Ashford & St Peter's Hospitals NHS Foundation Trust

Use of Resources assessment report

St Peter's Hospital, Guildford Road, Chertsey,
KT16 0PZ

Tel: 01932 872000
www.ashfordstpeters.nhs.uk

Date of publication: 4 October 2018

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

Ratings

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

Our overall quality rating combines our five trust-level quality ratings of safe, effective, caring, responsive and well-led. These ratings are based on what we found when we inspected, and other information available to us. You can find information about these ratings in our inspection report for this trust and in the related evidence appendix. (See www.cqc.org.uk/provider/RF4/reports)

Are resources used productively?	**Good**

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

We award the Use of Resources rating based on an assessment carried out by NHS Improvement.

Our combined rating for Quality and Use of Resources summarises the performance of the trust taking into account the quality of services as well as the trust's productivity and sustainability. This rating combines our five trust-level quality ratings of safe, effective, caring, responsive and well-led with the Use of Resources rating.

Use of Resources assessment and rating

NHS Improvement are currently planning to assess all non-specialist acute NHS trusts and foundation trusts for their Use of Resources assessments.

The aim of the assessment is to improve understanding of how productively trusts are using their resources to provide high quality and sustainable care for patients. The assessment includes an analysis of trust performance against a selection of initial metrics, using local intelligence, and other evidence. This analysis is followed by a qualitative assessment by a team from NHS Improvement during a one-day site visit to the trust.

Combined rating for Quality and Use of Resources

Our combined rating for Quality and Use of Resources is awarded by combining our five trust-level quality ratings of safe, effective, caring, responsive and well-led with the Use of Resources rating, using the ratings principles included in our guidance for NHS trusts.

This is the first time that we have awarded a combined rating for Quality and Use of Resources at this trust. The combined rating for Quality and Use of Resources for this trust was good, because:

We rated effective, caring responsive and well-led as good. We rated safe as requires improvement overall.

We did not inspect all core services. The previous rating for those services we did not inspect were taken into account when working out the overall trust ratings for this inspection.

The overall rating for St Peter's hospital was good and remained the same. Our rating for Ashford hospital went down as was rated as required improvement overall.

In outpatients at Ashford hospital we rated safe and well-led as requires improvement and caring and responsive as good. We did not rate effective. We rated the service as requires improvement overall

In urgent and emergency care we rated safe, responsive and well-led as requires improvement and caring and effective as good. We rated the service as requires improvement overall.

In critical care we rated safety, responsive, effective as good and caring and well-led as outstanding. We rated the service as outstanding overall.

In medicine at St Peters we rated safe as requires improvement and effective, caring, responsive and well-led as good. We rated the service as good overall.

In children and young people's services we rated safe, effective, caring, responsive and well-led as good, and the service as good overall.

We rated well-led for the trust overall as good.

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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?	**Good**

How we carried out this assessment

The aim of Use of Resources assessments is to understand how effectively providers are using their resources to provide high quality, efficient and sustainable care for patients. The assessment team has, according to the published framework, examined the trust's performance against a set of initial metrics alongside local intelligence from NHS Improvement's day-to-day interactions with the trust, and the trust's own commentary of its performance. The team conducted a dedicated site visit to engage with key staff using agreed key lines of enquiry (KLOEs) and prompts in the areas of clinical services; people; clinical support services; corporate service; 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 6 July 2018 and met the trust's executive team (including the chief executive), a non-executive director (in this case, the chair) and relevant senior management responsible for the areas under this assessment's KLOEs.

