



The Skills Development Network

**Proud to partner with the HFMA Eastern
Branch and One NHS Finance to bring you
the Eastern Annual Conference**

'Building value, upholding values'

www.skillsdevelopmentnetwork.com



STAFFING COSTS AVOIDANCE AND CONTROL

*Ways to Enhance Financial and
Operational Control*

24th February 2025

Claudia Southwell

Lisa Ward

Valerii Kostiuk



WHAT WILL BE COVERED IN THIS SESSION

Cost Control & Management

- Definition
- Importance

Budgetary Control & Management

- Definition
- How to efficiently manage a budget

E-Rostering

- Definition
- Information provided
- Importance

ESR - Electronic Staff Record

- Definition
- Information provided
- Importance

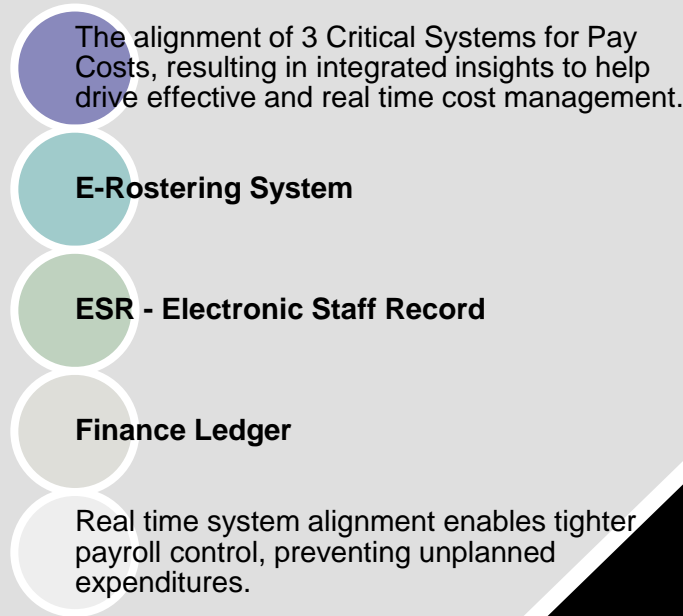
The "HELP" Tool

- What it is and why we needed it
- The Reconciliation (Ledger, ESR, E-Rostering)
- How it is being used and managed

Overview

This workshop demonstrates how Trusts can achieve proactive visibility into areas at risk of overspending, empowering teams to control spending before it occurs, rather than managing unfunded costs after the event.

By the end of the session, you will gain a clear understanding of fill rates across the hospital, how unavailability affects bank and agency usage, and how to effectively align key systems for improved visibility and control.



The alignment of 3 Critical Systems for Pay Costs, resulting in integrated insights to help drive effective and real time cost management.

E-Rostering System

ESR - Electronic Staff Record

Finance Ledger

Real time system alignment enables tighter payroll control, preventing unplanned expenditures.

BUDGET MANAGEMENT

Budgets are an agreed financial plan of resources (Income and Expenditure) to deliver a service or activity for a defined period of time.

It aims to control expenditure and ensure value for money.

Ensures all available resource is spent effectively, identifies inefficiencies, helps with decision making, speed up recruitment decisions, reduces likelihood of short-term interventions to limit spend and helps develop and quantify business cases.

With the NHS under such financial pressure, strict budget management is essential in ensuring all patients are seen within the organisation's financial envelope

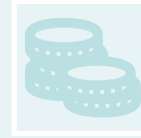
COST CONTROL AND MANAGEMENT



ESTIMATION OF COSTS, THE SETTING OF AN AGREED BUDGET AND MANAGEMENT OF ACTUAL AND FORECAST COSTS AGAINST THAT BUDGET.



IDENTIFYING, ELIMINATING OR REDUCING UNNECESSARY BUSINESS EXPENSES, WITHOUT SACRIFICING PATIENT EXPERIENCE.



AIMS TO REDUCE COSTS AND EXPENSES BY HIGHLIGHTING AREAS OF OVERSPEND AND MANAGING BUDGET VS. ACTUAL SPEND.



LACK OF CONTROLS RESULTS IN THE FUNDING NOT BEING WELL UTILISED TO PROVIDE THE REQUIRED SERVICE.

