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Date: 19th October 2012

Councillor Mrs Mary Aspinall  
Chair, Health and Adult Social Care Overview and Scrutiny Panel  
Plymouth City Council  
Civic Centre  
PL1 2AA  
Plymouth

Dear Mary

### **SOUTH WEST REGIONAL PAY, TERMS and CONDITIONS CONSORTIUM**

Thank you for your letter of 2 October, following my attendance at the Health and Adult Social Care Overview and Scrutiny Panel on the 26<sup>th</sup> September 2012.

Taking into account that I took up my post as Chief Executive one week before appearing before the Overview and Scrutiny Panel, I was keen to hear the range of views about the issues and potential impact of Plymouth Hospitals Trust's participation in the South West Pay, Terms and Conditions Consortium (the Consortium). I thought that many of the points raised by the panel and by union colleagues were very well made and wish to re-iterate that the Board and I will take all of these comments into consideration, once the Consortium have developed its proposals, which are anticipated to be available towards the end of this year.

I appreciate the panel's recommendations made in your letter, and would like to update you on the issues raised therein, which I have done in the same order as set out in your letter.

- (1) *All staff are fully engaged in the consultation of any changes that affect them and their views demonstrably taken into account;*

I have established an open communication link with staff to get their views and allow them to raise their issues directly with me. In this regard, I can confirm that we have received 60 emails, which have all been addressed and have established engagement sessions with all levels of staff over the next eight weeks, to ensure communication is open and staff are fully engaged in terms of this matter.

- (2) *PHNT to formally consider the impact of any local pay scheme on the recruitment and retention of staff, particularly those with specialist skills;*

We, like other Trusts, have said previously that once we have proposals to consider, we will conduct a detailed risk assessment which would include the impact on a range of issues, including recruitment and retention.

- (3) *PHNT to formally consider the impact of any local scheme on the city and sub-regional economy;*

I wish to re-iterate that as a large, responsible employer, the impact of any of the proposals made by the Consortium will be carefully considered by our Board, while we will obtain the input and feedback from our staff.

- (4) *The South West Pay, Terms and Conditions Consortium should formally invite and seek the views of other key public sector employers in Plymouth and the sub-region as part of the wider consultation process;*

Whilst it is unlikely that the Consortium will engage centrally with all the cities and areas within the South West, as it has no legal standing, I am happy to engage with Plymouth City Council on the proposals received and the decision taken by our Board following discussions with our staff.

- (5) *The South West Pay, Terms and Conditions Consortium and PHNT to formally consider improved productivity, management and service redesign as an alternative to altering pay and conditions;*

Locally, as a Trust, we are doing this as part of our day to day business, cost savings plans, continuous improvement plans and clinical strategy work.

- (6) *PHNT to ensure the existing appraisal and supervision arrangements are carried out with 100% of staff;*

In terms of the Trust HR&OD Strategy an annual target of 90% has been set, as there will always be some staff who are on long-term sick, and based on the statistics of other NHS organisations in England and Wales, whilst we are endeavouring to improve our current rate of 80%, to get this to 100% is unlikely. I am however, happy to report back on progress made, when I return to the Panel in December.

- (7) *Given the expenditure of seven million pounds on sickness absence within PHNT, the Trust is requested to produce and publish an effective sickness/absence management strategy;*

I am very pleased to confirm that, since I appeared before the Panel and in line with the Trust's HR&OD Strategy, a Staff Health and Wellbeing Steering Group was formed, consisting of representatives from staff-side and management, including both the nursing and clinical bodies in the Trust, and will pro-actively work towards the development of an effective Employee Health Strategy. Sickness absence management will form part of that work.

- (8) *PHNT to formulate and publish a response to the challenges raised in the staff survey;*

We will continue, as in the past, to publish a summary of the survey results, including the key messages, through the work done by the Human Resources and Communications Department.

- (9) *PHNT to return to a future meeting of the panel to discuss progress against the above recommendations.*

As indicated during our meeting, I am looking forward to returning to the panel in December to provide an update on the above and any other issues relevant at that time.

I trust the above would be in order and would like to re-iterate my appreciation to the Council for its continued interest as a key partner of this Trust.

I am looking forward to meeting with you in December 2012.

Yours sincerely

A handwritten signature in black ink that reads "Ann James". The signature is written in a cursive style with a large initial 'A' and a long, sweeping underline.

Ann James  
Chief Executive