

# Queen Elizabeth Hospital King's Lynn NHS Foundation Trust

## Use of Resources assessment report

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

### Ratings

<b>Overall quality rating for this trust</b>	<b>Inadequate</b> ●
<b>Are services safe?</b>	<b>Inadequate</b> ●
<b>Are services effective?</b>	<b>Requires improvement</b> ●
<b>Are services caring?</b>	<b>Good</b> ●
<b>Are services responsive?</b>	<b>Requires improvement</b> ●
<b>Are services well-led?</b>	<b>Inadequate</b> ●

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/RCX/reports](http://www.cqc.org.uk/provider/RCX/reports))

<b>Are resources used productively?</b>	<b>Requires improvement</b> ●
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<b>Combined rating for quality and use of resources</b>	<b>Inadequate</b> ●
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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 inadequate, because:

- Safe and well led were rated as inadequate. Effective and responsive were rated as requires improvement and caring was rated as good.
- There were significant concerns in the emergency department, medical wards and maternity services in relation to safe and well led domains. These related to numbers of staff available within the emergency department and the suitability of premises to keep patients safe. Within medicine we were not assured that the appropriate risk assessments were undertaken and the needs of patients were addressed. Within maternity vulnerable women were not having their safety needs met. Managers did not have oversight of all the risks and did not take actions to mitigate these risks.
- Governance processes were not robust and leaders did not have oversight of risks to patients.
- The trust failed to balance its budget in 2017/18 but was on track to achieve a deficit of £15.8 million.
- Agency spend at the trust is high and the trust spent more on pay per weighted unit of activity than most other trusts nationally. However, opportunities for improvement were identified in reducing estates costs.
- The trust had made good progress in delivering on nationally identified savings opportunities.
- The trust has implemented a number of initiatives including Safer Start week in January 2018.

# The Queen Elizabeth Hospital NHS Improvement Foundation Trust

## Use of Resources assessment report

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King's Lynn  
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6 June 2018

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

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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.

The Use of Resources rating for this trust is published by CQC alongside its other trust-level ratings. All six trust-level ratings for the trust's key questions (safe, effective, caring, responsive, well-led, use of resources) are aggregated to yield the trust's combined rating. A summary of the Use of Resources report is also included in CQC's inspection report for this trust.

**How effectively is the trust using its resources?**

**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 NHS foundation trust on 6 June 2018 and met the NHS foundation 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?

Requires improvement



We rated the NHS foundation trust's use of resources as requires improvement.

- The NHS foundation trust failed to balance its budget in 2017/18, reporting a deficit of £22.0 million excluding Sustainability and Transformation Fund (STF) (£20.6 million including STF) on a turnover of £186.4 million (11% deficit). As of 6 June 2018, the NHS foundation trust is on track to achieve a deficit of £15.8 million excluding Provider Sustainability Funding (PSF) (£9.7 million including PSF) in 2018/19.
- Agency spend at the NHS foundation trust is high, 10.54% of gross pay bill in 2017/18 and 11.86% as at month 2 of 2018/19. This remains a key area of opportunity to reduce operating costs. The NHS foundation trust is focusing on this through its recruitment and retention plans, and also focusing on the more effective use of rostering.
- The NHS foundation trust spends more on pay per weighted unit of activity than most other trusts nationally (£2,241 compared to national median of £2,157), but less on other goods and services than other trusts (£1,153 compared to national median of £1,301). This indicates that the NHS foundation trust is more productive at delivering services than other trusts by showing that, on average, the NHS foundation trust spends less to deliver the same number of services.
- Opportunities for improvement were identified in reducing estates costs. The level of backlog maintenance is £369 per square metre which is in the highest quartile. The biggest estates-related challenge faced by the NHS foundation trust is the high level of backlog maintenance.
- The NHS foundation trust is reliant on external loans to meet its financial obligations and deliver its services.
- Individual areas where the NHS foundation trust's productivity compared particularly well included medicines costs per Weighted Activity Unit (WAU). As part of the Top Ten Medicines initiative, the NHS foundation trust has made good progress in delivering on nationally identified savings opportunities, achieving 135% (£1.63 million) of the savings target and the uptake of best value biosimilar medicines during the year is amongst the best in the country
- During the current calendar year, the NHS foundation trust has implemented a number of initiatives including Safer Start week in January 2018 which led to a reduction in the percentage of bed days occupied by super-stranded patients from 60% to 52%. Actions taken by the NHS foundation trust included each ward having a buddy who worked reviewed patients to see what needed to be done so they could be safely discharged. Each patient's case was reviewed to see and patients being looked at to see whether they were medically fit for discharge (MFFD) or Delayed Transfer of Care (DTC), these were escalated to the CCG or if they were clinically unwell and should therefore remain in the hospital or if they were on pathways that needed additional support and how that support could be put in place. The NHS foundation trust needs to ensure the learning from this initiative is continued and translates into a sustainable improvement.

