Use of resources

City Hospitals Sunderland NHS Foundation Trust

Use of Resources assessment report

Sunderland Royal Hospital,
Kayll Road,
Sunderland,
SR4 7TP
Tel: 0191 565 6256
www.chsft.nhs.uk

Date of publication: 23 August 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	**Good**
Are services safe?	**Requires improvement**
Are services effective?	**Good**
Are services caring?	**Good**
Are services responsive?	**Good**
Are services well-led?	**Good**

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/RLN/reports)

Are resources used productively?	**Good**

Combined rating for quality and use of resources	**Good**

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 good, because

- For acute services we rated safe as requires improvement; we rated effective, caring and well-led as good.
- We rated well led at trust level as good.
- We rated four of the five services as good; in rating the trust, we took into account the current ratings of the services not inspected this time.
- Sunderland eye hospital was not inspected this time; therefore the previous ratings remain the same for that location.

The Use of Resources assessment for City Hospitals Sunderland was positive. There were several areas of outstanding practice, and this is reflected in the report. However; there are some areas that require further development and embedding within the organisation. These include finance and clinical productivity

The Trust provided considerable evidence to support the information and also detailed plans that discuss how they plan to progress areas that require further focus.

NHS Improvement

City Hospitals Sunderland NHS FT

Use of Resources assessment report

Sunderland Royal Hospital,

Kayll Road,

Sunderland,

SR4 7TP

Tel: 0191 565 6256

www.chsft.nhs.uk

Date of site visit:

26 April 2018

Date of publication:
<xx.MONTH.201x>

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 twelve months, our local intelligence and qualitative evidence collected during a site visit comprised of a series of structured conversations with the trust's leadership team.

Proposed rating for this trust?	Good ●

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 26 April 2018 and met the trust's executive team (including the Chief Executive), a non-executive director (in this case, the Chair) and relevant senior management responsible for the areas under this assessment's KLOEs.

Findings

Is the trust using its resources productively to maximise patient benefit?	Good ●

We rated use of resources as good because the trust demonstrated it has used its resources effectively and has operated a robust approach to resource decision making across the trust:

- The trust reported a surplus of £0.8m, including £13.8m Sustainability and Transformation Funding (STF). The trust has an excellent track record of managing spending within available resources and in line with plans.
- In 2017/18 the trust reported a deficit (excluding STF) of £13.6m against an agreed control total of £15.0m deficit, therefore improving the planned position for 17/18 by £1.4m.
- The trust has historically had adequate cash reserves. The closing cash balance as at 31st March 2018 was £9.7m which represents an increase from the previous year of £2.7m. During 2017/18 the trust was able to meet its financial obligations and was not reliant on short-term loans to maintain positive cash balances.
- For 2016/17 the trust had an overall pay cost per weighted activity unit (WAU) of £2,081 compared with a national median of £2,157, placing it in the second lowest (best) quartile nationally. This means that the trust spends less on staff per unit of activity than most trusts.
- The trust has outsourced non-urgent pathology services via a partnership with Gateshead Health Foundation Trust. Since joining this collaborative arrangement, the trust has seen its costs reduce from an annual increase of 10 – 18% (at the point when the collaborative was first established 4 – 5 years ago), down to 2% in 2017/18.
- Fewer patients are coming into hospital unnecessarily prior to treatment compared to most other hospitals in England.
- It has low, and improving, staff turnover rate and improvement in staff sickness, over recent months (4.32% (median quartile), compared to the national average of 3.92%).
- The trust has impressive performance in Delayed Transfers of Care (DTOC) which reflects strong, embedded integrated working between Health and Social care across Sunderland, with clear evidence of system wide commitment and support.
- The use of technology has helped the trust address further improvement opportunities, for example, the implementation of their “Meditech” system which has resulted in improved outpatient and theatre productivity.

However:

- The Outpatient Did Not Attend (DNA) rate for the trust was 8.89% as of 1st Dec 2017 against the national median of 7%. Whilst this represents an improving position, the trust recognises this as an area where that they could make further progress and plans are already in place to achieve this.
- For 2016/17 the trust had an overall non-pay cost per WAU of £1,397 compared with a national median of £1,301 placing it in the second highest (worst) cost quartile nationally.

