University Hospitals Coventry and Warwickshire NHS Trust

Use of Resources assessment report

Clifford Bridge Road
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Date of publication: 11/02/2020

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?	Requires improvement
Are services well-led?	Good

Are resources used productively?	Requires improvement

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 improved. We rated it as good because:

- The safe, effective, caring and well led key questions were all rated as good.
- The responsive key question stayed the same as requires improvement.
- Both hospitals were rated as good overall.
- Improvements were seen in the urgent and emergency care, critical care, maternity and outpatient core services inspected.

NHS Trust

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Date of inspection visit: 8 October to 6 November 2019
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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?	Requires improvement

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 17th October 2019 and met the trust's executive team (including the chief executive), a non-executive director (in this case, the chair and deputy Chair) and relevant senior management responsible for the areas under this assessment's KLOEs.

Findings

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

We rated use of resources as Requires Improvement. The NHS trust has made productivity improvements which have had a positive impact on many of the areas covered in this assessment. However, further areas of improvement have been identified, these include improved operational performance against the constitutional standards, sickness levels and progress against cost improvement plans.

- The NHS Trust's overall Cost Per Weighted Activity Unit (WAU) of £2,086 places it below the national median and in the second-best cost quartile nationally, with nursing and AHP staffing costs significantly contributing to this position
- Readmission rates are below national and peer medians, as are rates of missed appointments (DNAs)
- Agency spend, though higher than the national average, has been reduced and is maintained below the ceilings set by NHS improvement.
- The NHS trust is progressing the use of technology to achieve more effective deployment of its workforce and alternative workforce models are being used to ensure continuity of service delivery in hard to recruit to areas.
- Areas of high performance were noted within the clinical support services area, particularly in pathology and pharmacy

However

- For most of the constitutional operational performance standards the NHS trust is below the national benchmark, with the exception of the 6 week diagnostic standard.
- Despite the levels of productivity demonstrated in the overall cost per unit of activity (WAU) there is a significant underlying deficit and an inconsistent track record of delivery against financial plans.
- Linked to the above, there has been an inconsistent track record in delivering the trust's Cost Improvement Programme (CIP), with shortfalls noted last year and in this current year, therefore putting the overall financial plan in 2019/20 at risk in terms of achievement. However, we note that the reported efficiency levels are above the efficiency factor included in the national tariffs.
- Sickness rates remain above national medians.

How well is the NHS 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 October 2019, the trust was not meeting the constitutional operational performance standards around Referral to Treatment (RTT) , Cancer and Accident & Emergency (A&E). The Trust has consistently achieved the six week diagnostic wait standard in the 12 months prior to our visit.

Patients are less likely to require additional medical treatment for the same condition at this trust compared to other trusts. At 7.61%, emergency readmission rates are below both the peer and national median of 7.74% and 7.97% respectively for quarter 1 2019/20. The trust noted that there was no specific workstream in place focused on improving readmission performance, however work is undertaken by the NHS trusts to audit readmissions and to review serious incidents and harm.

There has been a reduction in the pre-procedure beds days for both elective and non-elective admissions since the last visit. The NHS trust attributes the improvements to; its approach to the protection of beds , where possible elective work has been moved to Hospital of St Cross in Rugby, and a review of the day surgery unit has been completed. However, more patients are coming into hospital unnecessarily prior to treatment compared to most other hospitals in England. On pre-procedure elective bed days, the trust's rate at June 2019 was 0.22, being greater than the peer comparator group at 0.16 and much greater than the national rate of 0.12

The NHS trust has also started a pilot known as Day of Surgery in Cardiac which focuses on elective cardiac surgery. Appropriate patients are identified at outpatients and on waiting lists who can be brought in on the day of surgery, without having to be admitted prior to the day of surgery. This pilot has shown a recent improvement in performance.

On pre-procedure non-elective bed days, at 0.71, the NHS trust benchmarks above the national median of 0.66. The NHS trust reports that this is in part being driven by bed capacity and challenges with hospital flow. Further work is required to address these drivers and the remaining issues.

