The Newcastle upon Tyne Hospitals NHS Foundation Trust

Use of Resources assessment report

Address
Freeman Hospital
Freeman Road
High Heaton
Newcastle upon Tyne, NE7 7DN
Tel: 0191 233 6161
www.newcastle-hospitals.org.uk

Date of publication:
29 May 2019

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

Ratings

Overall quality rating for this trust	**Outstanding ☆**
Are services safe?	**Good ●**
Are services effective?	**Outstanding☆**
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. (See www.cqc.org.uk/provider/RTD/reports)

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:

- We rated effective, caring, responsive, and well-led as outstanding; and safe as good;
- We took into account the current ratings of the six core services at the Royal Victoria Infirmary location and five core services at the Freeman Hospital, the Dental Hospital and the three community core services not inspected at this time. Hence, 12 services across the trust are rated overall as outstanding and the remaining two services are rated good;
- The overall ratings for each of the trust's acute locations remained the same.
- The trust was rated Outstanding for use of resources. Full details of the assessment can be found on the following pages.

NHS Improvement

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29 January 2019

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28 May 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 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 29 January 2019 and met the trust's leadership team including the chief executive and the chair, as well as relevant senior management responsible for the areas under this assessment's KLOEs.

Findings

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

- We rated the trust's use of resources as Outstanding.
- For 2017/18, the trust had an overall cost per weighted unit of activity (WAU) of £3,352 compared with a national median of £3,486. This indicates that the trust is more productive at delivering services showing that, on average, the trust spends less to deliver the same number of services.
- The trust's non-pay cost per WAU, at £1,407 is above the national median of £1,307, placing the trust in the second highest (worst) quartile. This means the trust spends more on other goods and services per WAU than most other trusts nationally. Like the majority of large teaching hospitals, the range and complexity of services; teaching, research costs and hosted services, contribute to higher than national median non-pay cost per WAU.
- The trusts pay cost per WAU, at £1,945, is below the national median of £2,180, placing it in the lowest (best) quartile nationally. This means the trust spends less on pay per unit of activity than most other trusts nationally.
- In 2017/18 the trust reported a surplus of £9.5m which included £13.9m Sustainability and Transformation Funding (STF). The trust reported a deficit excluding STF of £4.4m against a control total and plan of £4.5m deficit therefore, a favourable variance of £0.1m.
- For 2018/19 the trust has agreed to a break even control total, excluding Provider Sustainability Funding (PSF) of £13.0m and as at quarter 3, the trust is forecasting to deliver the improved position.
- During 2017/18, the trust was able to meet its financial obligations and pay its staff and suppliers. The trust is not reliant on short-term loans to maintain positive cash balances.
- Individual areas where the trust's productivity compared particularly well included pay costs per WAU, emergency readmissions, corporate service functions costs, workforce and procurement. Opportunities for improvement were identified in estates and facilities, pathology, pharmacy, DNA rates and pre-procedure elective bed days.
- The trust significantly underspent against its agency ceiling as set by NHS Improvement for 2017/18 (£3.82m spend against a ceiling of £12.86m) and is forecasting to meet its ceiling in 2018/19 (£3.64m spend against a ceiling of £12.07m).
- The trust was able to demonstrate the use of innovative workforce models and initiatives including the Early Access Advice (EAA) process (a joint initiative with Human Resources and Occupational Health); a HR Streamlining project piloting Clinician Passports with expansion into other workforce groups to assist with partnership working; and through the achievement of a 'Better Health @ Work' Continuing Excellence Award.
- The trust was able to demonstrate a clear theme of maximising technology in innovative ways to improve operational productivity, including the use of robotics, an Allocate Electronic Rostering and Attendance (ERA) system, implementation of an e-observations system and the introduction of an electronic system logging patients who are diabetic therefore, reducing the number of insulin errors.