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 April 2018, the trust was meeting the constitutional operational performance standards around Referral to Treatment (RTT) and Cancer. Although the trust has not consistently meet the national 4 hour Accident & Emergency (A&E) target over the winter, the latest published data (March 2018) demonstrated that the trust achieved 85.18% with a YTD average of 91.6%. The trust has returned to the upper middle 25% of trusts nationally and were ranked 80th out of 160 acute trusts.
- Fewer patients are coming into hospital unnecessarily prior to treatment compared to most other hospitals in England. The trust has shared examples of reduction in bed complements, including within the Urology Directorate.
- Pre-procedure elective bed days are 0.16, marginally above the national average of 0.13 as of 1st Dec 2017. The trust explained that, whilst current practice is that all elective patients are admitted on day of surgery, there are two major exceptions for bariatric and vascular services which are provided by the trust to a wider regional footprint and population and which, therefore, distorts the overall position. The trust operates a default position of day case surgery on day of admission where possible
- For pre-procedure non-elective bed days, at 0.65, the trust is performing slightly above the national median of 0.78. The trust advised that work is ongoing to provide ambulatory day care which would reduce the number of people requiring inpatient admission. Rapid access lists have been instigated following clinical service reviews, such as cholecystectomy being undertaken at first presentation.
- The introduction of SMART week has resulted in better performance and, most importantly, better patient experience through improved scheduling, clinical ownership of lists and collaborative working between the theatre teams and users of theatres. The SMART week is a ‘perfect week’ but in theatres. It results in providing additional resource with the aspiration of returns. The trust shared examples of improved working relationships between Urology and Theatres and has allowed further developments for conversion of inpatients to day cases.
  Some examples of improvements are as follows:
  - Highest number of patients scheduled ever during 2017/18
  - Theatre utilisation on average each week was 90% for the first time during 2017/18 against a norm of 82%
  - Cancellation rate was below 5% for the first time in 2017/18 against a norm of 9.7%
  - An average of 30 patients attended for Same Day pre-assessment each day (156 per week) straight from clinic after being added to the waiting list. Previous attempts have achieved no more than 5 patients in a day.
- Many of the changes have now become established as normal business and ongoing efficiencies are monitored through ops and performance meetings along with STEP.
- Emergency readmission rates are below the national median. The trust has demonstrated improvements in reducing readmission rates over a 12 month period from just below 9% in Dec 2016 from to 7.23% in Dec 2017.
- The Did Not Attend (DNA) rate for the trust was 8.89% as of 1st Dec 2017 against the national median of 7%. The trust recognise that there is variability across specialities and

has identified it as an area for improvement focus, particularly within therapy services and diagnostic imaging. The trust were able to share a number of examples of work ongoing to improve the DNA rate such as:

  - Opt in to appointments in surgery
  - Text reminder services
  - Web form system – patients inform they are attending / not attending
  - Release within (using staff and resources available)

- The trust reports a lower than average delayed transfers of care (DTOC) rate. An example includes the trust's performance during June 2017, at which point there were 73 delayed days relating to 9 patients.
- During February, whilst the DTOC target was not achieved, the trust did achieve a DTOC rate of 1.11% from 193 delayed days relating to 17 patients. The trust has worked with local partners to reduce DTOCs and improve patient flow throughout the organisation. The trust advised that there were a number of different schemes in place through the 'All Together Better' Programme and this work has included integrating work with health and social care teams and providing rapid access care in the community and admission avoidance schemes.
- The trust advised on areas of improved clinical productivity and is actively seeking to co-ordinate services across the local health and care economy. The trust advised that that all services are reviewed from a productivity and efficiency perspective under the trust`s Programme Management Office processes. In order to do this, the trust has used Model Hospital and GIRFT programme in addition to other benchmarking data available.
- The GIRFT programme has resulted in positive improvements, for example:
  - Division of Surgery are undertaking a project to maximise theatre efficiencies. Impacts to date include: in-list utilisation, reduction in avoidable cancellations and improved pre procedure bed days. This has resulted in a reduction in fewer elective patients coming into hospitals unnecessarily prior to treatment compared to most other hospitals in England. The trust has a well-managed theatre complex with dedicated trauma and emergency lists.
  - Spinal services – as part of the GIRFT programme and external clinical review – reduction in clinically ineffective procedures and steps undertaken, improving quality and efficiency.
- Paediatric medicine, stroke and obstetrics and gynaecology services have been reviewed from a quality and efficiency perspective as part of a formal Clinical Services Review process with a neighbouring trust. This review is ongoing.

