

Countess of Chester Hospital NHS Foundation Trust

Use of Resources assessment report

Liverpool Rd, Chester CH2 1UL

Tel: 01244 365000

<http://www.coch.nhs.uk>

Date of publication: 17 May 2019

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

Ratings

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

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

Are resources used productively?	Requires improvement ●
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Combined rating for quality and use of resources	Requires improvement ●
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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 Requires Improvement, because:

- We rated safe, effective, responsive, and well-led as requires improvement and caring as good.
- At this inspection, we inspected three core services and rated all of them as requires improvement overall.
- In rating the trust we took into account the current ratings of the seven core services across the two locations not inspected at this time. Hence, four services across the trust are rated overall as requires improvement, two services are rated good and the remaining service was inspected but not rated.
- The overall ratings for each of the trust's acute locations remained the same.
- We rated well-led for the trust overall as requires improvement and this was not an aggregation of the core service ratings for well-led.
- The trust was rated as requires improvement for use of resources. Full details of the assessment can be found on the following pages.

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Address

Countess of Chester Health Park

Liverpool Road, Chester

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Date of site visit:

19 November 2018

Date of NHS publication:

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

Are resources used productively?

Requires improvement



How we carried out this assessment

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

We visited the trust on 19 November 2018 and met the trust’s leadership team including the chief executive and the chair, as well as relevant senior management responsible for the areas under this assessment’s KLOEs.

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 consistently making best use of its resources to enable it to provide high quality, efficient and sustainable care for patients.
- For 2017/18 the trust had an overall cost per weighted activity unit (WAU) of £3,234 compared with a national median of £3,486. This indicates that the trust is more productive at delivering services than other trusts by showing that, on average, the trust spends less to deliver the same number of services.
- For 2017/18 the trust's overall pay cost per WAU, at £2,336, is above the national median of £2,180, placing it in the second highest (worst) quartile nationally. This means the trust spends more on pay per WAU than most other trusts in England.
- The trust's non-pay cost per WAU, at £898, is significantly below the national median of £1,307. This means the trust spends less on other goods and services per WAU than most other trusts nationally.
- Individual areas where the trust's productivity compared particularly well included staff sickness absence rates, emergency readmission rates and corporate services. Opportunities for improvement were identified in staff retention rates, Delayed Transfers of Care (DTC) rates, pre-procedure elective bed days and pay cost per WAU.
- At the time of the assessment in November 2018, the trust was not meeting the constitutional operational performance standards around Referral to Treatment (RTT), and Accident & Emergency (A&E).
- The trust delivered a surplus of £1.7m in 2017/18 (including Sustainability and Transformation Funding), against a control total of a £3.6m deficit, which was £5.4m ahead of plan. As of the second quarter of 2018/19, the trust has formally reforecast the year-end financial position to a deficit of £10.9m, which is £13.9m worse than the 2018/19 plan (including Provider Sustainability Funding).
- The trust required 4.1% efficiency savings in 2018/19 in order to achieve its control total. The trust is forecasting to deliver around 2.1% savings in year. In addition, increased non-elective demand and pressure from delayed transfers of care led to the Board deciding to permanently establish one additional 22-bed ward, with additional costs of around £1m for the year. This also had an impact on the trust's elective activity, leading to around £2.9m less income than planned for the year. Although the trust has managed to identify some non-recurrent resources to support the position in 2018/19, it was not able to fully offset the impact of the financial pressures.
- The trust planned savings are £10.8m which is 4.4% of expenditure. As of the second quarter of 2018/19, the trust is anticipating delivery of £4.9m (1.98% of expenditure) of which 44% are non-recurrent.
- The trust is reliant on external loans to meet its financial obligations and deliver its services.
- Collaboration with other healthcare trusts across Cheshire and Mersey demonstrated how the trust was able to maintain and deliver efficient corporate services such as procurement, finance and human resources departments.