Findings

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

We rated use of resources as good because the trust demonstrated it has used its resources effectively and has embedded productivity in its decision making to support delivery of high quality, sustainable and efficient care for patients:

- The trust has a track record of delivering strong financial performance, achieving a surplus of £18m or 5.9% of expenditure in 2017/18 which was better than its control total of £14m. The trust delivered a cost improvement plan (CIP) of £11.3m (3.8% of expenditure), compared to a target of £10.5m and has a control total and plan of £13.2m surplus for 2018/19 which it is forecasting to deliver.
- The trust has an overall cost per weighted activity unit (WAU) of £3,209 compared with an average of £3,484 for 2016/17 (the most recent data), placing the trust in the lowest (best) quartile nationally. This means the trust spends less per unit of activity than most other trusts.
- While the trust has experienced some variability in its delivery of the key performance standards, it has taken a pro-active approach to prevent emergency re-admissions and is achieving a low rate of 6.5% compared to a national median of 7.5%. Also, significantly fewer patients are coming into hospital unnecessarily prior to treatment compared to most hospitals in England and the trust has delivered significant improvement in delayed transfers of care (DTOC) achieving 1.92% rate compared to a national standard of 3.5%.
- The trust is an exemplar on how it has engaged with the national Getting It Right First Time (GIRFT) programme and embedded the programme at executive level and across the trust, challenging performance and driving up quality.
- The trust is part of a networked clinical pathology service which has successfully leveraged economies of scale. It has overachieved its savings targets from the Top Ten Medicines programme and achieved a relatively low medicines cost per WAU compared to other hospitals in England.
- The innovative use of technology and adoption of best practice has enabled the trust to deliver operational improvement across the organisation and achieve top quartile performance in key productivity metrics.
- The trust had £25m of cash at the end of 2017/18 and was able to meet its financial obligations and was not reliant on short-term loans to maintain positive cash balances.

However,

- The trust's relatively low cost per WAU masks a number of issues with the workforce that the trust is addressing. In particular:
    - The trust's staff retention rate is significantly lower (worse) than the national median. The trust indicated that it finds recruiting and retaining nurses very challenging.

- The agency cost per WAU is higher than average. The trust has a significant reliance on temporary nursing workforce (24% of all nursing expenditure based on the most recent data) which represents a challenge to the trust's ability to provide sustainable, high quality and cost-effective services.
- The trust has recognised there is scope to improve its job planning to drive productivity in its medical workforce.

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

The trust has achieved good performance across a number of aspects of its clinical services. It has very low levels of pre-procedure bed stays and has reduced emergency readmissions and DTOC rates to better than average. The trust is considered an exemplar for the implementation of the GIRFT programme. However, it has seen some variability in its delivery of key performance standards and its Did Not Attend (DNA) rate is worse than average.

- The trust has variable performance against the delivery of key performance standards. The trust's performance against the A&E 4-hour target was 87.6% as at May 2018 (being the most recent data at the time of the assessment) against a target of 95% and below the national average of 89%. However, the trust performed slightly better than the national median for the Referral To Treatment (RTT) standard at 89.7% against an average of 88.8% (as at April 2018), although this was below the standard of 92%.
- The trust achieved the 6-week diagnostic wait target in line with other providers nationally as at April 2018 and performed slightly better than average on the Cancer standard at 88.4% compared with an 86.7% average, and better than the national standard at 85%.
- The trust has reduced its emergency re-admission rate within 30 days from 8.3% in March 2017 to 6.5% in March 2018 which is lower (better) than the national median of 7.5%. The trust has focused on improving communication with patients and local health partners to deliver this improvement. Examples of actions taken to prevent readmission include pro-active calls to discharged patients at home to follow up, providing support to the GPs to prevent re-admission and working with care homes on catheter management.
- Non-elective pre-procedure bed days at the trust were 0.40 which is in the upper (best) quartile against a peer median of 0.82 days and the elective pre-procedure bed days at the trust were 0.06 which is significantly lower (better) than the peer median of 0.1. This indicates that fewer patients are coming into the hospital unnecessarily prior to treatment compared to most other hospitals in England.
- The trust has made significant improvements in addressing DTOCs from a high of 6.74% in September 2017 to 1.92% in April 2018. This has been achieved by delivering an action plan with system partners.
- The trust has embraced the GIRFT programme as a primary driver for change with the methodology embedded in the trust. The approach taken by the trust in this respect is seen as an exemplar for the GIRFT programme delivery. Through the programme the trust has focused on identifying and addressing clinically-led changes, such as the monitoring and response to surgical site infections and the reorganisation of subscale services. The trust routinely uses data and intelligence to challenge performance and drive up quality.
- As well as GIRFT the trust also fully participates to the Rightcare programme. Clinical improvements such as the reduction in orthopaedic surgical interventions, the establishment of extended scope practitioners and the adoption of virtual fracture clinics

supported by improved technology are now saving North West Surrey CCG around £5m per annum. The trust told us that their urology virtual clinics now avoid around 4,000 attendances per annum, and they have adopted patient initiated & open access follow ups across many of our specialties.

