

NHSCBA/19/07/12/02

BOARD PAPER - NHS COMMISSIONING BOARD AUTHORITY (NHS CBA)

Title: Recruitment Strategy

Clearance: Jo-Anne Wass, National Director: HR

Purpose of Paper:

- this paper provides a stocktake for the board on progress with our recruitment strategy at the first stocktake point (end of June 2012). It sets out a detailed plan for the remainder of 2012/13 based on the conclusions of this stocktake. This includes information about the resources required to enable delivery. Arrangements for monitoring progress are also proposed and are for discussion; and
- the paper identifies risks associated with the recruitment strategy, together with mitigating actions being undertaken.

Key Issues and Recommendations:

Populating the NHS Commissioning Board Authority's (NHS CBA's) organisational structure over the coming months represents a significant challenge. Successful delivery will require disciplined implementation of the recruitment strategy outlined in this paper, and relies upon collaboration with sending organisations and trade union colleagues.

A timetable for recruitment over the next five months is outlined. It is proposed that operational responsibility for implementation is delegated, within agreed parameters, to local level where appropriate.

Actions Required by Board Members:

- to note progress to date;
- to endorse the proposed timetable for recruitment for the remainder of 2012/13;
- to endorse proposed arrangements for monitoring progress via monthly progress reports;
- to note the resources that are required to support delivery; and
- to note risks and mitigations.

Recruitment Strategy

Executive summary

1. This paper provides a stocktake for the board on progress with our recruitment strategy at the first stocktake point (end of June 2012). It sets out a detailed plan for the remainder of 2012/13 based on the conclusions of this stocktake. This includes information about the resources required to enable delivery. Arrangements for monitoring progress are also proposed and are for discussion.
2. The paper identifies risks associated with the recruitment strategy, together with mitigating actions being undertaken.

Introduction

3. The NHS Commissioning Board Authority (NHS CBA) faces a significant recruitment challenge over the coming months. The NHS CBA will employ approximately 4,000 people in its core structure, the majority of whom will join the organisation from a large number of 'sending' organisations, such as strategic health authorities (SHAs), primary care trusts (PCTs), the Department of Health (DH) and its arm's length bodies (ALBs). The NHS CBA will operate from multiple locations across England. We are one of a number of 'receiving' organisations for staff affected by the organisational changes which derive from the Health & Social Care Act 2012.
4. Delivering the smooth transition of people from sending organisations to receiving organisations is a significant challenge and requires close collaboration between sending organisations, receiving organisations and the trade unions (TUs) who represent affected employees. There are approximately 38,000 staff employed by sending organisations (as at April 2012) who are directly affected by the transition. This is therefore a significant undertaking and requires underpinning with considerable HR resourcing.

The context for people transition

5. The DH established an HR Strategy Group (chaired by Sir Neil McKay, Chief Executive of Midlands and East SHA Cluster) to coordinate the HR aspects of the transition across the whole system. The HR Strategy Group led the development of a key document – the Human Resources Transition Framework - which was published by the DH in July 2011 (see http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/documents/digitalasset/dh_128103.pdf). The objectives of the framework are:
 - to support the successful establishment of the new organisations;
 - to support business continuity during the transition;

- to retain, as well as to support and develop, employees wherever possible;
 - to outline the generic HR principles and processes required to support consistency and encourage best practice;
 - to support value for money and minimise redundancy costs;
 - to advance equality and promote diversity; and
 - to promote effective partnership working with trade unions.
6. The HR Transition Framework encouraged all receiving organisations to develop people transition policies (PTPs) to confirm how they would manage the process of filling posts in their organisations. A PTP was developed for the NHS CBA, which was endorsed at the first meeting of the Board in December 2011 (see <http://www.commissioningboard.nhs.uk/files/2011/12/Paper-NHSCBA-12-2011-3-People-Transition-Policy.pdf>). This was the first PTP produced by any of the organisations in the new system.
7. Since the publication of the NHS CBA's PTP, further work has been undertaken across the system to refine the process for filling posts in receiving organisations and system-wide agreement has been reached via the HR Strategy Group on a detailed policy framework. An updated PTP statement is being developed in the light of this system-wide agreement.
8. In summary, the updated PTP confirms that staff will join the NHS CBA in one of four ways:
- by 'lift and shift' transfer – where an individual is in a function which moves from a sending organisation to the NHS CBA and the function is not being streamlined prior to the transfer;
 - by transfer involving competitive slot-in – where an individual is in a function which moves from a sending organisation to the NHS CBA and there is a need to streamline the function (i.e. reduce the number of posts) prior to the transfer;
 - by ring-fenced competition for 'new' posts in the NHS CBA. These are posts which are not associated with a transferring function, i.e. they are brand new. Posts will initially be made available to individuals in sending organisations in a narrow ring-fence related to grade and geography. If posts remain unfilled after this, they are then made available to a wider ring-fence; or
 - by open competition - posts will be made available for open competition if they remain unfilled after ring-fenced competition.
9. Where it is confirmed that a function is transferring from a sending organisation (or from multiple sending organisations) to the NHS CBA, it will be necessary for sending organisations to undertake job matching, whereby posts in sending organisations are matched against posts in the NHS CBA's structure. Where more than one person is matched to a post in

the NHS CBA, it will be necessary to undertake a competitive process to fill the post.

