East and North Hertfordshire NHS Trust

Use of Resources assessment report

Address:
East and North Hertfordshire NHS Trust
Lister Hospital
Coreys Mill Lane
Stevenage
SG1 4AB

Tel: 01438 314333
www.enherts-tr.nhs.uk

Date of publication: 17 July 2018

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?	**Requires improvement**
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/RWH/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 safe, effective, responsive, and well-led as requires improvement. We rated caring as good.
- We rated two of the trust's nine services we inspected as inadequate, five as requires improvement, and two as good.
- In rating the trust, we took into account the current ratings of the core services not inspected at the time.
- We rated well-led for the trust overall as requires improvement.
- The trust was rated requires improvement for use of resources. Full details of the assessment can be found on the following pages.

NHS Improvement

East and North Hertfordshire NHS Trust

Use of Resources assessment report

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East and North Hertfordshire NHS Trust
Lister Hospital
Coreys Mill Lane
Stevenage
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Tel: 01438 314333
www.enherts-tr.nhs.uk

Date of site visit:
11 April 2018

Date of NHS publication:
17 July 2018

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 11 April 2018 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.

Summary of findings

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

We rated Use of Resources as requires improvement because the trust is not making best use of its resources to enable it to provide high quality, efficient and sustainable care for patients:

- The NHS trust failed to deliver its financial plan in 2016/17, reporting a deficit of £29.5 million including Sustainability and Transformation Funding (STF) or £34.7 million excluding STF, against its financial plan of a deficit of £8.7 million including STF or £19.4 million excluding STF.
- In 2016/17 the NHS trust delivered recurrent cost improvement plans (CIPs) of £12.9 million, equivalent to 2.9% of total expenditure. As at 31 December 2017, the NHS trust was off track by £2.2 million against its plan to deliver cost reduction efficiencies of £23.3m in 2017/18, equivalent to 5.0% of total expenditure.
- As at 31 December 2017, including STF, the NHS trust was £13.1 million off track against its plan to achieve a deficit of £7.7 million for 2017/18. Excluding STF the NHS trust was £7.8 million off track against its plan to achieve a deficit of £18.0 million for 2017/18. The NHS trust's financial and operational performance in 2017/18 was materially affected by the problems caused by the roll-out of the new Electronic Patients Records (EPR) system.
- The NHS trust is reliant on funding support from the Department of Health to meet its financial obligations and deliver its services.
- The NHS trust had made some progress on improving its clinical efficiencies and has recently sought external advice from clinical efficiency consultants Four Eyes Insight (FEI) – consultants who analyse operational productivity informatics and suggest opportunities for improvement and Six Sigma – experts in assessing and implementing 'Lean' methodology to business processes. However, these efficiencies have not been sustainably implemented and have also been impacted by operational and reporting issues following implementation of a new EPR system in September 2017.
- The issues from the implementation of the EPR system were due to inadequate and inappropriate pre-implementation testing, insufficient uptake of staff training and limited clinical input into the implementation process. NHS Digital were involved in two pre-implementation 'dry-runs' and feedback provided was addressed by the trust. NHS Digital also provided assurance to the NHS trust Board regarding trust readiness for the EPR implementation prior to go-live. Since implementation, NHS Digital is part of the multi stakeholder team providing support to the trust as part of the EPR Stabilisation Steering group.
- The NHS trust spends more on pay and other goods and services per weighted unit of activity (WAU) than most other trusts nationally at £3,670 per WAU compared to a national average of £3,484. This indicates that the NHS trust is less productive at delivering services than other trusts by showing that, on average, the NHS trust spends more to deliver the same number of services.
- For 2016/17 individual areas where the NHS trust's productivity compared well against other trusts nationally included nursing and allied health professional (AHP) staff costs and estate costs. However, significant opportunities for improvement were identified in medical staff costs, non-pay costs, finance / human resources departmental costs and

procurement. For example, for 2016/17 the NHS trust's medical staff costs were well into the highest national quartile at £580 per WAU compared to the national median of £526.

