Surrey and Sussex Healthcare NHS Trust

Use of Resources assessment report

East Surrey Hospital
Canada avenue
Redhill
Surrey
RH1 5RH
Tel: 01737768511
www.surreyandsussex.nhs.uk

Date of publication:
19/01/2019

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	**Outstanding ☆**
Are services safe?	**Good ●**
Are services effective?	**Good ●**
Are services caring?	**Outstanding ☆**
Are services responsive?	**Outstanding ☆**
Are services well-led?	**Outstanding ☆**

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.

Are resources used productively?	**Outstanding ☆**

Combined rating for quality and use of resources	**Outstanding ☆**

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 Outstanding, because:

- Patient safety and the patient experience were the dominant thread running through the trust strategy and service delivery.
- The service had enough staff with the right qualifications, skills, training and experience to keep people safe from avoidable harm and abuse and to provide the right care and treatment.
- There was an exceptional culture of data-driven continuous improvement and transformation at the trust, and this was supported by a comprehensive meeting structure and detailed performance reporting processes. The trust's risk management policy, processes and tools were well designed, albeit there are areas where the format and content of risk registers could be improved.
- We saw unmistakable evidence of sustained improvement achieved through investment in new facilities and increased capacity that resulted in enhanced effectiveness and responsiveness. This was due to a firmly-embedded and positive culture of openness and transparency, supported by a skilled, stable leadership and clear systems of control and governance.
- Staff understood how to protect patients from abuse. Staff had training on how to recognise and report abuse and they knew how to apply it.
- The trust facilities and premises were accessible to patients and clearly signposted. Where there were limitations on space within waiting areas staff acted to mitigate risk and the trust was working to improve the environment. Signposting within the hospital had improved since our previous inspection.
- The trust provided care and treatment in accordance with evidence-based guidance. Evidence-based systems were used for treating very sick patients. Staff were aware of clinical guidance for patients with specific needs or diseases. There was parity in the quality of care given to all patients who attended the department regardless of their health needs.

- Staff provided care and treatment based on national guidance. Speciality clinics operating within the outpatient department followed relevant national guidance and participated in national and local audits.
- Care was delivered by staff that were competent, trained and supported by their managers, to provide safe and effective care. The service provided regular training and development opportunities for staff. There were established developmental career pathways for different roles.
- Patients were treated with compassion, kindness, dignity and respect, when receiving care. Feedback from people who used the service, those who were close to them and stakeholders was positive about the way staff treated people.
- Staff felt confident they could raise concerns and report incidents, which were regularly reviewed to aid learning. Lessons learned were effectively shared and we saw changes implemented within the wards as the result of investigations.
- Staff at all levels clearly and passionately described how they met patients' needs and demonstrated a good awareness of protected characteristics including race, sexuality, and disability. We saw a variety of resources made available to staff to help them support these population groups. We saw flexibility, choice and continuity of care reflected in the service delivered. Staff were well supported by the mental health liaison team and the frailty and interface team.
- The way the trust supported and encouraged innovation was a real strength. We saw good examples across the divisions and our observations were consistent with positive feedback we received from staff individually and at the focus groups.
- The trust overall score for the National NHS Staff Survey was in the top 20% for the three years preceding the inspection. In some scores they ranked in the top 4 organisations nationally.
- The trust engaged well with patients, staff, the public and local organisations to plan and manage appropriate services, and collaborated with partner organisations effectively.
- 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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Date of site visit:
12 October 2018

Date of publication: 18 January 2019

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?	**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 12 October 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?

Outstanding ☆

We rated the trust's use of resources as outstanding. The trust has the lowest total cost per Weighted Activity Unit (WAU) in the country and evidenced a clear commitment to continuously improving its productivity and quality of care in particular through its trust wide SASH+ lean programme.