- The trust's DNA rate was 7.6% in April 2018 which is a reduction from a high of 8.4% in September 2017 but slightly higher than the national median of 7%. The trust reported that implementing a text reminder service and calling patients have contributed its improvement. The trust is delivering further measures to continue to improve the DNA rate, in particular by using an electronic booking service and offering choice to patients to book by phone or online.

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

The trust's overall pay cost per weighted activity unit (WAU) for 2016/17 is better than average and trust has made concerted efforts to recruit to its temporary staff bank which has to an extent reduced reliance on agency staff. However, using such high levels of temporary staff creates a vulnerability to the sustainable delivery of services. Staff retention is of significant concern, in particular in nursing. However, the trust has a very low rate of sickness absence which is in the lowest (best) quartile.

- The trust's pay costs for 2016/17 were £2,074 per WAU compared to a median £2,175 placing the trust in the second best quartile. However, the breakdown of staff costs per WAU shows significantly higher medical costs of £596 per WAU compared to the median of £526 per WAU. The trust indicated that this was a planned position as it created a bias to ensure senior decision makers were available but also acknowledged it is seeking to bring this into line as the workforce is developed. The trust is also aware that the deployment of its medical resource could be improved and is looking at more efficient shift structure.
- The nursing costs per WAU are £575 against a median of £720. The trust explained that this is due to a very high vacancy rate and provided details of its recently refreshed recruitment strategy to redress this. Although the trust has taken steps to understand and resolve the problem, the implementation of its strategy is too early to give us ~~assurance~~ that the problem is sufficiently understood or that the actions will address the issue.
- The agency cost per WAU at £166 is worse than the median of £137. The trust presented the steps it had taken to address this which included the use of Locum's Nest. The trust has reduced its agency spend from 8.2% in 2016/17 to 5.6% in 2017/18. The trust recognises it operates with a high level of nursing agency but reports it is struggling to recruit sufficient nurses. It is now looking at innovative measures to deliver services and operate in this context.
- As of the UoR assessment date the consultants that are recorded as having a job plan on the Clinician Resource Management System (CRMS) was 90.28%. However, the trust acknowledges these job plans do not have the robustness required which is why the trust commenced a review of its job planning arrangements between October to December 2017. The evidence of this workstream has been provided and indicates that the trust engaged with the clinical workforce to change the process from January 2018 onwards. The trust should be recognised for identifying this issue and taking steps to address it. The outcome of this work is evident in the Trauma and Orthopaedic Team that have transitioned to the new way of Job Planning. This has enabled a Consultant of the Week role to be introduced and improved productivity. As of the UoR assessment date the percentage of consultants that had a current

submitted/approved/completed job plan using the new approach stood at 36% although it is acknowledged the trust is transitioning to a new way of working.

- Staff retention, at 81.4%, is significantly worse than the national median of 86%. The trust acknowledged this position and has identified high turnover rates for nurses and AHPs. The trust has taken steps to understand the reasons for nurses leaving the trust and has commenced an improvement programme to address its challenges relating to nursing retention. However, it is too early to see a significant impact on the retention rate.
- The trust's sickness rate (3%) is significantly better than the national median (4.9%).

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

The trust uses its clinical support services in an effective way to deliver high quality services for its patients. Its Pathology costs benchmark as relatively expensive although this reflects the transitional impact of a joint venture. The trust has relatively low medicines costs and is using technology in innovative ways in a number of areas.