- Following concerted action by the NHS trust and its work with the Hertfordshire and Bedfordshire consortium, the NHS trust has significantly reduced its agency staffing costs and materially out-performed against its NHS Improvement agency ceiling for 2017/18.

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

- For the period of this review, the NHS trust's use of resources to efficiently provide clinical services has been significantly hampered by the implementation of a new EPR system in September 2017. Following implementation, the trust had limited visibility of patient's lists, outpatient clinics and diagnostics waiting lists which impacted the staff's ability to manage activity and patient flow.

- Following this IT implementation the NHS trust has faced a number of issues with managing its key operations and reporting on them which have adversely impacted the NHS trust's productivity as well as reported performance against national standards for Accident & Emergency (A&E) and Referral to Treatment (RTT). Performance management and reporting of the Cancer 62 day standard was less impacted as it operates on a different platform.
- At the time of the assessment in April 2018, the NHS trust was not meeting the constitutional operational performance standards for Cancer and A&E. It should be noted however, that the NHS trust had recorded improvements in its Cancer performance between June 2017 and February 2018.
- In addition, given the data reporting issues caused by the EPR implementation, the NHS trust has not been able to report its performance against the RTT target and the Diagnostics waiting times target since October 2017. The NHS trust expects to resume national reporting by November 2018.
- For the period from 1 September 2017 to 31 December 2017 the NHS trust's emergency readmission rate of 4.5% was significantly better than the national average of 7.4%. This indicates that patients at the NHS trust were less likely to require additional medical treatment for the same condition compared to other trusts nationally.
- In 2017/18 fewer patients came to this NHS trust unnecessarily prior to elective treatments compared to the national average. On pre-procedure elective bed days, at 0.14 for December 2017, the NHS trust is performing largely in line with the national average of 0.13. However, the NHS trust's performance has declined from 0.8 in September 2017 which is due to the inefficient booking of theatre sessions driven by limitations caused by the EPR implementation. This was because, after the implementation of the system, booking clerks and administrative staff did not have full access to the theatre sessions and clinic slots and this impacted on the efficient utilisation of available theatre and clinic resources.
- However, on pre-procedure non-elective bed days, at 1.02 for December 2017, the NHS trust is performing worse than the average of 0.8 when compared nationally. This indicates that non-elective patients may be spending more time than they need to in hospital prior to non-elective treatments.
- The Did Not Attend (DNA) rate for the NHS trust is high at 10.5% for December 2017 and has increased significantly from 8% for December 2016. Following the implementation of the EPR system, the NHS trust did not have access to the details of patients awaiting appointments. It also lacked accurate data regarding available patient

appointments. This led to clinic booking slots not being filled effectively, patients not being aware that they had been given appointments or patients presenting themselves for incorrect appointments, all of which impacted the increase in the DNA rate of the NHS trust.

- In February 2018 the NHS trust reported it had 203 Delayed Transfers Of Care (DTOC), significantly better than the national average of 548. The NHS trust has consistently had better DTOC rates than its peers in part due to having more bed capacity than other trusts in the local area and also due to its dedicated treatment centre for elective work which enables a more focussed patient flow in emergency care.
- The NHS trust has good working relationships with its local commissioners, community providers and mental health providers.
- The NHS trust has confirmed that the Getting It Right First Time (GIRFT) programme is discussed at Board development days and GIRFT visits have led to changes in clinical practice, for example, the ring-fencing of surgical beds.
- The NHS trust engaged with Four Eyes Insight (FEI) between November 2016 and June 2017 to assess productivity and efficiency opportunities to improve theatre utilisation, outpatient's activity and elective patient flow. In addition, the NHS trust also engaged with Six Sigma to improve their ambulance handover and triage processes.
- The NHS trust has not yet been able to utilise the outputs of FEI's work to improve productivity due to issues with availability of accurate and complete data following implementation of the EPR system.
- The NHS trust did benefit from the Six Sigma work to improve ambulance handover and patient triage processes, and was one of the best performers nationally for ambulance handover times in the first few weeks following implementation of the new processes. However, the NHS trust has not been able to sustain these improvements in large part due to winter pressures.