**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 June 2018 the NHS foundation trust was not meeting the constitutional operational performance standards around Referral to Treatment (RTT), Cancer and Accident & Emergency (A&E). The latest performance for the NHS foundation trust (May 2018) is 82.6% for A&E (against national standard of 95%); RRT performance at 81.9% (standard of 92%) and cancer 62 day wait performance was 84.3% (standard of 85%).
- Patients are more likely to require additional medical treatment for the same condition at this NHS foundation trust compared to other trusts. At 8.59%, emergency readmission rates are significantly above the national median of 7.9% as at December 2017. The NHS foundation trust is looking to address this through a readmission review for their quality matter group. This review focused on whether readmissions were appropriate. There are now deep-dives being undertaken in specialities where there were higher proportions of readmissions. Early indications are that some readmissions are as a result of the lack of community provision to support patients to remain at home.
- Fewer patients are coming into hospital unnecessarily prior to treatment compared to most other hospitals in England.
  - On pre-procedure elective bed days, at 0.02, the NHS foundation trust is performing in the lowest (best) quartile when compared nationally – the national median is 0.13.
  - On pre-procedure non-elective bed days, at 0.68, the NHS foundation trust is performing in the lowest (best) quartile, above the median when compared nationally – the national median is 0.81.
- The NHS foundation trust is actively participating in improving clinical productivity through its involvement in a STP scheme commissioned by Norfolk Acute Hospital Group. This work has focused on the redesign of pathways in radiology, cardiology and urology and supports more efficient working across the STP. This work is at an early stage and is about to move into implementation phase.
- The Did Not Attend (DNA) rate for the NHS foundation trust is low at 6.2% for December 2017 compared to a national mean of 7.24%.
- The NHS foundation trust reports a delayed transfers of care (DTC) rate that is higher than the NHS foundation trust's own target rate (4.8% April 2018 compared to a target of 3%). The NHS foundation trust has implemented a number of initiatives to improve this as there is an impact on the NHS foundation trust's ability to deliver activity as efficiently as planned because of a lack of capacity. The NHS foundation trust is working with CCG partners to implement Discharge to Assess and there is a working group in place that focuses on four pathways.
- To reduce DTCs and improve flow, the NHS foundation trust ran a Safer Start week in January 2018 which focused on super-stranded patients. This initiative focussed on reviewing the clinical cases for all stranded patients and working with other agencies and partners such as the local authority and CCGs to enable patients to be safely discharged or placed in a more appropriate care setting. This reduced the percentage of bed days occupied by super-stranded patients from 60% to 52%.
- Other initiatives put in place to support improved patient flow included the introduction of the Red Bag scheme launched in 2017. This was designed to support care homes within the region, the ambulance service and the NHS foundation trust and was focused on elderly residents in care homes who attended A&E at the NHS foundation trust. The Red bag contains standardised paperwork, medication and personal belongings; it stays with the care home resident from the time they leave the home to go into hospital until the time they return to their care home at the end of their hospital stay. The Red Bag worked hand in hand to decrease Length of Stay with Red2Green and, it assisted by ensuring that the Care Home Assessments took place within 24 hours of admittance shortening this process by up to 4 days.

- The NHS foundation trust has engaged in the Getting it Right First Time (GIRFT) programme and uses the feedback from visits to challenge clinicians to do things differently. GIRFT was also the driver for identifying that improvements could be made in coding. As a result of this, the NHS foundation trust commissioned PricewaterhouseCoopers to undertake a piece of work advising on how to improve coding quality. However, the NHS foundation trust has acknowledged that it could make more effective use of the findings of GIRFT, for instance, in Ear, Nose and Throat and learning could be shared more widely across specialities.