- The trust's overall Pathology cost per test (£2.11) benchmarks in the second highest (worst) quartile nationally due to the effect of the costs of change associated with ongoing service transformation.
- The trust is part of a maturing networked clinical pathology service, the Surrey & Berkshire Pathology Services (SBPS), which has successfully leveraged the economies of scale and consolidation opportunities available from this service model. The trust acknowledges that there are still further savings to be delivered through completion of the process of fully integrating services from Royal Berkshire NHS Foundation Trust into the SBPS network, and that they are still incurring investment costs associated with the consolidation process (both to the estates and digital infrastructure). The cost per test is steadily improving with reductions of 7% (2016/17) and 8% (2017/18) and is expected to continue to improve further. The trust will further benefit from a contribution due to securing additional income as a result of the SBPS network expanding its GP market share.
- The trust's medicines cost per WAU at £286 is relatively low compared to a national median of £320. As part of the Top Ten Medicines programme, it is making good progress in delivering on nationally identified savings opportunities, achieving 124% of the savings target against the benchmark of 80%. The trust has made good progress in implementing biosimilar switching opportunities. It is exploring opportunities to further reduce stock levels through collaboration with neighbouring trusts. The trust has made additional investment in prescribing training for clinical pharmacy staff increasing its percentage of prescribers to 30%, with plans to achieve the recommended 50%. Increasing pharmacy time in ward areas has enabled the trust to increase its rates of medicines reconciliation, although there remains a further opportunity for improvement.
- The trust is using technology in a number of innovative ways to improve operational productivity across the organisation as well as adopting best practice. Examples of this include the use of digital tools to support the pre-assessment pathway (My Pre-Op), clinical handovers and remote monitoring of patient vital signs (Vitalpac), use of virtual clinics and patient advice lines to reduce outpatient attendances and readmissions, and full adoption of the Electronic Referral Service. This use of technology has enabled the trust to achieve top quartile performance in some key productivity metrics, and the organisation has culturally embraced technology as an enabler of improved service delivery. Of particular note is the trust's use of digital technology (Locum's Nest) to

facilitate the development of their medical staff bank, and to significantly reduce agency staff costs as a result.

- The trust's imaging services are partly outsourced through joint ventures and network arrangements (for example MRI, PACS/RIS, Nuclear Medicine, some out-of-hours reporting) which have resulted in significant efficiencies for the trust. Outsourcing has enabled the trust to maintain a modern diagnostic imaging asset-base which the trust reported to deliver value through reduced scanner downtime and operational disruption. The trust acknowledged that there was some improvement to be made to prices for out-of-hours reporting services and was considering the potential for collaboration with other trusts to offer a solution through in-sourcing this activity in future. Vacancy rates for Radiographic staff are high, and the trust benchmarks unfavourably against other trusts in the volume of plain x-rays reported by Radiographers. The trust described effective operational processes for monitoring reporting backlogs and taking remedial action in the event that waiting times exceeded defined thresholds.

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

The trust performs well across the range of corporate, procurement and estates and facilities services. The trust has low non-pay costs reflecting low costs in running in its corporate functions such as finance and human resources. Its estates and facilities costs are broadly comparable to the average and its procurement performance is good, although the cost of its procurement service is higher than average.

- For 2016/17 the trust had an overall non-pay cost per WAU of £1,135, compared with a national median of £1,301, placing it in the lowest (best) cost quartile nationally. This represents an improvement on the previous year.
- The cost of running its finance and human resources departments are lower than the national average. The trust's payroll costs are relatively high, but this is reported to be because the trust hosts another trust's payroll and occupational health functions for which it receives compensating income. The trust is seeking to drive further efficiency through the use of self-service functionality and automation rather than pursuing consolidation with local partners. The trust acknowledged it has chosen to maintain HR costs at a higher level as part of a wider strategy to reduce agency costs (eg adding weekly payroll to incentivise use of the trust's medical staff bank) and improve staff retention (eg administering some non-financial employee benefit schemes).
- The trust's procurement processes are relatively efficient and tend to successfully drive down costs on the things it buys. This is reflected in the trust's Procurement Process Efficiency and Price Performance Score of 74.3, which placed it in the best quartile nationally. The second highest quartile performance for the percentage variance for top 100 products and 2.18% variance from median price also suggest that the trust is getting the best prices from its procurement operations.
- The trust is in the second most expensive quartile in terms of procurement costs. The trust has invested in a dedicated procurement team within its CIP which, despite the relatively low opportunities suggested by benchmarking data, have delivered year-on-year recurrent savings to the organisation. The trust plans to further develop the procurement function to provide more strategic procurement support and drive further value in future.
- At £337 per square metre in 2016/17, the trust's estates and facilities costs benchmark slightly below the national average (£338.5). The trust achieves the cost efficiency

benchmark on soft facilities management costs and the productivity benchmarks in the majority of areas.

