Wrightington, Wigan and Leigh NHS Foundation Trust

Use of Resources assessment report

The Elms, Royal Albert Edward Infirmary
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Date of publication: 26/02/2020

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?	Good
Are services effective?	Good
Are services caring?	Good
Are services responsive?	Good
Are services well-led?	Good

Are resources used productively?	Good

Combined rating for quality and use of resources	Good

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

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

Use of Resources assessment and rating

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

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

Combined rating for Quality and Use of Resources

Our rating of combined quality and resources stayed the same. We rated it as good because:

- We rated safe, effective, caring, responsive and well led as good.
- We rated all three of the core services we inspected as good.
- We took into account the current ratings of the five core services not inspected at this time.
- Our ratings for Royal Albert Edward Infirmary, Leigh Infirmary and Wrightington Hospital were good, which was the same as the ratings at the last inspection.
- The trust was rated good for use of resources.

NHS Trust

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Date of inspection visit: 22 October to 28 November 2019
Date of publication: 26/02/2020

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.

Proposed rating for this trust?	Good

How we carried out this assessment

The aim of Use of Resources assessments is to understand how effectively providers are using their resources to provide high quality, efficient and sustainable care for patients. The assessment team has, according to the published framework, examined the trust's performance against a set of initial metrics alongside local intelligence from NHS Improvement's day-to-day interactions with the trust, and the trust's own commentary of its performance. The team conducted a dedicated site visit to engage with key staff using agreed key lines of enquiry (KLOEs) and prompts in the areas of clinical services; people; clinical support services; corporate 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 11 November 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

Good

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

We rated the trust's use of resources as Good. Since the previous Use of Resources assessment in November 2017, the trust has been able to demonstrate an improvement across a range of metrics together with an increase in collaborative working both across the local health economy and wider systems, and in particular a greater use of technology to drive efficiencies and provide high quality care.

The trust reported a surplus in 2018/19 and at the time of the assessment were on track to achieve a surplus in 2019/20. Despite some challenges across the workforce, leading to a high and increased overall pay cost, the trust demonstrated they are using innovative alternative workforce models and expanding already successful recruitment programmes to tackle the highlighted issues.

- In 2018/19 the trust delivered a £27.8m surplus against a control total plan of £1.7m surplus. The overperformance above their control total is mainly attributable to a one off land sale within the year. For 2019/20, the trust has signed up to a control total of a £2.4m surplus, which it is on target to meet as at quarter 1.
- The trust has a cost improvement plan (CIP) of £14.3m (or 3.7% of its expenditure) and at the time of the assessment there was £9.4m still in opportunity. The trust has rebranded their CIP programme to SAVI (Service and Value Improvement) to enable greater engagement with staff and has recently appointed a new transformation team to help with delivery.
- The trust not reliant on external loans to meet its financial obligations and deliver its services.
- Individual areas where the trust's productivity compared particularly well included Delayed Transfers of Care, clinical productivity, Did Not Attend rates and corporate services including function costs and procurement.
- The trust was also able to demonstrate strong use of alternative workforce models, in particular within the community based teams. In addition, the trust provided numerous examples of working collaboratively across; its system, for example with North West Ambulance Service (NWAS), and in the wider health economy, for example through the work done on the Earn, Learn and Return international recruitment programme with other trusts.
- The trust highlighted its extensive use of technology across the organisation, including a comprehensive list of apps developed/used, virtual clinics, the use of 3D printing in orthopaedics and being recognised as a global exemplar for their use of the Allscripts Healthcare Information System.
- However, with an overall cost per weighted activity unit (WAU) of £3,640 compared to a national median of £3,486, the trust spends more on pay and other goods and services per WAU than most other trusts nationally. This indicates that the trust is less productive at delivering services than other trusts by showing that, on average, the trust spends more to deliver the same number of services. This also represents a slight increase since the previous Use of Resources assessment, primarily driven by the increased pay costs.
- Further opportunities for improvement were identified within overall pay costs, an increasing agency spend, job planning and sickness absence. In addition, the trust recognised it would benefit from increased governance around the Getting It Right First Time programme to provide clear oversight and a systematic follow up of actions plans and recommendations.