IMPACTS ON DECISION MAKING AND IMPROVEMENTS.

E-ROSTERING

"Right staff, right place, right time."

Ensures staff are appropriately allocated to provide high quality and efficient health services. It considers factors such as patient needs, staff needs, organisational needs, the workforce and skills required to deliver services and workforce availability.

It gives an overview across the organisation month by month, day to day and even shift by shift.

It highlights hotspots needing intervention for staffing levels to remain safe and efficient.

It helps to comply with regulations and agreements.

The above and other benefits, will enable better planning for demand, ensuring consistent staffing levels and resulting in less understaffing, safety and efficiency and reducing reliance on temporary staff. It also provides flexibility to cope with daily and hourly changes by redeploying staff across the organisation to maintain safe staffing levels.

ESR - ELECTRONIC STAFF RECORD

"Your centralized HR and payroll solution."



IT IS THE NHS
CENTRAL
WORKFORCE
MANAGEMENT
SYSTEM USED
MAINLY FOR HR,
PAYROLL AND
TRAINING.



PROVIDES
MANAGEMENT WITH
TOOLS FOR
PAYROLL
PROCESSING,
WORKFORCE
PLANNING,
ABSENCE
MANAGEMENT,
COMPLIANCE AND
TRACKING.



IT IS A KEY SYSTEM
TO ENSURE THAT
NHS STAFF
RECORDS ARE
ACCURATE AND UP
TO DATE.



IT CAN BE USED TO
MONITOR AND
MANAGE STAFFING
COSTS
EFFECTIVELY BY
THE USE OF
REPORTS,
MONITORING OF
OVERTIME, BANK
STAFF AND
VACANCY
MANAGEMENT.



USED BY 99% OF
NHS
ORGANISATIONS
AND HOLDING DATA
FOR OVER 1.8
MILLION.

THE FINANCE LEDGER

"Our financial health monitor"



RECORDS ALL FINANCIAL
TRANSACTIONS OF THE
BUSINESS.



ALLOWS TO MONITOR
INCOME AND
EXPENDITURE BY
BUSINESS AREA.



IT COMPARES
BUDGETED
FIGURES WITH
ACTUAL SPEND.



OVER OR UNDERSPEND
CAN THEN BE
INVESTIGATED AND
ACTED UPON.



Increased Costs and Spend

Lack of staffing resources and incentives for staff retention.

This leads to the use of temporary staff at premium costs.



Budgets

Increased temporary staff costs causes cost pressures.

It highlights the need to further investigate and understand the reasons and find long term solutions.



E-Rostering

Rosters must have a minimum six week lead time, ideally 12 weeks in advance.

This will maximise the opportunity to fill vacant shifts with substantive or bank workers,

But can also be manipulated by the end user if not strongly governed.



ESR

The self-service functionality of the ESR offers easy access to users.

Timely data entry is imperative.

THE ISSUES FACED BY THE NHS

THE RECONCILIATION

"The Glue"

THE HELP TOOL

E-Roster
Operations

ESR
HR

Ledger
Finance

THE “HELP” TOOL

“Aim to Provide Enhanced Financial and Operational Control.”



Cost Control:

Real time alignment of systems provides tighter control over payroll, preventing unplanned expenditures.



Staffing Visibility:

Daily insights into staffing levels enable better management of recruitment and vacancy rates.



Proactive Budget Management:

By using this live interactive tool, potential overspending can be identified and mitigated in advance, avoiding costly retrospective adjustments.



Efficiency and Risk Reduction:

By addressing overspending risks early, trusts can prevent and avoid unnecessary costs linked to poor planning and management of rosters.





THE “HELP” TOOL

“The Expected Outcome”

Clear Real Time Staffing Insights

Accurate staffing data, allows for timely decisions on bank and agency needs.

Prevention of Overspending

Aligning Finance, ESR, and Roster Systems reduces unexpected payroll costs, allowing for budget adherence and financial stability.

Optimised Resource Allocation

Enables effective deployment of staff resources, helping meet demand without over-reliance on temporary staffing.

