The Leeds Teaching Hospitals NHS Trust

Use of Resources assessment report

Address
St. James's University Hospital,
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Date of publication:
15 February 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	**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/RR8/reports)

Are resources used productively?	**Outstanding** ☆

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, safe was rated as requires improvement. All five domains remained at the same rating from our inspection in 2016.
- In rating the trust, we took in to account the current ratings of the services that we did not inspect during this inspection but that we had rated in our previous inspection.
- We rated well led for the trust overall as good. This was not an aggregation of the core service ratings for well led.
- The trust was rated Outstanding for use of resources. Full details of the assessment can be found on the following pages.

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St. James's University Hospital,
Beckett Street, Leeds, LS1 3EX
Tel: 0113 2432799
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Date of site visit:
23 August 2018

Date of publication:
<xx.MONTH.2018>

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?	**Outstanding** ☆

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 23 August 2018 and met the trust's executive team (including the chief executive), a non-executive director (in this case, the chair and deputy 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?	Outstanding ☆

- We rated the trust's use of resources as Outstanding.
- Individual areas where the trust's productivity compared particularly well included pay costs per weighted unit of activity (WAU) and the use of innovative and integrated skill mix. The trust is also leading in its approach to education and training in order to secure a future flexible workforce pipeline that supports integration. The trust agency reduction programme in 2017/18 resulted in it delivering spend £7 million below the NHS Improvement (NHSI) agency ceiling. This is a key contributor to the trust staff cost per WAU for 2017/18 of £1,921, 11% below the national median of £2,157.
- For 2017/18 the trust had an overall non-pay cost per WAU of £1,472 against a national median of £1,301.
- The Leeds Improvement Method, which is supported by an embedded approach to waste reduction, is now in year 3 and is pivotal to the use of resources improvements and the trust's highly engaged workforce, resulting in staff survey results in the top quartile nationally and improving clinical outcomes as outlined within this report.
- The trust balanced its budget in 2017/18, reporting an overall adjusted financial position of a surplus of £18.9 million (1.53% of turnover). At the end of May in 2018/19, the trust is forecasting delivery of its financial plan to achieve a surplus of £7.6 million in line with its NHS Improvement control total. The trust shared development plans presented to its board to over-achieve against this planned position and maintain a surplus in line with 2017/18.
- In 2017/18, a £63.9 million efficiency plan was delivered. For 2018/19, the trust has an efficiency plan of £54 million, 87% of which will be recurrent and almost the full value was identified and risk assessed before the start of the financial year.
- The trust has entered an Aligned Incentive Contract (AIC) with both its local Clinical Commissioning Groups and NHS England's Specialised Commissioning Unit in 2018/19. This moves away from the national Payment by Results (PbR) tariff and the main function of the new contract form is to change the behaviours of both providers and commissioners to enable maximum value to be delivered for patients supporting £14 million of savings in 2018/19.
- The trust is not planning to be reliant on external revenue loans to meet its financial obligations and deliver its services in 2018/19.

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 August 2018, the trust was not meeting the constitutional operational performance standards around Referral to Treatment (RTT), with a number of 52 week and over long waits for patients; 62 day & 2 week Cancer Standards; and Accident & Emergency (A&E). However, it was meeting the standard for Diagnostics. The trust continues to manage the impact of high non-elective attendances, long length of stays in medicine and care of the elderly, and regional specialist services increasing demand on elective activity and pathways, which are all contributing factors to its performance.
- At 7.82%, emergency readmission rates are above the national median of 7.64% placing them in the second highest (worst) quartile. This means that currently patients are more

likely to require additional medical treatment for the same condition at this trust compared to other trusts. However, the trust's emergency readmission rate was below (better than) the national average throughout 2017/18.