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

- For 2016/17 the trust had an overall pay cost per weighted activity unit (WAU) of £2,081 compared with a national median of £2,157, placing it in the second lowest (best) quartile nationally. This means that the trust spends less on staff per unit of activity than most trusts, but the trust acknowledged that there is further work to be done in certain staff groups, including Allied Health Professionals (AHPs) and spend relating to Care of the Elderly CoTE and radiology services. The trust is in the second highest (worst) quartile

for both AHP (£146 vs. national median of £127) and nursing (£767 vs. national median of £717) cost per WAU, however, it benchmarks in the second lowest (best) quartile for medical cost per WAU at £481 compared to the national median of £526.

- With regard to nursing staff costs, the trust has demonstrated that its specialty mix is significantly different to a typical District General Hospital, including a number of significant specialised services drawing patients from a wider catchment area (including bariatric surgery, vascular surgery and urology). In addition, the trust has made a specific decision to employ two Band 6 nurses on most wards at a small additional cost to support high staff retention and facilitate staff development. The trust felt whilst this had some impact on staffing efficiency and productivity, it was justified by delivering longer term gains.
- The trust has developed an innovative workforce model to use AHPs, and other staff groups, to support patient flow throughout the hospital. Examples include using pharmacy staff to support duties on the wards including medicines reconciliation and ensuring timely pre-discharge medication doesn't delay discharges; and developing band 4 non-clinical posts into a Discharge Co-ordinator role. These contribute to the trust's high spend for cost per WAU for AHP staff, as AHPs are utilised to support gaps in other staff groups. The large pharmacy team, with high number of pharmacists is also a contributor to the high cost associated with AHPs.
- The trust has zero spend on nursing agency costs and their recent March 2018 vacancy data for nurses has decreased to a positive 2.6%. They have been able to describe current and future plans to ensure that vacancy rates remain low, including working collaboratively with Sunderland University to support recruitment which is already demonstrating success. In addition, there has been a recruitment drive with nursing staff from the Philippines. The trust is now able to generate considerable interest for nursing posts and has had to create a 'waiting list'. As a result, the trust has agreed to support neighbouring trusts should they require support with nurse recruitment, a positive example of collaborative working.
- The trust provided excellent examples of how they are able to develop effective and sustainable plans to limit agency costs. An example includes upskilling current staff and extending roles. The trust is operating below its agency ceiling (£5.94M vs. £6.19M). The agency cost per WAU was £48, compared with a national median of £137.
- At 4.32%, staff sickness rates are higher than the national average of 3.92%, placing the trust in the second highest (worst) quartile. Detailed examples were provided by the trust to demonstrate how innovative and efficient staffing models and roles are used to deliver high quality and sustainable care, including ensuring that there is an appropriate skill mix for the work being undertaken. A specific example includes the use of clinical pharmacists in A&E, by enhancing their clinical competencies
- Staff retention at the trust is a key focus, with a retention rate of 90.4% against a national median of 85.6% placing it in the highest (best) quartile nationally. The trust recognises the importance of investment in training and career development opportunities, and has a detailed retention improvement plan. This includes all new staff receiving 'a year on' interview to understand what is required to support staff to stay in addition to regular PDRs and also exit interviews (when required).
- The trust is also undertaking a vast amount of innovative work to support and engage local communities into their workforce. This includes making a commitment to support ex-military staff from Sunderland by offering opportunities within the trust.

- The trust has a specific focus on the BME workforce and understanding how the BME workforce can feel they are treated equally and developed. An example of this includes developing progress and development plans for all nurses recruited from the Philippines.
- The trust uses job planning to organise and deploy its workforce effectively, particularly for nursing, consultants, AHPs and doctors. 100% of consultants and doctors have an up to date job plan. The trust is currently transferring to e-rostering, which is a particular challenge due to it being paper based, with an ambition to have this in place by the next job planning round. A copy of the policy was provided, but impact is limited to date in terms of reduction in allocated hours, reduction in unavailable hours, and the percentage of rosters agreed in advance.
- Whilst overall agency costs have been contained for 2017/18, the trust overspent on their medical agency target (forecast £5.5M vs. £3.75M). The trust reported this was due to high costs of individual clinicians in a number of specialities, for example; Care of the Elderly, Neurology, Neurophysiology and Radiology. The trust demonstrated they had already recruited permanently to a post previously filled by locum staff and were adopting a similar approach to other posts in order to improve this position.

