South Tees Hospitals NHS Foundation Trust

Use of Resources assessment report

The James Cook University Hospital
Marton Road
Middlesbrough
TS4 3BW
Tel: 01642 850850
www.southtees.nhs.uk

Date of publication: 2 July 2019

This report describes our judgement of the Use of Resources and our combined rating for quality and resources for the trust.

Ratings

Overall quality rating for this trust	**Requires improvement**
Are services safe?	**Requires improvement**
Are services effective?	**Requires improvement**
Are services caring?	**Good**
Are services responsive?	**Good**
Are services well-led?	**Requires improvement**

Our overall quality rating combines our five trust-level quality ratings of safe, effective, caring, responsive and well-led. These ratings are based on what we found when we inspected, and other information available to us. You can find information about these ratings in our inspection report for this trust and in the related evidence appendix. (See www.cqc.org.uk/provider/RTR/reports)

Are resources used productively?	**Requires improvement**

Combined rating for quality and use of resources	**Requires improvement**

We award the Use of Resources rating based on an assessment carried out by NHS Improvement.

Our combined rating for Quality and Use of Resources summarises the performance of the trust taking into account the quality of services as well as the trust's productivity and sustainability. This rating combines our

five trust-level quality ratings of safe, effective, caring, responsive and well-led with the Use of Resources rating.

Use of Resources assessment and rating

NHS Improvement are currently planning to assess all non-specialist acute NHS trusts and foundation trusts for their Use of Resources assessments.

The aim of the assessment is to improve understanding of how productively trusts are using their resources to provide high quality and sustainable care for patients. The assessment includes an analysis of trust performance against a selection of initial metrics, using local intelligence, and other evidence. This analysis is followed by a qualitative assessment by a team from NHS Improvement during a one-day site visit to the trust.

Combined rating for Quality and Use of Resources

Our combined rating for Quality and Use of Resources is awarded by combining our five trust-level quality ratings of safe, effective, caring, responsive and well-led with the Use of Resources rating, using the ratings principles included in our guidance for NHS trusts.

This is the first time that we have awarded a combined rating for Quality and Use of Resources at this trust. The combined rating for Quality and Use of Resources for this trust was requires improvement, because:

- We rated well-led at the trust level as requires improvement.
- For the trust we rated safe, effective, and well-led as requires improvement with responsive and caring as good.
- The ratings went down for some services and domains. Both James Cook and Friarage hospitals were rated as Requires improvement overall.
- Critical care services had deteriorated significantly since the last inspection. We found them to be inadequate in Safe at both acute hospitals and requiring improvement in effective, responsive and well led. Caring remained Good.
- Diagnostic imaging services at both acute sites were rated as requires improvement overall.
- The overall rating for urgent and emergency care at the Friarage deteriorated to requires improvement overall.
- The well led rating in surgery at both sites went down to requires improvement.
- The safe domain in medicine and urgent and emergency care at James Cook hospital went down one rating to requires improvement.
- Patients and carers gave positive feedback about the care they received.
- Community services were not inspected; their previous rating was Good overall.
- In rating the trust, we took into account the current ratings of the other services not inspected this time.
- Our decisions on overall ratings take into account, for example, the relative size of services and we use our professional judgement to reach a fair and balanced rating.
- The trust was rated Requires Improvement for use of resources. Full details of the assessment can be found on the following pages.

NHS Improvement

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Date of site visit:
17 January 2019

Date of NHS publication: ?? June 2019

This report describes NHS Improvement's assessment of how effectively this trust uses its resources. It is based on a combination of data on the trust's performance over the previous 12 months, our local intelligence, the trust's commentary on its performance, and qualitative evidence collected during a site visit comprised of a series of structured conversations with the trust's leadership team.

Are resources used productively?	**Requires improvement** ●

How we carried out this assessment

The aim of Use of Resources assessments is to understand how effectively providers are using their resources to provide high quality, efficient and sustainable care for patients. The assessment team has, according to the published framework, examined the trust's performance against a set of initial metrics alongside local intelligence from NHS Improvement's day-to-day interactions with the trust, and the trust's own commentary of its performance. The team conducted a dedicated site visit to engage with key staff using agreed key lines of enquiry (KLOEs) and prompts in the areas of clinical services; people; clinical support services; corporate services, procurement, estates and facilities; and finance. All KLOEs, initial metrics and prompts can be found in the Use of Resources assessment framework.

We visited the trust on 17 January 2019 and met the trust's leadership team including the chief executive and the chair, as well as relevant senior management responsible for the areas under this assessment's KLOEs.