The trust was able to demonstrate collaborative working with system partners in Coventry and Warwickshire. The trust told us about the work with the local Clinical Commissioning Group and Coventry and Warwickshire Partnership Trust to reduce the length of stay for Children and Young People with Mental Health conditions by working to improve community services to use beds in an efficient way.

For 2019/20 the trust's Did Not Attend (DNA) rate reduced; at quarter 1 2019/20 the trust's rate is low at 6.77% compared to the national median of 7.06%.The trust explained this is driven through a number of interventions including; rationalising the SMS text messaging reminder services by using a single service, reviewing patient information and the booking team giving more notice to patients.

At 3.9% for August 2019 and 4.4% for September 2019, the trust reports a delayed transfers of care (DTOC) rate that is higher than the national average and higher than the trust's target rate of 3.5%.

As at October 2019 the average number of patients with a hospital length of stay over 21 days is at 207 patients, which is higher than the trust's target of 109 patients. The NHS trust advised it had implemented national guidance and a number of initiatives were in place. These include; twice daily board rounds, long stay Wednesdays are conducted by the Director of Nursing and bi-weekly board level oversight by Chief officers. However, these actions are not translating into improved operational performance. As a result, the NHS trust are working with NHS Improvement and England's Emergency Care Intensive Support Team (ECIST) to make further improvements.

The trust had engaged with 'Getting It Right First Time' (GIRFT) programme, with the trust developing an internal process for implementing the recommendations from the GIRFT visits, which involves clinical leads and group managers developing action plans which are then overseen by the Quality Standards Committee. We were told about some of the improvements in a range of specialities including Cardiac Surgery were resulted in an increase in elective operations on the day.

A number of value streams have been undertaken by the NHS trust using the University Hospitals Coventry and Warwickshire Improvement methodology known as UHCWi supported by Virginia Mason to reduce waste and increase productivity in pathways. The outpatients waste reduction programme led by Chief Operating Officer focused on increased use of SMS text messaging, embedding 6-4-2, which has resulted in improved utilisation.

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

The NHS trust is progressing well with staff recruitment and retention with a reduction on vacancy rate in both medical and nursing over the last 12-month period. Agency spend continues to be tightly managed with sustained improvements. They utilise e-rostering for nursing staff deployment across all their in-patient areas, monitoring efficiency through monthly board reports. While job planning is being progressed, there is more work to do to realise the benefits from e-job planning and e-rostering for medical teams.

For 2017/18 the NHS trust had an overall pay cost per WAU of £2,086 compared with a national median of £2,180, placing it in the second-best quartile nationally. This means that it spends less on staff per unit of activity than most trusts. Nursing and AHP costs per WAU are both below the national average placing them in the second-best cost quartile. Medical cost per WAU are slightly above the national average placing them in the second highest cost quartile nationally which is an improvement on their position last year (May 2018) when they were assessed for their Use of Resources. For 17/18 the NHS trust cited cardiology as being a driver for these high costs and data for 18/19 indicates costs per WAU for cardiology remains in the highest cost quartile.

The NHS trust has made significant savings against its agency spend over at the last 2-3 years and further reductions since their previous Use of Resources assessment in May 2018.

The NHS trust met its agency ceiling as set by NHS Improvement for 2017/18, however they did breach the agency ceiling for 2018/19 reporting £245,000 adverse to plan. Performance for 2019/20 is on track with a forecast of £18m against the agency ceiling of £22.8m. In order to sustain and further improve their position the NHS trust has successfully transferred a number agency staff onto bank contracts. For medical staffing this has resulted in a £200 per week savings for each doctor transferred. The recruitment of 25 Clinical Fellows and the recruitment of overseas nurses has also supported in driving down agency costs, and some speciality areas such as the emergency department have a fully recruited consultant team. The NHS trust does continue to use some high cost locums in hard to recruit specialities.