- For 2016/17, the trust has the lowest total costs per WAU (£2,930 compared to £3,396 nationally) and non-pay costs per WAU in the country with the pay-cost per WAU in the lowest (best) quartile.
- The trust is working with the support of the Virginia Mason Institute to implement SASH+, a clinically-led 'lean' programme which focuses on continuous service improvement by an empowered workforce, supported through an analytical approach. SASH+ is core to the trust's commitment and development of a culture to continuously improve the productivity and quality of the services it delivers.
- The trust performs strongly on clinical services, outperforming most trusts in England for the delivery of constitutional standards. The trust benchmarks well against several clinical services metrics such as pre-procedure bed days and readmissions and has seen improvement in others such as Delayed Transfer of Care (DTOC) and Did Not Attend (DNA) rates to better or near the national median.
- The trust benchmarks well on pathology, imaging and pharmacy services and corporate services (Finance, Human Resources, Information Management & Technology) compared to other trusts.
- The trust delivered a £5.4 million surplus (excluding Sustainability & Transformation Fund (STF)) in 2017/18 and is currently planning to deliver a £6.9 million surplus (excluding Provider Sustainability Fund (SPF)) for 2018/19. The trust also reported trading with an underlying surplus. The trust has strong cash balances allowing it to repay the debt it has accumulated over the years early.
- The trust uses information from the Model Hospital, the Getting It Right First Time (GIRFT) programme and other initiatives to drive service improvement and productivity gains alongside its SASH+ programme.
- During our assessment, we however, identified several areas where the trust needed to evidence progress, and which must be seen in the context of a strong overall performance across all KLOEs. The trust's spend on agency staff remains high including as a proportion to the total pay bill. The trust has several initiatives in place, but progress

remains to be seen. There are delays in the delivery of anticipated savings of the pathology network the trust is part of due to configuration issues. Our review also shows that the trust has opportunities to improve productivity on procurement.

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

Overall the trust has strong performance in the delivery of its clinical services. It is outperforming most trusts in its delivery of the access standards, although it is not achieving each of the national standards. It performs very well against pre-procedure bed days and emergency readmission rates also better than average. Did Not Attend (DNA) rates are marginally higher than average but are reducing and Delayed Transfer of Care (DTOC) rates are low. The trust has driven productivity in its clinical services, including through its theatres and outpatient productivity programmes, its SASH+ programme and its ambulatory care unit, frailty unit and 'SASH at Home' programmes.

- The trust is performing better than other trusts on average for each of the constitutional operational standards. Its performance against the Accident and Emergency standard was 93.1% (October 2018 data) compared with a national average of 87.7% (95% standard). The trust attributes this performance to schemes to support optimal flow and bed management.
- The trust is also achieving better than average performance against the 18-week referral to treatment (RTT) standard with performance of 89.0% (September 2018 data) compared with a national average of 87.4% (92% standard). The trust continues to have the ambition to achieve the 92% standard by the end of quarter 3 of 2018/19. The trust's current performance has been supported by its theatre and outpatient productivity programmes.
- The trust exceeded the diagnostic 6-week wait standard of 99% with September 2018 performance at 99.9%, which compared to the national average of 99.1%. The trust is also performing better than average for the cancer 62-day wait standard, with performance of 87.9% against the 85% standard and a national average performance of 81.1% (September 2018 data).
- The deterioration was driven by exceptional increases in demand in several specialties including Urology (in line with the national trend) and Dermatology. The trust has focussed on streamlining the Urology pathway and introducing an escalated tracking process to support delivery of the cancer 62-day standard.
- Patients are less likely to require additional medical treatment for the same condition at this trust compared to other trusts. At 6.8%, the emergency readmission rate is in the lowest (best) quartile nationally with the national median at 7.6% (June 2018 data). The trust's rate of emergency readmission has reduced from 8.4% in June 2017. The trust reports that its low rate of readmissions reflects a range of initiatives put in place such as strong divisional monitoring, access to post-discharge clinical advice and a patient support through 'SASH at Home', which provides supported treatment and nursing at home.
- Fewer patients are coming into hospital unnecessarily prior to treatment compared to most other hospitals in England, with the trust performance within the top 10 best acute trusts in the country:
    - Pre-procedure elective bed days, at 0.04, place the trust in the lowest (best) quartile and are significantly below the national median of 0.11 days (June 2018 data).

