Taunton and Somerset NHS Foundation Trust

Use of Resources assessment report

Musgrove Park Hospital
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Somerset
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Tel: 01823 333444
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Date of publication: 24/03/2020

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?	Requires improvement
Are services effective?	Good
Are services caring?	Outstanding
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:

Both the trust overall and the use of resources were rated as good. The combined rating for the trust is therefore good, which was the same as our previous inspection.

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Date of inspection visit: 14 January 2020 to 29 January 2020
Date of publication: 24/03/2020

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 .

We visited the trust on 4 December 2019 and met the trust's executive team (including the chief executive), a non-executive director (in this case, the chair) and relevant senior management responsible for the areas under this assessment's KLOEs.

Findings

Good

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

We rated Use of Resources as good. The trust's overall cost per weighted activity unit (WAU) for 2017/18 benchmarked in the second-best national quartile and during our assessment the trust demonstrated areas of good productivity across clinical services, workforce and corporate services. For example, the trust had a low usage of agency staff and had near-zero nursing vacancies at the time of the assessment. The trust's financial deficit was stable, and the trust continued to address areas where its costs were high, such as clinical support services. The trust also anticipated additional efficiencies from a planned merger with Somerset Partnership NHS Foundation Trust.

- This was the first time we carried out a use of resources assessment at the trust.
- Based on the latest data available at the time of the assessment (2017/18), the trust had an overall cost per WAU of £3,378 which benchmarked in the second lowest (best) quartile nationally. At the time of completing our report, the Model Hospital had released draft costs per WAU for 2018/19 which gave an indication that the trust's relative productivity had continued to improve from 2017/18 to 2018/19.
- At the time of our assessment, the trust did not meet any of the constitutional standards with a particularly poor performance on the 18-week referral to treatment and diagnostic 6-week wait standards. The trust however demonstrated good productivity with regards to delayed transfers of care and the number of pre-procedure bed days and did not attend rates. The trust could evidence progress in productivity improvements around theatre productivity which aimed to improve its elective care performance and the trust engaged well with the Getting it Right First Time (GIRFT) national programme. Emergency readmission rate did not compare well nationally but reflected the trust's decision to ensure patients could go home as soon as possible.
- For 2017/18, the trust's overall pay costs benchmarked in the second-best national quartile including for medical and allied health professional costs. Nursing costs were slightly higher than the national median but reflected the one-off impact of the trust's international recruitment campaign that year. The trust used job planning and e-rostering to deploy staff and had developed advanced and specialist roles to efficiently and effectively use its workforce. Staff retention had declined recently, and the trust had actions in place to drive improvements. The trust's sickness rate was comparatively good.
- The trust's clinical support services showed a variable picture with evidence of outstanding areas, but costs of the services did not benchmark well nationally. However, the trust was aware of this and in most cases had started to reduce costs. However, pathology was an area where actions to reduce costs were at an early stage and needed to progress.
- The trust benchmarked overall well on corporate services (finance, human resources and information management and technology) and procurement services. However, its estates costs were high compared to peers.
- The trust was operating with a deficit position although it was stable. The trust had not met its control total in 2018/19 but was on track to deliver its control total for 2019/20 although with additional one-off income from its commissioners. The trust had difficulties delivering recurrent savings as a result of its already good productivity as demonstrated by its low overall cost per WAU and the nature of the productivity improvements which tended to avoid rather than decrease costs. The trust had a poor debt and liquidity position with the trust requiring cash revenue support from the department of health and social care (DHSC).
- The trust had plans to merge soon with Somerset Partnership NHS Foundation Trust (Somerset Partnership) and anticipated this would lead to further efficiency savings and decrease its future borrowing requirements.

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 December 2019, the trust did not meet any of the constitutional standards. There was however evidence of good productivity achieved in delayed transfers of care and the number of pre-procedure bed days and did not attend rates. The trust had a slightly raised emergency readmission rate due to decisions to discharge patients home as soon as possible. There was evidence however the trust could improve on the percentage of patients treated as day cases.