THE “HELP” TOOL

“Overview”

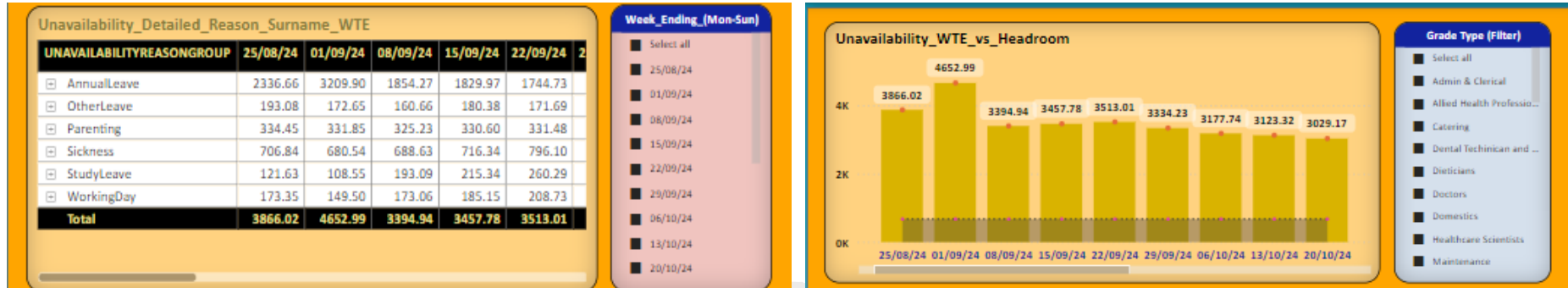
3 Way Reconciliation Process:

- **Reconciliation 1:**
- ESR reconciles monthly to the budget from the ledger, comparing budgeted WTE, actuals, and vacancies against E-Rostering tiles (shifts).
- **Reconciliation 2:**
- ESR includes budgeted WTE, actuals, and vacancies to match the number of tiles in E-Rostering.
- **Reconciliation 3:**
- FSR Funded Staff Roster (the approved staffing template), shows expected tiles in E-Rostering, excluding headroom from the tiles.



THE “HELP” TOOL

“Unavailability Impact on Bank and Agency Use”



Critical Components of the Reconciliation:

Key Unavailability Factors: Annual leave, parental leave, sickness, study leave, and working days significantly affect bank and agency demand.

Rostering Flexibility: When unavailability occurs, tiles can be redistributed if headroom is needed, adding flexibility to the roster.

Unavailability Overview: Highlights the number of active staff indicating where additional bank and agency support is required.

THE “HELP” TOOL

“Weekly Staffing Insights”

4 Key Matrices Monitored Weekly:

- **Matrix 1:** Additional tiles added to the roster, greater than the budget.
- **Matrix 2:** Comparison of budgeted WTE to actual staff in post, identifying overstaffed or under resourced areas.
- **Matrix 3:** Daily update of unavailability percentage across the hospital.
- **Matrix 4:** Available tiles that exceed budgeted WTE.

Scoring System:

- Areas with the highest scores appear at the top, particularly benefiting larger areas with multiple staff members.





THANK YOU!

Any Questions?



SOURCES OF INFORMATION

The state of NHS finances 2024/25

<https://www.nhsconfed.org/publications/state-nhs-finances-202425#:~:text=The%20NHS%20Confederation%20has%20consistently,as%20well%20as%20freezing%20vacancies>.

Budgets and Planning

<https://onenhsfinance.nhs.uk/wp-content/uploads/2021/09/Budgets-and-planning-1.pdf>

Electronic Staff Records

<https://www.sbs.nhs.uk/services/employment-services/electronic-staff-records/#:~:text=Used%20by%2099%25%20of%20NHS,support%20workforce%20planning%20and%20management.&text=The%20self%2Dservice%20functionality%20of,a%20simple%20browser%2Dbased%20interface>.

Healthroster

E-rostering the clinical workforce: levels of attainment and meaningful use standards June 2019

https://www.england.nhs.uk/wp-content/uploads/2020/09/E-rostering_meaningful_use_standards.pdf



skills development network

A dark grey circle containing the text "EAST OF ENGLAND" in white, bold, sans-serif capital letters.

**EAST OF
ENGLAND**

Delivered in partnership through



The Skills Development Network brings together training and development opportunities for Finance, Procurement and Digital, Data and Technology staff across the whole of the NHS.