

## HEALTH SCRUTINY COMMITTEE MEETING 30 March 2007

### Response to Health Scrutiny Committee regarding Hereford Hospitals NHS Trust Workforce Report

#### Objective

The Trust identified that its financial objective for 2007/8 is to achieve a balanced budget on a sustained recurring basis. For much of its recent past financial balance has been obtained through a series of one-off measures which has meant that the Trust has not addressed the productivity opportunities it might. This means that against its performance in 2006/7 its position has to improve by a total of £3.2m.

#### Savings potential

It is planned that about £1.9m of the savings can be delivered through changes to working and operational practice whilst £1.3m will arise through reductions in the staffing base.

#### Approach to staffing levels

The Trust expects that to achieve the desired savings in its staff budget there has to be a reduction of some 75 posts either through natural wastage or other means. The expectation is that the bulk of the reduction will occur in non clinical areas, thereby ensuring that services are not adversely affected.

In February the Trust began consultation with its local trade unions about the reduction in posts. Full time regional officers have reviewed the robustness of the Trust's arrangements for implementing such significant changes and as a consequence a clear understanding has been developed as to how if necessary compulsory redundancies may be instigated.

The Trust has written to all staff to assess whether there might be some individuals who, where it will be of advantage to the Trust, would be willing to take voluntary redundancy or voluntary early retirement. Over the following weeks, in dialogue with the staff who have expressed an interest, the Trust will determine the extent to which this process mitigates against the requirement for compulsory redundancy.

**Martin Woodford**  
**Chief Executive**  
**Hereford Hospitals NHS Trust**