- The 2017/18 benchmarking suggests that more patients were coming into hospital unnecessarily prior to treatment compared to most other hospitals in England:
    - On pre-procedure elective bed days, at 0.21, the trust is performing in the highest (worst) quartile and above the national median of 0.11.
    - On pre-procedure non-elective bed days, at 0.81, the trust is performing in the second highest (worst) quartile and above the national median of 0.69.

- The trust's Delayed Transfer of Care (DTOC) rate has improved over the 12 months between June 2017 and 2018 from 5.1% to 3.1%, which is below national target of 3.5% and the national average of 4%.
- The trust is working with partners in a number of work streams to improve the use of the city's resources and has set an improvement goal of reducing the number of long-stay patients (patients with LoS greater than 21 days) by 50% by November 2018 across medicine and elderly care, freeing up 91 beds. The focus is on non-elective patients in general medicine and elderly medicine only. Currently the trust has seen a reduction of 1,000 bed days per month between April 2018 and the end of July 2018.
- In November 2017, the trust opened its frailty unit with 62% of the patients attending the unit being treated and discharged, resulting in a saving of an average of 6.4 beds per day.
- The Did Not Attend (DNA) rate for the trust is 7.02% for March 2018, which places the trust in the second lowest (best) quartile nationally and below the national median of 7.07%. The trust has maintained this position whilst also reducing first appointment cancellations by 17,000 in 2017/18. The introduction of an electronic referral process resulted in a reduction in the follow up backlog by 37% in 2017/18 and the use of virtual fracture clinics has reduced attendance and unnecessary visits.
- The trust has made improvements in the productivity of its theatres. Examples include:
    - A reduction in the number of theatre cancellations for fractured neck of femur patients from 21 per month to 15 per month in April 2018 and time lost due to late starts decreased from an average of 31 minutes to 21 minutes per month.
    - Improved utilisation of paediatric acute theatres by improving the number of procedures starting on time by 30% to 57% in 2017/18.
    - Increased use of day case procedures in the hepatology service which has saved 1254 inpatient admissions in 2017/18. The trust continues to explore further procedures to move to a day case pathway.
- The trust has engaged well with the Getting It Right First Time (GIRFT) programme. This has resulted in a number of quality improvements including a reduction in obstetric anal sphincter injury rate from 5.15% to 3.15% in 2017/18 and an increase in the percentage of elective hip replacements being operated on within 36 hours from 65% in 2016 to 75% in 2017 (Jan to Oct). GIRFT analysis has shown the trust as exemplary for Ear Nose and Throat (ENT) day case activity and for weekend discharges in cardiac surgery.

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

- For 2016/17 the trust had an overall pay cost per WAU of £1921, compared with a national median of £2,157, placing it in the lowest (best) cost quartile nationally. This means that it

spends less on staff per unit of activity than most trusts.

