Bedford Hospital NHS Trust

Use of Resources assessment report

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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 trust on 20th August 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?	Requires improvement

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

- Our assessment indicates that whilst the Trust is being pro-active in its management of resources in areas such as estates and pharmacy, has a best quartile overall cost per weighted unit of activity (WAU), and has a strong commitment to reducing costs and maximising available resources, spend and WAU in some areas such as pathology, finance and HR is higher than most other NHS trusts nationally.
- The NHS trust reported a £6.4 million deficit in 2017/18. £7.3 million of financial savings were delivered in 2017/18 against Cost Improvement Programme (CIP) target of £7.8 million. Only 3% of the financial savings were non-recurrent.
- Levels of Did Not Attend (DNA) and Delayed Transfer of Care (DTOC) are above national median levels indicating that comparatively high levels of hospital appointments are not being kept and people are spending longer in hospital than is necessary.
- The overall cost per WAU for the NHS trust is £3,113, placing it in the best quartile nationally. This demonstrates that the NHS trust spends on average less than other trusts to deliver the same amount of work. However, the cost of agency staff is above the amount set by NHS Improvement (the “agency cap”).
- The NHS trust has a good understanding of its current financial position and is clearly intent on addressing areas where costs appear high. It is challenging current ways of working and making improvements in areas such as pharmacy. The ongoing uncertainty around a potential merger with a neighbouring trust has impacted on some of the NHS trusts plans for gaining efficiencies.
- The NHS trust manages its people well and has been pro-active in developing new and innovative staff roles to help ensure an appropriate mix of staff across its services. However, whilst there are agency controls in place, the NHS trust spent above its agency cap in 2017/18 and Quarter 1 of 2018/19, partly due to an increased requirement to meet increased demands over the winter months.
- The NHS trust uses information technology to support service delivery in a number of areas, such as bed management, procurement and pharmacy.
- Estates management is a real strength with low backlog maintenance, optimum use of space and a refurbishment programme that ensures that the estate is fully refreshed every five years.
- The NHS trust has shown it is engaged with the “Getting it Right First Time” (GIRFT programme) and has developed action plans in the areas looked at so far. The benefits of this engagement are mainly still to be realised.

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

- Whilst there are some areas such as pre-procedure elective beds where the NHS trust is performing well, in other areas such as Did Not Attend and DTOC, improvement is needed in order to match the performance being achieved by other providers nationally. The elevated demand for services during the winter had a significant impact on the NHS trust's performance against the national standards in A&E, Cancer and RTT.
- Patients are marginally more likely to require additional medical treatment for the same condition at this NHS trust compared to other trusts. At 7.4 % in March 2018 emergency readmissions rates are slightly above the national median of 7.2%. The trust has put in place telephone follow up to patients post discharge to improve this position and is developing an integrated discharge offer. The community has recently introduced Community multi-disciplinary teams and the Clinical Commissioning Group (CCG) supported a rapid intervention vehicle to support reduction in readmission rates. Benefits from these changes are expected to be realised in the current financial year.
- Fewer patients are coming into hospital unnecessarily prior to treatment compared to most other hospitals in England. On pre-procedure elective bed days at 0.072 the NHS trust is performing in the highest quartile above median and compares favourably against the national median of 0.131.
- On pre-procedure non-elective bed days at 0.89 the NHS trust is performing in the mid quartile slightly better than the national median, of 0.81.
- The Did Not Attend (DNA) rate for the trust is high at 8.8% for the last quarter of 2017/18, against a national median of 7.2%. Paediatrics and MRI are two services where this is high, and focus is now being given. The standardisation of clinic templates and the introduction of text reminder service has brought some efficiency but there is more work required to fully maximise improvement in utilisation and productivity.
- The trust reports a delayed transfers of care (DTOC) rate of 5.2 % which is markedly higher than the national average of 3.5% and has increased since the beginning of the year. This demonstrates that patients have been remaining in the acute hospital longer than is necessary, as the NHS trust is currently unable to use a discharge-to-assess service effectively.
- The trust has engaged with the GIRFT programme and has action plans in place for specialities; Ears, Nose and Throat, General Surgery Orthopaedics Trauma & Orthopaedics, Vascular and Urology. Whilst action plans are in place and sponsored by the Medical Director at the Trust Board, no reports have been presented to sight the Trust Board on the progress being made against the action plans.
- At the time of the assessment in August 2018, the NHS trust was not meeting the constitutional operational performance standards for Accident and Emergency (A&E), Cancer (62 days) or Referral to Treatment (RTT). This performance had slipped from a relatively strong position of delivery in the first half of the year, before the winter pressures and increased emergency demand.