Findings

Is the trust using its resources productively to maximise patient benefit?	Requires improvement

- We rated the trust's use of resources as Requires Improvement. The trust performs well on a range of metrics across clinical support and corporate services, however, it has a number of challenges including staff sickness, procurement and clinical productivity. Whilst the trust is on track to deliver their 2018/19 control total, they were materially adverse to plan in 2017/18 with only 52% of Cost Improvement Programmes (CIP) delivered. Previous shortfalls on the control total has caused them borrow over a number of years, albeit at a reduced level in 2018/19. The trust has also had issues with prompt payments to suppliers.
- In 2017/18 the trust reported a deficit of £18.5m excluding Sustainability and Transformation Funding (STF), which was a £6.2m deficit including STF, against a control total and plan of £5.8m deficit excluding STF and therefore an unfavourable variance of £12.7m.
- In 2018/19 the trust has agreed a £10.1m deficit control total excluding Provider Sustainability Funding (PSF), which is a £3.8m surplus including PSF, and which the trust is forecasting to deliver. The forecast deficit equates to 1.7% of planned turnover.
- The trusts previous financial performance had a large impact on the trust's cash position, with the failure in previous years to achieve the control total causing the trust to borrow extensively from the Department of Health. Borrowing has decreased considerably in 2018/19 from the previous two financial years (£34m in 2016/17, £46m in 2017/18 and £1m to October 2018/19), assisted by the improved financial performance of the trust.
- For 2017/18, the trust had an overall cost per weighted activity unit (WAU) of £3,444 compared with a national median of £3,486.
- The trusts pay cost per WAU of £2,069, compared with a national median of £2,180, placing it in the second lowest (best) quartile nationally. This means the trusts spends less on staff per unit of activity than most trusts. However, the trusts non-pay cost per WAU, at £1,375, is above the national median of £1,307 placing the trust in the second highest (worst) quartile. This means the trust spends more on other goods and services per unit of activity than most other trusts nationally.
- Individual areas where the trusts productivity compared particularly well included, staff retention, pathology and corporate services. Opportunities for improvement were identified in staff sickness, job planning and financial payment records.
- The trust was able to demonstrate the use of innovative workforce models which have been established in response to changing workforce trends, such as a regional bank pilot for Junior Doctors and the recruitment of nurses to advance practice roles. The trust noted the use of these models has contributed to their better than average benchmarking in relation to pay cost per WAU and staff retention.
- In addition, the trust demonstrated it is using technology in innovative ways to improve operational productivity and the use of its resources. For example, the 'Space Finder' tool which allows the trust to identify and fill gaps in theatre lists.
- At the time of the assessment, the trust demonstrated delivery against the constitutional operational performance standard for A&E with performance above the 95% target. Year to date performance for the trust was over 96% and above the

national average. The trust was not meeting the constitutional operational performance standards around Referral to Treatment (RTT) and Cancer.

How well is the trust using its resources to provide clinical services that operate as productively as possible and thereby maximise patient benefit?

- At the time of the assessment in January 2019, the latest data available demonstrated that the trust was meeting the constitutional operational performance standard for Accident & Emergency (A&E) with performance above the 95% standard. Sustained levels of performance against this standard were evidenced by the year to date performance of over 96%. The trust was not meeting the constitutional operational performance standards around RTT and Cancer. The trust has not delivered the RTT standard in 2018/19 and is working with NHS Improvement and NHS England to recover performance via an agreed plan on a page. The trust trajectory aims to reduce the current waiting list size to the March 2018 level. The trust reported cancer performance below the standard at the time of assessment but evidenced an improving trend towards the standard for December 2018.
- The trust demonstrated the use of 'Performance Management Walls' as the operational platform to establish clinical ownership for use of resources, quality and performance metrics. This platform and process has been the driver for change and improvement across the organisation.
- Patients are more likely to require additional medical treatment for the same condition at this trust compared to other trusts. At 8.29%, emergency readmission rates are slightly above the national median of 7.76% as at quarter two 2018/19.
- More patients are reported as coming into hospital unnecessarily prior to treatment compared to other hospitals in England.
    - On pre-procedure elective bed days, at 0.22, the trust is performing above the median when compared nationally – the national median is 0.17. The trust evidenced that as a tertiary centre and provider of specialist pathways (e.g. cardiology), many patients from the wider region are required to attend hospital the day before their operation and this accounts for a higher pre-operative length of stay.
    - On pre-procedure non-elective bed days, at 0.76, the trust is performing above the median when compared nationally – the national median is 0.65. The trust evidenced they have introduced operational management techniques and processes in place to manage admissions and day to day operational performance. For example, the 'Space Finder' tool which is designed to maximise theatre utilisation and the use of 'Performance Management Walls'.
- The Did Not Attend (DNA) rate for the trust is 7.98% for quarter two 2018/19 and above the national median of 7.32%, placing the trust in the second highest (worst) quartile. The trust provided evidence of the patient access policy and process for managing patients who DNA appointments. The trust has worked with the local Clinical Commissioning Groups (CGGs) and partners to identify the key patient groups responsible for high levels of DNAs and reviewed their patient access policy accordingly. The trust noted it expects to see an impact on the DNA rate in 2019/20 towards the national median.
- The trust reports a delayed transfers of care (DTOC) rate, at 4.8% for December 2018, that is higher than average and higher than the trust's own target rate of 3.5%. However, DTOC rates have been improving since April 2018. The trust noted this is due to improved operational management and an intensive recovery programme

undertaken with CCGs and local authority partners in April 2018. The DTOC rate has not impacted the ability to deliver the elective programme or accommodate non-elective activity. The trust evidenced the DTOC Call standard operating procedure used for the twice daily calls with local authorities. The trust also evidenced the employment of senior nurses into trusted assessor roles to improve delayed transfers of care associated with continuing healthcare.