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 November 2018, the trust was not meeting the constitutional operational performance standards around Referral to Treatment (RTT), and Accident & Emergency (A&E).
- The trust reports a delayed transfers of care (DTOC) rate at 5.1% (August 2018). The trust has a higher percentage of patients in hospital with a length of stay over 20 days at 13.6% for August 2018 compared to the national median percentage of 9.44%. The trust are working closely with the local authority to ensure patients are returned to their own home where possible. This includes rehabilitation teams visiting the patients at home and all rehabilitation areas offering 7-day therapy services. However, the trust explained it serves a large Welsh population and health services across Wales do not have a goal to reduce the number of patients with a length of stay of over 20 days. The trust also noted there are very few community placements available across the Welsh footprint and they are in discussions with the Welsh Health Boards to address this.
- More patients are coming into hospital unnecessarily prior to treatment compared to most other hospitals in England.
 - On pre-procedure elective bed days, at 0.27 days, the trust is performing in the highest (worst) quartile when compared nationally – the national median is 0.11 days. The trust noted this is in part due to the provision of vascular services. In addition the trust provided evidence to demonstrate the metric for the quarter was skewed as a result of one patient outlier with a 93 day pre-procedure stay.
 - On pre-procedure non-elective bed days, at 0.67 days, the trust is performing below the median when compared nationally – the national median is 0.69 days. The trust described one of the reasons for this was their Older Persons Assessment Area that was multidisciplinary and enabled early assessment of older people and had a dedicated telephone line for GPs to ring in and discuss patients.
- The trust was meeting the cancer 62 day wait targets for both urgent GP referral and cancer screening service referrals.
- Patients are less likely to require additional medical treatment for the same condition at this trust compared to other trusts. At 6.02%, emergency readmission rates are significantly below the national median. The trust stated they had a multi-disciplinary approach to this with assessment areas that were supported by a range of services such as Occupational Therapy and Pharmacy.
- The Did Not Attend (DNA) rate for the trust is low at 5.78% for quarter 1 2018/19. The trust explained this is monitored via their Outpatients Efficiencies Group. This group looks at ways of improving processes and pathways. The trust stated it worked closely with the CCGs in managing the pathways and gave an example of a patient group that had high DNA rates but that had seen significant reduction due to moving the clinic into a community setting.
- The trust is improving clinical productivity by working with other neighbouring hospitals to co-ordinate vascular care. This combines the expertise and resources of three hospitals to provide better care for patients.
- The West Cheshire Healthcare system is working together to develop an Integrated Care Partnership (ICP). The ICP is hosted by the trust and will co-ordinate community and hospital teams. This co-ordination of care will mean that patients receive the care they need in the most appropriate place.
- The trust positively engages with the Getting It Right First Time (GIRFT) Programme and

uses Model Hospital to support the teams delivering services to identify areas for improvement and demonstrate change. With this approach improvements have been seen in both urology and orthopaedics.

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

- For 2017/18, the trust had an overall pay cost per WAU of £2,336 compared with a national median of £2,180 and placing the trust in the second highest (worst) quartile nationally. This means that it spends more on staff per unit of activity than most trusts. The trust is in the second lowest (best) quartile for medical cost per WAU (£502 against a national median of £535), although it benchmarks in the second highest quartile for nursing cost per WAU (£778 against a national median of £711) and Allied Health Professional cost per WAU (£131 against a national median of £130).
- The trust explained it has a policy of over establishing at junior level for medical staff to ensure safety across the rotas. They utilise Non-Medical practitioners where possible instead of utilising agency locum cover and all agency rates are signed off by the Medical Director.
- The trust utilises their own nursing staff to cover shifts and currently has 65 nursing vacancies. This means their agency costs are significantly less than other organisations but their nursing costs per WAU are high.
- AHP roles are being reviewed and extended by the trust. The trust has a 42-bedded unit that is managed by an AHP rather than a nurse, as has been the tradition. The trust noted this is being explored further for other areas where appropriate.
- The trust utilises e-rostering across the workforce, excluding medical staff. For the nursing workforce there is a Confirm and Challenge Meeting where scrutiny is applied to all rosters and is linked into 'Care Hours Per Patient Per Day' acuity data.
- The trust met its agency ceiling as set by NHS Improvement for 2017/18 and is forecasting to meet its ceiling in 2018/19. The trusts agency cost per WAU for 2017/18 was £63 compared with a national median of £108, placing the trust in the lowest (best) quartile. This shows the trust is spending less than the national average on agency as a proportion of total pay spend.
- 100% of doctors have a job plan and 100% of Specialist Nurses have a job plan which includes clinical sessions and time on clinical rotas.
- Staff retention at the trust shows room for improvement, with a retention rate of 85.2% in quarter 1 2018/19, against a national median of 85.6%. The trust believes the low retention rate is due to expected retirement numbers. The trust explained that all staff have an exit interview on leaving the trust.
- At 3.55% in quarter 1 2018/19, staff sickness rates are better than the national average of 3.69%. The trust explained it has implemented a compassionate approach to sickness management in line with the trusts policy and with the aim of returning people back to work appropriately. Health and wellbeing initiatives implemented by the trust include delivering free resilience training in the workplace rather than staff being required to attend outside of their work area. Staff who suffer a significant event such as the loss of a partner or child receive a tailored package of care to support the them in returning to work. At the time of the assessment, the trust was not able to demonstrate the impact of this on the trust sickness rate.

