

## NEWS

# Foundation trusts plan to recruit 2400 extra doctors in 2013-14

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Plans by foundation trusts in England to shed staff have been deferred as a result of reviews into hospitals with higher than expected mortality rates and the expectation of tougher quality inspections, the regulator of the trusts has found.

The 145 foundation trusts in England plan to recruit 10 000 additional staff in 2013-14, including 1134 consultants, 1273 junior doctors, and 4133 nurses, said Monitor in its *Annual Plan Review*.<sup>1</sup>

The extra jobs will cost £500m (€580m; \$765m), or 2% of staffing costs. They follow growing problems in meeting waiting time targets in emergency departments and concern over the quality of care in hospitals identified by the medical director of the NHS, Bruce Keogh, on 17 July<sup>2</sup> and pressure from the royal colleges for 24/7 cover.

But next year's workforce increases are seen by the trusts as "a short term fix," Monitor said, rather than the start of a new trend of increasing staff numbers.

In 2014-15 and 2015-16 foundation trusts plan to shed 30 000 jobs, largely through a reduction of 4% in numbers of nurses and cuts in non-clinical staff.

The trusts have built up substantial surpluses, which now stand at £4.5bn, so can afford next year's staff increases. David Bennett, chief executive of Monitor, said, "We are pleased the sector is investing some of its surplus in increasing resources to improve patient care and hope this will relieve some of the operational pressures the NHS is currently facing."

Looking beyond next year, Monitor said that trusts would find it "challenging" to reduce staff. The numbers employed have actually risen this year and will rise again next year. After that, the trusts plan to save money by cutting numbers and by replacing bank and agency staff with permanent staff, but this has proved beyond them in the past. Monitor questions whether there are even enough qualified people available to fill the jobs.

Monitor is also sceptical about the trusts' belief that their profit margins—after taking a hit next year as a result of the recruitment plans—will recover in the next two years. Profit margins have fallen over the long term, despite which the trusts consistently expect them to improve. Typically, Monitor says, trusts expect the margin to fall in the next year but then to rise

in the two succeeding years, but they have a track record of under-delivering on these year two and three plans.

Stephen Hay, managing director of provider regulation at Monitor, said, "The sector has a good track record of forecasting its performance in the first year of its annual plans, but its projections for years two and three appear optimistic. In view of this risk, Monitor will enhance its scrutiny of high risk areas to enable us to take early action if necessary."

Because 65% of trusts' costs are staff, delivering savings generally means cutting the head count. "The sector has a weak record of sustainably reducing whole-time equivalent staff numbers which underpin the planned recovery," the Monitor report says.

Over the sector as a whole, Monitor says, the financial position is stable, but this varies greatly by trust. Specialist trusts are the most profitable, followed by large acute trusts, with small and medium acute trusts facing the greatest pressures. Sixteen trusts are forecasting deficits for 2013-14, with most of the deficits occurring in eight trusts: Royal National Hospital for Rheumatic Diseases, Peterborough, Mid Staffordshire, Sherwood Forest, Northumbria, Milton Keynes, Morecambe Bay, and Bolton.

Hay said, "In the short term, the sector's balance sheet is in reasonably good shape overall, but we know that the number of FTs [foundation trusts] in financial distress has increased, as has the number struggling to meet operational demands."

Despite the plans to boost staff, trusts expect more quality targets to be breached in 2013-14, with those on *Clostridium difficile* infections, the four hour emergency waits, and referral to treatment times among the most likely to be breached. A total of 44 trusts believe that they face a risk of missing the target to reduce *C difficile*.

- 1 Monitor. 2013-14 annual plan review. 24 Jul 2013. [www.monitor.gov.uk/about-monitor/what-we-do/publication-scheme-guide-the-information-we-publish/monitor-board-papers/bo-18](http://www.monitor.gov.uk/about-monitor/what-we-do/publication-scheme-guide-the-information-we-publish/monitor-board-papers/bo-18).
- 2 Kmietowicz Z. Health secretary puts 11 hospital trusts in England into special measures. *BMJ* 2013;347:f4602.

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