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

- The trust has taken an active approach to managing its resources to provide clinical services that operate productivity to maximise benefits to patients. The trust plays a key leadership role in ensuring clinical productivity improvements are achieved by appropriately coordinating services across the local health and care economy. In addition, the trust plays a significant role in supporting clinical services across Cumbria and the North East.
- At the time of the assessment in January 2019, the trust was meeting the constitutional operational performance standards around Referral to Treatment (RTT) and Accident & Emergency (A&E), however, was not meeting the operational standards for Cancer. The trust described how patients are actively managed and gave assurances that patients were treated timely on a clinical priority basis. The trust recognises delivery of this standard as an area of challenge which is driven by annual growth in demand and their tertiary centre provider status. The trust is committed to improvement with full engagement of the Northern Cancer Alliance which is chaired by the trust Medical Director.
- Patients are less likely to require additional medical treatment for the same condition at this trust compared to other trusts. At 8.04%, emergency readmission rates are below the national median of 9.06% as at quarter 2 2018/19. Following improvement in this area the trust noted it continues to monitor readmission rates closely as part of its quality assurance and peer review processes. The trust also strives to make further improvements through close working across community health and care services.
- More patients are coming into hospital prior to elective treatment compared to most other hospitals in England.
    - On pre-procedure elective bed days, at 0.26, the trust is performing in the highest (worst) quartile and above the national median of 0.12 and peer (trust size/spend) median of 0.17. The trust explained that this is predominantly due to the trust case mix and specialist nature of the services it provides, which means that a significant number of patients travel large distances to attend for their procedure and this is a key driver for pre-hospital length of stay. The trust explained Day of surgery admission (DOSA) rates are tracked via dashboards, and through quarterly performance review process with directorates. Key risks are identified and acted on, e.g. cardiothoracic services were identified as a specific priority and, following actions taken, the service has subsequently improved its DOSA rates by up to 27 percentage points between 2017/18 and 2018/19. The trust intends to share learning from cardiothoracic services with other directorates in order to make further improvements supported by a DOSA group.
    - On pre-procedure non-elective bed days, at 0.57, the trust is performing second lowest (best) quartile and below the median when compared nationally – the national median is 0.65 and the peer (trust size/spend) median is 0.66.
- The Did Not Attend (DNA) rate for the trust is high at 8.57% for quarter 2 2018/19. Again, the trust attributes much of this to an extended travelling distance for a number of patients. The trust explained it was introducing improvements to reduce the overall DNAs, including, an Integrated Appointment Booking Centre and rolling out the current reminder service to 100% of services.
- The trust reports a delayed transfers of care (DTOC) rate of 1.6% in December 2018. This is lower than average and below than the trust's own target rate of 3.5%. The trust noted that this is as a result of a holistic approach to planning patient discharge, which includes; close working with local partners, implementing an 'Estimated Date of Discharge' and electronic whiteboards on wards. The trust was able to evidence improved outcomes following the expansion and coordination of intermediate care services in Newcastle. This consisted of a Discharge to Assess Model and the development of Enhanced Care Beds at "Eden Court" based at Wheatfield Court Nursing Home.

- The trust explained its role in coordinating tertiary pathways of care and works with other providers in coordination of wider clinical services across the region e.g. acute services alliances, and leading collaborative programmes of work. Services which have successfully integrated as part of the Acute Hospitals Collaboration Programme include Hyper Acute Stroke, ENT and Community MSK.
- The trust has engaged with The Getting It Right First Time (GIRFT) programme and has participated in reviews of surgical services to identify and reduce unwarranted variations in service delivery and clinical practice. Following their recommendations, work has been undertaken by many of the specialty services that were reviewed, and the trust were able to demonstrate improvement in these areas e.g. reduction in Surgical Site Infection rates in Spinal Surgery (across Orthopaedic and Neurosciences Spinal services) which had been an ongoing concern from 2016.

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

- The trust has effective control over staff costs with low pay growth and low pay cost per weighted activity unit (WAU). Innovative and efficient staffing models and roles are used to deliver high quality and sustainable care. This reflects a cost-conscious Organisational Development culture which deploys innovative solutions to increase process automation, improve efficiency and address national and local workforce challenges.
- For 2017/18 the trust had an overall pay cost per WAU of £1,945, compared with a national median of £2,180, placing it in the lowest (best) quartile nationally. This means that it spends less on staff per unit of activity than most other trusts.
- At £433, the trust is in the lowest (best) quartile for Medical cost per WAU compared with a national median of £533. The trust is in the second lowest (best) quartile for Allied Health Professionals (AHPs) (£114 compared with a national median of £130) and Nursing cost per WAU (£687 compared with a national median of £710.)
- The trust significantly underspent against its agency ceiling as set by NHS Improvement for 2017/18 (£3.82m spend against a ceiling of £12.86m) and is forecasting to meet its ceiling in 2018/19 (£3.64m spend against a ceiling of £12.07m). It is spending significantly less than the national average on agency as a proportion of total pay spend. The trust noted that agency is only utilised in exceptional circumstances and the Medical Director has oversight of all medical locum expenditure and approves/declines all requests. This is supported by:
    - Using the trust's own staff and medical locum bank;
    - Single e-Bank staff system (Allocate).
- The trust has developed new and innovative workforce models to ensure appropriate skill mix is used for work being carried out. The international supply of nurses has increased in recent years and the trust retained 95% of the 115 Philippine nurses appointed in the last two years. The trust is also creating a HealthCare Academy for Health Care Assistants.
- The trust explained the use of technology is improving productivity and effectiveness of the clinical workforce ensuring high quality and sustainable care and an appropriate skill mix for the work being undertaken:
    - TRAC recruitment management system is in place has reduced recruitment time by half and thus bringing in a skilled workforce quickly and efficiently;
    - The trust is a national exemplar in use of ESR Employee Self Service;
    - 'Paperlite' Human Resources (HR) records;