- The trust provided detailed evidence of the engagement with Getting It Right Frist Time (GIRFT) programme and the establishment of a Clinical Intelligence Unit (CIU) at the trust to lead on this work. The trust has a member of the GIRFT team on site one day per week. The trust provided evidence of 11 specialties that have participated in the GIRFT programme with actions plans developed.
- The trust provided evidence of NHS Benchmarking Network findings into Emergency Care in collaboration with GIRFT which identified the trust as having more cost effective clinical models in absolute terms and cost per patient.

How effectively is the trust using its workforce to maximise patient benefit and provide high quality care?

- For 2017/18 the trust had an overall pay cost per WAU of £2,069, compared with a national median of £2,180, placing it in the second lowest (best) quartile nationally. This means that it spends less on staff per unit of activity than most trusts. The trust is in the second lowest (best) quartile for medical cost per WAU (£494 against a national median of £535). The trust is in the second highest quartile (worst) for nursing cost per WAU (£788 against the national median of £711) and is in the highest quartile (worst) for Allied Health Professional (AHP) cost per WAU (£174 against the national median of £130). The trust provided an example of how a review of medical job plans and the allocated Supporting Professional Activity (SPA) time has improved efficiency and availability of staff during times of high demand.
- The trust provided evidence of successful recruitment processes for substantive nursing posts in addition to using nurses (over 400) in advanced practice roles. The trust explained the level of substantive nurses and use of advanced nurse practice roles account for a higher than national median nursing cost per WAU, but also accounts for a reduced medical cost per WAU, for example, with daytime locums replaced by nursing specialists.
- The trust provided evidence of a remodelled AHP workforce during 2018/19 which delivered a £1.9 million reduction in expenditure to align cost per WAU to the national median.
- The trust met its agency ceiling as set by NHS Improvement for 2017/18 and is forecasting to meet its ceiling in 2018/19. It is spending significantly less than the national average on agency as a proportion of total pay spend. The trust has the second lowest (best) agency cost per WAU nationally at £28 against the national median of £108. The trust provided evidence of bank usage in place of agency which has removed the need to use agency nursing for a number of years. In addition, the trust provided evidence of being part of a regional bank pilot for junior doctors and is rolling this out to junior doctors in the trust which will reduce spend on medical locums.
- The trust gave a number of examples where they had developed new process and models to increase capacity and deliver efficiencies. This includes the review of Trauma & Orthopaedic service job plans which have achieved increased capacity from within existing staffing and cost. Evidence was also provided on the rollout of pharmacy deliveries to the logistics team which improved pharmacy ward deliveries from four times per day to an hourly service. The trust evidenced new models of

working using technology with the implementation of the 'Space Finder' tool to transform theatre utilisation. The trust demonstrated 'Space Finder' has delivered efficiencies, such as weekend work now almost being fully absorbed into weekday lists.

- The trust provided evidence of a full review undertaken by the Director of Nursing into the staffing mix and establishments for wards. The trust evidenced this had removed excess headroom in staffing numbers and maintained patient safety.
- The trust has e-rostering in place for community nurses, ward-based nurses, health care assistants and is being rolled out to AHP's during 2018/19. There are currently over 5,800 staff on e-roster with rotas provided 6 weeks in advance of being worked. The trust provided evidence of an award from the e-roster system supplier 'Allocate' on the implementation and use of e-rostering for a newly nurtured workforce of Therapeutic Care Support.
- The trust noted gaps in rotas were predominantly for hard to recruit to medical specialties which were the driver behind the agency costs incurred. Despite this, the trust remain one of the best performing trusts on agency spend. Gaps in nursing rotas were filled using a mixture of bank and maximising the e-roster system to re-allocate staff based on patient acuity on each ward.
- The trust stated that job planning for consultants is at 35%, with 19% awaiting sign-off and 46% still in discussion with clinician. The trust strategy to standardising consultant job plans to maximise resources, were providing significant and challenging negotiation with clinicians which was contributing to delayed sign-off. However, within the 35% signed off included are departments that are almost 100% complete (eg Emergency Care). Job plan reviews remain a priority for the trust in the remainder of 2018/19 and for 2019/20 to ensure the appropriate staffing levels at the correct grade and rate of pay are in place.
- Staff retention at the trust is good with a retention rate of 87.8% in October 2018 against a national median of 85.8%, placing the trust in the highest (best) quartile nationally.
- At 4.27% in June 2018, staff sickness at the trust is worse than the national average of 3.76%. The trust sickness absence trend mirrors the national trend but at a higher level placing the trust in the highest (worst) quartile. The trust provided evidence of a revised HR function working directly with clinical centres to deliver dedicated HR support to line managers, including sickness management. In addition, the trust evidenced the sickness management policy and the number of staff now being actively managed via the policy to help reduce sickness rates and reduce costs on bank staff.
- The trust has reviewed each ward's core nursing establishment for both registered nurses and HCAs. Staffing data provided by SafeCare is triangulated with professional judgement and discussion with ward teams to provide assurance of safe staffing.
- The trust has started a review into the pay of medical staff. This review is challenging the pay of staff and the job plans in place. The aim is to ensure appropriate staffing levels at the correct grade and pay rate. The review also plans to ensure controls are in place to maintain the job planning system and the trust's payroll system. A review has been conducted over junior doctor rotas with senior medical staff reviewing all rotas across the trust, similar to the review of nursing establishments conducted on wards. The trust evidenced new models of working using technology with the implementation of 'Space Finder' to transform theatre utilisation. 'Space Finder' has delivered efficiencies of weekend work now almost being fully absorbed into weekday lists.