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

- The trust uses its clinical support services in an effective way to deliver high quality services for its patients.
- For pathology, its overall cost per test is £1.09 which places it in the highest (best) quartile nationally, well below the median cost of £1.91. A large part of this success has been down to the trust's participation and involvement in the North East wide Pathology collaborative run via Gateshead Healthcare NHS Foundation Trust.
- The arrangement supports the delivery of both a "hot" and "cold" site delivery arrangement with non-urgent pathology services ("cold") provided via Gateshead whilst local "hot" services are still available to support patient care. Since joining the collaborative, the trust has seen its costs reduce from an annual increase of 10 – 18% (at the point when the collaborative was first established 4 – 5 years ago), down to 2% in 2017/18. Governance arrangements supporting the delivery of the collaborative are in place and a local senior manager in the trust has been identified to ensure that the service arrangements deliver what the trust requires of them.
- In addition to the above financial benefit (which has seen costs stabilise), the trust has also benefited from the introduction of an automated test service with reduced turnaround times for tests and supported 7 day working arrangements.
- With regard to Imaging Services, it was confirmed that the trust had struggled to fill a number of substantive posts recently but were now working with colleagues more collaboratively across South Tyneside NHS Foundation Trust to help fill substantive appointments and provide services to patients.
- The trust is an outlier with regard to its medicines spend with a cost per WAU of £378 in comparison to a national median of £320. However, a large part of this is driven by the purchase of high cost drugs, particularly for Ophthalmology where the trust provides a sub-regional service. Whilst it does not subscribe to 'Define', the trust benchmarks its comparative performance by using the 'Kahootz' drug system.
- Looking at the performance of the top 10 medicines, the trust is doing well across a number of key biosimilar drugs although there are still one or two drugs whose uptake

could be further improved including (for example, Rituximab). Gainshare arrangements have been agreed with their Clinical Commissioning Groups incentivising uptake and a pharmacist has been employed by the trust to support these arrangements.

- The trust has also developed an Integrated Medicines Management model which is being used to support and facilitate consultant ward rounds and discharge processes. This has claimed to have resulted in improved patient discharge arrangements with reduced delays, improved patient experience and better patient flow around the hospital.
- The trust is using technology in innovative ways to improve operational productivity including, for example,
    - e-prescribing to deliver quicker, more efficient drugs to patients;
    - an e-inpatient records system which is producing an electronic letter to GPs at the point at which a patient is ready to be discharged from hospital, and
    - the trust's Meditech system with modules supporting improved outpatient and theatre productivity.
    - the trust has also introduced a system called "Occupy" which monitors the use / occupancy of room areas thus promoting an effective use of its estate.

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

- Over the past 12-18 months, the trust has made a number of significant improvements in consolidating its corporate service functions via the collaborative working arrangements with South Tyneside NHS Foundation Trust, including the establishment of a single executive team which has resulted in £1m savings. Most of the trust's corporate service areas benchmark well against national average including Finance (with a cost per £100m turnover of £621,675 in comparison to the national median of £685,219), and HR (with a cost per £100m turnover of £363,183 in comparison to the national median cost of £761,285).
- Furthermore, the use of technology has helped the trust address further improvement opportunities including, for example, the implementation of their "Meditech" system which has resulted in fewer IT staff being required to maintain it.
- For 2016/17 the trust had an overall non-pay cost per WAU of £1,397 compared with a national median of £1,301 placing it in the second highest (worst) cost quartile nationally.
- The trust's Procurement Process Efficiency and Price Performance Score is 29.1, which placed it in the lowest (worst) quartile when compared with a peer group median value of 55.9 and a national upper and lower benchmark of 79.0 and 50.0 respectively. This suggests that the trust's procurement processes have been relatively inefficient. Overall, the trust's cost per WAU is £376 for its Supplies and Services against a national average of £375 and a peer cost median value of £354.
- However, there are plans to improve this position in 2017/18 through increased use of the PPIB tool and the trust is also targeting analysis of its top 100 products to develop additional savings opportunities. To support this, the trust has transferred the Procurement team into its Joint Venture/subsidiary company "CHoICE" which has also promoted further pay efficiency savings and enhanced procurement opportunities through its involvement with South Tyneside NHS Foundation Trust, including enhanced product switches and better bulk buying power as well as VAT efficiencies.