How effectively is the trust using its clinical support services to deliver high quality,

sustainable services for patients?

- The trust is making progress in how it utilises its own clinical support services or works in collaboration with others to do this.
- The trust is collaborating within the Cheshire & Merseyside Health and Care Partnership on both Pathology and Imaging transformation projects; actively pursuing shared procurement opportunities and standardised approaches to clinical pathways. The trust has executive representation on the Cheshire & Merseyside Diagnostics steering group and there is evidence of good collaborative working with Wirral University Teaching Hospital NHS Foundation Trust.
- For 2017/18, the overall cost per test, at £1.58 compared with a national median of £1.86, benchmarks in the second lowest (best) quartile nationally due to low costs in blood sciences and cellular pathology. The trust has an operational joint venture arrangement with Wirral University Teaching Hospitals for microbiology. The trust explained it is progressing with further collaborative projects with the expectation of reducing cost per test further.
- The trust utilises benchmarking information well and has used it to influence requesting patterns for pathology tests from GPs. Testing per capita of population is below the national median (17.7 compared with a national median of 25.7) with the trust evidencing the use of intelligent requesting systems and good communication with requesting GPs to support this.
- The trust's medicines cost per WAU is relatively low when compared nationally with a 2016/17 cost of £282 compared to the national median of £320. As part of the Top Ten Medicines programme, it is making very good progress in delivering on nationally identified savings opportunities, achieving 121% of the savings target exceeding the upper national benchmark of 100%. The trust has made good progress in implementing switching opportunities for Infliximab, Imatinib and Rituximab, but there are more opportunities to pursue for Adalimumab which the trust plans to introduce before the end of the year.
- The trust is aware of the opportunity to improve the pharmacy service through reduced number of days stockholding from 23 to the national median of 20 and through extending the clinical ward pharmacy to cover Sunday. There is also evidence of innovation through collaboration with CCG to develop an integrated pharmacy service.
- The trust demonstrated it is aware of the relatively high cost per report for their imaging service (£60.34 compared with a national median of £52.06) and attributed much of this to the higher than median interventional radiology costs associated with the specialist vascular services delivered from the trust. The trust is managing the reporting commitment with additional reporting sessions with trust staff. This is preferable to agency staff and made better use of resources.
- The trust has 30.2% of plain x-rays reported by radiographers which is higher than the national median of 25.7% and has further plans to increase the percentage of radiographers reporting plain X-rays as well as other modalities. This means that radiologists have a more time to review complex images such as CT and MRI scans.
- The trust is using technology in many innovative ways to improve operational productivity across departments to both increase safety and support reduced length of stay. The trust has invested in a new electronic system which allows greater visibility to match patients to beds, and the automatic allocation of domestic and portering staff (Tele Tracking). The trust has also utilised text reminders to patients to confirm appointments. This has contributed to a significantly lower DNA rate for the trust of 5.78%.