- Allocate Electronic Rostering and Attendance (ERA) system capturing real-time data of more than 13,000 staff. 'SafeCare' implemented (current average time is 8 weeks in advance; target 12 weeks).

- The trust received a national award for the deployment of its Allocate electronic rostering system, particularly for leadership and engagement of a 'Big Bang' methodology to deliver e-rostering solutions across 13,000 staff. All nursing demand templates have been reviewed and updated and are in place for inpatient wards aligned to financial budgeted establishment data.
- Routine annual job planning is in place to organise and effectively deploy the consultant workforce, 88% of consultants have a job plan aligned to service rotas. A stand-alone software system - Strengthened Appraisal and Revalidation Database (SARD) - has been procured for appraisal/revalidation and job planning.
- Staff retention at the trust is in the highest (best) quartile with a retention rate of 88.9% as at quarter 2 2018/19, against a national median of 85.9%. The trust noted it offers all staff a comprehensive 'benefits' offering including a staff Social Club; Benefits Everyone - www.benefitseveryone.co.uk; Staff Networks and Site Gyms etc.
- At 3.87% in quarter 2 2018/19, staff sickness is in the second lowest (best) quartile and better than the national median of 4.0%. The trust explained that staff sickness is subject to monthly Board level oversight and is monitored at Ward and Directorate level.
- The trust has achieved a 'Better Health @ Work' Continuing Excellence Award; supported by the Health & Wellbeing action plan including the following key points:

    - Appointment of a Health Improvement Practitioner – a single lead for employee health and wellbeing;
    - Health Champions – network of staff to support and promote health and wellbeing;
    - 'Enhanced Induction' for managers – includes 'creating a healthy workplace'.

- Early Access Advice (EAA) process is a joint initiative with Human Resources and Occupational Health first piloted in the trust's Facilities Directorate in 2017, and more recently introduced into Cardio Theatres and Administration. The purpose of EAA is to improve the health and wellbeing of staff, reduce sickness absence and promote physical and psychological wellbeing. It enables first day referral to Occupational Health when an employee is absent from work due to sickness and offers early advice and support about returning to work. Within Facilities it has contributed to a sickness absence reduction of almost 1% in the last year. Within Cardiology in the first three months, the trust has seen a reduction in the absence rate of 0.83%.
- At a regional level the trust has been at the forefront of a HR Streamlining project and is piloting Clinician Passports with expansion into other workforce groups to assist with partnership working. The "Project Choice" programme has transitioned 91% of its students into paid employment and the trust now hosts this for the region.

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

- The overall cost per test at the trust benchmarks in the highest (worst) quartile at £3.06 against a national median of £1.86 and a peer (trust size/spend) median of £2.49. However, the trust explained that this is largely due to having a 10 year managed service contract for pathology, with payment terms linked to the Retail Prices Index. The contract is due to expire next year and the trust noted that it is considering other options in relation to the service. In addition, the high cost per test can be in part attributed to the trust delivering a large proportion of higher cost tests (genetics and microbiology).