- For 2016/17, the trusts nursing cost per WAU was £557 which places the trust in the lowest (best) quartile nationally and below the national median of £718. The trust benchmarks in the second lowest (best) quartile nationally for Allied Health Professionals (AHPs) cost per WAU at £113 against a national median of £127. However, the trusts medical cost per WAU is £548 compared to national median of £526, placing the trust in the second highest (worst) quartile. The trust noted this reflects the proactive measures it has taken to fill medical rota gaps and avoid medical agency costs (which are excluded from the medical cost/WAU calculation).
- The trust has improved its productivity and released workforce capacity in several areas utilising the Leeds Improvement Method. Examples include:
    - increasing the number of physiotherapy neuro rehabilitations from 1 rehabilitation per week to just under 3 in 2018;
    - releasing workforce capacity whilst increasing patient numbers through the use of virtual clinics and the tele-dermatology pilot in 2017/18;
    - increased nurse productivity as a consequence of the use of seven-day ward pharmacist support, and
    - a reduction in time spent administering medicines overall of 30 minutes per day per nurse team, and a cost avoidance of £0.5 million due to the implementation of the 'eMEDS' system.
- The trust spent £43.8 million on agency costs in 2014/15 and £18.2 million in 2017/18. The trust noted this reduction was achieved through several strategies including recruitment to substantive appointments, rota management including internal cover of premium shifts and skill mix. The trust met the agency ceiling set by NHS Improvement in 2017/18. This was supported by a reduction of £2 million in the registered and unregistered nurse agency expenditure over 2017/18. Subsequently in July 2018, the trust agreed standard pay rates for all nurse agencies, an approach which the trust is now extending to medical agencies. All agency usage and cap breaches require senior level approval and are analysed to aid decisions regarding substantive recruitment, productivity enhancements and skill mix opportunities.
    - In 2017/18, the trust increased its bank fill rate from 39,389 hours in December 2017 to 52,794 hours in May 2018. The trust noted the utilisation of digital technology supports the recruitment of staff onto the trust bank. Between July 2017 and July 2018, an additional 1,000 Nursing staff were recruited onto the staff bank. The trust has the facility to auto enrol all doctors starting with the trust onto the staff bank and this process is embedded within the on boarding process, which the trust explained will be extended to Nursing staff in the future. The trust is now working collaboratively with its peers in West Yorkshire to support bank rate benchmarking and rate alignment.
- The trust's staff retention rate is in the second highest (best) quartile nationally at 86.6% against a national median rate of 85.8% in April 2018.
- The trust has an overall vacancy rate of 1.25% in March 2018 which compares favourably nationally, although vacancies remain in both the nursing and medical workforce. Both registered and unregistered nurse staffing has increased year on year since 2014 as a result of recruitment, skill mix and retention initiatives. The trust explained it has looked to future-proof the workforce using skill mix and new roles and was the first trust nationally to employ apprentice nurses. Overall 3.4% of the trust's workforce are apprentices compared to 2.3% nationally.
- In 2017, the trust and its system partners in Leeds took the decision to fund a health and social care academy with the aim of securing a flexible and integrated workforce for the future. The trust was also the lead employer in the first national pilot for nursing associates

and the employment of advanced practitioners and physicians' associates has resulted in complimenting and replacing medical posts whilst supporting medical rotas.

- The integration of AHPs has supplemented the registered nurse ward workforce and the use of a nurse specialist in ophthalmology for corneal cross linking has supported medical workforce capacity. The use of learning disability nurses on the specialist neuro-rehabilitation ward has supported and enhanced the skill mix. In addition, approaches to managing hard to fill staff gaps have included strategies such as rotation through pathways/wards eg critical care rotation to neurosurgery, which has also enhanced integration and skill mix.
- The trust created a new nursing school in January 2017 and has secured funding for the training of 30 advanced clinical practitioners to run from 2018-2020.
- The trust has invested in an e-rostering system for the nursing workforce and AHPs. The trust has also invested in a central medical deployment service and medical e-rostering service for doctors in training to support a reduction in medical agency spend.
- Currently 74% of consultants and speciality doctors within the trust have a job plan. This is a paper system which is manually entered onto the electronic staff record (ESR) system. Job planning includes individual and team objectives and the process includes a review of time allotment and productivity. Annualised hours are being rolled out in some areas to promote flexibility and meet business needs.
- At 3.87%, in March 2018, staff sickness rates are below the national median of 3.99% placing the trust in the second lowest (best) quartile.
- The trust has increased its recruitment of volunteers to support the workforce and is looking at several initiatives including support to help patients "get up, get dressed and keep moving", volunteer drivers to support on-site patient and materials movement and peer support volunteers in neonatal services to provide families with neonatal babies with emotional and practical support.
- At the time of this report 7,257 members of staff had been trained in the Leeds Improvement Method and the supporting approach to waste reduction, together with 218 senior staff trained as leaders. The trust noted, of the 18,000 staff employed by the trust, the proportion with an awareness of the Leeds Improvement Method values was 95.2%. The trust's waste reduction approach, which is integral to the Leeds Improvement Method, is fundamental to the trust improving its productivity, with shorter waits for patients, improved clinical outcomes and waste reduction across the trust.
- The trust plays a pivotal role in regional and West Yorkshire clinical service reviews driving improvement in outcomes, quality and the effective use of workforce.