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

- At the time of the assessment in November 2019, the trust was meeting the constitutional operational performance standards around Referral to Treatment (RTT), Cancer and Diagnostics. In addition, the trust highlighted 62-day cancer performance has been maintained above the national standard despite an increase in demand.
- The trust was not meeting the constitutional operational performance standard for Accident and Emergency (A&E) at the time of the assessment. However, for the previous 3 months (July, August and September), the trust's performance has been above 89% and for September, was the highest performing trust in the Greater Manchester region. The trust has introduced a number of initiatives that have supported this improvement including;
- A handover triage bay introduced with dedicated space to allow quicker ambulance transfer
- Within the ambulatory assessment unit, the beds have been changed to chairs which was has improved flow and flexibility within the unit
- A GP minor injuries unit enabling the streaming of patients away from the Emergency Department
- The trust provided an example of a collaborative approach with North West Ambulance Service (NWAS) through the development of a community response team. The aim of the team is to provide an alternative community option to prevent A&E attendance and admission. The team treat patients at home or support them to access other more appropriate services. In addition, the trust have recently appointed paramedics to the team to further enhance the support provided.
- At 7.93%, emergency readmission rates are slightly above the national median of 7.85% for quarter 2 2019/20. This suggest that patients are more likely to return to hospital as an emergency within 30 days of initial discharge at this trust compared to other trusts. In the last 12 months the trust has worked with the Greater Manchester Clinical Support Unit to review admissions and readmissions and this work provided assurance that patients were not being admitted unnecessarily. In addition, the work highlighted a number of key areas where improvement was required, for example; mental health, elderly care and care of the dying.

- The trust has introduced a frail and elderly care model whereby the community response team has access to the information of any patient over the age of 75 who has attended A&E. The model includes a team of volunteers who provide support to patients on discharge together with visiting patients up to 3 weeks after discharge. The trust was able to demonstrate this additional work was helping to prevent readmissions that are a result of non-medical issues.
- Fewer patients are coming into hospital unnecessarily prior to treatment compared to most other hospitals in England.
- On pre-procedure elective bed days, at 0.13 for quarter 2 2019/20, the trust is performing just above the national median of 0.12. The trust explained this was in part due to the specialist orthopaedic services provided at the trust and the requirement for some patients to come in for assessment prior to the day of surgery. The trust highlighted that they attend all National Orthopaedic Alliance meetings to ensure best practice is shared amongst the national specialist orthopaedic trusts.
- On pre-procedure non-elective bed days, at 0.52 for quarter 2 2019/20, the trust is performing below the national median of 0.65. The trust saw a significant reduction in this metric from quarter 1 2019/20 where the trust's bed days were at 0.65. The trust has made small improvements across a range of specialities to drive this position, however, the biggest variance was as a result of the decommissioning of the Neuro-rehabilitation service.
- The Did Not Attend (DNA) rate for the trust, at 5.96% in quarter 2 2019/20, benchmarks in the lowest (best) quartile and below the national median of 7.13%. This represents a significant improvement from the previous quarter when the DNA rate was 8.11% and in the second highest (worst) quartile. Although performance has been varied since the previous Use of Resources assessment (November 2017), this also represents an improvement since then, from 7.6% as at June 2017. The trust identified key areas where DNAs were high and has introduced actions to help improve this. For example in Rheumatology, the trust has introduced a one stop clinic, innovative workforce models to allow more specialist nurses to offer clinic appointment and the use of virtual follow up clinics. The trust has also implemented a new booking model at the Wrightington site whereby patients are contacted in advance of appointments on a regular basis. Early signs of improvement in DNA rates and clinic utilisation have been recognised and due to the success of the model, it is now being rolled out across a range of specialities.
- At 1.7%, the trust reports a delayed transfers of care (DTOC) rate that is lower (better) than the target rate of 3.5% and significantly lower than the North West average (4.8% in August 2019). The rate of stranded patients, at 33.2% for September 2019, is below the North West average (48.9%) and has seen a slow reduction over the past 12 months. At 9.3% the number of super-stranded patients is significantly lower than the North West average (22.9%) and is the lowest in the Greater Manchester Health and Social Care STP. The trust described a number of initiatives that have supported this position, including;
- A recently introduced discharge facilitation service supporting the wards which involves dedicated staff identifying delays and supporting the identification of solutions. This work is part of a wider model that has shown improvement in the number of early discharges before midday
- Early morning blood tests have been introduced to ensure test results are available for the doctors morning ward round. This has contributed to earlier discharge times
- Improving medical optimisation and discharge processes
- The alignment of the community division and the use of a step-up, step-down facility (Bedford House) has enabled more appropriate care for a specific group of patients leading to a reduced Length of Stay and DTOC's.
- The trust has engaged well with the Getting It Right First Time (GIRFT) programme, with the governance sitting within the transformational team and embedded within the CIP (SAVVI) programme. All action plans are reviewed by a professional advisory board, chaired by the Medical Director, which meets on a monthly basis.
- The trust highlighted a number of improvements as a result of GIRFT including;
- A reduction in LOS from 4.45 days to 3.3 days for primary hip and knee replacements
- The trust are now managing the highest volume of day case hip replacements in the country
- All consultants doing less than 5 of any given procedure per year have now stopped undertaking those procedures
- The trust have also been recognised nationally with regards to their Dermatology 18 week pathway.