- The trust was able to demonstrate that it uses data to understand patterns that are emerging from its pathology service and benchmarks its services alongside other trusts to manage the service. The trust is working with other trusts collaboratively in the area to centralise services whilst retaining clinical specialisms.
- For imaging, the trust is collaborating across Cumbria and the North East to share patient pathways and to ensure that the trusts can work together to collectively attract people into the workforce. For 2017/18, the cost per report is higher than the median (£56.30 against a median of £50) with both pay (£35.05 compared to national median of £32.96) and consumables (£19.20 compared to national median of £11.99) higher than the national median. The trust explained that this variation from the median is as a result of the complex case mix handled by the trust. The trust noted the radiology team use efficient machinery and technology, and are looking to implement further savings, however, the trust has made a conscious decision not to compromise quality by reducing checking standards or outsourcing.
- The trust's medicines cost per WAU is relatively high when compared nationally at £532 compared to national median of £309 and a peer (trust size/spend) median of £361. The trust was able to demonstrate that this was as a result of the case mix and range of high cost specialities covered by the trust. As part of the Top Ten Medicines programme, it is making good progress in delivering on nationally identified savings opportunities, achieving £5.99m savings to March 2018. The trust has been an early adopter of biosimilars and noted the planning of pathways in advance and having strong links between clinicians and pharmacists has contributed to this.
- The trust was able to demonstrate several examples where it is using technology in innovative ways to improve operational productivity. Examples include:
    - Logging patients who are diabetic and have low blood sugar via an electronic board in each ward which has resulted in reducing insulin errors by half.
    - Implementation of an e-observations system, saving an estimated 35 care hours per day and removing the error rate in calculating NEWS scores. The system includes a patient tracking board with a digital clock which ensures observations are carried out at the required intervals.
    - Use of robotics – the trust has used Da Vinci systems (2) for surgical treatment of major cancers for over six years. This has been expanded from 4 specialities to the current 7 specialities. Last year 507 robotic procedures were carried out and the trust has the highest adoption of robotic surgery in the UK. As a result of this, in Prostate Cancer, the trust now deliver 150% more operations than in 2013 (254 Vs 108), with all surgery being undertaken using robotics. The average length of stay has come down in this area from 4 days to 1 day and transfusion rates are 0% vs 20%.

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

- For 2017/18 the trust had an overall non-pay cost per WAU of £1,407, compared with a national median of £1,307, placing it in the second highest (worst) quartile nationally. This indicates the trust spends more on other goods and services per WAU than most trusts nationally. The trust was able to articulate that the complexity of services that it provides, plus advanced technology such as robotics, were the reasons for this, but was also able to demonstrate the clinical quality benefits that this created. Like the majority of large teaching hospitals, the range and complexity of services; teaching, research costs and hosted services, contribute to higher than national median non-pay cost per WAU

- The cost of running its Finance and Human Resources (HR) departments are lower than the national average. For 2017/18, the finance function cost per £100m turnover was £382.9k against national median of £676.48k and the HR function cost per £100m turnover was £681.8k against national median of £898.02k. The trust is recognised as a national exemplar in relation to ESR deployment and integration to non-medical workforce systems and the reporting this produces.
- The trust's procurement processes are relatively efficient and tend to successfully drive down costs on the things it purchases. This is reflected in the trust's Procurement Process Efficiency and Price Performance Score of 91, which placed it in the highest (best) quartile when compared with a national median of 57. The trust has 2.4% variance from median price and 9.97% variance from minimum price which suggest that the trust is getting the best prices from its procurement operations. The trust was able to evidence a low number of direct awards to contractors, which demonstrates that they routinely test the market, and has achieved Level 2 Procurement Standards.
- At £387 per square metre in 2017/18, the trust's estates and facilities costs benchmark above the national average of £342. Soft Facilities Management (FM) costs, at £98 per square metre, are lower than the benchmark value of £122; Hard FM costs, at £102 per square metre are higher than the benchmark value of £93 per square metre, and this is most significant at Freeman Hospital where costs are £127 per square metre. The trust was able to provide examples of heavy engineering operations, for example in robotics, that add to the overall costs of the service. In addition, the trust estate has a Private Finance Initiative (PFI) element, which benchmarks close to the PFI median, at £374 per square metre compared to a national median of £283 per square metre.
- For 2017/18 the trust has a total backlog maintenance cost of £346 per square metre compared with a benchmark value of £186 per square metre. Critical Infrastructure Risk across the trust, at £124 per square metre, is high compared to the £57 per square metre benchmark value, however, this is even more marked at site level, with the Campus for Ageing and Vitality having a CIR position of £330 per square metre. The trust was able to evidence a clear rationalisation plan for this site, which will be disposed of this financial year. Additionally, it was able to articulate how it manages its backlog maintenance risks and how it has a capital strategy for dealing with the backlog maintenance at its main sites.