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

- Overall the NHS trust's use of its workforce resources is better than national average but there are opportunities to develop more innovative workforce models and make more effective use of its medical workforce.
- For 2016/17 the NHS trust had an overall pay cost per WAU of £2,130, compared with a national median of £2,157, placing it in the second best cost quartile nationally. This means that it spends less on staff per unit of activity than most NHS trusts. The NHS trust is in the best quartile for AHP cost per WAU and the second best quartile for nursing cost per WAU, although it benchmarks in the worst quartile for medical cost per WAU. The NHS trust is improving the productivity of its medical workforce by continuing to focus on medical recruitment, job planning and e-rostering.
- The NHS trust did not meet its agency ceiling as set by NHS Improvement for 2016/17 but is forecasting to meet its ceiling for 2017/18. In 2016/17 it spent more than the national average on agency and locum as a proportion of total pay spend but, following a significant reduction in 2017/18, it spent less than the national average in 2017/18. It achieved significant reductions in the agency and locum staff use through effective substantive post recruitment, conversion of agency and bank workers to substantive posts, collective management of agency via the Hertfordshire and Bedfordshire consortium and tighter controls over the use of agency and locum staff.

- The NHS trust's work with the innovative Hertfordshire and Bedfordshire consortium has also allowed the trusts involved to work collectively to get the best deals through joint tender exercises and by following common processes, which has delivered harmonised agency and staff bank rates and rate cap compliance in line with NHS Improvement's requirements.
- The NHS trust has not maximised the benefits of innovative workforce models and new roles. Some new and innovative models are being deployed, for example a consultant midwife, but further innovation has not been deployed, particularly in relation to advanced practice for nurses and AHPs and how these roles could support medical workforce challenges.
- The NHS trust actively manages rotas to ensure there are safe staffing levels and are engaged in a number of activities to ensure the NHS trust is fully utilising the skills and capacity available to them. The NHS trust uses e-rostering for nurses to manage the scheduling of nursing staff on a rolling basis seven weeks ahead of time. The scheduling of the majority of middle grade medics is also managed via a rostering system and there are plans to extend this to consultant grade medics.
- The vast majority of consultants have a current job plan which sets out each consultant's agreed working pattern including on call commitments and supporting professional activities.
- Staff retention at the NHS trust shows room for improvement, with a retention rate of 83.6% for the 12 months to 31 January 2018 against a national average of 85.7% for the same period.
- At 5.1% for December 2017, staff sickness rates are worse than the national average of 4.6%, partly due to the impact of non-trust workers hosted by the NHS trust. The NHS trust has implemented a new centralised and proactive sickness management process, although the impact of this has not yet been seen.
- Following the EPR implementation in September 2017, the trust has not been able to increase productivity around better job planning, theatre scheduling to maximise consultant productivity. Staff productivity has also been impacted due to limited visibility on appointments and clinics.

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

- Overall the NHS trust has suffered from legacy decisions and issues and for the last 12 months has been working to rectify this position. This is has had varying levels of success in the different clinical support services. Pathology continues to be a work in progress in line with NHS Improvement timelines for the forming of networks. Medicines have delivered good savings and an inaccurate legacy stock control system has been replaced. Use of technology within the NHS trust continues to be worked upon.
- For pathology the NHS trust was part of the now dissolved "The Pathology Partnership" collaboration and suffered operationally and financially as a result of this venture. At the present time the NHS trust has a contract in place to receive pathology services from Cambridge University Hospitals NHS Foundation Trust. This contract is non-volume based to enable some tests to be delivered in-house by the NHS trust where economically and clinically viable. Going forwards the NHS trust has plans to implement a Sustainability and Transformation Partnership (STP)-wide pathology solution and has an agreement in principle to this effect with local partners.