    - Pre-procedure non-elective bed days, at 0.38 (June 2018 data) also place the trust in the lowest (best) quartile also significantly below the national median of 0.69.

- The trust reports that its live bed tracking system and recently developed surgery centre are supporting the efficient use of the bed base and improving flow. The trust's Kingfold adult ambulatory care unit opened in October 2017, which the trust links to reductions in non-elective length of stay and bed occupancy.
- The trust has a theatres productivity programme in place, supported by Four Eyes Insight, which has increased theatre utilisation from 80% in September 2017 to 91% in July 2018. The trust reports that Four Eyes Insight has commended the trust on the clinical leadership in the theatres programme. However, the trust recognises there is still scope to improve its performance in this area, particularly in relation to early finishes to operating lists.
- The trust's DNA rate at 7.4% as at June 2018 is slightly higher than the national average of 7.0%. However, the trust's DNA rate has reduced from a rate 8.1% in June 2017. The trust has an outpatients productivity programme in place to which it attributes the reduction in DNA rates, which have reduced by 9% in the year to June 2018. The programme has focused on improving clinic utilisation and improving booking management, leading to improving outpatient attendances.
- The trust reports a DTOC rate of 1.3% for July 2018 being a reduction of a higher historic rate of 6.8%. The trust recognises it is unlikely to maintain the level at this low rate and is aiming to achieve a sustained level of 3%, which is below the national target rate of 3.5%. The trust reports it has acted to improve flow and discharge across the trust. It has an integrated health and social care discharge team in place to manage discharges daily.
- The trust is fully engaged with the GIRFT programme and is demonstrating a sustained commitment to improvement. The trust has an engaged Executive team and is using Model Hospital via monthly meetings as a driver for change. There is evidence that actions from 'deep dives' are being taken forward.
- The trust identifies its SASH+ methodology as pivotal in driving productivity in its clinical services. The SASH+ programme is clinically-led and focuses on continual service improvement by an empowered workforce, supported through an analytical approach. The trust identifies the embedded use of benchmarking as important in this respect (including Model Hospital and GIRFT and national audits).

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

With an overall pay cost per WAU in the lowest (best) quartile, the trust spends less on staff per unit of activity than most trusts. The trust has strong established processes to effectively deploy its staff. However, the trust is experiencing challenges to recruit and retain staff resulting in reliance on agency staff to deliver its services and a high agency spend.

- For 2016/17 , the trust had an overall pay cost per WAU of £1,964, 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. The trust is in the second highest (worst) quartile for medical cost per WAU and highest (worst) quartile for agency staff cost per WAU, although it benchmarks in the lowest (best) quartile for nursing cost per WAU and is the ninth lowest (best) trust for Allied Health Professional (AHP) cost per WAU.