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

- Whilst there is some evidence of the use of new and innovative roles to support workforce operating more effectively, the lack of progress in reducing agency spend, particularly medical locums, and in maximising the use of rostering across the NHS foundation trust means that there is significant scope for improvement in this area.
- For 2016/17 the NHS foundation trust had an overall pay cost per WAU of £2,241 compared with a national median of £2,157 placing it in the second highest cost quartile nationally. This means that it spends more on staff per unit of activity than most trusts. The NHS foundation trust is in the second highest quartiles for medical and nursing costs per WAU, although it benchmarks in the second lowest quartile for AHP cost per WAU.
- Job planning at the NHS foundation trust has historically been paper-based and low visibility. Job plans are now being added to Allocate, the hospital's rostering system. An external expert has been recruited to work through the job planning process; however, no financial benefits are planned from this work until December 2018/19.
- The NHS foundation trust did not meet its agency ceiling as set by NHS Improvement for 2017/18. It is forecasting delivery of the 2018/19 agency ceiling at April 2018; however, spend year to date is currently exceeding planned levels. It is spending more than the national average on agency as a proportion of total pay spend. There are a number of schemes included in the 2018/19 CIP Plan to reduce agency spend and the NHS foundation trust acknowledges that this is a key area for improvement.
- Agency use is driven by a combination of vacancies and operational pressures. Whilst there are a number of recruitment initiatives in place, these have not yet had the impact required. The NHS foundation trust has improved its timeline for recruitment, reducing the number of weeks to recruit nurses from 29 weeks to ten through process review.
- New workforce models are being investigated and progressed within the NHS foundation trust. The NHS foundation trust has put in place patient care co-ordinators, has introduced nursing associate roles and uses pharmacy technicians onwards.
- The NHS foundation trust is also using a multi-disciplinary approach to provide patient care, for example, therapy staff in A&E and onwards. The NHS foundation trust introduced the use of Physician Associates in 2017 and has recruited to a team of seven.
- The NHS foundation trust has also introduced a Discharge Facilitator role. This is a nurse who maintains oversight on internal discharges. There is now a NHS foundation trust lead supported by the CCG who supports discharges through the system.
- There are differences across the NHS foundation trust in number of weeks in advance that rosters are signed off, ranging from four to eight weeks. An external subject matter expert has undertaken an initial investigation on nurse rostering and identified a number of areas for improvement.
- Staff retention at the NHS foundation trust is in the second-best quartile with a retention rate of 86.0% in March 2018 against a national median of 85.6%. The NHS foundation trust has participated in the NHS Improvement retention programme.

- The NHS foundation trust is actively looking to widen participation and setting up work experience programmes such as ‘the returning woman’ to enable women to return to the workforce.
- At 5.57% in April, 2018, staff sickness rates are worse than the national median of 3.99%. However, the NHS foundation trust has taken action to address this, including ceasing to use an external organisation to manage sickness reporting, all sickness now has to be reported to line managers and there is direct referral to occupational health. There has been a step change in improvement, with performance at 4.7% for June 2018; however, this remains above the national median.