How effectively is the trust using its clinical support services to deliver high quality, sustainable services for patients?

- The trust is using its clinical support services in an effective way to deliver high quality services for its patients. Its overall cost per test is £1.48 which places it in the lowest (best) quartile nationally and below the median cost of £1.91. Whilst some difficulties had been experienced by the trust in managing cellular pathology referrals, progress had been made which has reduced the backlog of patients waiting 4 weeks or more from over 1,600 in December 2018 to 614 in January 2019.
- The trust noted the challenges which the national shortage of pathologists was having on trusts across the country. Whilst the trust had no formal collaborative arrangements in place for pathology (or radiology), they had progressed plans to work in partnership with neighbouring trusts in the near future. A Strategic Outline Case document has been produced to support collaborative working that would allow pathology and radiology services to be shared across local trusts. The proposed benefits from this venture were still being finalised between participating trusts.
- Regarding Imaging Services, the overall cost per report was just below the national median of £50 with the trusts cost standing at £46.91. The trust demonstrated plans were being taken to reduce costs further by looking at identifying and challenging inappropriate levels of demand and working better with local Multi-Disciplinary Teams (MDTs) and GPs regarding the appropriateness of referrals.
- The trust appears to be an outlier with regards to its medicines spend with a cost per WAU of £340 in comparison to a national median of £282. However, the trusts noted a large part of this is driven by the purchase of high cost drugs particularly where the trust provides a sub-regional service, as well as a high percentage of these costs being pass through cost savings to commissioners.
- As part of the Top 10 Medicines programme, as of March 2018, the trust is making good progress in delivering on nationally identified savings opportunities, achieving 118% of the savings target. However, there are still one or two drugs whose uptake could be further improved, for example Rituximab. As at November 2018, the trust's pharmacy team had delivered £1.34m savings and were on track to deliver their end of year savings level.
- The trust demonstrated it is constantly looking for opportunities to reduce waste and make efficiencies. As evidence the trust provided details of the plan to invest in dispensing cabinets that will be located on wards over the next 6 months that are expected to generate a further 10% reduction on drugs spend. The Pharmacy team have also worked with colleagues in Procurement to promote quicker more effective deliveries of drugs to wards which are expected to promote more effective hospital discharge arrangements.
- The trust are using technology in innovative ways to improve operational productivity including, for example, the use of its Space Finder tool which allows the trust to identify and plan to fill gaps in up and coming theatre lists. The trust are also investigating the use of voice recognition systems for its consultant staff to free up admin time which is expected generate admin and clerical spend savings of £1.5m in 18/19.

How effectively is the trust managing its corporate services, procurement, estates and facilities to maximise productivity to the benefit of patients?