- The trust acknowledges the higher medical costs are mainly driven by a consultant-led model of care resulting in earlier access to consultant review and clinical decision making.
- The trust spends significantly more on agency staff as a proportion of its total pay bill than most other trusts (8.6% for 2018/19) and its agency cost per WAU is £220 compared to a national median of £137 and a peer median of £117. The trust did not meet the agency spend ceiling set by NHS Improvement for 2017/18 and is forecasting to miss it in 2018/19. The trust reports the high agency spend relates to recruitment difficulties in particular for roles/specialties where there is a national shortage and the trust's current contracting arrangement for the supply of agency staff.
- The trust has initiatives in place to reduce agency spend such as reviewing staff bank rates to incentivise substantive staff to undertake bank work. The trust is working in collaboration with its Sustainability and Transformation Partnership (STP) partners on rates and the possibility of shared staff banks. It is also reviewing its current arrangement for the supply of agency staff which relies on a monopoly provider.
- Despite a positive staff survey in 2017, staff retention at the trust (82.1% in July 2018) shows room for improvement, with the retention rate in the lowest (worst) quartile nationally. The trust is introducing new roles to support future delivery models. It is investing in leadership development to support career progression, for example, with its "Lean for Leaders" programme. It has an innovative apprenticeship programme supporting a wide range of careers to build its own staff with careers ranging from nursing to painters and decorators. The trust is also working with its STP partners through a Clever Together 'Best at Work' programme to support retention.
- The trust has achieved some successes with recruitment regarding medical posts and Radiology. International recruitment also provides a continuous stream of new staff (nursing and medical) each month which is also benefitting the trust's staff bank.
- The trust manages rotas, annual leave and excess hours through an embedded health roster system. Nursing rotas are signed off 6 weeks in advance. The system is being rolled out to all non-medical departments by July 2019.
- The trust has recently implemented e-job planning for all substantive consultants at the trust with 91% (at the end of September 2018) of consultants with an approved job plan. The system is being rolled out to locum consultants and Staff and Associate Specialist grade doctors. Team-based job planning takes place with a move to annualised job planning.
- The trust has developed new workforce models and skill mix initiatives such as Advanced AHP practitioners and reporting radiographers roles to improve flow. As part of its 'Ward of the Future' programme, the trust is reviewing how best to utilise new roles to support future patient care delivery (eg nursing associates, advanced care practitioners, physician associates etc). The trust is also the STP lead for Nursing Associates and host the school of Physician Associates for Health Education England (Kent, Surrey and Sussex).
- At 3.4% in June 2018, staff sickness rates are better than the national average of 4 % and the trust has reduced its own monthly KPI to 3.5% to drive further reduction. The trust uses First Care to support absence management and offers a range of health and wellbeing options to staff. The trust works in partnership with South London and Maudsley NHS Foundation Trust to deliver mental health stress management programmes.

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

The trust benchmarks well on clinical support services nationally which means it is spending less on these services than other trusts. Further progress is however required with the trust's pathology network to ensure its delivers the anticipated savings.

- The overall cost per test for Pathology for Q4 2017/18 is £1.85 against a national median of £1.91 (Quartile 2) with services provided by a joint venture with Brighton and Sussex University Hospital NHS Trust, Frontier Pathology.
- The trust has agreed to work with pathology network 7 to implement the recommendations from the Lord Carter Review into operational productivity in the NHS through delivery of a hub and spoke model.
- The trust has recruited several overseas Radiographers that has helped reduce the previously high vacancy rate but has led to an initial drop in the reports per PA rate (11 per PA compared to national median of 37 for 2016/17). This has now improved as the new Radiographers are bought up to speed. The trust's overall cost per report for radiology benchmarks well against other trusts at £39.48 compared to a national median of £50.06 (Quartile 1).
- The trust's medicines cost per WAU at £224 is low compared to the national median of £320 for 2016/17 (quartile 1). The trust is achieving above the target for the top ten medicines delivering 134% for 2017/18 and has implemented a 7 day on ward clinical pharmacy service since January 2018.
- The trust has submitted a business case for an electronic prescribing system which is currently with the Department of Health.

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

The trust has the lowest non-pay cost per WAU of all acute trusts and benchmarks well overall for corporate services. It is using technology effectively and innovatively to improve access, flow and efficiency. However, our review of the trust's position on the procurement lead table shows there is further potential for productivity improvement.

- For 2016/17 the trust had an overall non-pay cost per WAU of £966 being the lowest in the country for acute trusts compared with a national median of £1,301. This represents an improvement on 2015/16 (£985) where it was ranked 2 out of 136 trusts, suggesting that the trust is reducing its spending on supplies and services. The low non-pay cost per WAU is corroborated by the cost of estates and facilities and supplies and services highlighted below.
- For 2017/18, the cost of running the trust's Finance department is lower than the national median and in the lowest (best) quartile at £580k per £100m turnover and Governance and Risk and Human Resources (HR) are in the second lowest (best) quartile and below the national median at £644k and £1,086k per £100m turnover respectively. The costs of running the trust's payroll are high at £176k per £100m turnover and placing the trust in quartile 4 (worst), however, the trust has renegotiated its payroll contract provided through Shared Business Services working collaboratively with Sussex Community NHS Foundation Trust with savings to be seen in 2018/19.