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

- For 2017/18 the trust had an overall pay cost per WAU of £2,367 compared with a national median of £2,180, placing it in the highest (worst) quartile nationally. This means that it spends more on staff per unit of activity than most other trusts. This represents an increase from the previous Use of Resources assessment, with the trust moving up into the worst quartile as a result. The trust explained the higher pay cost is in part driven by staff shortages across key staff areas, requiring the trust to use alternative and temporary methods at a premium rate to ensure gaps in rotas are filled. The trust estimates, of their 2017/18 pay bill, £4.9m is attributable to premium payments.

- For the same time period, the trust benchmarked in the highest (worst) quartile for nursing cost per WAU (£880 compared to a national median of £710), and the second highest (worst) quartile for Allied Health Professional (AHP) and medical cost per WAU (£144 compared to a national median of £130 and £554 compared to a national median of £533 respectively).
- The trust attributes the high nursing cost per WAU to high levels of vacancies, as much of the cover is provided by substantive staff taking on additional shifts which are paid at a higher cost. The trust informed us there are also a number of nursing staff at the top of their pay bands as a result of strong staff retention.
- At the previous Use of Resources assessment, the trust referenced a review of the nursing establishment which they anticipated would reduce the nursing cost per WAU for 2018/19, however, the expected cost savings did not occur due to a number of factors including an increase in the turnover rate. The trust is now reviewing the current working shifts of its nursing staff to increase flexibility in an effort to reduce turnover, which would be expected to lead to a reduction in numbers of higher paid additional shifts.
- For AHPs, the trust highlighted the higher pay costs are as a result of its tertiary centre status for Orthopaedics which requires a greater number of senior or advanced AHPs, for example within physio and occupational therapy. In addition, the trust recognised there has been the need to rely on overtime of AHP staff for example within radiology.
- Since the previous Use of Resources assessment, the trust has seen the biggest increase in its medical staffing costs when compared to other staffing groups. It was recognised that this is driven by additional activity which has been paid using additional payments, together with a decrease in the number of medical vacancies. One of the key areas where premium payments are made is within orthopaedics, however, the trust reported this is seen as a worthwhile investment as it allows for expert training and, through achieving a strong reputation, supports the running of the Earn, Learn and Return international recruitment programme.
- For 2018/18 the trust had an agency cost per WAU of £67 compared to a national median of £107, placing it in the lowest (best) quartile. It spent less than the national average on agency as a proportion of total pay spend (3.4% compared to 4.4%), however, at the time of the assessment this was increasing, and the trust are expecting to agency cost per WAU for 2018/19 to have increased.
- The trust did not meet its agency ceiling as set by NHS Improvement for 2018/19 and is forecasting to miss its ceiling in 2019/20. This is in part due to taking on community services in April 2019 which has resulted in the trust using additional staff to provide the required service. Furthermore, activity following the winter period remained high and was no longer supported by winter funding, resulting in the requirement to use temporary and agency staff. The trust were able to demonstrate a business case has now been approved to align this additional activity to the support of substantive staff.
- The trust have introduced an internal bank through NHS Professionals and are currently developing a Greater Manchester wide lead employer bank for Junior Doctors. The trust explained there has been some success in converting agency locums to bank, therefore reducing spend on agency fees.
- Since the last Use of Resources assessment the trust has expanded the Earn, Learn and Return programme for medical staff, rolling it out to nurses and AHPs. For nurses, a pilot is in place with 20 nurses from India, most of whom are now in post, with a plan to take on board about 10 every month. For medical staff, the trust is now running the established Earn, Learn and Return programme for other trusts within the North region and the Midlands region.
- The trust were able to describe a number of innovative workforce models, including;
- The use of pharmacy technicians to support medicines management and administration at ward level. Following a successful pilot in August 2019, this has been rolled out across the organisation with evidence of a decrease in mis-diagnosis, earlier dispensing and an increase in staff feeling supported.
- The use of dual qualified staff as part of multidisciplinary teams, for example, nursing and social workers fulfilling both roles
- The appointment of paramedic staff to the community response team, together with the development of a therapy led approach for the new community unit
- The trust have also recently appointed a Chief AHP, reporting to the Director of Nursing, whose responsibilities will include leading the 'AHP into Action' programme and new workforce model development.
- The trust demonstrated it has been working on ensuring the correct skill mix of staff in a number of areas, including developing advanced practitioners' roles and the introduction of ADHD non-medical prescribers in pharmacy. For nursing, the trust uses the electronic safer care tool with daily staffing huddles to ensure staff are deployed according to patient acuity in real time.
- E-rostering is well established for nursing staff; however, it is not yet fully established for other staff groups. The trust reported it was developing a business case for e-rostering across all staff groups to be accomplished within the next year.