- The trust has achieved a strong financial corporate service position over the past 2 years with a current finance function cost of £486,300 per £100m turnover which is below the national median spend level of £676,480 and places the trust in the lowest (best) quartile. The trust explained this has been in part supported by a new model being introduced into the function which has seen junior staff focusing on the delivery of more routine financial tasks (eg raising invoices and getting cash into the trust); and more senior staff working with other colleagues to look at developing more innovative ways of working.
- The HR function cost, at £809,460, is below the national median of £898,020, placing the trust in the second lowest (best) quartile. However, the trust's core HR cost does benchmark higher than the national average with a spend of £281,700 in comparison with the national median of £223,500. In response to this the trust have implemented a new HR model. The new model will see a net reduction in wte of 8 HR posts and aims to help the trust deliver, for example, reductions in staff sickness, improved number of timely appraisals and mandatory training levels.
- For 2017/18 the trust had an overall non-pay cost per WAU of £1,375 compared with a national median of £1,307 placing it in the second highest (worst) quartile nationally. The trust noted two of the main reasons for this are the high Private Finance Initiative (PFI) costs being experienced by the trust, and expenditure on high cost pass through devices that should now be purchased at zero cost.
- The trust's procurement processes are relatively efficient which is reflected in the Procurement Process Efficiency and Price Performance Score of 72 for quarter two 2018/19 compared to a national median of 66.
- For 2017/18 the trust's cost for its Supplies and Services is expensive at £492 per WAU in comparison to the national median of £364. However, the trusts procurement system was upgraded at the end of 2017/18 with the benefits of the integrated solution being seen within 2018/19. The trust now fully operates a no purchase order no pay policy on its AP invoices, forcing suppliers and end users within the trust to follow the appropriate procurement method and allow challenge and review. Stronger controls regarding the use of discretionary spend levels have also been introduced requiring senior review before the release of purchase orders. The trust is in the process of rolling out NHS Supply Chains eDC (electronic Data Capture) scanning technology to its ward based areas.
- The trust evidenced high levels of usage of the Purchase Price and Index Benchmarking (PPIB) tool with targeted analysis of the top 100 products to identify savings opportunities.
- The trust is an outlier for Estates and Facilities Management service costs. At £434 per square metre in 2017/18, the trust benchmarks above the national average of £379 per square metre. As noted previously a key reason for this is the PFI costs which the trust is currently tied into.
- The reported backlog maintenance position for the trust for 2017/18 was £7.2 million which is the equivalent of £264 per square metre. The trust evidenced a detailed review and investigation of schemes included in the submission for 2017/18. The review identified several schemes had been wrongly categorised in the submission. A revised backlog maintenance figure for 2017/18 is now £1.4 million.
- The trust benchmarks well for its hard facilities management (FM) services with its hard FM cost showing £89 per square metre in comparison to national median of £93 per square metre. However, it benchmarks above the median for soft FM costs at £131 per square metre in comparison to a national median of £122 per square metre.

How effectively is the trust managing its financial resources to deliver high quality, sustainable services for patients?

- In 2017/18 the trust reported a deficit of £18.5m excluding Sustainability and Transformation Funding (STF), which was a £6.2m deficit including STF, against a control total and plan of £5.8m deficit excluding STF and therefore an unfavourable variance of £12.7m.
- In 2018/19 the trust has agreed a £10.1m deficit control total excluding Provider Sustainability Funding (PSF), which is a £3.8m surplus including PSF, and which the trust is forecasting to deliver. The forecast deficit equates to 1.7% of planned turnover.
- Both the trust's income and expenditure margin and distance from financial plan metrics have improved between 2017/18 and 2018/19, driven by the improved performance of the trust in the delivery of savings thereby reducing its cost base.
- The trust has an ambitious cost improvement plan (CIP) of £26.4m (or 4.3% of its expenditure) and is currently forecasting to achieve £28.8m, therefore a positive variance of £2.4m, of which 87% is recurrent. The trust delivered £15.9m (2.6% of its expenditure) of planned savings in 2017/18, or 53% of the planned level and of which 82% were recurrent.
- Within the last financial year, the grip and control of the organisation over both pay and non-pay has improved with cost savings being identified, as can be seen by the improved run rate of the trust.
- The trusts non-pay spend has been further controlled in-year although remains more volatile than pay spend. Controls have been introduced on discretionary items with senior review before the release of purchase orders.
- The trust's previous financial performance had a large impact on the trust's cash position, with the failure in previous years to achieve the control total causing the trust to borrow extensively from the Department of Health to fund both the underlying revenue deficit and capital spending, as reflected by its capital service and liquidity metrics (Use of Resources scores of 4 and 3 respectively). Borrowing has decreased dramatically in 2018/19 from the previous two financial years (£34m in 2016/17, £46m in 2017/18 and £1m to October 2018/19), assisted by the improved financial performance of the trust.
- Constrains on cash have resulted in the trust closely monitoring payments to suppliers, prioritising non-NHS suppliers for critical supplies and services. The trust Investment Committee reviews capital and liquidity performance each month. The payment record of the trust in previous years remained poor but in the current year a marked improvement has been seen; 62% of invoices were paid in compliance with the Better Payment Practice Code to December 2018/19, compared to 27% in 2017/18.
- The trust completes all the required national costing returns and has participated in the national costing transformation project. The trust is currently undertaking a review of all its cost drivers (utilising service line reporting and reference costs) and continues to embed costing into the main financial management function of the trust to make costing more prevalent. The trust used costing information to benchmark adult critical care tariffs against four other tertiary centres and national reference costs. This identified that on average critical care services are underfunded by £4.5m and the trust is working with NHS England specialised commissioners to address the shortfall.
- In 2018/19 the trust signed an Aligned Incentive contract with its two main CCG commissioners. This reduces the risk to the trust from Clinical Income but also

ensures the wider NHS system is in balance. The trust's other income streams have been fully reviewed over the current and prior financial year and charges have been increased to drive additional income where appropriate. This has included additional charges for car parking, increase in fees for the on-site nursery and increases in rental charges for tenants.