For e-job planning the NHS trust have an ambition to complete 95% of job plans by December 2019. Current performance stands at 23%, however this has been achieved over the last 3 months with a review of the process and a move onto an electronic platform to provide greater transparency. Ear Nose and Throat services had started to look at capacity and demand alongside job planning as indicated in last year's Use of Resources assessment, and the NHS trust provided information identifying actions that were being taken, however evidence of the outputs from this work was not provided.

E-rostering is rolled out in all in-patient areas with key performance indicators in place to monitor utilisation and efficiency. The NHS trust described some of the improvements they have seen in their rostering KPIs, 80% compliance

with 6-week approval, and a reduction in unfilled duties from 10.2% to 4.4%. Safecare is utilised to capture patient acuity information and this is used to re-deploy staff across the site as required according to patient demand. A nurse staffing skill mix review is undertaken every six months and additionally the NHS trust use a 'carecloxs' app to look at the amount of time spent on direct and indirect care delivery from all clinical staff. Information from this tool is used to triangulate information when undertaking staffing reviews and is used when looking at introducing new roles and for review of current service provision.

At the last Use of Resources assessment some medical specialities had started to utilise e-rostering with a plan to extend this to all medical doctors. The NHS trust told us that all orthopaedic doctors were on an e-roster with a review currently taking place before rolling out to other medical specialities.

The NHS trust told us how it was using its workforce differently to provide clinical provision and quality care for patients. The Medical Fellow program has provided clinical support to the NHS trust and has also impacted on reducing agency spend. Some specialities are led by ACPs for example gerontology and AHPs are also taking lead roles in major trauma teams.

Staff retention at the NHS trust is good at 85.6%, benchmarking in line with the national average and placing them in the second-best performing quartile nationally. The NHS trust has seen a slight increase in nurse staff retention rates over the last 12 months but have seen a significant improvement in retention of newly qualified midwives, achieving a 98% retention rate. They are part of the NHSI Cohort 4 Retention Programme and have introduced several initiatives to support staff retentions, including internal transfer system for band 5 nurses and Health Support Workers. The NHS trust has also seen improvements in time to hire, through introducing the TRAC system to support more timely, accurate recruitment of staff.

At 4.71% staff sickness is above the national median of 4.35%, placing them the second-worst performing quartile. The NHS trust acknowledged that sickness remains an area of concern, which has seen a further deterioration in March 2019 to 5.15%. They have several strategies in place to support staff sickness including a Health and Wellbeing Lead with targeted campaigns, for example 'thrive at work'. There is an Occupational Health service with provision including psychological support, and a fast track muscular skeletal service. Other initiatives include a Temporary Placement Scheme to facilitate staff returning from sick leave and staff self-referral to physiotherapy to reduce length of absence. The NHS trust has also focused on improving recording of sickness absences, in particular for the medical workforce.

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

The Trust's integral approach to waste reduction extends also to Clinical Support services. Use of Omnicell drugs cupboards on each ward saves clinical staff time and the placing of Pharmacy staff in theatres improves spend in this area. The Trust has also undertaken a Procurement process for a Managed Equipment Service [MES] for Pathology which has saved 15% of the non-pay budget for this department.

MRI activity is higher than average with 53,416 being carried out in the 12 months up until 31st March 2019 compared to 17,338 national average and 38,037 peers average. The Trust explained that they do not have enough CT scanners and so MRI is used in its place. There is not yet in place an electronic ordering system which limits effective demand management.

DNA rates are higher than peers and the national benchmark of 3% in CT, MRI, Non Obs US, DEXA and Mammography (6.4%). However, the Trust has acted on this by actively engaging with patients and asking for feedback for the reasons for not attending.

The Trust has a high number of reporting Radiographers at 20.6 wte compared to peer median of 5.6. The Trust explained that their Consultant radiologists are low for a hospital of this size and so the skill mix of higher numbers of reporting Radiographers addresses this in part. The Radiographers report on plain film and head CT.

The overall cost per test in Pathology is £1.13 compared to a national median of £1.81, placing the NHS trust in the best quartile nationally, UHCW is the main hub/host for the Coventry and Warwickshire Pathology Service network. There is a stakeholder agreement in place between the Trust and the other partners, this arrangement is managed through a stakeholder board and quarterly review at each partner Trust, and monthly contract meeting with commissioners.