- At the time of the assessment the trust had 74.7% consultants with completed job plans. This is only a slight increase from the previous Use of Resources assessment, however, the trust are still in the process of implementing an electronic job planning system. Where consultant job plans have been captured electronically, it has allowed a focus on ensuring consistency in terms activities undertaken. The trust reported work done so far on electronic job planning has led to an increase in costs as not everything was captured under the paper systems.
- The trust highlighted that the requirement of the split site working, with travel time of around 40 minutes between sites, leads to difficulties in driving efficiencies. However, one benefit realised from the job planning exercise was the release of additional SPAs within gynaecology preventing the requirement for agency staff.
- Staff retention at the trust is good, with a retention rate of 88.8% in December 2018 against a national median of 85.2%.
- At 4.6% in June 2019, staff sickness rates are worse than the national average of 3.96% and have also increased since the previous Use of Resources assessment. The trust attributes the recent increase seen since April 2019 to the impact of taking on community services, which had an average sickness rate of between 6% and 7%, with some teams seeing as high as 15%. The trust has moved the community teams onto the trust's attendance policy, which is expected to result in improvements going forward.
- The trust identified the two biggest reasons for sickness absence were stress or musculoskeletal related illnesses. The trust has introduced a number of initiatives to support staff including;
- A suite of mental health support including a mental health practitioner and a high number of mental health first aiders
- Health screening for staff, with an uptake of 500 staff in the first round
- Continued use of the Go Engage tool
- The introduction of the critical incident stress management service, which supports staff within 24 hours when there had been a critical or traumatic incident at work. As a result they have seen no long term sickness in the past 12 months as a result of a critical or traumatic incident.
- In addition the trust have introduced a hospital based domestic violence support service with an Independent Domestic Violence Advisor (IDVA) in post and funding in place to appoint an additional IDVA. As well as providing support to patients and ensuring staff have the right knowledge and confidence to discuss this with patients, the trust referenced 5% of victims seen have been members of staff. This support service won the Patient Safety Improvement prize at the Nursing Times Award in November 2019.

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

- At £1.26 compared to a national median of £1.86, the overall cost per test at the trust benchmarks in the lowest (best) quartile nationally. The trust attributed this to having a contractual Joint Venture (JV) for pathology services established with Salford Roya NHS Foundation Trust, known as PAWS. The Pathology service has undertaken workforce reviews, procurement of equipment platforms and created test bundles to support maintaining the lower cost per test.
- The trust provided evidence of the joint meeting that exists to oversee the work of PAWS and the minutes of the May meeting provided evidence that the trust is able to gain assurance. Beyond the existing JV for Pathology services, the trust is participating in the Greater Manchester programme of work to establish a pathology network.
- The trusts total tests per capita benchmark above the national median at 25.8 compared to 24.3. The trust reported this could be influenced by a number of factors including a high percentage of community services and a strong focus on early discharge due to the low bed base. The number of tests carried out is systematically monitored and outliers are actively addressed, for example, in A&E following a review of the testing bundles undertaken, there has been a reduction of the number of tests included within these.
- With regards to imaging services, the trust is a participant in the programme of transformation in Greater Manchester and evidenced its involvement in the PACS replacement programme that, at the time of the assessment, was in the procurement stage.
- For the total cost per report, the trust benchmarks in the lowest (best) quartile at £30.48 when compared to a national median of £56.29. However, it was acknowledged the trust has a high level of aged equipment, with 79% of X-ray machines, 50% of MRI scanners and 67% of Ultrasound machines over 10 years old. The trust reported all risks associated with the aged equipment are overseen by the risk committee and are taken into account for the trust investment programme. For 2018/19, the trust benchmarked well for the number of medical role vacancies for consultant radiologists. The trust attributed this to the use of AHP staff to undertake reporting with as much activity as possible remaining in house.