- In terms of radiology the NHS trust operates a standalone, in-house service. There is the potential for a local reciprocal arrangement going forward. The NHS trust has a demand management plan for radiology and is working with an improvement partner in this respect.
- The NHS trust's medicines cost per WAU of £392 for 2016/17 is relatively high when compared to the national average of £320. However, the NHS trust believes this relates to its previous stock management system which estimated the median cost of medicines. This has been replaced by a system that records the actual costs of medicines and the NHS trust expects this to positively impact on this metric in the future.
- As part of the Top Ten Medicines Programme, the NHS trust has made good progress in delivering on nationally identified savings opportunities, achieving 107% (£1.9m) of the savings target against a national average of £1.8m.
- The NHS trust's performance on non-high cost medicines is also better than average by over £100 per WAU. Non-medical prescribers are being implemented throughout wards, and some are already based at the Mount Vernon Cancer Centre.
- The NHS trust saved over £2 million in 2017/18 by switching to similar medicines that are cheaper to buy. This represents a great deal of investment in the influencing of consultant prescribing behaviour.
- The NHS trust's higher than average antibiotic usage is being addressed through an antimicrobial forum and forms part of a Commissioning for Quality & Innovation (CQUIN).
- The NHS trust has implemented a new electronic interface with PharmOutcomes as part of an STP initiative that enhances the timely communication of medication patients are to be discharged with to community pharmacies. This project is supported by the Eastern Academic Science Network.

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

- For 2016/17 the NHS trust had an overall non-pay cost per WAU of £1,540, compared with a national median of £1,301, placing it in the highest cost quartile nationally. This represents a small deterioration on the previous year. This suggests that the NHS trust may be able to reduce its spending on non-pay supplies by increasing the percentage on contract and services, specifically pathology.

- The costs of running the Finance and Human Resources departments are higher than the national average although the NHS trust believes that these figures are indicative of a high turnover of staff within 2016/17 and reliance on high-cost interim staff that have subsequently been replaced by substantive post holders.

- The NHS trust does not have an overall corporate services transformation plan although it has already consolidated some corporate services with local partners. For example the payroll function is shared with local partners and hosted by the NHS trust, as is occupational health.

- The NHS trust's procurement processes are relatively inefficient and tend not to successfully drive down the costs of the things it buys. The NHS trust's overall process and performance score for procurement (which provides an overall view of how efficient and how effective a trust is in its procurement process and price performance) for the period from 1 January 2017 to 31 March 2017 was 50.5 which places the NHS trust in the second worst quartile nationally.

- In addition, for the period from 1 October 2017 to 31 December 2017 the NHS trust's percentage of non-pay spend on contract was 56% which was in the worst quartile nationally. The NHS trust is making good use of the Purchasing Price Index Benchmark (PPIB) tool with over 1,000 logins in the period from 1 July to 30 September 2017 but the variance from minimum price for the same period was 12.8% demonstrating it has not been translating this information into savings opportunities.

- Furthermore, only 19.6% of the NHS trust's non-pay spend is in PPIB which leaves 80.4% not price matched or benchmarked against best price. A review in December 2017 by NHS Improvement of the shared procurement function used by the NHS trust found that members of the collaborative are purchasing at different prices, different volumes and with different lead times. This suggests there are further opportunities to better manage down procurement costs via improvements to the shared function or by other means of collaboration.

- Overall for 2016/17 the procurement function cost £933,680 which places the NHS trust in the second most expensive quartile.

- The NHS trust is making very good use of its estate as evidenced by its positive performance in a high number of estate metrics in the Model Hospital. The NHS trust is reaping the benefits of its 10-year strategy which was completed in 2015. The estates team also conducts regular internal benchmarking exercises to better manage internal service provision.

- Backlog Maintenance was £175 per square metre for 2016/17. This places the NHS trust well into the second best quartile nationally. The cost of all estates and property maintenance per square metre of occupied floor area is assessed as being £24 per square metre for 2016/17 which places the NHS trust in the best quartile nationally.