The Trust are engaging with West Midlands Cancer Alliance to proceed with digitalisation across the West Midlands Region, and the trust is also a lead partner in an Industrial Strategy Challenge Fund project to develop Artificial Intelligence algorithms for Breast and Bowel diseases

The trust's Pharmacy and Medicines cost per WAU is better than average at £359 compared to £407 for the national median. As part of the Top Ten Medicines programme, the Trust has made good progress in delivering on nationally identified savings opportunities, with £1.68m of the savings target against a national median of £1.02m to August 2019. This equates to 110% of the national target.

The trust is supporting the implementation of national commissioning policies for best value medicines including biologicals through closer working with the local commissioners and NHS England. The Trust has taken the innovative approach of securing funding specifically for NHS England pharmacists embedded within the Trust to work with clinical teams on biosimilars.

The Pharmacy governance structure includes the Multi-Disciplinary Medicine Optimisation Committee which reports to the Patient Safety Committee and to the Board.

The Trust ensures it achieves the best prices through a dedicated Medicines Procurement Lead. There are direct conversations with pharmaceutical companies in relation to costs. There is also a monthly prescribing committee for the local area to cover safety, efficacy and cost.

This partnership working now extends beyond the immediate local area and includes the reconfiguration of aseptic units across the whole South of the West Midlands area.

The Trust has made extensive use of technology to improve productivity and patient outcomes. Specific applications include the use of a single sign-on system for staff to eliminate the need for multiple logins and passwords, the Omnicell drugs cabinets one ach ward that automatically order medicines and manage stock more efficiently, electronic blood gas analysers and the use of Vitalpac to monitor and escalate Patients with Sepsis more accurately. The Trust has also utilised the use of CareClox, a programme that measures how much clinical time is spent with patients in order to improve this metric.

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 £1,376, compared with a national median of £1,307, placing it in the second highest cost quartile nationally. This represents a small improvement on last year when the Non-Pay figure was £1,394 per WAU. This suggests that the trust may be able to reduce its spending on supplies and services.

The cost of running its Finance and Human Resources departments are much lower than the national average.

Finance cost per £100m is £524,420 compared to a national average of £676,480. The Trust told us that costs are kept low by matching service need to function and maintaining a lean approach. Feedback on the service quality of the Finance function is obtained through budget holder surveys and face to face discussions at the Corporate Directors Group (a multi-disciplinary senior group within the NHS trust)HR cost per £100m is £728,180 compared to a national average of £898,020. HR service provision is explored at each Accountability and Group Performance review and action plans are generated to address any specific feedback in the national staff survey responses.

Within the IMT department the Trust saw a £900,000 increase in expenditure between 17/18 and 18/19. This was due to a Windows 10 upgrade and the recruitment of a team to implement an Electronic Patient Record which will improve productivity and the quality of record keeping.

The Trust's absolute data centre cost is £2.52m compared to a national average of £388,170. Part of the reason this is much higher is that the data centre function hosts on behalf of other local organisations, however there is more opportunity to pass on this cost through Service Level Agreements.

For 17/18 the Estates and Facilities cost per WAU was £534 compared to a national median of £456, this is a higher expenditure than for 16/17. At the last assessment the Estates and Facilities cost per WAU was £488, compared to a national average of £479. Likewise, for 17/18 the Estates cost per m2 was £501 compared to a national median of £379, whereas for 16/17 it was £429 per m2 compared to a national average of £344 per m2.

This may be attributable to the PFI contract that exists to manage and service the buildings that the Trust operates from. This also includes both the Hard FM and the Soft FM but also a Managed Equipment Service which many Trusts do not have included in their PFI contract.