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

- In 2017/18 the trust reported a surplus of £9.5m which included £13.9m Sustainability and Transformation Funding (STF). The trust has an excellent historical record of managing spending within available resources and in line with plans.
- In 2017/18 the trust reported a deficit excluding STF of £4.4m against a control total and plan of £4.5m deficit therefore, a favourable variance of £0.1m. Alongside this, a score of one (best possible) was delivered by the trust on the distance from plan financial metric.
- For 2018/19 the trust has agreed to a break even control total, excluding Provider Sustainability Funding (PSF) of £13.0m and as at quarter 3, the trust is forecasting to deliver the improved position.
- The trust has a cost improvement plan (CIP) of £30.6m (or 2.9% of its expenditure) in 2018/19 and is forecasting to deliver against plans. The trust delivered £31.8m efficiency savings in the previous financial year, of which 94% was recurrent.
- The trust has evidenced delivery of £150m recurrent efficiencies over the previous 5 financial years. This has been achieved partially through increased productivity resulting in a top (best) quartile for trust overall cost per WAU of £3,352 and a reference costs of 95.

- The trust operates with an underlying deficit and has acknowledged its need for support in ameliorating this deficit to maintain a reported break-even position moving forwards. The trust has voluntarily and actively engaged a consultancy firm as a 'Transformation Partner' to assist in the development of a future sustainability programme for 2019/20.
- Working alongside the Transformation Partner will be the trusts self-funded 'Financial Improvement team', an initiative trialled in 2017/18 and substantively embedded during 2018/19 with the remit of driving out efficiencies as identified from Model Hospital and other relevant benchmarking metrics.
- The trust has historically had adequate cash reserves. The cash balance as at 31st October 2018 was £116m which represents reserves to cover 42 days of operating expenditure. During 2017/18 the trust was able to meet its financial obligations and pay its staff and suppliers. The trust is not reliant on short-term loans to maintain positive cash balances.
- The trust board has set an upper limit for working capital management and ensures the capital programme is pumped prime to allow innovations to be funded at the trusts pace and timeframe.
- The trust is currently working with a large consultancy firm to review innovative methods of capital funding. The trust actively uses its charitable funds to benefit patients via capital developments.
- The trust proactively manages its PFI provider and imposes contractual penalties where appropriate (c£2m per annum). The trust can evidence securing an improved financial arrangement as a result of pre-emptive arbitration which led to a significant reduction to the Unitary Payment.
- The trust uses costing information, (service line reporting and reference costs) by directorate to inform decision making and market analysis strategy.
- Spend on management consultancy for 17/18 was £269k and Year to Date 208/19 as at Month 11 equated to £421k

Outstanding practice

- The trust was able to demonstrate a clear theme of maximising technology in innovative ways to improve operational productivity, including the use of robotics. The trust has used Da Vinci systems (2) for surgical treatment of major cancers for over six years. This has been expanded from 4 specialities to the current 7 specialities. Last year 507 robotic procedures were carried out and the trust has the highest adoption of robotic surgery in the UK.
- The trust has implemented an Early Access Advice (EAA) process - a joint initiative with Human Resources and Occupational Health first piloted in the trust's Facilities Directorate in 2017, and more recently introduced into Cardio Theatres and Administration. The purpose of EAA is to improve the health and wellbeing of staff, reduce sickness absence and promote physical and psychological wellbeing. It enables first day referral to Occupational Health when an employee is absent from work due to sickness and offers early advice and support about returning to work. Within Facilities it has contributed to a sickness absence reduction of almost 1% in the last year. Within Cardio in the first three months, the trust has seen a reduction in the absence rate of 0.83%.
- At a regional level the trust has been at the forefront of a HR Streamlining project and is piloting Clinician Passports with expansion into other workforce groups to assist with

partnership working. The “Project Choice” programme has transitioned 91% of its students into paid employment and the trust now hosts this for the region.

- The trust has achieved a ‘Better Health @ Work’ Continuing Excellence Award supported by the Health and Wellbeing action plan which includes; the appointment of a Health Improvement Practitioner, introduction of Health Champions and an ‘Enhanced Induction’ for managers.
- The trust proactively manages its PFI provider and imposes contractual penalties where appropriate (c£2m per annum). The trust can evidence securing an improved financial arrangement as a result of pre-emptive arbitration which led to a significant reduction to the Unitary Payment.