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

- Whilst the NHS trust spent above their agency cap in 2017/18, overall staffing costs are comparatively low. New and innovative roles have been introduced to support an appropriate staff mix across services and e-rostering and job planning are being used to manage staffing resources.
- For 2016/17 the NHS trust had an overall pay cost per WAU of £1,181 which is below the national median of £2,157, placing it in the lowest (best) quartile nationally. Cost per WAU for medical, nursing and allied health professionals (AHP) were all below the national medians for 2016/17. This means the trust spends less per unit of activity than most NHS trusts.
- The NHS trust has developed a number of innovative and new roles, such as maternity support workers and nursing associates to support appropriate skill mix, particularly within areas that previously sat within medical workforce requirements. These developments include advanced care practitioner (ACP's) roles; physicians assistants; and the introduction of prescribing pharmacists.
- At present the NHS trust has five prescribing pharmacists working in the acute assessment unit; anticoagulation clinic; antimicrobial team; and one of the medical wards. An example of the impact these roles are having is the reduction in time to process TTO's (to take out medicines) on the acute assessment unit. The NHS trust advised there are a further four prescribing pharmacists due to quality this year.
- The NHS trust incurred agency costs above its agency cap as set by NHS Improvement for 2017/18. For the first four months of 2018/19 the NHS trust was above the reduced agency ceiling as set by NHS Improvement. However, agency staff cost per WAU for 2016/17 was below the national median of £137 at £115.
- The NHS trust identified a contributing factor to the cost of agency in the first six months of 2018 as the number of escalation beds that were opened during winter 2017/18 and have remained open after April 2018. The NHS trust reported that at the time it experienced the highest number of escalation beds open during this period there was a requirement to staff 401 beds compared to a baseline of 355 beds. The additional full year costs associated with the additional beds would equate to approximately £1.6 million if staffed by substantive staff. However, the actual cost to the NHS trust are estimated to be in the region of £2 million due to the level of agency staff required to run the additional capacity.
- The NHS trust has some controls in place to reduce the cost of agency. It has been working as part of the Bedfordshire and Hertfordshire collaborative to ensure there are agreements in place to manage levels of temporary staffing pay across the system. NHS Improvement review of agency expenditure in the most recent four-week performance period prior to the use of resources assessment identified the NHS trust is demonstrating compliance with average price caps for agency. The NHS trust confirmed there is a process in place requiring executive level authorisation for any agency booked to work that is above the agreed price caps.
- A revised job planning framework has been developed by the NHS trust which sets out each consultant's agreed working pattern and supporting professional activities. Specialty activity and consideration of the wider multi-disciplinary team available to support service delivery is used within the framework to inform the job planning process. The purpose of this revised framework is to ensure all available capacity is being used effectively. The NHS trust advised approximately 40% of job plans have now been signed off against the revised framework and action is taking place to ensure all have

been through this process by the end of September 2018. A job planning steering group is overseeing this process. Responsibilities for the steering group also include a process for agreement of any job plans that exceed 12 Programmed Activities.