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

- The trust clearly recognises the fundamental importance of clinical support services in delivering high quality care, which is reflected in excellent performance against a range of metrics and the investment in systems and collaborative working.
- The overall cost per test at the trust benchmarks in the lowest (best) quartile at £1.35 per test against a national median of £1.99 - this is due to high volume of blood science tests in 2016/17. The trust recognises the relatively high cost per full time equivalent (FTE) of £47,998 against a national median of £46,103. This is partly due to sub-specialism and therefore seniority of staff. The trust has developed a workforce plan to address this through skill mix. There are higher than median costs for cellular pathology and genetics.
- The trust is a partner within the West Yorkshire Association of Acute Trusts (WYAAT)

which sits within the System Transformation Partnership. This includes collaboration within procurement working together on an active project to implement a shared Picture Archiving and Communication System (PACS) across the collaborative alongside the introduction of capability for home working radiologists.

- The trust is working collaboratively with the West Yorkshire Pathology Network to implement the recommendations from the Carter Review into operational productivity in the NHS of a hub and spoke delivery model at scale.
  - The trust's medicines cost per WAU is relatively high at £490 when compared to the national median of £320. However, the trust's headline medicine spend is not a representative comparison because it includes patient case mix resulting from national and regional specialist services such as Paroxysmal nocturnal haemoglobinuria (PNH) and Intestinal Failure which result in a high medicine cost. The trust also hosts 19 regional posts which contribute to the high medicine costs but support delivery of regional savings on pharmacy. The trust has introduced a number of initiatives alongside the biosimilar switch such as:
    - Implemented vial-sharing for high costs parenterals
    - Outsourced outpatient prescribing and optimised home-care
    - Implemented 'Bring your own medicines' to minimise waste
    - Implemented full pharmacy services across 7 days

- The pharmacy team is an integral part of the clinical ward teams and with electronic prescribing and discharge summaries indicated a positive impact on patient discharge and potential length of stay. It should be noted that the trust has strong clinical pharmacy leadership, demonstrated by the lead pharmacist contributing and supporting national, regional and trust delivery, enabling all stockholding. The rollout of e-prescribing for inpatient and children's services is complete.
- As part of the Top Ten Medicines programme, the trust is making good progress in delivering on nationally identified savings opportunities, achieving 98% of the savings target against a lower benchmark of 80% and an upper benchmark of 100%.
- The stockholding days for medicines reported by the trust is 24 days compared to a national median of 20 days. The trust is leading the collaborative consolidation of all medicines stock-holding and supply across nine trusts aiming to save £16 million over the next ten years.
- The trust is the lead for regional procurement of specific savings for the NHS annually and £5.5 million for the trust alone in 2017/18.
- The trust is maximising the impact of technology and innovation, for example, the introduction of the "Scan4Saftey" programme, the use of technology with home working diagnostic radiology reporting, electronic prescribing, and electronic discharge summaries. The shared Leeds Care Record enables GPs and other community teams to access the electronic hospital record for their patients. The trust also introduced e-referral and e-triage for referrals which reduced the waiting list by 6000 patients between 2016 and 2017.

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 full range of corporate services, procurement, and estates and facilities. The trust is the lead across WYAAT for the corporate services collaboration. In particular, the trust is providing payroll services to other trusts and collaboration in finance, human resources (HR) and joint procurement exercises such as patient feeding and surgeons gloves with a saving for the trust of £125,000.

- The trust has a 2016/17 non-pay cost per WAU of £1,472 against a national median of £1,301 which places the trust in the highest (worst) quartile. This indicates the trust spends more on other goods and services per WAU than most other trusts nationally. However, the trust indicated that this is due to high cost tariff excluded devices relating to regional specialist services together with being a national centre for prescription of a high cost drug. The trust demonstrated that if the costs associated with these are removed, the overall non-pay cost per WAU reduces and benchmarks below the national median.