- The value of the trust's backlog maintenance is marginally above the national average being £202 per square metre compared to £197 nationally. The trust's estate is a mixture of relatively new buildings and some old building stock which the trust is seeking to dispose of.
- The trust has committed significant management time and priority to developing an estates masterplan to address the areas where the organisation performs less well, specifically on empty and underutilised space, backlog maintenance and energy costs. The trust has developed plans for land disposals, and reinvestment which will has the potential to bring the trust's performance against these metrics below the national median through reducing the aged building stock, re-providing energy generation infrastructure, and includes the provision of a stock of affordable housing units to support the trust's recruitment and retention plans.
- The trust acknowledges that its waste costs are above the benchmark levels. All trust waste is incinerated and the higher costs are understood to be due to the number of journeys made for waste processing. The organisation is seeking to change the frequency of waste pickups in order to minimise the number of journeys and reduce costs.

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

The trust has a track record of strong financial performance and has consistently delivered a surplus, which was 5.9% of expenditure in 2017/18 and forecast to be 3.7% in 2018/19. The trust has delivered better than planned performance against its control total in 2017/18 and has accepted its control total for 2018/19. The trust had a good cash position at the end of 2017/18.

- In 2017/18 the trust reported a surplus of £18.0m against a control total and plan of £14.0m surplus representing 5.9% of its expenditure base. For 2018/19 the trust has a control total and plan of £13.2m surplus, which it is currently forecasting to meet.
- The trust has a CIP of £10.5m for 2018/19 (or 3.5% of its expenditure) and is currently forecasting to deliver its plans. The trust over-delivered its planned savings in the previous financial year achieving £11.3m against a target of £10.5m, all of which the trust reports as recurrent.
- The trust had £25m of cash at the end of 2017/18 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 trust is not reliant on short-term loans to maintain positive cash balances.
- The trust delivered its agency ceiling in 2017/18.
- The trust participates in both the local ICS and Surrey Heartlands ICP.
- The trust uses PLICS when setting budgets and to make business decisions, such as whether additional capacity is required to meet demand. The trust also has access to and uses the Civica PLICS benchmarking data at the HRG level.
- The trust has a Commissioning and Income team that engages across the organisation to identify areas for growth, development, or change and uses this intelligence to negotiate clinical activity contracts including local prices and contracting rules with commissioners. The trust has actively sought to manage risks across the system through

its joint delivery plan and has backed this up with risk sharing & contractual arrangements.

- The trust tightly controls its use of management consultants and other external support services only engaging them for specific time limited projects as experts.

Outstanding practice

We saw a number of areas of outstanding practice during our assessment. Examples included:

- The trust is using technology in a number of innovative ways to improve operational productivity across the organisation as well as adopting best practice. For example, the trust is using Locum's Nest to facilitate the development of its medical staff bank.
- The trust is an exemplar for GIRFT programme delivery which is fully embedded throughout the trust.
- The trust's performance on pre-procedure elective bed days and sickness absence is exemplary.

Areas for improvement

Despite the trust having a number of areas of outstanding practice, there are areas that require further development. These include:

- The trust has significant pressures with its nursing and AHP workforce and has identified steps to address them. However, further work is required to:
    - implement the trust's strategy to address the recruitment and retention challenges in the nursing workforce
    - reduce the reliance on high levels of temporary staff.
- The trust needs to submit data on its levels of medical job planning to enable benchmarking with other trusts via the Model Hospital portal. It also needs to continue to roll out its new more robust approach to job planning and seek to achieve the 90% target for job planning completeness under this new approach during 2018/19.
- The trust needs to continue and fully deliver its estates masterplan to realise the benefits which are expected to improve its estates performance metrics and address some its workforce issues.
- The trust needs to finalise the integration of the Royal Berkshire NHS Foundation trust into the SBPS network and deliver the savings anticipated through the SBPS model.