- E-rostering is used by the NHS trust to support effective use of staffing resources. It has been fully implemented for nursing, midwifery and pharmacy staff. It is used to manage sickness absence and leave for AHPs and annual leave for administration staff. The Trust uses e-rostering KPIs to monitor effective use of staff. Whilst the measures for nursing are not within target parameters the trust has demonstrated improvement over the last year in a number of areas such as roster sign off; annual leave; reduction in net hours balance; and reduction in percentage of 'other leave'.
- The NHS trust demonstrated improvements in staff retention during quarter two and quarter three of 2017/18 with a rise in annual retention rate from 84.4% in August 2017 to 85.6% in December 2017. However, in quarter four there was a deterioration resulting in the April 2018 staff retention rate falling to 85.2%, which is just below the national median rate of 85.5%. The NHS trust attribute the deterioration in retention to an increase in turnover rate for nursing and clerical and administration which outweighed a reduction in turnover for medical and dental staff for the same period. Work has also taken place with AHPs over the last year which has demonstrated a reduction in turnover rate from 25% down to 16% by March 2018.
- Vacancy rates for nursing (from 94.7 whole time equivalents (WTE) to 110.2 WTE) and medical (from 20.0 WTE to 35.6 WTE) staff over the last year have increased, however the NHS trust has identified that approximately 16 WTE posts are as a result of an increase in establishment. There are plans in place to support UK and international nurse recruitment which have demonstrated an increase in the number of posts offered through these campaigns.
- Sickness rates have increased since August 2017, when they were below 3%. There has been a month on month increase from September 2017 to February 2018, however they went only slightly above the national median of 4%. Sickness absence rates for March 2018 were 4.1%.

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

- Pathology costs are currently high compared to other trusts, however this is being addressed through pro-active contract management. The NHS trust is using IT proactively to support service delivery and is successfully reducing pharmacy costs and stock holding levels through various initiatives.
- The overall cost of Pathology as a percentage of operating expenditure is the sixth highest in the country at 5.6%. However, the absolute value is in the lowest quartile with a total figure of £11.4 million per year. This suggests that the NHS trust is paying more than other similar NHS trusts for the type of Pathology service required.
- The NHS trust is in the highest quartile for cost per test at £3.14 compared to a national average of £1.97. The Pathology service was outsourced to a private company 10 years ago but after recognising the higher costs through a benchmarking exercise the NHS trust gave notice 6 months ago to terminate the contract. This was to enable joint working with Luton and Dunstable NHS Trust in anticipation of the proposed merger. It is proposed that the future service will be delivered in-house between the two NHS trusts and work has been undertaken to shape the future service.
- The NHS trust benchmarks in the lowest quartile for cost of Staff & Medicines per WAU at £270 compared to a national average of £354. The NHS trust attributes this

achievement to a core Monday to Friday service built around business units of Acute, Specialist, Complex and Admissions. The NHS trust monitors skill mix and e-rostering is used to ensure adequate cover. A skeleton service operates on a Sunday and the NHS trust has confirmed that no failed discharges have occurred that were due to availability of To Take Out medicines. Days stockholding has been reduced from 24 in 2016-17 to 18.9 days in August 2018.

