers value for money.

E. Making the NHS a ‘model employer’

What we were looking at

• WDCs co-ordinating the health economy approach to equalities and diversity.
• Resourced action plans in place.
• Progress on increasing minority ethnic and female representation in executive posts.
• Trusts and PCTs feeling well supported on Improving Working Lives and flexible working.

What we found

WDCs have made good progress on flexible working with the majority rated strong or very strong. This area received one of the highest ratings of all covered by the audit. In the stakeholder survey 70 per cent of organisations judged their WDC as very good or good in supporting implementation of Improving Working Lives. However, 60 per cent said their WDC was poor or very poor in relation to providing advice on implementing
flexible working schemes. This may relate to the overwhelmingly poor rating given to WDCs for providing templates for model HR policies and practices.

However, little progress has been made on equality and diversity. This area received the lowest score overall, with a large number of WDCs rating as weak. These findings were supported by the external survey where over 60 per cent of organisations did not agree that there was a co-ordinated approach to diversity and equality for their local health economy. This is an area requiring urgent attention if WDCs are to meet their duty to promote equality in the workplace and influence higher and further education through their procurement arrangements.

F. Developing HR management capacity and capability

What we were looking for

- Development of local HR performance management arrangements.
- Analysis of HR capacity and capability across the health economy.
- Joint working with Strategic Human Resources Intelligence Network (SHRINE).
- Support for local HR leads.

What we found

WDCs need to work to support the development of HR capacity and capability. This was the second lowest scoring area as most WDCs rated average with a few weak and no very strong scores. While over 80 per cent of survey respondents agreed that the WDC worked in partnership with HR directors through the SHRINE network, questions relating to the development of HR performance management were rated poor or very poor in over 60 per cent of responses. The current importance of workforce reform to improving NHS services highlights the significance of this finding.

We need ‘better support from the WDC as it is recognised nationally that the capacity and capability of staff in organisations to deliver workforce development is poor.'

...we need to enhance the reputation of the NHS as an employer committed to equality and positive recognition of diversity to attract people from a wide range of backgrounds and communities into, or back into the service.

HR in the NHS Plan, Department of Health, July 2002

Good human resources management is crucial to delivering cultural change. We intend to develop people management skills by building capacity and skills of the human resources function. The aim is not just to develop human resources knowledge and skills but... a function with the confidence to insist on people-based solutions to NHS problems.

HR in the NHS Plan, Department of Health, July 2002
Further work

Further work is planned by the Audit Commission to follow up this study. This work will also consider the results of the NHS Plan targets review, and the earlier review of the Strategic Health Authorities fitness for purpose arrangements.

If you wish to discuss any of the issues covered in this briefing please contact your Relationship Manager/District Auditor.

We welcome your views on how helpful you have found this briefing, and in particular whether the identified ‘notable practice’ examples, which can be found on the Audit Commission website, were helpful. Please contact us by email to: enquiries@audit-commission.gov.uk

Extra information that can be found on the Audit Commission website at www.audit-commission.gov.uk

- Notable Practice Examples with WDC contacts for further information.
- Graph showing accumulated scores for WDCs in England against key risks and delivery areas.
- Graphs showing results of the stakeholder survey.
This briefing is available on our website at www.audit-commission.gov.uk. Our website also contains a searchable version of this report.