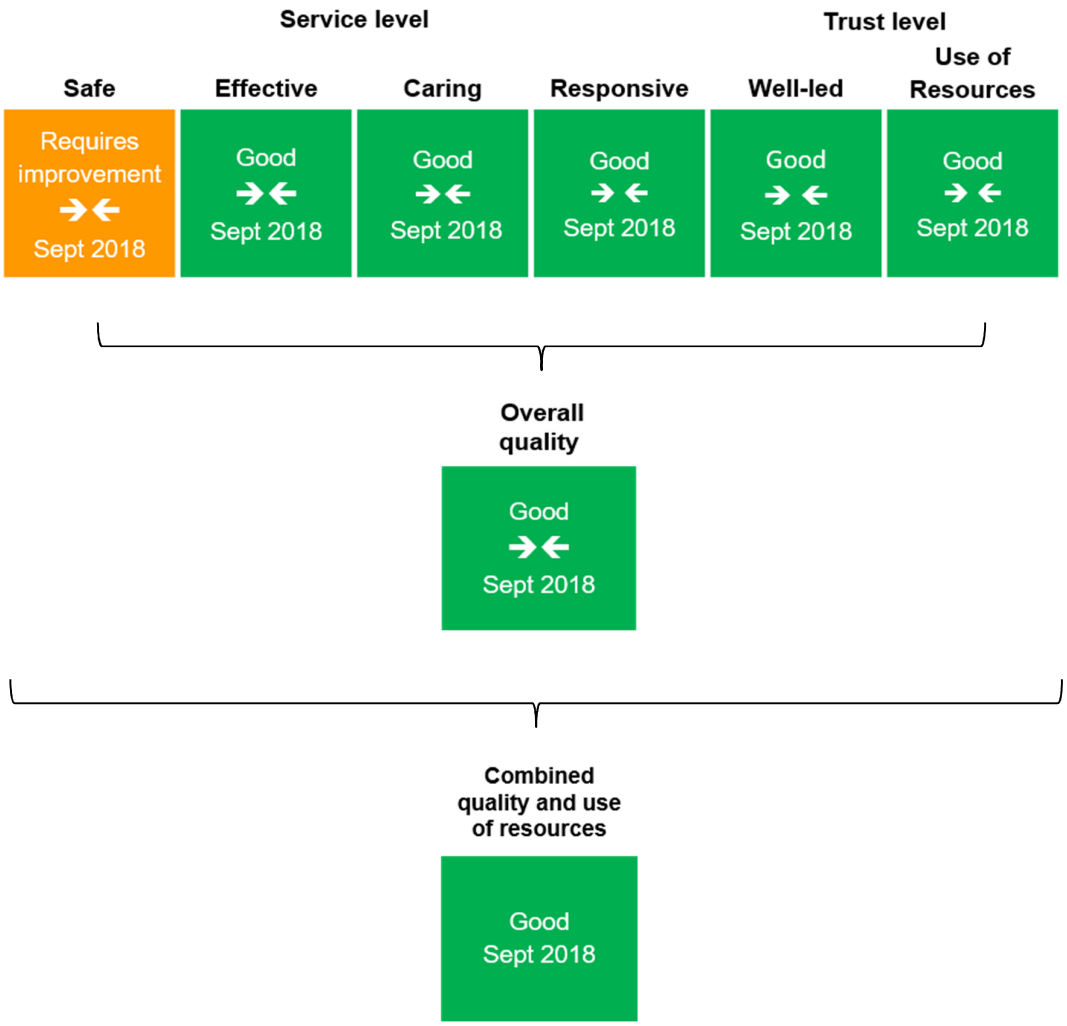
Ratings tables

Key to tables					
Ratings	Inadequate	Requires improvement	Good	Outstanding	
Rating change since last inspection	Same	Up one rating	Up two ratings	Down one rating	Down two ratings
Symbol *	➔➔	↑	↑↑	↓	↓↓
Month Year = date key question inspected					

* Where there is no symbol showing how a rating has changed, it means either that:

- we have not inspected this aspect of the service before or
- we have not inspected it this time or
- changes to how we inspect make comparisons with a previous inspection unreliable.