- As October 2019, the trust's performance against the 4-hour accident and emergency standard was 80.79% which was below the 95% standard and was also below peer performance (86.58%). There were however no 12-hour trolley delays reported by the trust in 2018/19. The trust reported that the its performance was due to higher patient acuity although it was still investigating the drivers of this. The trust had however seen a reduction in A&E attendances within a specific geographical area as a result of the Urgent Treatment Centre being piloted in Bridgewater.
- The trust had sustained a good rate of delayed transfers of care at 2.2% in the six weeks prior to 4 November 2019 against a standard of 3.5%. Since September 2017, the trust collaborated with health and social care partners within the Somerset system through its Home First discharge model which supported patients to be discharged home as soon as possible. The trust had reduced the number of patients staying for 21 days or more to 10.6% of all patients and had successfully managed its bed occupancy to 89.5% on average.
- The trust's performance against the 18-week referral to treatment standard was 82% in September 2019 (latest data available) and consistently benchmarked below national and peer performance. The trust also had 23 patients waiting for 52 weeks or longer for treatment at this date although this was a reduction from 66 in December 2018. The trust had worked with its system partners to understand the level of activity needed to be delivered across the Somerset system to improve the number of patients treated within 18 weeks and was working to increase capacity through theatre productivity improvements and pathway reviews.
- The trust's performance against the diagnostics 6-week wait in September 2019 was 15.31% against the clinical standard of 1%. The trust had experienced higher demand in both cancer and inpatient referrals and a lack of workforce resilience particularly in endoscopy, had resulted in poor performance. The trust reported progress with staffing and new MRI and CT capacity which had improved the trust's performance from a much lower position recently.
- In September 2019 the trust was not achieving the cancer 2-week wait standard with a performance of 83.8% against a 93% standard as well as the cancer 62-day treatment target with 81.5% performance against the 85% standard.
- The trust's emergency readmission rate within 30 days at 8.0% was slightly higher than the national median (7.85%) in quarter 2 2019/20 and benchmarked in the second highest (worse) quartile nationally. The trust described a tolerance to taking higher risk to ensure patients were back in their homes whenever possible and which resulted in higher emergency readmission rate but also a lower delayed transfers of care.
- The trust had managed its pre-procedure elective and non-elective bed days well with rates for quarter two 2019/20 of 0.09 and 0.55 days respectively, both lower (better) than national and peer medians.
- The trust also performed well with 'did not attend' rates of 5.27% in quarter 2 2019/20, lower than the national median (7.14%).
- The trust had several quality and productivity improvement programmes (e.g. theatre productivity) and could demonstrate specific improvements such as a reduction in the number of unused sessions in day surgery. The trust had also reduced its extended length of stay resulting in 21 beds being freed up per week and low average length of stay for both elective and emergency admissions in the 6 months to March 2019 at 2.2 and 8.9 days respectively compared to national medians of 2.9 and 9.3 days.
- Model Hospital data showed that the trust's rate of patients treated as day cases was 84% of all elective activity compared to the national median of 86%. This had to be seen in the context that the Shepton Mallet treatment centre would be expected to undertake a large proportion of the Somerset day case activity. The trust had also undertaken a shift of activity to outpatient procedures from day cases for efficiency which would have further reduced the day case percentage. The number of patients undergoing a British Association of Day case procedure who eventually needed to be admitted was low at 8% compared to a national median of 11%. The trust acknowledged that the day case rate was lower than the national median, and this was being addressed through the work undertaken as part of the Getting it Right First Time (GIRFT) national programme.
- Engagement with the GIRFT programme was good with 18 workstreams and four recent visits in dentistry, endocrinology, stroke and diabetes services with a particular recognition for the work on integrated services across the Somerset health system.

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

For the latest data available (2017/18), the trust had a low overall pay cost with low medical and allied health professional costs and low agency staff usage. The trust employed job planning and e-rostering to deploy its staff and had developed advanced and specialist roles to better use its workforce. The trust had a good sickness rate and had engaged with its staff over its proposed merger plans with Somerset Partnership. However, staff retention had declined recently.