- The NHS trust is a negative outlier on only a very small number of estates metrics.

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

- The NHS trust is in deficit and has a poor track record of managing spending within available resources and in line with plans.
- The NHS trust failed to deliver its financial plan in 2016/17, reporting a deficit of £29.5 million including Sustainability and Transformation Funding (STF) or £34.7 million excluding STF, against its financial plan of a deficit of £8.7m including STF or £19.4 million excluding STF. The Trust's deficit including STF in 2016/17 represented 7.2% of its income.
- As at 31 December 2017, including STF the NHS trust was £13.1 million off track against its plan to achieve a deficit of £7.7 million for 2017/18. Excluding STF the NHS trust was £7.8 million off track against its plan to achieve a deficit of £18.0 million for 2017/18. The NHS trust's financial and operational performance in 2017/18 was materially affected by the problems caused by the roll-out of the new EPR system.
- The NHS trust delivered recurrent CIPs of £12.9 million in 2016/17, equivalent to 2.9% of total expenditure, against its original plan of £15.5 million. For 2017/18 the NHS trust has an ambitious CIP of £23.3m (or 5% of its expenditure) and fell short of its plans by approximately £4 million. The NHS trust is not reliant on material non-recurrent CIPs to achieve its financial targets.

- The NHS trust has relatively low cash reserves but receives funding support from the Department of Health in order to be able to meet its financial obligations and pay its staff and suppliers.
- Over the last year the NHS trust has improved its financial data quality and business information tools but further improvements to the quality of service line reporting and costing data could be made.
- During 2017/18 the NHS trust's financial efficiency and turnaround project was supported by a number of external consultants including Pricewaterhouse Coopers and Four Eyes Insight. This yielded some financial benefits in 2017/18, but not as much as the NHS trust had originally anticipated.

Outstanding practice

No areas of outstanding practice were identified.

Areas for improvement

We have identified scope for improvement in the following areas:

- **EPR implementation** – The issues with the implementation of the EPR have significantly impacted the NHS trust's financial and operational performance in 2017/18. The NHS trust has a work stream in place to address these issues which involves joint working and oversight from NHS Digital, NHS England and NHS Improvement. In 2018/19 the NHS trust should ensure that its plans to address the IT issues are carried out effectively and on time so that the future impact on operational and financial performance is minimised.

- **Performance** – The NHS trust should take action to improve its A&E performance, reduce pre-procedure non-elective bed days, reduce its DNAs and return to reporting and compliance on RTT and diagnostics as soon as the EPR system has been stabilised.

- **Consultancy** – The opportunities for clinical efficiencies identified via the work conducted at the NHS trust by FEI and Six Sigma only enabled limited improvement in clinical efficiency in 2017/18 due to the operational issues caused by the EPR implementation of in September 2017. During 2018/19 and forthcoming years, the NHS trust should ensure that the opportunities for clinical efficiencies identified are fully delivered and sustained.

- **Medical staff costs –** The NHS trust should identify further opportunities to address its high relative medical staffing costs. For example, to enable efficient use of medical staff, e-rostering should be fully rolled out for consultant medical staff during 2018/19. In addition, the NHS trust should do more in 2018/19 and forthcoming years to maximise the benefits of innovative workforce models and new roles, for example, use of advanced nurse and AHPs to ensure these roles support medical workforce challenges.

- **Collaboration** – The NHS trust should continue to explore collaboration opportunities to deliver non-urgent pathology and radiology services in order to reduce costs whilst maintaining or improving standards of service delivery. Further back office collaborations may also be feasible.

- **Non-pay costs** – The NHS trust should explore further opportunities to reduce its spending on non-pay supplies and services, particularly on procurement where there are material opportunities for cost reduction**.**

- **Staffing –** The NHS trust should continue to take steps to reduce its staff sickness rates and increase its staff retention rates.

- **Financial delivery of plans –** To make better and more consistent use of its resources, the NHS trust should ensure it manages its financial position in line with its financials plans and within its available resources.