- The trust has reduced the use of and spend on external management consultancy over the last three years. The trust historically utilised the support of a number of management consultants to assist with its efficiency programme and drive transformational change. In 2017/18 the trust was part of NHS Improvement Financial Improvement (FIP2) programme. This resulted in additional spend in both 2017/18 and 2018/19 for the services of external consultants, equating to £1.0m in each of the financial years. Without this spend the trust would have seen a significant reduction over a three year period.

Outstanding practice

- Innovative new roles including the employment of senior nurses into trusted assessor roles delivering improved delayed transfers of care (DTOC's) associated with continuing healthcare. Linked to these roles was an overall impressive process for daily calls with local authorities as evidence of system working to drive improvements in DTOC's.
- The trust demonstrated effective bank usage in lieu of agency removing the need for agency nursing in the last two years. The trust evidenced involvement in a regional bank pilot for junior doctors which will further reduce medical spend. Recruitment to substantive posts and innovative bank arrangements ensured the trust agency was the second best nationally in 2017/18.
- The trust recognise technology as means to deliver innovation and efficiency to health care provision. The trust is the pioneer for 'Space Finder', a product that enables theatre utilisation to be maximised. The tool analyses the waiting list, available theatre time and can forecast what procedures (including variances for operating clinician) can be accommodated in the remaining theatre time. The benefits to date include absorption of weekend theatre work into weekday theatre lists.
- The trust recognises the correlation of pace and frequency of pharmacy deliveries to the timely care of patients on the wards. The trust evidenced a review of pharmacy deliveries to wards utilising staff resources in the logistics team. The impact has increased delivery rates to wards from four times per day to an hourly service.

Areas for improvement

- Continued efforts to address the overall financial position of the trust.
- Further work is required to continue to improve the payment record for the trust.
- Delivery of constitutional operational performance standards for RTT and Cancer.
- Further work is required to address the higher than average staff sickness levels, however, some of this may be addressed with the revised HR model.

- Further improvements are required on the volume of consultants with an agreed job plan from the level of 35% provided at the time of the assessment.

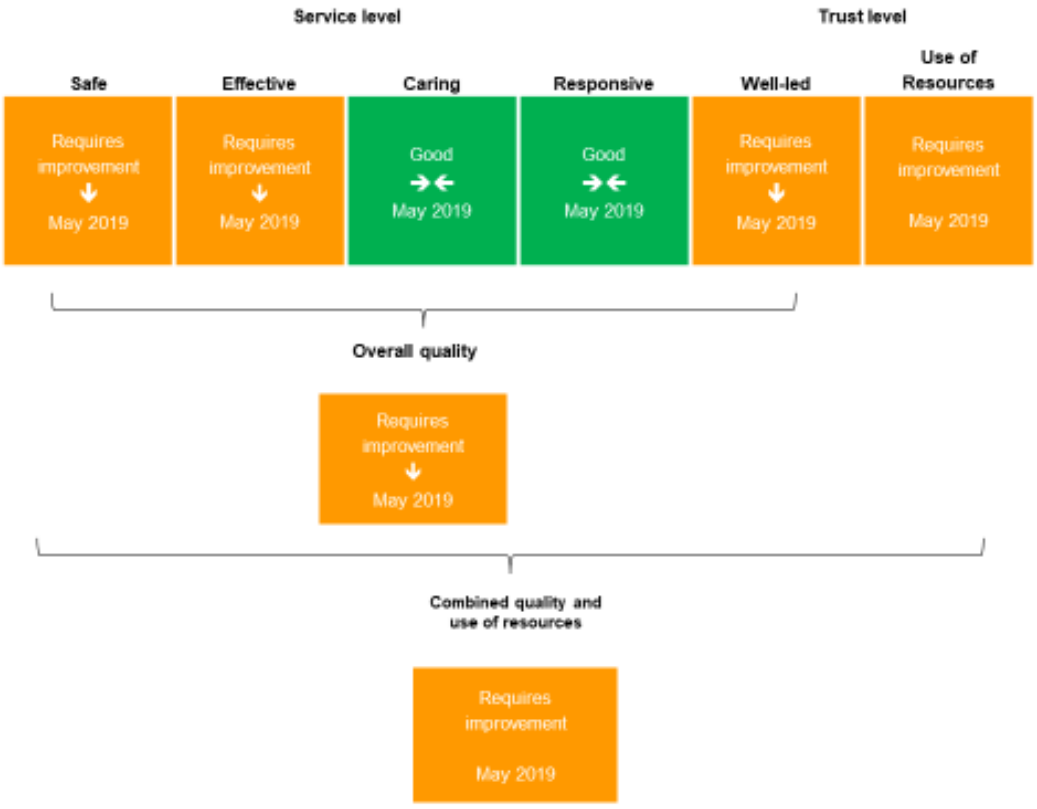
Ratings tables

Key to tables					
Ratings	**Inadequate**	**Requires improvement**	**Good**	**Outstanding**	
Rating change since last inspection	Same	Up one rating	Up two ratings	Down one rating	Down two ratings
Symbol *	➔➔	↑	↑↑	↓	↓↓
Month Year = date key question inspected					