- For 2017/18 (latest data available), the trust had an overall pay cost per WAU of £2,041, compared with a national median of £2,180, placing it in the second lowest (best) cost quartile nationally. This meant that it spent less on staff

per unit of activity than most trusts. The trust was in the second-best quartile for allied health professionals (AHPs) and medical costs per WAU, although it benchmarked in the second highest (worse) quartile for nursing cost per WAU. The trust reported that the recruitment of nurses into band 4 roles prior to becoming fully registered was a significant driver for the higher substantive nursing staff cost per WAU at (£734) compared to the national median (£710).

- The trust's staff retention rate benchmarked better than the national median in December 2018 (86.3% compared to 85.6% nationally). However, the trust reported that retention had declined more recently with the trust having experienced 20% of staff leaving within their first year. The trust was working with NHS England and NHS Improvement on retention and had reviewed some of its practices around flexible working and career development to colleagues to improve retention.
- Staff sickness to September 2019 was good at 3.72% compared with a national median of 4.11%. The trust had a wellbeing team in place to identify issues and support staff early.
- The trust had decreased its reliance on agency staff over the prior year, with nursing substantive vacancies close to zero at the time of our assessment and the trust's proportion of temporary staff benchmarking well at 3.79% for November 2019 compared to a national median of 4.04%. The trust's agency spend had also reduced by £4 million between 2018/19 and 2019/20. The trust had reduced its usage of agency staff following successful national and international nurses recruitment programmes. There was no joint staff bank across the system although discussions were happening to offer the same rates to agency staff.
- The trust used job planning and e-rostering to deploy its staff. 92% of consultants/senior doctors had a signed-off job plan although at the time of the assessment, only 73% of the job plans had been reviewed and signed-off in the past 12 months although the trust expected to meet 100% target by year end. The trust had also extended electronic job planning to specialist AHPs. The trust used e-rostering to deploy nursing staff with 80.6% of rosters signed off 6 weeks in advance as at October 2019 and it was looking to re-procure its e-rostering system.
- The trust was undertaking an extensive workforce redesign and was implementing new extended roles. For example:
  - The trust described and evidenced the effective deployment of people across several services including in radiology where the services have filled all vacancies through a programme of engagement and re-design;
  - At the time of visiting the trust had been able to avoid the use of any agency staff in theatres through their introduction of theatre assistant apprenticeships in 2014;
  - In the care for the elderly wards the trust described the introduction of activity co-ordinators to support patients both physically and mentally with the aim of supporting patients to return home at the earliest opportunity;
  - The trust had a trainee nursing associate programme now entering its third year and 102 people had either completed or were in training at the time of our assessment. The programme was innovative in that it was delivered locally through the FE College and accredited by a university.
- The trust evidenced the programme of work they were undertaking to engage with their staff and across community and mental health services in preparation for the proposed merger with Somerset Partnership. Staff survey results also showed that staff recommended the trust as a place to work/receive treatment with 2 of the 4 indicators in the upper quartile, 2 in the third quartile.

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

The trust's costs on clinical support did not benchmark well against other trusts for pathology, imaging and medicines. However, all services had some outstanding features. Where the costs were high the trust could demonstrate that it understood why the costs were high and, in most cases, had started to reduce these costs. The one area that was at an early stage of action was in reducing the high cost of pathology services.

- The overall cost per test at the trust benchmarked in the highest (worst) quartile nationally for 2017/18 with the trust's cost being £3.10 against the national median of £1.86. During 2018/19 the trust had reduced the cost faster than the national median but remained high (for quarter 4 2018/19 £2.91 against national median £1.81). The trust had reached the trigger point to review the efficiency of the service with the provider.
- The pathology service was a limited liability partnership (LLP) between the trust, Yeovil District Hospital NHS Foundation Trust and a private sector company and together they formed South West Pathology Services. The network was compliant with the networking arrangements. The pathology service was in the lowest quartile nationally for the number of tests (in 2017/18 the total number of tests was 5,000,000, almost half the number of tests when compared to the national median of 9,000,000).