- The trust has a 2016/17 finance cost per £100 million turnover of £574,000 which is below the national median of £743,324. The finance team at the trust won 3 out 5 regional awards at the Hospital Healthcare Financial Management Association (HFMA) awards. One of the awards was for the delivery of Day 1 reporting on the first working day across the whole trust, allowing the ability to look at spend and income in a timely way.
- The 2016/17 HR costs are below the national average, with costs per £100 million turnover of £730,739 compared to a national median of £874,010. Payroll has been consolidated across the trust with electronic payroll being available for 80% staff.
- The 2016/17 supplies and services cost per WAU was £454 which is above the national median of £375. The trust performed well on price variance in January - March 2017/18 which is likely to improve the non-pay cost per WAU.
- The trust's overall Price and Performance score (January - March 2016/17) is in the lowest third at 48. The trust has remaining opportunity with performance against the Purchase Price Index Benchmark (PPIB) of Top 100 Products showing 6.91% variance.
- The trust is an early adopter demonstrator site for the Department of Health and Social Care 'Scan4Safety' which is about the development and deployment of technology. The deployment of inventory management has brought savings of £2.6 million to date. The trust is leading the use of PEPPOL standards to ensure a 'right first time every time' approach resulting in the release of clinical time across WYAAT.
- At £274 per square metre in 2016/17, the trust's estates and facilities costs benchmark significantly below the national average, with portering costs of £10 per square metre in 2016/17 compared with a national median of £16. The trust has also introduced a patient centred approach of porter safety huddles to increase staff innovation, resulting in improvement to processes and reducing repeat porter visits to wards.
- The backlog maintenance cost is £197 per square metre compared to a national median of £186. The trust recognised its issues with the suitability of the aged estate for delivering clinical services. The trust is taking a risk-based approach to capital expenditure which is anticipated to reduce the total backlog by £7 per square metre in the current year. In addition, it is working with local partners to reduce both trust empty space and backlog maintenance.
- The trust has developed a concordat with West Yorkshire Fire Services. The concordat will underpin a collaborative approach to fire safety by supporting an open-door policy and regular communication to improve fire protection measures and safeguard the welfare for all trust premises.

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

- In 2017/18 and the 2018/19 plan, the trust is in surplus and has a strong track record of managing spending within available resources and in line with plan.
- The trust delivered a surplus in 2017/18 of £18.9 million (1.53% of turnover) including non-recurrent sustainable funding, against a control total plan of £9.1 million surplus; a position

£9.8m better than plan. Excluding sustainability funding, the trust had an underlying deficit position of £11.0 million (0.89% of turnover), £2.9 million better than the control total plan of £14.0 million. In 2017/18, the trust developed a new Financial Performance Framework and as part of this the fundamental quarterly reviews presented to the trust board demonstrated a consistent record of forecasting, managing spending within available resources, risk mitigation, and delivery in line with plans.