***** Where there is no symbol showing how a rating has changed, it means either that:

- we have not inspected this aspect of the service before or
- we have not inspected it this time or
- changes to how we inspect make comparisons with a previous inspection unreliable.

Ratings for the whole trust



Use of Resources report glossary

Term	Definition
18-week referral to treatment target	According to this national target, over 92% of patients should wait no longer than 18 weeks from GP referral to treatment.
4-hour A&E target	According to this national target, over 95% of patients should spend four hours or less in A&E from arrival to transfer, admission or discharge.
Agency spend	Over reliance on agency staff can significantly increase costs without increasing productivity. Organisations should aim to reduce the proportion of their pay bill spent on agency staff.
Allied health professional (AHP)	The term 'allied health professional' encompasses practitioners from 12 diverse groups, including podiatrists, dietitians, osteopaths, physiotherapists, diagnostic radiographers, and speech and language therapists.
AHP cost per WAU	This is an AHP specific version of the pay cost per WAU metric. This allows trusts to query why their AHP pay is higher or lower than national peers. Consideration should be given to clinical staff mix and clinical staff skill mix when using this metric.
Biosimilar medicine	A biosimilar medicine is a biological medicine which has been shown not to have any clinically meaningful differences from the originator medicine in terms of quality, safety and efficacy.
Cancer 62-day wait target	According to this national target, 85% of patients should begin their first definitive treatment for cancer within 62 days following an urgent GP referral for suspected cancer. The target is 90% for NHS cancer screening service referrals.
Capital service capacity	This metric assesses the degree to which the organisation's generated income covers its financing obligations.
Care hours per patient day (CHPPD)	CHPPD measures the combined number of hours of care provided to a patient over a 24 hour period by both nurses and healthcare support workers. It can be used to identify unwarranted variation in productivity between wards that have similar speciality, length of stay, layout and patient acuity and dependency.
Cost improvement programme (CIP)	CIPs are identified schemes to increase efficiency or reduce expenditure. These can include recurrent (year on year) and non-recurrent (one-off) savings. CIPs are integral to all trusts' financial planning and require good, sustained performance to be achieved.
Control total	Control totals represent the minimum level of financial performance required for the year, against which trust boards, governing bodies and chief executives of trusts are held accountable.
Diagnostic 6-week wait target	According to this national target, at least 99% of patients should wait no longer than 6 weeks for a diagnostic procedure.

Did not attend (DNA) rate	A high level of DNAs indicates a system that might be making unnecessary outpatient appointments or failing to communicate clearly with patients. It also might mean the hospital has made appointments at inappropriate times, eg school closing hour. Patients might not be clear how to rearrange an appointment. Lowering this rate would help the trust save costs on unconfirmed appointments and increase system efficiency.
Distance from financial plan	This metric measures the variance between the trust's annual financial plan and its actual performance. Trusts are expected to be on, or ahead, of financial plan, to ensure the sector achieves, or exceeds, its annual forecast. Being behind plan may be the result of poor financial management, poor financial planning or both.
Doctors cost per WAU	This is a doctor specific version of the pay cost per WAU metric. This allows trusts to query why their doctor pay is higher or lower than national peers. Consideration should be given to clinical staff mix and clinical staff skill mix when using this metric.
Delayed transfers of care (DTOC)	A DTOC from acute or non-acute care occurs when a patient is ready to depart from such care is still occupying a bed. This happens for several reasons, such as awaiting completion of assessment, public funding, further non-acute NHS care, residential home placement or availability, or care package in own home, or due to patient or family choice.
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation divided by total revenue. This is a measurement of an organisation's operating profitability as a percentage of its total revenue.
Emergency readmissions	This metric looks at the number of emergency readmissions within 30 days of the original procedure/stay, and the associated financial opportunity of reducing this number. The percentage of patients readmitted to hospital within 30 days of discharge can be an indicator of the quality of care received during the first admission and how appropriate the original decision made to discharge was.
Electronic staff record (ESR)	ESR is an electronic human resources and payroll database system used by the NHS to manage its staff.
Estates cost per square metre	This metric examines the overall cost-effectiveness of the trust's estates, looking at the cost per square metre. The aim is to reduce property costs relative to those paid by peers over time.
Finance cost per £100 million turnover	This metric shows the annual cost of the finance department for each £100 million of trust turnover. A low value is preferable to a high value but the quality and efficiency of the department's services should also be considered.
Getting It Right First Time (GIRFT) programme	GIRFT is a national programme designed to improve medical care within the NHS by reducing unwarranted variations.
Human Resources (HR)	This metric shows the annual cost of the trust's HR department for each £100 million of trust turnover. A low value is preferable to a high value but the quality and efficiency of the department's services should also be considered.