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

- The trust has shown progress to managing corporate services, procurement and estates to maximise benefits to patients.
- For 2017/18, the trust had an overall non-pay cost per WAU of £898 compared with a national median of £1,307, placing the trust in the lowest (best) quartile and the second-best Trust nationally. This shows the trust spends less on other goods and services per WAU than the majority of other trusts nationally.
- The cost of running its Finance and Human Resources departments are lower than the national average. The trust's finance function cost of £670,512 per £100m turnover compares well against the national median of £743,320 placing it in the second lowest (best) quartile. The trust's HR function is also in the second lowest (best) quartile with a cost of £870,915 against a national median of £1m.
- The trust is working collectively across the Cheshire & Merseyside Health and Care Partnership on the "Carter at Scale" Programme to ensure that non-corporate services are delivered efficiently. A project Director has been appointed with a Memorandum of Understanding between partners covering procurement, logistics, HR and finance.
- The trust is currently ranked 60th (out of 136) in the procurement league table. The trust's procurement processes are relatively efficient and successfully drive down costs on the things it buys. This is reflected in the trust's Procurement Process Efficiency and Price Performance Score of 61 (for quarter 4 2017/18), which placed it in the second highest (best) quartile.
- For 2017/18, the trust has a supplies and services cost per WAU of £383 compared with the national median of £364, placing the trust in the second highest (worst) quartile.
- The trust has a proportion of the procurement team undertaking contract procurement duties that are utilised but other health organisations thus generating income for the trust and offsetting the higher service cost per WAU. This additional team resource has achieved annual savings targets set by the trust board.
- The procurement team are actively engaged and leading the work programme for the Carter at scale procurement workstream in Cheshire & Merseyside.
- For 2017/18, at £275 per square metre the trust's estates and facilities costs benchmark below the national median of £325. The trusts hard facilities management (FM) costs also benchmark well at £68 per square meter compared with a national median of £80. However, the trusts soft FM costs at £138 per square metre, are above the national median of £127.
- The trust is aware of and addressing several causes that are contributing to the higher than median soft FM costs. Projects underway at present are looking at portering utilisation through the night, cleaning practices, reduction of incinerated waste, high usage of linen. Some of the initiatives already in place to assist this work include tele-tracking of porters and work allocation through the trust digital tools.
- For 2017/18, the trust has a total backlog maintenance cost of £105 per square metre compared with the national median of £182 per square metre. In addition, the trust has a critical infrastructure risk per square metre of £26 compared with a national median of £81.

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

- The trust is not currently managing its financial resources to deliver high quality care;

however, it does understand the circumstances driving its financial performance.

- The trust is in deficit (including Provider Sustainability Funding) but historically has a good track record of managing spending within available resources and in line with plans.
- In 2017/18, the trust reported a surplus of £1.7m (0.73% of turnover) including Sustainability and Transformation Funding against a control total and plan of a £3.7m deficit. For current year, the trust has a control total and plan of £3m (1.26% of turnover) including PSF, but the trust reforecast the position at quarter 2 to a deficit £13.9m (4.7% of turnover) including PSF which is a £13.9m deterioration on plan.
- The trust has a cost improvement plan (CIP) of £10.8m (or 4.4% of its expenditure) and is currently forecasting to fall short of its plans and deliver £4.9m (1.98% of its expenditure) of which 44% are non-recurrent. The trust delivered 100% of its planned savings in the previous financial year (£11.4m, 4.6% of expenditure), of which 28% were non-recurrent.
- The trust required 4.1% efficiency savings in 2018/19 in order to achieve its control total, which was challenging and relied on some high value schemes that were high risk. The trust is forecasting to deliver around 2.1% savings in year. In addition, increased non-elective demand and pressure from delayed transfers of care led to the Board deciding to permanently establish two additional 22-bed wards, previously used only for escalation capacity during winter, with additional costs of around £2.4m for the year. High levels of non-elective demand have also had an impact on the trust's elective activity, leading to around £2.9m less income than planned for the year. Although the trust has managed to identify some non-recurrent resources to support the position in 2018/19, it was not able to fully offset the impact of the financial pressures.
- The trust has relatively low cash reserves and by the end of quarter 3 2018/19 will not be 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 trust will be reliant on short-term loans to maintain positive cash balances.
- The trust has used Service Line Reporting to identify services that are loss making, and for example divested the Bariatric service several years ago. The trust explained it is currently reviewing all services and will look at working with other organisations within the Cheshire and Merseyside STP to identify how services should be geographically configured to support operational sustainability.
- The trust generates additional income by providing a commercial procurement service for other public-sector organisations and noted it is looking to expand this service.
- The trust has minimal spend on management consultants or other external support services.

Outstanding practice

- The trust is using technology in many innovative ways to improve operational productivity across departments to both increase safety and support reduced length of stay. The trust has invested in a new electronic system which allows greater visibility to match patients to beds, and the automatic allocation of domestic and portering staff (Tele Tracking).
- The trust have introduced a compassionate approach to sickness management in line with the trusts policy and with the aim of returning people back to work appropriately. Health and wellbeing initiatives have been implemented by the trust and include delivering free resilience training in the workplace and tailored support packages to support staff who have experienced significant loss.