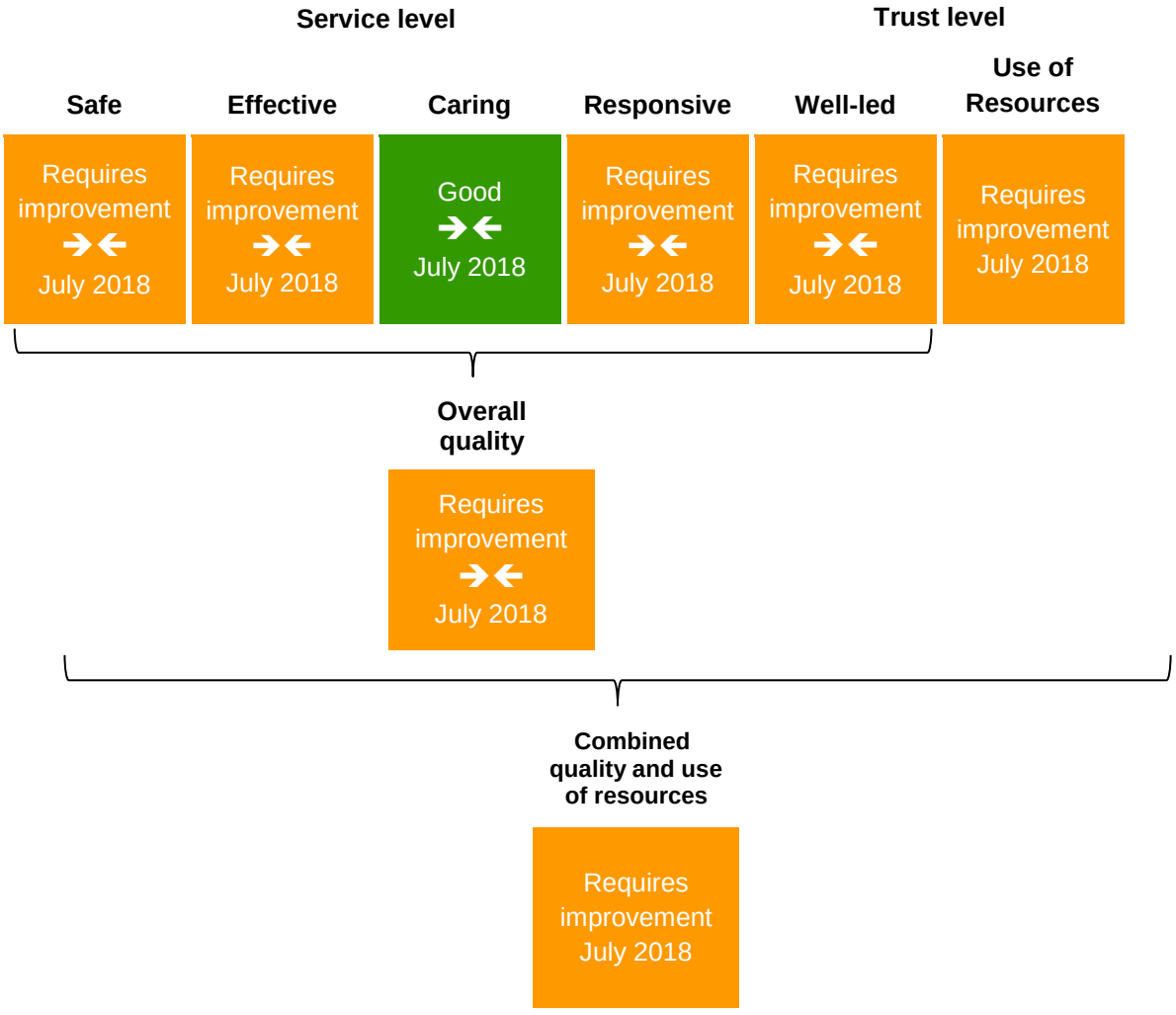
Ratings tables

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 a number of 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 in order 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.