- The Pharmacy department is able to influence Consultant prescribing behaviour in several ways. For example, the NHS trust is using a local formulary that is shared with Luton and Dunstable NHS Trust. Any off-formulary prescriptions are challenged.
- Close working between pharmacists and doctors is embedded within the medical induction at the Trust and supported by the Medical Director. Engagement is also fostered through the Drugs & Therapies Committee. This means that the NHS Trust has been able to deliver savings of £756,180 on Top 10 Medicines to March 2018 compared to a national upper benchmark of £574,880. Further good progress has been made on the Top 10 medicines for 18/19 with a total of £108,370 saved so far to June 2018 compared to a national upper benchmark of £96,296.
- Through close working with Consultants the Pharmacy department has also delivered the 1st quarter savings of the Antimicrobial CQUIN as imposed by the Clinical Commissioning Groups with which it contracts activity.
- The NHS trust has reviewed high value, low usage items with a view to lowering stock holding levels and has transferred eligible patients to homecare supply. In conjunction with aseptic unit and haematology pharmacists, the NHS trust requested that patients be scheduled so that prescriptions could be ordered on a case by case basis rather than holding stock. The review resulted in a number of positive outcomes including the lowering of stock holding lines, value and waste reduction, improved advance notification of prescription and moving more patients to home delivery.
- The NHS trust was able to articulate a large number of applications for the use of technology that it employs to improve patient care and case management. For example, within Estates and Facilities the NHS trust uses Remote Frequency Identification Devices to track the physical location of medical devices around the hospital. This also feeds into the asset management and maintenance cycle to ensure downtime of medical devices is minimised.
- The Urgent Treatment Centre that is currently being deployed uses Symphony which is a patient management software programme and has been deployed form neighbouring trust Luton and Dunstable as part of the closer working ahead of the proposed merger.
- Pharmacy has had e-prescribing and e-chemotherapy management systems in place for a number of years and also has a stock sorting robot as well as e-stock control to reduce wastage. The NHS Trust also highlighted the use of stock holding software which is smart and intuitive in adjusting stock levels required depend on usage.
- The bed management system used by the Trust is real-time and accessible from several different devices. This assists with the management of patients that need Multi-Disciplinary Team management as well as one-to-one care. In addition to this the NHS trust has e-observations implemented on two wards already with plans to rollout to more.

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

- When measured against the NHS trust's turnover, the cost of the Finance and HR functions are above average, however overall non-pay costs are below average. The NHS trust is managing its estate well both in terms of maintaining its condition and utilising its capacity, both at relatively low cost.

- The overall non-pay cost is in the second-best quartile nationally at £1,295 per WAU compared to a national median of £1,301.

- For individual corporate services the NHS trust benchmarks in the second highest quartile for Finance function at £744,408 per £100 million turnover compared to a national median of £743,320 per £100 million turnover. However, the absolute cost is well within the lowest quartile nationally at £1.44 million compared to a national median of £2.02 million.

- The NHS trust's HR function benchmarks in the highest quartile nationally at £1,166,741 per £100 million turnover compared to a national median of £1million per £100 million turnover. The NHS trust explain this as a deliberate investment in recruitment and retention functions and provided an example of particularly in difficult to recruit roles such as Consultant Microbiologist where greater HR support is needed. The NHS Trust also highlighted that the Model Hospital data includes some HR costs that the Trust would not include in the next update, which will have led to higher costs versus the benchmark.

- Savings and rationalisation of corporate services were predicated on the planned merger with Luton & Dunstable NHS Trust. As this has been delayed with a decision due in September 2018, the NHS Trust has proceeded with some elements of shared services that do not require a full merger to be implemented. These include establishing the governance for a shared IT Board.

- The Supplies and Services cost per WAU benchmarks in the best quartile nationally at £320 per WAU compared to a national median of £340 per WAU. The Trust attributes this success to several factors. Although the procurement team are small the Head of Procurement participates in an STP level collaborative with both Luton and Dunstable NHS Trust and Milton Keynes NHS Trust to share good practice and new developments. This collaboration has led to a joint waste management contract which has reduced costs.

- Procurement have a single point of ordering and a single catalogue with a defined and robust process for adding products to the catalogue that is controlled by the Procurement team. There is good clinical engagement with procurement team and processes which works well to keep controls on the amount of medical equipment that can be ordered though having a single point of ordering.

- The Estates and Facilities cost per WAU is in the lowest quartile nationally at £329 compared with a national median of £395. This performance continues with Hard FM cost per WAU at £73 compared with a national median of £90 and Soft FM cost per WAU at £140 compared to a national median of £156. Cleaning cost is in the highest quartile at £48 per m² compared to a national median of £38 however the Trust have a very low rate of infection – 0 incidents of MRSA to March 2018, 8.19 incidences of C Difficile per 100,000 beds compared to a national median of 12.75 and 5 incidences of MSSA compared to a national median of 9.