- The trust has strong and well performing Estates and Facilities Management service. At £238 per square metre in 2016/17, the trust's estates and facilities costs benchmark significantly below the national average cost of £351 per square metre which follows a consistent downward trend since March 2016. The trust continues to provide a number of services in house to maintain direct control over the cost and quality of its facilities management services.
- In terms of its backlog maintenance position, the trust confirmed that it reports all of its backlog maintenance requirements in line with current compliance and internal risk registers thus ensuring that appropriate capital funds are allocated to target areas most in need. The Estates team has been transferred into the trust's subsidiary company which has facilitated greater flexibility in terms of recruiting and retaining key members of staff though the adoption of more flexible pay arrangements as well as reduced costs.

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

- The trust reported a surplus of £0.8m which included £13.8m Sustainability and Transformation Funding (STF). The trust has an excellent track record of managing spending within available resources and in line with plans.
- Alongside this, a score of one (best possible) was delivered by the trust on the distance from plan financial metric.
- In 2017/18 the trust reported a deficit excluding STF of £13.6m against a control total and plan of £15.0m deficit therefore a favourable variance of £1.4m. For 2018/19 the trust has recently signed up to an adjusted control total of £18.4m deficit (excluding Provider Sustainability Fund).
- The trust has a cost improvement plan (CIP) of £13m (or 3.8% of its expenditure) and is currently forecasting to deliver against plans. The trust delivered 101% of its planned savings in the previous financial year, of which 77% was recurrent.
- The trust has sought to strengthen its governance arrangements surrounding CIP delivery, following a voluntarily commissioned external review, and now has an embedded process with dedicated resource which supports the overarching transformation and efficiency strategy. The trust has a one month 'floor to board' reporting structure meaning that the most recent financial results are reported through from the Program Management Board via Finance and Performance Committee to full Board.
- The trust utilises both a 'top down' and 'bottom up' approach to developing CIP plans. The top down view identifies the opportunities available by using relevant benchmarking such as Model Hospital. This is then compared with the bottom up view from the Divisions which is primarily based on specific plans. Both views are consolidated resulting in the final plan. Unidentified schemes for 2018/19 amount to 22% of the target.
- The trust has historically had adequate cash reserves. The closing cash balance as at 31st March 2018 was £9.7m which represents an increase from the previous year of £2.7m. During 2017/18 the trust was able to meet its financial obligations and pay its staff and suppliers and the trust delivered a capital service and liquidity metrics of 3 against a planned rating of 4. During 2017/18 the trust was not reliant on short-term loans to maintain positive cash balances. The trust has been proactively forecasting its cash flow and anticipates reliance on short term loans during the current financial year. In anticipation of this the trust has sought to expand its treasury management function

ensuring that key skills in this area are strengthened and fit for purpose.

- The trust uses costing information, (service line reporting and reference costs) by division and clinical area, well to inform decision making such as the identification of services included in the Path to Excellence Service review.

Outstanding practice

We saw a number of areas of good and outstanding practice across each of the key lines of enquiries. Examples of outstanding practice included:

- Impressive work in terms of widening participation, providing different routes of access into heath care and offering internal Continuing Professional Development opportunities for staff. As well as its staff, the trust also invests in local community partnerships and is working closely with external partners e.g.: University of Sunderland to try to address the workforce gap in nursing and care.
- The trust and its partners have developed ‘Sunderland Care and Support’, which is available 24/7 to prevent unnecessary admissions to ED by support patients in their own homes, and this is reflected by low admission/readmission rates compared to the national median.
- The trust is recognised as a ‘Global Digital Exemplar’ (GDE). They have worked with their IT supplier for in excess of 20 years and they were early adopters of e-prescribing etc. The Emergency Department has been paperless for a number of years and within the last 6 months this has extended to all inpatient records. They are moving to paperless outpatients, and several clinics have been paperless for almost three years.
- Notifications is an excellent example of their IT infrastructure. This is whereby all results generated from bloods to radiology and through to histology are sent to their desktops electronically where they are acknowledged providing robust governance.
- All their Out Patient and GP letters are authored electronically. Ensuring they are timely and highlighting if any remain outstanding. All of which supports "clinic on the day" which means all that days business is boxed off within 24 hrs. Requests, appointments, results and correspondence.
- All of the above initiatives are recognised in their GDE status.