10. This overall approach to filling posts is designed to minimise the number of redundancies required in sending organisations, which is a stated aim of the system-wide change.
11. A high level timetable for recruitment has been agreed across the whole system. It has been developed with the aim of ensuring that all staff in sending organisations should have clarity about their future by the end of December 2012, and should be able to see all potential opportunities in receiving organisations at the same time. The timetable is as follows:
 - recruitment to very senior manager (VSM) posts – May to June; and
 - recruitment to all other posts – July to December.

NHS CBA recruitment progress to date

12. Considerable progress has been made to date:
 - a chair and six non-executive directors have been appointed;
 - a Chief Executive, nine national directors and four regional directors have been appointed;
 - the NHS CBA's operating budget and high level organisational design have been confirmed. The detailed organisational design is nearing completion and job descriptions are being prepared for all posts;
 - 33 very senior manager (VSM) posts in the national support centre (in addition to national director posts) have been made available for ring-fenced competition, with interviews held during June;
 - 24 local area team director posts and the post of director of operations and delivery (London) have been made available for ring-fenced competition, with interviews to be held in July;
 - 28 staff joined the NHS CBA from the National Patient Safety Agency on 1 June 2012 by TUPE transfer (i.e. in accordance with the Transfer of Undertakings (Protection of Employment) Regulations 2006); and
 - an organisational development (OD) strategy is in development.
13. While good progress has been made, VSM recruitment will take longer to complete than was planned. It is now expected that the large majority of VSM recruitment will be complete by the end of July. There are a number of factors which have contributed to this delay:

- the design of the Operations Directorate has taken longer to complete than anticipated. Specifically, the number of local area teams was only confirmed in June;
 - the evaluation of grading of VSM posts has been time-consuming, particularly for a number of the VSM posts in the Operations Directorate;
 - discussions with sending organisations about which posts are part of transferring functions have taken some time to conclude, and
 - the ring-fenced recruitment process is time-consuming if posts are not filled in the first round.
14. Furthermore, delays in finalising the detailed organisational design mean that the NHS CBA is not in a position to commence recruitment to other posts at the beginning of July. This is because it is not possible to determine the detailed arrangements for filling posts with sending organisations and TUs (as outlined in paragraph 8 above) until the detailed organisational design has been completed.

Planning for the remainder of 2012/13

15. A detailed recruitment plan has been developed for the coming months based on the stocktake outlined above. The plan falls broadly into two areas:
- enabling activities, i.e. activities that need to be undertaken to prepare for full scale recruitment and employment to take place; and
 - execution activities – implementation of recruitment activity.
16. Our ambition is to complete recruitment to NHS CBA posts from sending organisations by the end of November, one month in advance of the December deadline identified in paragraph 11 above. This provides some contingency should there be delay in recruitment activity. The plan contains the following milestones:

Complete VSM recruitment	31 July
Complete organisational design	6 July
Complete job descriptions for all posts (for all directorates except operations directorate).	6 July
Complete job descriptions for all posts (for operations directorate)	13 July
Hold structured discussions with sending organisations and TUs to confirm transferring functions	2 July – 10 August
Confirm staff assigned to 'lift and shift' functions	31 August
Undertake pre-transfer selection for posts in transferring functions (see below for details of phasing)	16 July to 30 November

Recruit to 'new' posts by ring-fenced competition (see below for details of phasing)	16 July to 30 November
Implement transfer schemes to effect the transfer of staff from sending organisations to the NHS CBA	January to March 2013

17. The timetable for filling posts is detailed below. The intention is that both pre-transfer selection and ring-fenced recruitment activity (as described in paragraph 8) should be initiated within the following time slots:

AfC band 9 and 8d posts	16 July to 14 September
AfC band 8b and 8c posts	30 July to 28 September
AfC band 8a and 7 posts	28 August to 26 October
AfC band 6, 5, 4 and 3 posts	17 September to 16 November

18. Until the NHS CBA organisational design is complete and discussions about transfers have taken place with sending organisations, it is not possible to confirm the precise number of posts that will be filled by each of the four mechanisms described in paragraph 8.