- The trust's medicines cost per WAU is relatively low when compared nationally. At £288 compared to a national median of £320, the trust benchmarks in the second lowest (best) quartile. As part of the Top Ten Medicines programme, it is making good progress in delivering on nationally identified savings opportunities, achieving £1.01m savings to October 2019. The trust has made good progress in implementing switching opportunities for Infliximab and Rituximab, but there are more opportunities to pursue for Adalimumab. The trust reported it utilises a clinical reference group to support the adoption of the biosimilars.
- The trust evidenced the continuing investment in pharmacy services to assist with the admission and the effective discharge of patients and has increased the 7 day service provision with 6 staff working on Saturday and Sunday. For 2017/18, data showed the trust had 4 hours of Sunday on ward clinical pharmacy time, however, at the time of the assessment the trust was able to demonstrate this has been increased to 16 hours. Furthermore, 7 day services are now available across all hospital sites.
- The trust was able to demonstrate it is using technology in a number of innovative ways throughout both the clinical and corporate services areas. From a comprehensive list of Apps submitted by the trust, it is apparent from the monthly hit rate, the extent to which the trust is using Apps. The notable Apps providing real time information to support patient flow are in:
- 18 weeks – providing waiting list analysis and has evidence reduction of long waiters
- AE – refreshing every 2 minutes and providing alerts to identify specific for patients at arrival into the department
- Hospital Flow – helps identify pressure points and rates of discharge
- Outpatients – assists with managing DNA rates
- Developed Financial Management (DFM) – enables the 241 budget holders in the trust to manage income and expenditure through clear information presentation.
- Since the previous Use of Resources assessment, the trust has fully implemented the Allscripts Healthcare Information System and is now making good use of the Allscripts products and is succeeding in removing paper based processes. The trust has been recognised as a global exemplar for the use of this system and has recently had an Allscripts experience centre opened on site.
- The trust also described the use of technology to support virtual clinics and virtual follow ups, e-prescribing, and the introduction of dermatoscopes into GP practices which appear to be contributing to a reduction of referrals to dermatology services. The trust also described using the 3D resin printing technology to assist with operation planning in orthopaedics.

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 £1,273 compared with a national median of £1,307, placing it in the second lowest (best) quartile nationally. This represents an improvement since the previous Use of Resources assessment.
- The cost of running its Finance, Human Resources and IM&T departments are lower than the national average and there has been a reduction in these costs year on year.
- For finance, with a function cost of £514.5k per £100m income in 2018/19, the trust is in the lowest (best) quartile when compared to a national median of £653.29. The trust has received a number of national awards for its finance function, recognising the costing functions and the financial training it offers.
- The function cost for HR, at £590.36k compared to a national median of £910.73k, also benchmarks in the lowest (best) quartile. The trust reported this low cost is partially as a result of the business partner model in place with HR advisers within divisional management teams. The trust was able to demonstrate automation within the HR service together with making good use of technology citing E-recruitment and job planning tools in use.
- For IM&T the trust has a function cost of £1.92m compared to a national median of £2.52m. One outlier within this function is the cost of applications development at £172k compared to a median of £68k, however, the trust highlighted these developments have resulted in significant benefits across the organisation.
- The trust has undertaken some evaluations of opportunities to work collaboratively for corporate services with local government offices, however, none of the cases have yet demonstrated for the trust suitable benefits.
- The trust's procurement processes are relatively efficient and tend to successfully drive down costs on the things it buys. This is reflected in the trust's Procurement Process Efficiency and Price Performance Score of 98, which placed it in the top quartile and number 3 (out of 133) in the procurement league table as of quarter 4 2018/19.
- The trust is using the PPIB tool and other comparative metrics on a monthly basis to guide procurement activity. The trust uses e-catalogues and has a high transaction rate at 96.7% against a national median of 94.3%. The trust has a high rate of electronic invoice reconciliation at 93.3% with a national median of 87.9%, indicating good administration efficiency.