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

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- The NHS foundation trust has reduced costs through the use of bio-similars, has been pro-active in its use of pharmacists on wards and medicine costs per WAU compare favourably with national averages.
- The NHS foundation trust has longstanding working arrangements for pathology services with James Paget Hospital and Norfolk and Norwich University Hospital, This helps make the service more resilient and enables the NHS foundation trust to benefit from economies of scale.
- The NHS foundation trust’s medicines cost per WAU of £283 for 2016/17 compares favourably with the national average of £320. Pharmacy staff and medicines cost per WAU are £311 compared with the national average of £354.
- From April 2018, the NHS foundation trust has increased the size of its pharmacy team. This has enabled additional prescribing pharmacists to be deployed to ward level to speed up discharge arrangements and to be able to respond quicker to patient needs.
- As part of the Top Ten Medicines initiative, the NHS foundation trust has made good progress in delivering on nationally identified savings opportunities, achieving 135% (£1.63 million) of the savings target.
- The uptake of best value biosimilar medicines during the year is amongst the best in the country.
  - 100% for infliximab (which is in the highest quartile nationally, and exceeds the 80% target set by NHS Improvement)
  - 100% for etanercept (which is in the highest quartile nationally and exceeds the 80% target set by NHS Improvement)
  - 100% for rituximab (which is higher than the median and exceeds the 80% target set by NHS Improvement)
- 61% of the total spend on paracetamol is on intravenous formulations compared with the national median of 60%. Whilst there are some patients for whom this is entirely appropriate, using proportionately more paracetamol in other forms can bring benefits in terms of higher productivity and safer, more cost-effective care.
- The use of sevoflurane accounts for 41% of the inhalation anaesthetic expenditure which is the 9<sup>th</sup> lowest in the country and much lower than the national median of 68%. Sevoflurane is more cost-effective because it has a lower acquisition cost and smaller volumes can be used to induce the same level of anaesthesia compared to other inhalational anaesthetics.

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

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- Whilst there is evidence of good performance in some areas such as its non-pay cost and supplies and services WAUs where it is in the least expensive quartile for both of

these nationally, there is evidence to support that improvements could be made to its procurement function and the level of backlog maintenance at the NHS foundation trust is in the worst quartile nationally.

- For 2016/17 the NHS foundation trust had an overall non-pay cost per WAU of £1,153, compared with a national median of £1,301, placing it in the least expensive quartile nationally.
- The supplies and services cost per WAU is £296 which is also in the least expensive quartile. The cost per WAU for premises, establishment and service charges cost per WAU is the 11<sup>th</sup> lowest in the country. This suggests that the NHS foundation trust has relatively good control over its non-pay supplies and services, including procurement and estates costs.
- The costs of running the Finance and Human Resources departments are relatively high, with finance costs being at the top of the third most expensive quartile (£0.786 million compared to £0.671 million national median) and HR costs being in the most expensive quartile per £100m of turnover (£1.03m compared to national median of £0.874m).
- The NHS foundation trust's procurement function did not score well in NHS Improvement's 2016/17 procurement league table, reflecting a weak procurement transformation plan, weak procurement processes and lower quartile performance in some of the procurement price metrics. The NHS foundation trust has addressed these findings and improvements are beginning to be made.
- The NHS foundation trust is making some use of the Purchasing Price Index Benchmark (PPIB) tool with over 186 logins in the period from September to December 2017, although this is less than the national average of 308. The variance from minimum price for the same period was 11.3% which is broadly in line with the regional and national average variation. This indicates there may be scope to make more use of the PPIB tool to drive down prices further. Furthermore, 73% of the NHS foundation trust's non-pay spend is in PPIB which leaves 27% not price matched or benchmarked against best price.
- The estates and facilities costs per square metre at £331 which is above the NHS Improvement suggested benchmark of £308. However the estates and facilities cost per WAU is £307, which is one of the lowest in the country.
- The level of backlog maintenance is £369 per square metre which is in the highest (worst) quartile. The biggest estates related challenge faced by the NHS foundation trust is the high level of backlog maintenance. The poor condition of the hospital roof is a major concern and is expected to require a £20 million investment.
- There are no surplus or redundant areas of the NHS foundation trust's estate.
- Much of the medical equipment has been procured on leases. As a result it is still relatively new and the NHS foundation trust has options to extend the leases. The NHS foundation trust's use of IT is relatively unsophisticated. Productivity is adversely affected by the lack of electronic staff records and electronic patient records. Large amounts of information is still stored in paper form, which hampers productivity and transformation.
- Relative to other NHS trusts, laundry and catering costs were relatively good value according to the 2016/17 estates data return (the ERIC return). In particular:
  - - Food costs per meal were £2.97 which is in the least expensive quartile nationally.
  - - Laundry and Linen costs per item were £0.34 which is in line with the national average.
  - - The items of laundry being used per WAU was 34.7 which is within the suggested NHSI benchmark of 37.0.
  - However, portering costs per square metre were £21 which is the most expensive in the country.