- The trust's supplies and services costs per WAU are £357 (second best quartile) against the national median of £375.
- Reviewing the trust's position on the procurement league table suggests that there is further productivity and efficiency potential yet to be realised. The trust has undertaken considerable work in 2018/19 around the eCatalogue, dedicated resource against benchmarking top 500 products and improving some of the other key procurement metrics to ensure this position is improved when the updated league table is published in Quarter 4 2019/20.
- The Trust's 2017/18 estates and facilities cost per m2 is £360 compared to national median of £334 (quartile 3). The reason for the high cost per m2 is that the trust has a very small estate and utilises the estate efficiently which is reflected in the low estates and facilities cost per WAU of £283 for 2016/17 compared to national median of £390 (quartile 1).
- For 2016/17, the trust benchmarks well for both hard Facilities Management (FM) (£67 cost per WAU in quartile 1) and soft FM (£116 cost per WAU in quartile 1) costs and has one of the lowest backlog maintenance of all acute trusts in the country at £49 per m2 (national median £186 for 2017/18).
- The trust has embraced technological advancements and has a locally developed live electronic bed tracking system with a control centre that supports matrons using tablets to manage flow through the hospital. As part of the STP, the Trust is working on robotic process automation due to go live in 2019/20 with opportunities identified in finance and HR.

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

The trust has the lowest total cost per WAU of all acute trusts in England. Its financial position is strong, with the trust trading with an underlying surplus position. It has healthy cash balances allowing the early repayment of debts previously accumulated. There is a strong focus across the trust on continuous improvement and productivity in particular through the trust's lean methodology SASH+.

- In 2017/18, the trust achieved a £5.4 million surplus (excluding Sustainability and Transformation Fund (STF); £13.6 million surplus including STF) which was a net improvement on the prior year performance of £1.2 million deficit (excluding STF; £3.7 million surplus including STF).
- In 2018/19, the trust is planning to deliver its control total of £6.9 million surplus (excluding Provider Sustainability Fund; £16.1 million, including PSF) and as at October 2018, the trust is £0.6m (including and excluding PSF) ahead of plan. The position includes a quality reserve (up to £1m) against which divisions can apply to fund quality improvement projects which are evaluated on a health economics basis.
- The trust has an underlying surplus once non-recurrent items are removed of £3.1 million in 2017/18 expected to increase to £8.9 million in 2018/19.
- With the lowest cost per WAU of all acute trusts in England (£2,930 compared to £3,396 nationally for 2016/17) and a Reference Cost Index (RCI) of 83, the trust has limited opportunities to deliver significant cost savings reflected in the level planned and achieved on a recurrent basis in 2017/18 and 2018/19 (2% and 1.5% respectively compared to an average of 4.1% planned nationally for 2018/19).
- There is however a strong focus across the trust on continuously improving productivity and quality through several initiatives and exploitation of data such as its Model Hospital

Group chaired by the Chief Executive, Service Line Reporting (SLR), GIRFT and the review of a regular quality and productivity benchmark report by the trust Board. Another notable example is the weekly activity reporting introduced in 2017/18 which has allowed the trust to take prompt actions to maximise productivity.