- The trust benchmarked well on the number of tests per capita (in 2017/18 the trust was in the lowest (best) quartile of 16.3 tests per patient compared to a national median of 22.5 tests per patient). This is due to the effective demand management arrangements in place at the trust.
- Full year data for 2016/17 and 2018/19 was missing from the Model Hospital which prevented a more in-depth assessment of the productivity of the trust's pathology services. The trust needed to ensure that full year, as well as each quarter data, was submitted to Model Hospital.
- The trust's medicines cost per WAU was relatively high when compared nationally. In 2018/19 the cost per WAU (12 months) was £436 compared to national median of £368. This was due to the cost for specialised high cost drugs. The trust had investigated why these costs were high and they were due to a small number of patients seeing a visiting consultant from a neighbouring trust.
- As part of the 'top ten medicines' programme to March 2018, the trust was making good progress in delivering on nationally identified savings opportunities, achieving 153% of the savings target against a national median of 100%. The trust had made excellent progress with the pace and uptake of biosimilar products and was one of the highest rates nationally.
- The level of pharmacy prescribing was very good, and the level of medicine reconciliation was excellent (92% compared to 74% national median for 2018/19). Antibiotic consumption was significantly below the mean (good) and antibiotic prescription review data was just below the mean at 90% for 2018/19. The trust had low stock holding levels for medicines at 14 days compared to the national median in 2017/18 of 19 days.
- The trust had zero weekend clinical pharmacy review. The trust was currently reviewing a business case to provide clinical pharmacy reviews at weekend. The trust needed consider providing a weekend clinical pharmacy review service.
- The trust had a relatively high cost of the imaging service as a percentage of turnover (4.6% compared to national median and peer median of 3.7% in 2018/19). This was due to the high insourcing costs (4.3% compared to national and peer median of 1.6% in 2018/19) and total non-pay costs (39.4% compared to national median of 24.8% and peer median of 24.6% in 2018/19). This was due to the additional imaging services that had to be provided in year to keep pace with demand.
- The trust needed ensure that the data on equipment was up to date on Model Hospital to ensure that opportunities for attracting investment were maximised.
- The imaging service had developed a good workforce plan that had improved the recruitment and retention of staff. The service was fully recruited at the time of the assessment.

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

The trust benchmarked well for managing its corporate and procurement services. The estates and facilities cost were high compared to peers.

- For 2017/18 the trust had an overall non-pay cost per WAU of £1,337, compared with a national median of £1,307, placing it in the second highest (worst) cost quartile nationally and represented an improvement on the prior year. The higher cost per WAU of non-pay was due to the relatively high amount of outsourced services that had to be used as a result of the trust not having enough staff and facilities itself. The trust had undertaken work with its commissioners to increase its contract so that the trust was able to employ more staff and reduce the amount of services it had to buy in or for patients to be referred to other hospitals (both NHS and independent) for treatment.
- The cost of running its finance, information management and technology (IM&T) and human resources (HR) departments were lower or significantly lower than the national medians.
- The trust was proposing a merger with Somerset Partnership and had started to share corporate services and realise the benefits.
- The trust demonstrated some excellent practice in all functions. In HR the trust had developed innovative ways to attract doctors into hard to recruit posts. The trust employed several organisational development practitioners to help teams improve their ways of working.
- The trust was a Global Digital Exemplar and was embarking on reducing the use of paper in outpatients, intensive care and on wards. This was reducing the costs of handling paper and in the number of people required to handle medical records. The trust was in the process of implementing electronic white boards on wards and a live bed state system. The next development would be ward based electronic observations.
- The trust's procurement processes were relatively efficient and tended successfully to drive down costs on the things it bought. This was reflected in the trust's Procurement Process Efficiency and Price Performance Score of 54.6 and

procurement league table position of 20, which placed it in the lowest (best) quartile when compared with a national average of 69.5 and 67, respectively. The trust changed its procurement system in 2018/19 which explained why the process efficiency metrics for that year were not demonstrating good performance. The latest data moved the trust from being ranked 102nd to 20th (1st being best).