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

- The NHS foundation trust is in deficit and did not deliver its Plan in 2017/18.
- In 2017/18 the NHS foundation trust reported a deficit of £20.6 million against a control total of £6.8 million deficit and a plan of £16.3 million deficit. For 2018/19 the NHS foundation trust has a control total and plan of £9.7 million deficit, which it is on target to meet as at Month 1 of 2018/19.
- The turnover of the NHS foundation trust for 2018/19 is forecast to be £199.9 million. The planned deficit of £15.8m excluding Provider Sustainability Fund (PSF) gives a margin of -7.9%.
- The NHS foundation trust delivered planned savings of £5.4 million in 2017/18, of which 22% were non-recurrent. During the year, the NHS foundation trust engaged external support to identify additional CIP opportunities to support delivery of the CIP, but there was marginal contribution (£7k) from this work.
- The NHS foundation trust has a cost improvement programme (CIP) Plan of £8.2 million (or 3.8% of its expenditure) for 2018/19 and is currently forecasting to deliver against its plans. However, as at the end of May 2018, the NHS foundation trust was reporting that £2.9 million of its current year plan remained unidentified. There is a weekly review of the CIP programme and there is an escalation process in place if progress is not as required.
- Work completed with Four Eyes Insight consultancy to improve theatre productivity has been used to inform the CIP Plan, to date, this work has been about implementation rather than delivery of benefits.
- The NHS foundation trust has reviewed its opportunities to maximise income and has recently increased car parking charges for both staff and visitors. A coding review was undertaken by PricewaterhouseCoopers in 2017 which identified opportunities where there are potential income gains. These are currently being explored by the NHS foundation trust.
- The ability to gain additional income is dependent on the NHS foundation trust having capacity available; therefore, there is a necessary focus on improving productivity.
- The NHS foundation trust has low cash reserves and is not able to consistently meet its financial obligations and pay suppliers in the immediate term, as reflected by its capital service and liquidity metrics. The NHS foundation trust is reliant on short-term loans to maintain positive cash balances.
- The NHS foundation trust has invested in Service Line Reporting (SLR) in the last twelve months, appointing a dedicated resource in this area in April 2017. The work the NHS foundation trust has completed to date shows that the NHS foundation trust is able to identify those specialities that are operating at a deficit or surplus and provides the detail required to indicate where further investigation needs to take place. However, the NHS foundation trust acknowledged that their ability to progress this further is constrained because of available capacity within the informatics team.
- The NHS foundation trust relied on management consultancy in 2017/18 to support its Project management Office function and also to support delivery of theatre efficiencies through its work with Four Eyes Insight.

## Outstanding practice

- Use of new roles to improve performance and productivity e.g. use of pharmacists on wards and the appointment of a Discharge Facilitator.
- The introduction of the Red Bag scheme has resulted in decreased lengths of stay and improved patient experience.
- The Safer Start initiative resulted in an 8% decrease in the number of bed days lost to super-stranded patients. The NHS foundation trust has demonstrated good system working in effecting the change in this area.
- The uptake of biosimilar medicines for infliximab, etanercept and rituximab is 100%.

## Areas for improvement

- Address the level of emergency readmissions at the NHS trust.
- Reduce agency spend through application of planned actions such as the removal of high cost agency and improved rostering.
- Progress the findings of the external review on rostering.
- Increase the use of sevoflurane in theatres relative to more traditional anaesthetics.
- Reduce use of IV paracetamol by switching to other forms of paracetamol where clinically appropriate.
- Develop opportunities to collaborate with other trusts in the health economy on finance and HR back office costs with a view to enhancing resilience and maximising productivity.
- Reduce the current reliance on paper based medical records by developing a cost effective electronic replacement for the current system.
- Review the opportunities to reduce the cost of its portering operations.
- Improve internal processes and capacity to identify, implement and deliver CIPs.
- Further develop the use of Service Level Reporting within the NHS foundation trust to support future decision making.
- Action the findings of the PricewaterhouseCoopers coding review to improve income levels.

## 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 (DTC)	A DTC 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 (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.
Single Oversight Framework (SOF)	The <a href="#">Single Oversight Framework</a> (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.



## Ratings tables

Improvement

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