Ratings for the whole trust



Use of Resources report glossary

Term	Definition
18-week referral to treatment target	According to this national target, over 92% of patients should wait no longer than 18 weeks from GP referral to treatment.
4-hour A&E target	According to this national target, over 95% of patients should spend four hours or less in A&E from arrival to transfer, admission or discharge.
Agency spend	Over reliance on agency staff can significantly increase costs without increasing productivity. Organisations should aim to reduce the proportion of their pay bill spent on agency staff.
Allied health professional (AHP)	The term 'allied health professional' encompasses practitioners from 12 diverse groups, including podiatrists, dietitians, osteopaths, physiotherapists, diagnostic radiographers, and speech and language therapists.
AHP cost per WAU	This is an AHP specific version of the pay cost per WAU metric. This allows trusts to query why their AHP pay is higher or lower than national peers. Consideration should be given to clinical staff mix and clinical staff skill mix when using this metric.
Biosimilar medicine	A biosimilar medicine is a biological medicine which has been shown not to have any clinically meaningful differences from the originator medicine in terms of quality, safety and efficacy.
Cancer 62-day wait target	According to this national target, 85% of patients should begin their first definitive treatment for cancer within 62 days following an urgent GP referral for suspected cancer. The target is 90% for NHS cancer screening service referrals.
Capital service capacity	This metric assesses the degree to which the organisation's generated income covers its financing obligations.
Care hours per patient day (CHPPD)	CHPPD measures the combined number of hours of care provided to a patient over a 24 hour period by both nurses and healthcare support workers. It can be used to identify unwarranted variation in productivity between wards that have similar speciality, length of stay, layout and patient acuity and dependency.
Cost improvement programme (CIP)	CIPs are identified schemes to increase efficiency or reduce expenditure. These can include recurrent (year on year) and non-recurrent (one-off) savings. CIPs are integral to all trusts' financial planning and require good, sustained performance to be achieved.
Control total	Control totals represent the minimum level of financial performance required for the year, against which trust boards, governing bodies and chief executives of trusts are held accountable.
Diagnostic 6-week wait target	According to this national target, at least 99% of patients should wait no longer than 6 weeks for a diagnostic procedure.

Did not attend (DNA) rate	A high level of DNAs indicates a system that might be making unnecessary outpatient appointments or failing to communicate clearly with patients. It also might mean the hospital has made appointments at inappropriate times, eg school closing hour. Patients might not be clear how to rearrange an appointment. Lowering this rate would help the trust save costs on unconfirmed appointments and increase system efficiency.
Distance from financial plan	This metric measures the variance between the trust's annual financial plan and its actual performance. Trusts are expected to be on, or ahead, of financial plan, to ensure the sector achieves, or exceeds, its annual forecast. Being behind plan may be the result of poor financial management, poor financial planning or both.
Doctors cost per WAU	This is a doctor specific version of the pay cost per WAU metric. This allows trusts to query why their doctor pay is higher or lower than national peers. Consideration should be given to clinical staff mix and clinical staff skill mix when using this metric.
Delayed transfers of care (DTOC)	A DTOC from acute or non-acute care occurs when a patient is ready to depart from such care is still occupying a bed. This happens for a number of reasons, such as awaiting completion of assessment, public funding, further non-acute NHS care, residential home placement or availability, or care package in own home, or due to patient or family choice.
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation divided by total revenue. This is a measurement of an organisation's operating profitability as a percentage of its total revenue.
Emergency readmissions	This metric looks at the number of emergency readmissions within 30 days of the original procedure/stay, and the associated financial opportunity of reducing this number. The percentage of patients readmitted to hospital within 30 days of discharge can be an indicator of the quality of care received during the first admission and how appropriate the original decision made to discharge was.
Electronic staff record (ESR)	ESR is an electronic human resources and payroll database system used by the NHS to manage its staff.
Estates cost per square metre	This metric examines the overall cost-effectiveness of the trust's estates, looking at the cost per square metre. The aim is to reduce property costs relative to those paid by peers over time.
Finance cost per £100 million turnover	This metric shows the annual cost of the finance department for each £100 million of trust turnover. A low value is preferable to a high value but the quality and efficiency of the department's services should also be considered.
Getting It Right First Time (GIRFT) programme	GIRFT is a national programme designed to improve medical care within the NHS by reducing unwarranted variations.
Human Resources (HR)	This metric shows the annual cost of the trust's HR department for each £100 million of trust turnover. A low value is preferable to a high value but the quality and efficiency of the department's services should also be considered.