Areas for improvement

- The trust needs to develop a plan to return to financial balance and remove the requirement for borrowing to meet its financial obligations. The trust faces significant financial challenges and has already taken steps to improve productivity and efficiency while improving the quality of care.
- Staff retention at the trust is above the national average and shows room for improvement.
- Pre-procedure elective length of the stay is a significant outlier and presents an opportunity for the trust to improve productivity.
- The trusts soft FM costs benchmark above the median.
- Nursing pay costs per WAU are high and in the second highest quartile when compared nationally. The trust recognises this and noted this is due to utilising non-medical practitioners and their own nursing staff to cover shifts, however, this needs to remain an area of continued focus.

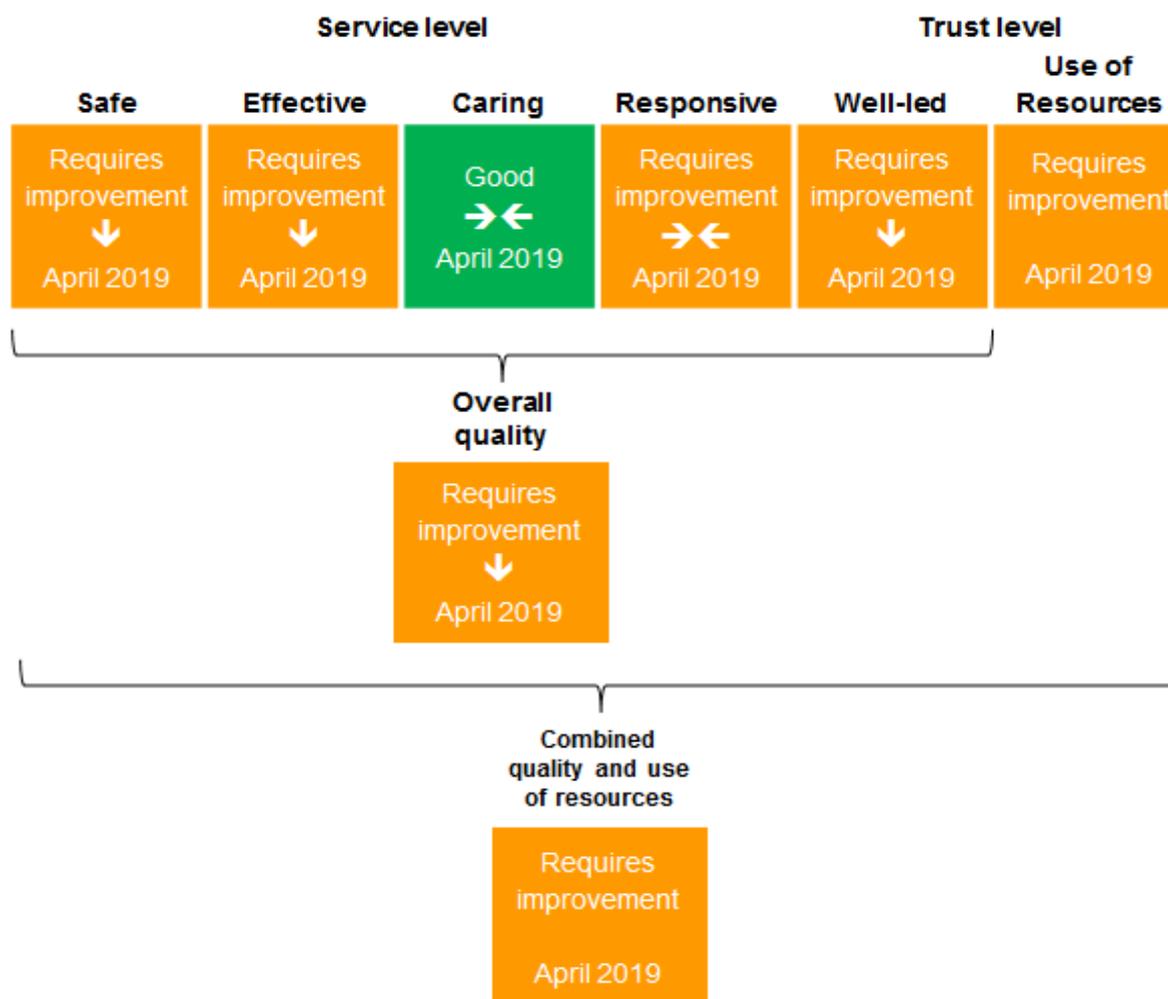
Ratings tables

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	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.

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	This metric looks at the length of stay between admission and an elective

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