- More significantly, for the last 2.5 years, the trust has been working in partnership with the Virginia Mason Institute to implement a large scale transformational programme (SASH+) based on the 'lean' methodology. Through the development of a continuous improvement culture where staff (including clinicians) are engaged and empowered to make daily improvements in their place of work, the trust has identified and delivered reduction in costs, increased efficiency and quality improvements.
- The trust reached an arrangement in 2017/18 with commissioners settling past payment disputes and has strengthened its contractual process to plan and discuss activity levels with commissioners and reduce the risk of disputes. The trust has invested in activity coding with coding staff working closely with clinicians and embedded in the service to deliver prompt and quality activity data.
- The trust has adequate cash reserves and can consistently meet its financial obligations and pay its staff and suppliers in the immediate term without relying on short-term loans to maintain positive cash balances. The trust is taking advantage of its surplus financial position and strong cash balance to repay early the debt accumulated from past deficits, with £14.1 million being repaid 2018/19 saving £0.5 million a year on financing costs.
- The trust doesn't rely on management consultants or other external support services, with less than £0.1 million spent per annum.

Outstanding practice

During our assessment we identified several outstanding practice areas. Below are some of the key or most innovative ones:

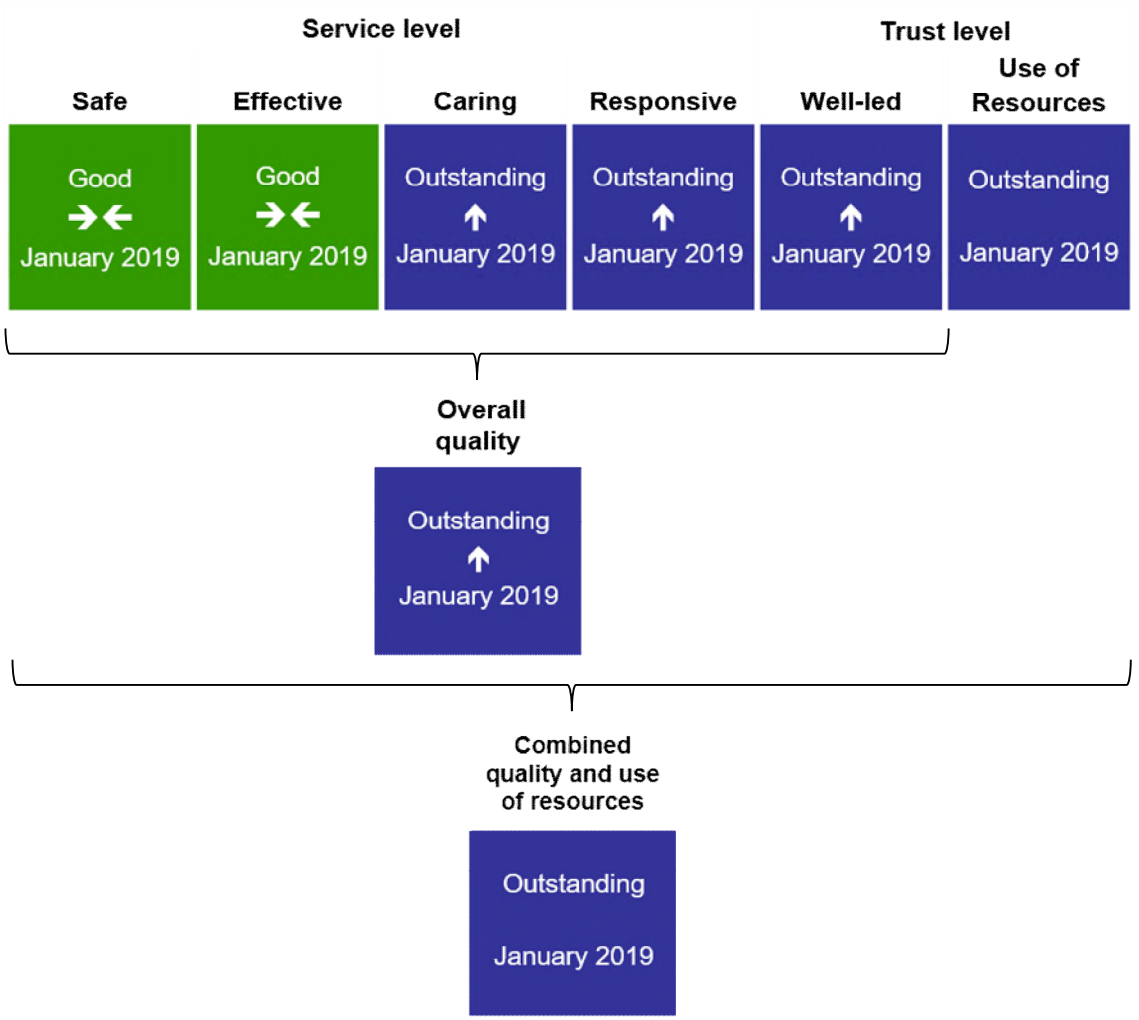
- The trust has developed an integrated health and social care discharge team which supports timely discharges and very low DTOC rates.
- The trust's 'SASH at Home' programme has supported the trust in early discharge of patients from hospital while ensuring these are supported in a clinically safe way.
- The trust operates both ambulatory care and frail elderly units to support the efficient and effective delivery of services and in particular supporting reduced length of stay, reduced escalation bed use and bed occupancy.
- An electronic bed tracking system following the 'right bed, first time' principle with a control centre that supports matrons using tablets to manage flow through the hospital.
- "Dare to Care" staff wellbeing programme which includes initiatives such as encouraging staff to take the stairs, meat-free days and walks after work.
- Use of apprenticeship levy to grow the trust's own staff in particular areas, for example giving the opportunities for porters to acquire painting and decorating skills to retain them and prevent use of less efficient external services.
- The 'Allocate Me' App is enabling early filling of rota gaps.