19. None-the-less, it is possible to estimate the number of posts that will be filled each month:

Month	Number of appointments
August	250
September	1,000
October	1,000
November	1,000
December	500
January	250
Total	4,000

20. This appointment timetable is based on the following assumptions:

- recruitment activity takes place to the timetable outlined in paragraph 17; and

- 80% of posts in transferring functions are filled by slotting-in/competitive slotting-in and 80% of new posts are filled by ring-fenced competition in the first round. (It would be desirable to fill all posts in the first rounds of slotting-in/competitive slotting-in and ring-fenced competition. However, for the purpose of timetabling it is prudent to assume that some posts will remain unfilled and will require a second round of recruitment).
21. Management of recruitment activity will be devolved to local level, with NHS CBA directorates and operations directorate regions required to take operational responsibility for implementation, working within agreed parameters to ensure consistency and to preserve the culture and values of the organisation. Training and guidance will be provided for recruiting managers.
 22. A bespoke recruitment timetable will be confirmed with each NHS CBA directorate and with each region within the operations directorate. This will include the directorate/region's timetable for:
 - completion of any outstanding job descriptions and person specifications;
 - engagement in discussions with sending organisations regarding transferring functions;
 - competitive slotting-in to posts in transferring functions (within the timeframes identified above); and
 - recruitment to new posts via ring-fenced competition (within the timeframes identified above).
 23. Directorates and regions will be required to manage the practical arrangements associated with recruitment (e.g. assembling interview panels, setting interview dates etc).

Resourcing requirements

24. The NHS CBA currently has a small in-house recruitment team consisting of staff on secondment from a number of NHS organisations. The team has sufficient capacity to manage the relatively small volume of VSM recruitment currently taking place but significant additional capacity is required to manage the large volume of recruitment that is scheduled to take place between July and December.
25. A number of options for increasing the NHS CBA's recruitment capacity have been explored. Following a review of options in June, it was concluded that the NHS CBA should enter into a strategic partnership with NHS Employers to secure additional HR capacity for the NHS CBA. NHS Employers is a national organisation (part of the NHS Confederation) established to act as the voice of employers in the NHS and to promote best HR practice across the NHS.

26. This arrangement has already enabled the NHS CBA to access NHS Employers expertise and secure additional capacity, delivered directly by NHS Employers and by a third party supplier secured by NHS Employers. NHS Employers has secured a team of five recruitment managers to support the NHS CBA's nine directorates and four regions with recruitment activities. This team is providing expert support with development of job descriptions for posts on the Agenda for Change (AfC) pay scale and assisting with preparations for the next phase of recruitment.
27. From late July onwards, our plan, in the light of the current support being provided is that NHS Employers will deliver further practical assistance to support the next phase of recruitment activity. This will involve providing support to the NHS CBA's directorates to deliver the high volume of recruitment required during the remaining months of 2012. Expert support will also be provided to assist with the management of functional transfers from sending organisations to the NHS CBA and to assist with external recruitment where required.
28. The estimated cost of the additional support to be provided via NHS Employers between August and December is in the region of £300,000. Further support is likely to be required between January and March in order to effect the transfer of staff to the NHS CBA by transfer schemes, as appropriate.
29. The devolved approach to recruitment outlined above means that a significant volume of recruitment activity will be managed by the regional teams in the operations directorate. It will therefore be necessary to secure HR capacity to support each Regional Director. SHA Clusters have agreed to identify HR support for Regional Directors and details are currently being finalised.

Proposed reporting arrangements

30. It is planned to produce a monthly recruitment activity report, which will identify the number of posts filled and progress against plan. The report will also include information about the diversity profile of staff appointed to the NHS CBA. Detailed information about the diversity profile of staff in sending organisations has been compiled by the Department of Health. We will compare the emerging profile of staff appointed to the NHS CBA with the sending organisation profile to assess the impact of the transition on workforce diversity.
31. A draft template for the recruitment activity report is attached at annex A. This is in development and it would be useful to receive feedback from board members at this stage about whether the report contains the appropriate metrics to track activity.

Risks and mitigations

32. The recruitment exercise is a major undertaking and there are a number of challenges to successful implementation. There is a risk that the NHS CBA may fail to populate its organisational structure by March 2013. This risk has a number of causes:

- organisational design: there may be delays in finalising the NHS CB organisational design and job descriptions, reducing the time available for recruitment;
- functional transfers: there may be delays resulting from negotiations with sending organisations regarding the nature of functional transfers; the process of job matching (which will be led by sending organisations) may also cause delays;
- capacity for delivery: the NHS CBA may fail to secure sufficient capacity (in directorates, regions and in the people transition team) to manage the large volume of recruitment required at the necessary pace;
- recruitment timetable; the timetable requires a large volume of recruitment activity to be undertaken over a short space of time; it relies on the large majority of posts being filled in the first round of recruitment and appointed individuals being available to participate in the recruitment to subordinate posts; and
- trade union (TU) support: TUs may challenge elements of the recruitment plan if processes are not properly agreed and implemented.