- The Backlog maintenance at £155 per m^2 is below the national median of £156 per m^2. The NHS trust has adopted a pre-emptive approach to maintenance and asset management which is supported at Executive level. The NHS Trust highlighted they have a 20% refresh each year so over five years it is fully refreshed.

- The Trust is making positive and efficient use of its available Estate as evidenced by the amount of non-clinical space at 30.2% compared to a national benchmark of 33.9% and amount of empty space is 0% compared to national median 0.4%. The challenge that the NHS trust does face is the value of land and property in the local area does not necessarily mean that a disposal of estate is of financial benefit. In recent years the NHS trust has disposed of Estate comprising residential properties but has also taken back a property previously disposed of to provide a base for the Urgent Treatment Centre.

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

- The NHS trust has delivered the planned financial position and where possible delivered a lower deficit than planned. The trust delivered better than planned performance against its control total in 2017/18 and has accepted its control total for 2018/19. However, the NHS trust faces significant challenges to meet the target, including the cost of increased escalation bed provision to compensate for the shortfall in community provision.

- The NHS trust is in deficit and has a track record of managing spending within available resources and in line with plans.
- In 2017/18 the NHS trust reported a deficit of £6.4 million (including £7.4 million STF) against a control total and plan of £8.8 million deficit and an income of approximately £205 million. For 2018/19 the trust has a control total and plan of £6.7 million (including £7.4 million Provider Sustainability Fund (PSF) the successor to STF), which it is on target to meet as at quarter 1 for the financial performance element of the control total. The trust will not receive £0.3 million PSF relating to Quarter 1 A&E performance, therefore the trust is forecasting a full year £7 million deficit including PSF of £7.1 million.
- The NHS trust has a cost improvement plan (CIP) of £7.8 million (or 3.7% of its expenditure) and is currently forecasting to deliver against its plans. The NHS trust delivered £7.3 million savings against a plan of £7.8 million (93%) in the previous financial year, of which 97% were recurrent.
- The NHS trust has relatively low cash reserves and is able to consistently meet its financial obligations and pay its staff and suppliers in the immediate term, as reflected by its capital service and liquidity metrics. The NHS trust is reliant on short-term loans to maintain positive cash balances.
- Costing information is being used to support the Service Line Reporting (SLR) system which is used to consider investment decisions and whether they will have a positive benefit for the trust both financially and clinically.
- The NHS trust is investing a small amount of capital in the private patient service as there are income opportunities to increase private patient income. This additional income supports the current year CIP plan and has also helped engagement with trust clinicians.
- The NHS trust has engaged with an external partner to review coding to ensure it receives the correct level of income for the patients it has treated.

- The NHS trust tightly controls its use of management consultants and other external support services only engaging them for specific time limited projects where the trust does not have this expertise internally.

Outstanding practice

We identified the following areas of outstanding practice:

- **Estates and Facilities Management**: The NHS trust is pro-actively manging its estate to maximise its usage and maintain its condition. The NHS trust has adopted a pre-emptive maintenance and asset management approach ensuring that over 5 years its estate is fully refreshed.

Areas for improvement

We identified scope for improvement in the following areas:

- **Did Not Attend (DNA**): The NHS trust should continue to progress its work to address the relatively high levels of DNA.
- **Delayed Transfers of Care (DTOC**): Levels of DTOC are high and the NHS trust will need to continue to address the issue of patients remaining in hospital longer than necessary.
- **Agency**: The NHS trust needs to continue to develop alternative staffing initiates to further reduce agency costs.
- **Getting It Right First Time (GIRFT):** Up to the date of our visit on August 2018, no reports had been presented to the Trust Board to make the Board aware of progress being made against the GIRFT action plans. It is important that the Board is sighted on the progress made against these plans.

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.
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.