- The trust was in the highest (best) quartile metrics for the percentage variance for top 100 products, percentage variance from median price and percentage variance from minimum price, suggesting that the trust was getting the best prices from its procurement operations.
- At £434 per square metre in 2018/19, the trust's estates and facilities costs benchmarked above the national average of £396. Although the cost had increased at a lower rate than the national average from 2017/18.
- The costs per square metre were high due to the complexity of the Musgrove Park site with high levels of backlog maintenance and the costs of utilities were higher in the South West of England compared to other parts of the country. The cost of waste services was high and as a result the trust was changing the way waste was collected and disposed of in 2019/20.
- The trust made good use of buildings analytics data to reduce costs where it could.
- The trust had high backlog maintenance of £29 million in 2018/19 however, this was low when compared to the size of the trust (£28 per square meter compared to the benchmark value of £35 per square meter).

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

The trust had a total cost per WAU of £3,378 for 2017/18 which benchmarked in the second-best quartile nationally. The trust's financial deficit position (excluding central funding) and underlying financial deficit was stable with the trust challenged to deliver year on year efficiency savings to improve its financial position. The trust had plans to merge with Somerset Partnership shortly and this provided opportunities to deliver additional savings as well as reduce the trust's current needs to borrow to meet its financial obligations and pay its staff and suppliers. At the time of the assessment, the trust was also working with its partners across the Somerset system to address some of the strategic drivers of its deficit and improve the overall financial position of the system.

- In 2018/19, the trust had delivered a £17.0 million deficit (excluding provider sustainability funding (PSF); £10.8 million deficit including PSF) which represented 5.4% of its turnover and was £6.7 million worse than its control total agreed with NHS Improvement. The 2018/19 financial position represented a deterioration on 2017/18, when the trust delivered a deficit of £10.2 million excluding transformation and sustainability funding (STF). This reflected operational pressures relating to winter escalation, the treatment of patients waiting 52 weeks for treatment and high agency costs due to nursing vacancies.
- For 2019/20, the trust had a plan to deliver a £17.9 million deficit excluding central funding (e.g. PSF); £6.0 million deficit including central funding), which represented 5.4% of its turnover. This was in line with its control total and was similar to the previous year. As at the end of December 2019, the trust's financial position was on plan although the trust had identified £4 million cost pressures mainly due to winter escalation pressures and under-delivery of recurrent savings. The trust had secured additional income from its commissioners as a recognition of the operational pressures, and at the time we completed our assessment, the trust forecasted to deliver its plan for 2019/20.
- The trust operated with an underlying deficit which was estimated at £20.7 million in 2018/19 (a deterioration on 2017/18 when it was £17.1 million). At the time of the assessment, the trust reported that it would deliver a £19.8 million underlying deficit for 2019/20, a small improvement on prior year. During 2018, an external review of the drivers of deficit for the whole of the Somerset system, had identified that nearly 60% of the trust's deficit was due to several factors outside of the trust's direct control (such as sub-scale services and duplication with nearby providers, geographical isolation). At the time of the assessment, the trust was engaged with its system partners through the Fit for the Future strategy to develop the model for future acute services in Somerset. The remaining 40% of the deficit (a range of £7m-£7.5m based 2017/18 data) was due to internal operational inefficiencies which the trust was addressing through its productivity and cost improvement programmes or expected to derive through its merger with Somerset Partnership.
- The trust had delivered £10.1 million cost improvement during 2018/19, 82% of its plan and 2.9% of expenditure but only 35% (£3.5 million) delivered recurrently. For 2019/20, the trust had set a £13.3 million cost improvement plan (CIP) (3.7% of expenditure) with £12 million expected to be delivered recurrently (90%). As at December 2019, the trust had reported being on plan although the level of recurrent savings was down (at 55%) and overall the level savings achieved represented 44% of the full year target, with only three months left before the end of the year. The trust also reported that it still needed to identify £1.5 million of its plan. The trust acknowledged the difficulty in

identifying and delivering CIPs considering its low reference costs and low cost per WAU. Schemes tended to avoid rather than decrease costs and in the context of a block contract with commissioners, improvement of productivity leading to additional activity did not drive a corresponding increase in income. The trust had invested in its quality improvement team to support divisions to identify and achieve efficiency savings as well as use GIRFT recommendations and Model Hospital benchmarking data. Further savings would also come with the trust's merger plans, including through consolidation of corporate services.