The Trust believes that individual higher disparities in cost such as the cost per Meal are due to the way that the Trust have calculated the cost which covers the end to end service provision and not just the cost of ingredients. The Trust deferred a Soft Market testing exercise in order to facilitate better investment in car parking and bus facilities at the main site, but indicated that an independent benchmarking exercise had been commissioned as an alternative

The higher amount of empty space relates specifically to an individual unit at the Rugby site which is current vacant but must be heated and maintained in order to be safe. The Estates team have a programme of work that covers better space utilisation.

The Trust's Procurement Process Efficiency and Price Performance Score is 71, which places it in the second-best quartile when compared with the national average of 69. However, the Supplies & Services costs per WAU are £429 compared to £364 for the national median, this represents a deterioration on the 16/17 figure which was £414 per WAU compared to a national average of £375. This suggests that there is scope to achieve better prices

The use of Electronic Purchase Orders has reached 99.6% which is in the best quartile nationally with a national median of 91.6%. However, the quality of the data within purchase orders is poor with 12.1% of blank E-class codes compared to a national median of 0.8%. The Trust is working to remedy this through a complete of the catalogue with 500 lines under query.

The percentage of non-pay spend on purchase order is lower than average at 79.3% compared to a national median of 95.3%. However, this does not include Pharmacy expenditure which has its own controls system or Agency Staff expenditure which is also controlled through a different governance stream. The Trust are working towards Level 1 accreditation in partnership with another Trust in the local area.

The % Non-Pay spend on contract is above the national median at 91.5% compared to a national median of 84.6%. However, the Trust has no centralised contract management function and responsibility for this is devolved to individual departments.

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

The trust has an underlying deficit position of £53.9M as at M06 19/20. The Trust has a good understanding of the drivers of this deficit and has identified that £31.9M of this is outside of its control, however that leaves £22M that is influenceable.

UHCW has accepted a deficit control total of £25.4m, which with an equal amount of Provider Stability Funding money would take the Trust to a planned breakeven for 19/20.

At the time of the assessment, the trust reported a deficit of £7.6M in line with plan against a control total and plan of £7.6M deficit. For 2019/20 the trust has a control total and plan of breakeven, which it is on target to meet as at quarter 2. The delivery of break-even is reliant on £17.6m of future savings being delivered.

The trust has an ambitious cost improvement plan (CIP) of £36M (or 4.89% of its expenditure) and is currently forecasting to fall short of its plans. The trust delivered [80.5% of] its planned savings in the previous financial year, of which 42.9% were non-recurrent.

The Trust currently has accumulated £116M of loans due to prior years deficits, which attract an annual interest payment of £1.6M.

The trust has adequate cash reserves and can consistently meet its financial obligations and pay its staff and suppliers in the immediate term, as reflected by its capital service and liquidity metrics. The trust is not reliant on short-term loans to maintain positive cash balances.

The Trust has a good understanding of service line reporting down to specialty level and has been able to conduct a detailed cost vs income analysis.

The Trust does not routinely rely on management consultants and provided evidence of only a modest amount spent in 18/19.

Outstanding practice

- Use of the Careclox app is an example of innovative work to support the appropriate delivery of patient care across the NHS trust. Used alongside staffing review tools and patient acuity assessments, it contributes to ensuring patient receive their care from the right caregiver at the right time.
- Single IT sign-on for all staff
- Embedded NHS England Pharmacists
- Omnicell drugs cabinets on each ward

Areas for improvement

- The NHS Trust must continue to improve operational performance against the constitutional standards
- The Trust must continue to improve CIP delivery in line with its plans
- The NHS trust must continue to ensure controls are in place to manage sickness and absence
- Continue to work on E-job planning to improve efficiencies in medical deployment.
- Continue to embed e-rostering for medical staff to efficiently deploy the medical workforce.
- To further assess the issues which are contributing to increased length of stay for patients to support improved discharge planning processes.
- Increase the pace and scale of undertaking a pathway analysis to understand and address variation in pre-procedure non-elective bed days which are above the national rate.

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

Safe	Effective	Caring	Responsive
Good ↑ Feb 2020	Good ➔➔ Feb 2020	Good ➔➔ Feb 2020	Requires improvement ➔➔ Feb 2020

Trust level

Well-led	Use of Resources
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.