Areas for improvement

Despite the trust having many areas of outstanding practice, there are areas that require further development, in order to meet further efficiencies. These include:

- Further work is required to address the higher than average cost per WAU for AHP staff (although some of this is attributable to extended clinical roles)
- Although there is excellent work in relation to outsourcing pathology services, there is an opportunity to extend this approach to other services. Again, the trust recognises this and has started work in areas such as radiology.
- Outpatient DNA rates are higher than the national average, but the trust has started a range of initiatives designed to improve this
- Further work can be done in relation to high cost medicines and the monitoring and management of prescribing practices.

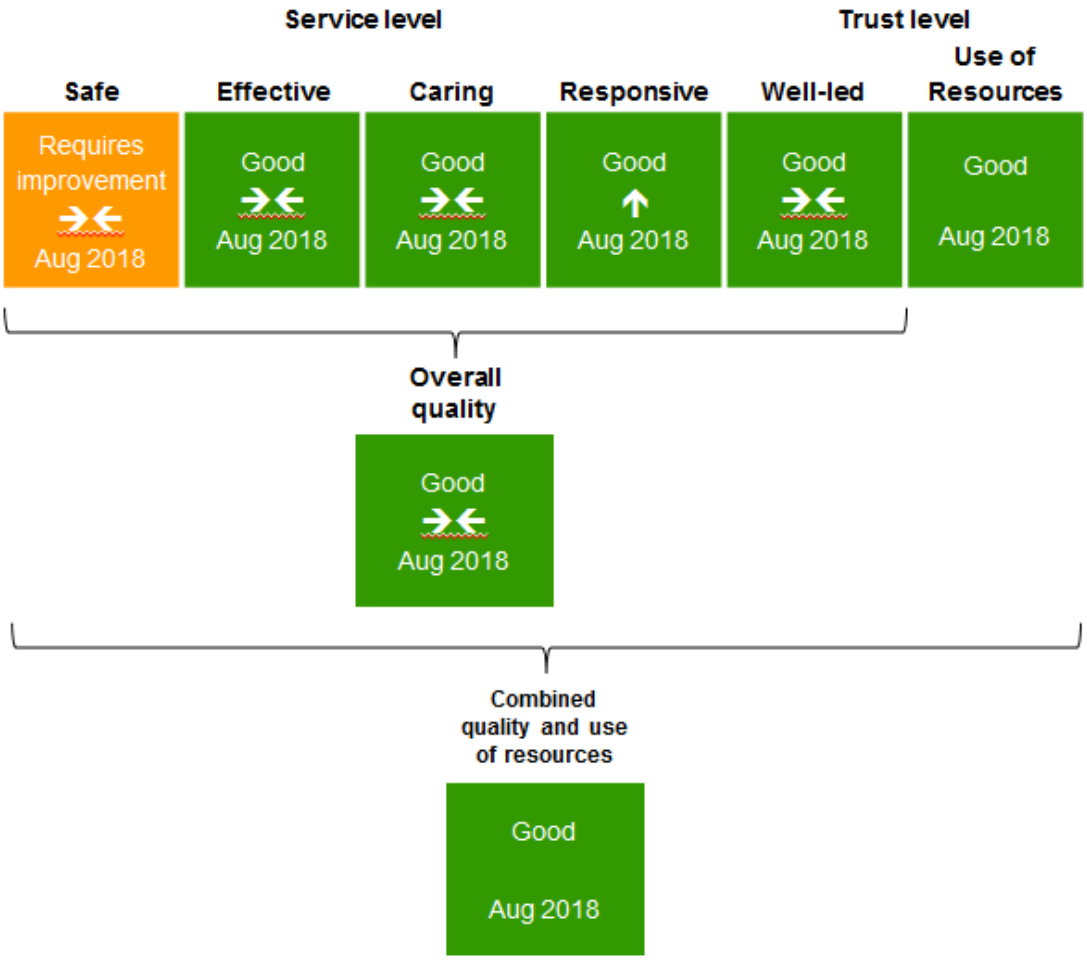
Ratings tables

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) cost per £100 million turnover	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.
Income and expenditure	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

(I&E) margin	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	This metric looks at the length of stay between admission and an emergency

non-elective bed days	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.
Single Oversight Framework (SOF)	The Single Oversight Framework (SOF) sets out how NHS Improvement oversees NHS trusts and NHS foundation trusts, using a consistent approach. It helps NHS Improvement to determine the type and level of support that trusts need to meet the requirements in the Framework.
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.
Sustainability and Transformation Fund (STF)	The Sustainability and Transformation Fund provides funding to support and incentivise the sustainable provision of efficient, effective and economic NHS services based on financial and operational performance.
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.

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