cost per £100 million turnover	
Income and expenditure (I&E) margin	This metric measures the degree to which an organisation is operating at a surplus or deficit. Operating at a sustained deficit indicates that a provider may not be financially viable or sustainable.
Key line of enquiry (KLOE)	KLOEs are high-level questions around which the Use of Resources assessment framework is based and the lens through which trust performance on Use of Resources should be seen.
Liquidity (days)	This metric measures the days of operating costs held in cash or cash equivalent forms. This reflects the provider's ability to pay staff and suppliers in the immediate term. Providers should maintain a positive number of days of liquidity.
Model Hospital	The Model Hospital is a digital tool designed to help NHS providers improve their productivity and efficiency. It gives trusts information on key performance metrics, from board to ward, advises them on the most efficient allocation of resources and allows them to measure performance against one another using data, benchmarks and good practice to identify what good looks like.
Non-pay cost per WAU	This metric shows the non-staff element of trust cost to produce one WAU across all areas of clinical activity. A lower than average figure is preferable as it suggests the trust spends less per standardised unit of activity than other trusts. This allows trusts to investigate why their non-pay spend is higher or lower than national peers.
Nurses cost per WAU	This is a nurse specific version of the pay cost per WAU metric. This allows trusts to query why their nurse pay is higher or lower than national peers. Consideration should be given to clinical staff mix and clinical staff skill mix when using this metric.
Overall cost per test	The cost per test is the average cost of undertaking one pathology test across all disciplines, taking into account all pay and non-pay cost items. Low value is preferable to a high value but the mix of tests across disciplines and the specialist nature of work undertaken should be considered. This should be done by selecting the appropriate peer group ('Pathology') on the Model Hospital. Other metrics to consider are discipline level cost per test.
Pay cost per WAU	This metric shows the staff element of trust cost to produce one WAU across all areas of clinical activity. A lower than average figure is preferable as it suggests the trust spends less on staff per standardised unit of activity than other trusts. This allows trusts to investigate why their pay is higher or lower than national peers.
Peer group	Peer group is defined by the trust's size according to spend for benchmarking purposes.
Private Finance Initiative (PFI)	PFI is a procurement method which uses private sector investment to deliver infrastructure and/or services for the public sector.
Patient-level costs	Patient-level costs are calculated by tracing resources actually used by a patient and associated costs

Pre-procedure elective bed days	This metric looks at the length of stay between admission and an elective procedure being carried out – the aim being to minimise it – and the associated financial productivity opportunity of reducing this. Better performers will have a lower number of bed days.
Pre-procedure non-elective bed days	This metric looks at the length of stay between admission and an emergency procedure being carried out – the aim being to minimise it – and the associated financial productivity opportunity of reducing this. Better performers will have a lower number of bed days.
Procurement Process Efficiency and Price Performance Score	This metric provides an indication of the operational efficiency and price performance of the trust's procurement process. It provides a combined score of 5 individual metrics which assess both engagement with price benchmarking (the process element) and the prices secured for the goods purchased compared to other trusts (the performance element). A high score indicates that the procurement function of the trust is efficient and is performing well in securing the best prices.
Sickness absence	High levels of staff sickness absence can have a negative impact on organisational performance and productivity. Organisations should aim to reduce the number of days lost through sickness absence over time.
Service line reporting (SLR)	SLR brings together the income generated by services and the costs associated with providing that service to patients for each operational unit. Management of service lines enables trusts to better understand the combined view of resources, costs and income, and hence profit and loss, by service line or speciality rather than at trust or directorate level.
Supporting Professional Activities (SPA)	Activities that underpin direct clinical care, such as training, medical education, continuing professional development, formal teaching, audit, job planning, appraisal, research, clinical management and local clinical governance activities.
Staff retention rate	This metric considers the stability of the workforce. Some turnover in an organisation is acceptable and healthy, but a high level can have a negative impact on organisational performance (eg through loss of capacity, skills and knowledge). In most circumstances organisations should seek to reduce the percentage of leavers over time.
Top Ten Medicines	Top Ten Medicines, linked with the Medicines Value Programme, sets trusts specific monthly savings targets related to their choice of medicines. This includes the uptake of biosimilar medicines, the use of new generic medicines and choice of product for clinical reasons. These metrics report trusts' % achievement against these targets. Trusts can assess their success in pursuing these savings (relative to national peers).
Weighted activity unit (WAU)	The weighted activity unit is a measure of activity where one WAU is a unit of hospital activity equivalent to an average elective inpatient stay.