33. A number of steps are being taken to mitigate these risks:

- organisational design: detailed work on organisation design is being progressed at pace. The design of the operations directorate has been reviewed and a revised structure determined. The detailed organisation design will be completed for all directorates in early July and the Future Design Group will resolve outstanding design issues at an extended planning session on 3 and 4 July;
- organisational design: job descriptions and person specifications are being developed for all posts. Job descriptions for all posts will be completed by early July;
- organisational design: the location of regional and local area team offices is being confirmed;
- functional transfers: policies for managing the transition have been developed in partnership with sending organisations and TUs. A policy document detailing the process for filling posts in receiving organisations was agreed by the system-wide HR Strategy Group on 12 June;

- functional transfers: discussions are taking place with sending organisations about the process for identifying functional transfers. It is planned to finalise agreement with sending organisations regarding specific functional transfers during July;
- capacity for delivery: further appointments have been made to the people transition team and additional support has been secured via a partnership with NHS Employers. The resourcing requirements to support recruitment in the period July to December have been identified. It is planned to secure further external support via NHS Employers by the end of July;
- capacity for delivery: HR teams are being identified to support each regional director with recruitment activity;
- capacity for delivery: directorates will be required to focus on recruitment throughout the autumn. Recruitment will be a key priority for all managers;
- capacity for delivery: we will work with the HR Strategy Group, sending organisations and TUs to streamline recruitment procedures where possible; and
- TU support: there has been continued emphasis on working in partnership with trade unions. An NHS CBA partnership forum is being established with TUs. A full day partnership event with TUs is planned for 6 July 2012 and fortnightly business meetings have also been arranged.

34. These actions will reduce the risks identified above. However, the inherent risk associated with the recruitment strategy remains high because of the scale and complexity of the recruitment to be undertaken by the NHS CBA. A contingency plan is being developed to identify actions that can be taken should recruitment fail to be delivered to the planned timetable.

Conclusion

35. Populating the NHS CBA's management structure over the coming months represents a significant challenge. Successful delivery will require disciplined implementation of the recruitment strategy outlined in this paper. All directorates will need to participate actively in the process and deliver to the proposed milestones.

Recommendation

36. The board is asked:
- to note progress to date;
 - to endorse the proposed timetable for recruitment for the remainder of 2012/13;

- to endorse proposed arrangements for monitoring progress via monthly progress reports;
- to note the resources that are required to support delivery; and
- to note risks and mitigations.

Tom Easterling
Programme Director, People Transition

Jo-Anne Wass
National Director: HR
July 2012

Annex A – Proposed progress reporting template

	Jul	Aug	Sep	Oct	Nov	Dec
Total number of posts made available for ring-fenced competition - in the last month						
Total number of posts made available for ring-fenced competition – cumulative						
Total number of appointments – in the last month						
Total number of appointments – cumulative						
Percentage of all appointments complete						

Directorate	VSM	9/8d	8c/8b	8a/7	6/5/4/3	M&D	%
Medical							
Nursing							
Finance							
Policy Partnership and Corporate Development							
Patients & Information							
Transformation							
Commissioning Development							
Chief of Staff							
Operations							

Directorate progress

Directorate:			
Activity	Planned timetable	Delivery	RAG assessment
Completion of any outstanding job descriptions and person specifications			Delivery to agreed timetable
Engagement in discussions with sending organisations regarding transferring functions			Delivery delayed
Competitive slotting-in to posts in transferring functions			Delivery significantly delayed
Recruitment to new posts via			

ring-fenced competition			
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Diversity profile of staff appointed to the NHS CBA

Ethnicity of staff appointed

White	
British	
Irish	
Any other white background	
Black/black British	
African	
Caribbean	
Any other black background	
Chinese/other	
Chinese	
Any other background	
Asian/Asian British	
Bangladeshi	
Indian	
Pakistani	
Any other Asian background	
Mixed	
Asian and white	
Black African and white	
Black Caribbean and white	
Any other mixed background	

Age range of staff appointed to the NHS CBA

20-24	25-29	30-35	36 – 39	40 - 44	45 - 49	50 - 54	55 - 59

Gender of staff appointed to the NHS CBA

Male	Female

Sexuality of staff appointed to the NHS CBA

Lesbian	Gay	Bisexual	Heterosexual	Did not disclose

Religion of staff appointed to the NHS CBA

Atheism	
Buddhism	
Christianity	
Hinduism	
Islam	
Jainism	
Judaism	
Sikhism	
Other	
Not disclosed	

Disability of staff appointed to the NHS CBA

No	Yes	Did not disclose

Physical impairment	
Sensory impairment	
Mental health problem	
Learning disability/difficulty	
Long-standing illness	
Other	