- Clever Together ‘Best at Work’ initiative – an STP-wide project aimed at supporting retention.
- SASH+: a largescale transformational programme based on ‘lean’ methodology and supported by the Virginia Mason Institute which aims to build a continuous improvement culture at the trust to improve productivity and quality. Wide staff inclusion in the programme.
- Coding processes and ways of working resulting in 100% activity coded by month end, close engagement with clinicians and production of timely quality data.
- Engagement with commissioners based on clarity through joint indicative planning, monthly robust process supported by quality data.
- Weekly activity reporting allowing early visibility of adverse delivery and remedial actions.
- Quality reserve divisions can call upon with proposed initiatives scored on a health economics basis.

Areas for improvement

The following have been identified as areas where the trust has opportunities for further improvement:

- Continuing work on theatre productivity in relation to early finishes to operating lists.
- Reducing the reliance and spend on agency staff.
- Improving staff retention through delivery of existing or new initiatives.
- Improving the trust’s position in the procurement league table via already in place initiatives or identification of new ones.


Service level
Trust level
Safe
Effective
Caring
Responsive
Well-led
Use of Resources
Good
January 2019
Good
January 2019
Outstanding
January 2019
Outstanding
January 2019
Outstanding
January 2019
Outstanding
January 2019
Overall quality
Outstanding
January 2019
Combined quality and use of resources
Outstanding
January 2019

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 several reasons, such as awaiting completion of assessment, public funding, further non-acute NHS care, residential home placement or availability, or care package in own home, or due to patient or family choice.
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation divided by total revenue. This is a measurement of an organisation's operating profitability as a percentage of its total revenue.
Emergency readmissions	This metric looks at the number of emergency readmissions within 30 days of the original procedure/stay, and the associated financial opportunity of reducing this number. The percentage of patients readmitted to hospital within 30 days of discharge can be an indicator of the quality of care received during the first admission and how appropriate the original decision made to discharge was.
Electronic staff record (ESR)	ESR is an electronic human resources and payroll database system used by the NHS to manage its staff.
Estates cost per square metre	This metric examines the overall cost-effectiveness of the trust's estates, looking at the cost per square metre. The aim is to reduce property costs relative to those paid by peers over time.
Finance cost per £100 million turnover	This metric shows the annual cost of the finance department for each £100 million of trust turnover. A low value is preferable to a high value but the quality and efficiency of the department's services should also be considered.
Getting It Right First Time (GIRFT) programme	GIRFT is a national programme designed to improve medical care within the NHS by reducing unwarranted variations.

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

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