Areas for improvement

- The trust benchmarks above the national median for pre-procedure elective bed days which presents an opportunity to improve clinical productivity.
- The Did Not Attend (DNA) rate for the trust is high compared to the national median and although some initiatives have been introduced to reduce this, the trust would benefit from further work in this area.

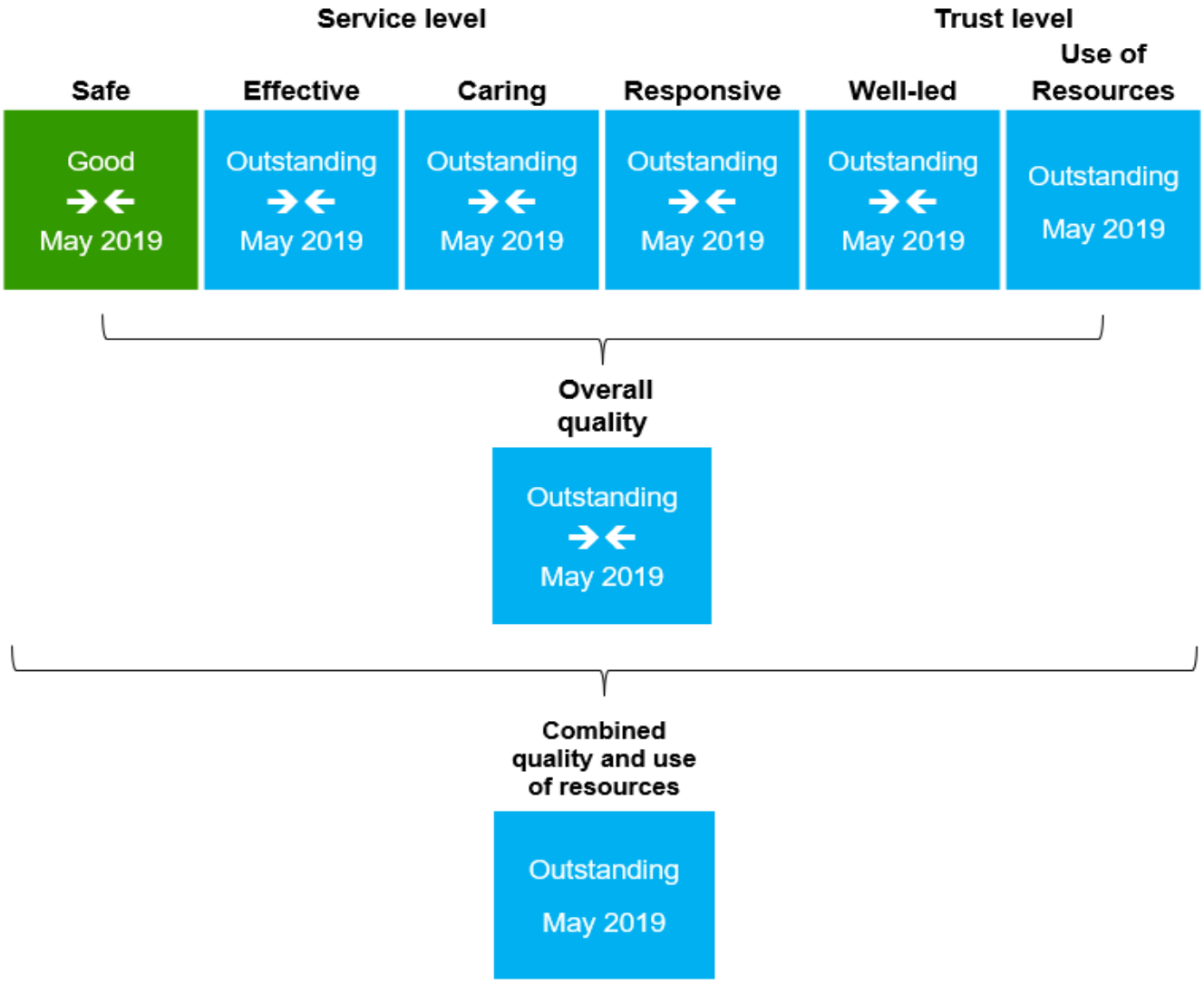
Ratings tables

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

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

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

Ratings for the whole trust



Use of Resources report glossary

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

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

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

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