- At the time of the assessment, for 2018/19, the trust has a control total and plan of £7.6 million surplus including non-recurrent sustainability funding. At month 4, the trust position was £0.8 million better than plan. This reflected a board decision to develop 2018/19 plans that over achieve the control total to maintain 2017/18 performance and fund planned capital investment priorities.
- In 2017/18, the trust delivered an ambitious waste reduction (cost improvement) plan of £63.9 million (5% of expenditure) of which 48% was non-recurrent. The trust recognises the need for recurrent delivery, and in 2018/19 has an ambitious waste reduction plan of £54.7 million (4.3% of its expenditure) with only 13% planned non-recurrently. Waste reduction is primarily delivered by Clinical Service Units (CSUs), with differential targets set to reflect the assessed scale of opportunity. Delivery of this scale of ambition is critically supported by the embedded Leeds Improvement Method and Leeds values; delivery is on track at quarter 1 to deliver the 2018/19 plans.
- The trust refreshed its 5-year financial plan in December 2017. The plan sets out maintenance of a surplus position which supports capital investment and strategic development plans. Key assumptions on income, charitable partnerships and service transformation have been agreed with relevant partner organisations. Annual waste reduction targets average 3.3% and are based on assessment of opportunities from a range of sources including Model Hospital, GIRFT, patient level information costing (PLICs), service line reporting (SLR), Rightcare, and partnership collaboration within the Leeds Plan and WYAAT.
- The trust has a comprehensive commercial income strategy and during 2017/18 the trust generated a £1.5 million (22%) contribution from this work. During the past 12 months, the Research and Development infrastructure and capability has been developed to support the trust's 5-year plan to grow this contribution by £1 million. The trust's waste reduction plans for 2018/19 are also targeting theatre productivity to deliver elective activity that previously flowed to the Independent Sector.
- The trust has entered into an Aligned Incentive Contract (AIC) with both its local Clinical Commissioning Groups and NHS England's Specialised Commissioning Unit in 2018/19. This decision was taken following internal consultation and board assessment of the associated risks and benefits, most notably the enabling of maximum value to be delivered for patients from within available resources. The trust identified that £14 million of the 2018/19 waste reduction plan had been facilitated by the AICs, giving examples of gain share on high cost drug reductions and transformation of out-patient referral management.
- SLR and PLICs is utilised by the trust alongside quality and performance metrics to identify opportunities for waste reduction and productivity improvements and to deliver changes within the overall Leeds Improvement Method. Examples within the last 12 months included increased endoscopy productivity per list, reduced urology length of stay, and implementing CSU recharges for use of pathology and radiology services.
- The trust has not required revenue cash support in the last 12 months and is not planning to be reliant on external revenue loans to meet its financial obligations, pay its staff and suppliers and deliver its services in 2018/19, as reflected in the improving capital service metrics. The trust has historical revenue support loans relating to previous years financial deficits of £37.3 million and has plans to reduce the working capital facility from £7.5 million in 2018/19 to £2.6 million. The trust's board has prioritised capital investment over

repayment of these loans in 2018/19 due to historical under investment which has resulted in high levels of critical backlog risk. This decision is evident in the trust plan to sustain liquidity days at -13 days at March 2017 and March 2018.

- The trust implemented a cash improvement plan in 2017/18, delivering reduced stock holding in target areas such as the Chapel Allerton site, and continued reduction in debt outstanding over 90 days by £0.7 million in quarter 4 2017/18 compared to the same period 2016/17.
- The trust had low use of external support or consultants due to the internal embedded investment in Leeds Improvement Method capacity and capability. Recent engagement of support for theatre productivity improvement reflected the need for rapid access to a scheduling product, and implementation through joint product development will ensure embedding of internal skills and knowledge transfer.

Outstanding practice

- The trust has transformed financial delivery, at pace, making a clear connection between use of resources and the Leeds Improvement Method values and behaviours which has enabled staff and system partners to support the waste reduction (savings) agenda at the trust over the previous 12 months.
- At the time of this report, upwards of 7,000 members of staff have been trained in the Leeds Improvement Method which has enabled increased productivity, shorter waits for patients, improved clinical outcomes and waste reduction across the trust. Supported by a unique contracting arrangement and robust financial strategy, savings are identified and driven by clinical service units at the trust.
- The trust's aligned incentive contract for both local and specialised services has been driven through a collaborative approach with all commissioners resulting in a £14 million waste reduction.
- The trust is a national pilot site and frequently an early adopter of digital and electronic advancements, including tele-dermatology, Scan4Safety and eMeds, improving productivity and overall use of resources.
- The trust's Chief Pharmacist led the national dose and product standardisation work for all chemotherapy medicines which has been applied successfully within the trust. The trust leads regional procurement for pharmacy savings to be achieved across the wider system.
- The trust, alongside partners in Newcastle and Sheffield, has been awarded one of the seven regional genomic testing centres and is one of 13 sites delivering the 100,000 Genome project.
- GIRFT analysis has shown the trust as exemplary for ENT day case and for weekend discharges in Cardiac Surgery. GIRFT reviews receive full clinical engagement and are systematically acted upon evidenced by a material reduction in obstetric anal sphincter injury and high survival rates for major trauma.