cost per £100 million turnover	
Income and expenditure (I&E) margin	This metric measures the degree to which an organisation is operating at a surplus or deficit. Operating at a sustained deficit indicates that a provider may not be financially viable or sustainable.
Key line of enquiry (KLOE)	KLOEs are high-level questions around which the Use of Resources assessment framework is based and the lens through which trust performance on Use of Resources should be seen.
Liquidity (days)	This metric measures the days of operating costs held in cash or cash equivalent forms. This reflects the provider's ability to pay staff and suppliers in the immediate term. Providers should maintain a positive number of days of liquidity.
Model Hospital	The Model Hospital is a digital tool designed to help NHS providers improve their productivity and efficiency. It gives trusts information on key performance metrics, from board to ward, advises them on the most efficient allocation of resources and allows them to measure performance against one another using data, benchmarks and good practice to identify what good looks like.
Non-pay cost per WAU	This metric shows the non-staff element of trust cost to produce one WAU across all areas of clinical activity. A lower than average figure is preferable as it suggests the trust spends less per standardised unit of activity than other trusts. This allows trusts to investigate why their non-pay spend is higher or lower than national peers.
Nurses cost per WAU	This is a nurse specific version of the pay cost per WAU metric. This allows trusts to query why their nurse pay is higher or lower than national peers. Consideration should be given to clinical staff mix and clinical staff skill mix when using this metric.
Overall cost per test	The cost per test is the average cost of undertaking one pathology test across all disciplines, taking into account all pay and non-pay cost items. Low value is preferable to a high value but the mix of tests across disciplines and the specialist nature of work undertaken should be considered. This should be done by selecting the appropriate peer group ('Pathology') on the Model Hospital. Other metrics to consider are discipline level cost per test.
Pay cost per WAU	This metric shows the staff element of trust cost to produce one WAU across all areas of clinical activity. A lower than average figure is preferable as it suggests the trust spends less on staff per standardised unit of activity than other trusts. This allows trusts to investigate why their pay is higher or lower than national peers.
Peer group	Peer group is defined by the trust's size according to spend for benchmarking purposes.
Private Finance Initiative (PFI)	PFI is a procurement method which uses private sector investment in order to deliver infrastructure and/or services for the public sector.
Patient-level costs	Patient-level costs are calculated by tracing resources actually used by a patient and associated costs

Pre-procedure elective bed days	This metric looks at the length of stay between admission and an elective procedure being carried out – the aim being to minimise it – and the associated financial productivity opportunity of reducing this. Better performers will have a lower number of bed days.
Pre-procedure non-elective bed days	This metric looks at the length of stay between admission and an emergency procedure being carried out – the aim being to minimise it – and the associated financial productivity opportunity of reducing this. Better performers will have a lower number of bed days.
Procurement Process Efficiency and Price Performance Score	This metric provides an indication of the operational efficiency and price performance of the trust's procurement process. It provides a combined score of 5 individual metrics which assess both engagement with price benchmarking (the process element) and the prices secured for the goods purchased compared to other trusts (the performance element). A high score indicates that the procurement function of the trust is efficient and is performing well in securing the best prices.
Sickness absence	High levels of staff sickness absence can have a negative impact on organisational performance and productivity. Organisations should aim to reduce the number of days lost through sickness absence over time.
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.