- The trust has a high supplies and services cost at £419 against a national median of £364, however, the trust attributes this in part to the specialist orthopaedics clinical service it has with the inherent high cost of orthopaedic implants.
- The trust was able to demonstrate strong collaboration with suppliers, for example; the trust, alongside Johnson and Johnson and Edge Hill University, are developing a research and education centre, which will provide cadaveric education, nursing education, medical education and a research and development centre.
- At £331 per square metre in 2018/19, the trust's estates and facilities costs benchmark significantly below the national average of £396. At £81, the hard facilities management (FM) costs for the trust are below the £100 per square metre median, however, the trusts soft FM costs are higher than the median at £168 compared to £148 per square metre. The trust explained this is in part due to the provision of catering services as an income generating service to other clients and consequently incurs higher costs for a central processing unit and the high quality of food provided. The trust receives acknowledgement for this high quality through the PLACE score ranking of 5th in the NHS acute trusts in England.
- The trust has a good understanding of the data in model hospital for its cleaning services and has undertaken a service review with a reduction of cost per square metre from £41 to £35.
- The trust has higher than median portering costs at £22 per square metre against a national median of £17. The trust stated that the costs were inherently higher due to operating portering across 3 sites, however, the trust is undertaking a programme of change in this area which they anticipate will result in a reduction of costs.
- For 2018/19 the trusts overall backlog maintenance and critical infrastructure risk benchmark below the national median, at £134 per square metre against a benchmark value of £200 per square metre; and £13.49 per square metre against a benchmark value of £21.03 per square metre respectively.

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

- The trust is in surplus and has a consistent track record of managing spending within available resources and in line with plans.
- In 2018/19 the trust delivered a £27.8m surplus against a control total plan of £1.7m surplus. The overperformance was mainly due to a one off land sale.
- For 2019/20 the trust has signed up to a control total of £2.4m surplus, which it is on target to meet as at quarter 1. There are a number of risks to the plan, including community services expenditure, delivery of their activity plan due to the pension impact and also tariff issues.
- The trust has a cost improvement plan (CIP) of £14.3m (or 3.7% of its expenditure). At the time of the assessment there was £9.4m still in opportunity. The trust delivered 87.5% of its planned savings in the previous financial year, delivering £12.7m against a plan of £14.5m, of which 41.1% were non-recurrent.
- The trust has rebranded their savings programme to Service and Value improvement (SAVI) in order to increase engagement with staff. The trust believes this has had more traction with the workforce and schemes are now actively moving through the stage gates. A separate management Board exists for the review of SAVI schemes and a monthly update report is reviewed at their finance and performance committee as well as at the Trust Board.
- The trust has an underlying deficit of circa £12m, of which they believe £10m to be structural. The trust referenced this is driven by a number of factors which need a range of medium to long term solutions. The trust is in the process of setting up a locality investment plan with system partners to facilitate the efficiencies needed.
- The trust is not reliant on cash support and work closely with their local council. The trust had a conscious strategy to build up their cash reserves over several years allowing them to make investments in the trust.
- The trust has embedded their service line reporting to help manage divisional budgets and have received a HFMA costing award in 2018 in recognition of their work.

The trust has a number of non-clinical income sources, including their catering services which they provide for a number of other contracts. They also market their occupational health services and their Employee engagement services.

Outstanding practice

- The Earn, Learn and Return international recruitment programme for medical staff was highlighted as an area of outstanding practice in the previous Use of Resources assessment. Since then the trust have expanded this programme to include nursing staff following a successful pilot. Furthermore the trust are running this programme for medical staff for a number of trusts within the North West and Midlands region.

- The trust has demonstrated extensive use of technology throughout the organisation, in particular being identified as a global exemplar for its use of the Allscripts Healthcare Information System which has led to an experience centre being opened on the hospital site.

Areas for improvement

- Despite some initiatives in place sickness absence remains a challenge for the organisation, particularly with the recent acquisition of community services. Further work to reduce absence rates would be of value to the trust.
- Whilst the trust has rebranded their savings programme, the trust needs to improve its identification of recurrent opportunities for savings and productivity in line with the plan set.
- The trust acknowledged their high pay WAU and noted some reasons for this, however, this needs to remain an area of continued focus.

Ratings tables

Key to tables					
Ratings	**Not rated**	**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 last rating published					

***** 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

Service level

Trust level

Safe	Effective	Caring	Responsive	Well-led	Use of Resources
Good →← Feb 2020	Good →← Feb 2020	Good →← Feb 2020	Good →← Feb 2020	Good →← Feb 2020	Good →← Feb 2020

Overall quality

Good →← Feb 2020

Combined quality and use of resources

Good →← Feb 2020

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.

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

Term	Definition
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.

Term	Definition
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.