- At the time of the assessment, the trust was progressing with developing service line reporting based on patient level costing (PLICS) data focusing on data accuracy before rolling out trust wide. The trust also reported a good level of engagement from clinicians and non-clinician staff which had led to a generally good level of financial literacy across the trust.
- The trust had a liquidity rating of 4 (worst) for 2018/19 and 2019/20 and had relatively low cash reserves and relied on cash revenue support to meet its financial obligations and pay its staff and suppliers. The trust required £8.7 million cash from the Department of Health and Social Care (DHSC) in 2018/19 and would require £6.4 million in 2019/20. The trust managed their cash tightly with daily cash monitoring and careful management of creditor payments to maintain a safe level of cash monthly while ensuring it could meet urgent and critical payments to suppliers and limit payments beyond agreed payment terms. However, at the end of December 2019, the trust's performance against the best payment practice code was poor with 46.4% of non-NHS bills (by value) and 39.7% (by number) paid within the target 30 days.
- The trust had a debt service cover rating of 4 (worst) for 2018/19 and 2019/20. The trust had accumulated £38.8 million debt as end of March 2019 due to the requirement for cash support as well as the financing of capital spend through finance leases and private finance initiative. The debt position was due to worsen in 2019/20 to £47.4 million mainly due to additional cash borrowed to the DHSC (see above). The trust anticipated that the debt and borrowing requirements would reduce by up to £64 million over the next 5 years following the planned merger with Somerset Partnership.
- The trust earned commercial income from various services including staff accommodations, car parking, catering and private patients services. The trust had a private patient unit which had earned £2.2 million of income in 2018/19 and generated a material financial contribution to NHS services. However, the trust used the private patient unit to release capacity for NHS services when the trust experienced pressures which reduced the trust's ability to earn additional income. For 2019/20, the trust as a result only forecasted to generate £1.7 million income from private patients.
- The trust used management consultancy services on an ad hoc basis when support was required. During 2018/19 the trust had spent £0.6 million mainly to work to prepare the merger with Somerset Partnership and to develop the Somerset transformation plan. The trust expected to decrease its spend on consultancy service to £0.5 million in 2019/20.

Outstanding practice

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

- The trust had implemented an inventory management system which provided automatic ordering, removing the need for clinical teams to requisition and manage stock, improving product availability and reducing stock holdings. As a result of the trust had saved £0.5 million non-recurrently in stock holding and 80-90% reduction in clinical ordering hours.
- The trust had a trainee nursing associate programme now entering its third year and 102 people had either completed or were in training at the time of our assessment. The programme was innovative in that it was delivered locally through the FE College and accredited by a university.

Areas for improvement

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

- The trust must continue its effort on productivity improvement and ensure that these bring the trust's operational performance closer to national median performance and the standards.

- The trust should continue to explore how it can increase the percentage of patients treated as day cases to bring it closer to the national median.
- The trust should continue its effort to improve its retention rate particularly in the context of the planned merger with Somerset Partnership.
- The trust should ensure that full year, as well as each quarter data, is submitted to Model Hospital as full year data is missing for 2016/17 and 2018/19.
- The trust should consider providing a weekend clinical pharmacy review service.
- The trust should ensure that the data on equipment is up to date on Model Hospital to ensure that opportunities for attracting investment are maximised.
- The trust must continue to engage with its system partners through the Fit for the Future strategy to develop the model for future acute services in Somerset to ensure its services are sustainable and reduce its underlying deficit.

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
Requires improvement →← Mar 2020	Good →← Mar 2020	Outstanding →← Mar 2020	Good →← Mar 2020	Good →← Mar 2020	Good Mar 2020

Overall quality

Good →← Mar 2020

Combined quality and use of resources

Good Mar 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.