Areas for improvement

Whilst overall the trust is very strong in its use of resources, we did identify some areas where there were opportunities for improvement:

- The management of the life cycle of equipment can be improved on now the trust has an improved surplus position and ability to invest in capital replacements.

- The refocus of elderly care resource to enable front door assessment, discharge and length of stay building on the early successes of the trust's frailty work.

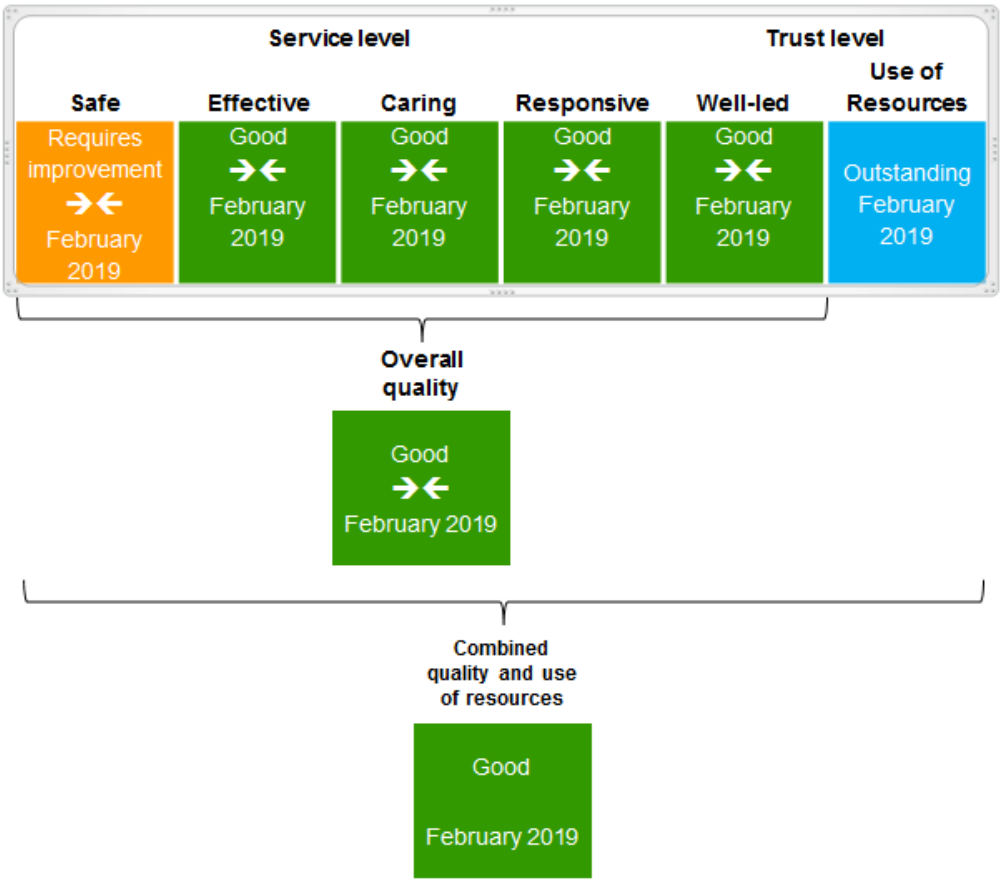
Ratings tables

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	A high level of DNAs indicates a system that might be making unnecessary

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

Income and expenditure (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 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.
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.