Southend University Hospital NHS Foundation Trust

Use of Resources assessment report

Prittlewell Chase
Westcliff On Sea
Essex
SS0 0RY
Tel: 01702435555
www.southend.nhs.uk

Date of publication: 06/03/2020

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	Requires improvement
Are services safe?	Requires improvement
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	Requires improvement

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

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

Use of Resources assessment and rating

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

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

Combined rating for Quality and Use of Resources

Our combined rating for Quality and Use of Resources is awarded by combining our five NHS trust-level quality ratings of safe, effective, caring, responsive and well-led with the Use of Resources rating, using the ratings principles included in our guidance for NHS foundation trusts.

This is the first time that we have awarded a combined rating for Quality and Use of Resources at this NHS foundation trust. The combined rating for Quality and Use of Resources for this NHS foundation trust was requires improvement.

We rated combined quality and resources as requires improvement because:

- We rated safe and responsive as requires improvement; and effective, caring and well-led as good.
- We took into account the current ratings of the three core services at Southend University Hospital NHS Foundation Trust not inspected at this time.
- We rated two services as requires improvement across the trust overall. We rated the
- remaining three acute services as good.
- The overall rating for the trust remained the same.
- The trust was rated requires improvement for use of resources.

NHS Trust

Use of Resources assessment report

Prittlewell Chase
Westcliff On Sea
Essex
SS0 0RY
Tel: 01702435555
www.southend.nhs.uk

Date of inspection visit: 05 Nov to 07 Nov 2019
Date of publication: 06/03/2020

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?	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 NHS foundation trust's performance against a set of initial metrics alongside local intelligence from NHS Improvement's day-to-day interactions with the NHS foundation trust, and the NHS foundation 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 Southend University Hospital NHS Foundation Trust ('the NHS foundation trust') on 26 November 2019, and met the NHS foundation trust's accountable officer (the Chief Executive), a non-executive director (in this case, the Chair), members of the site leadership team, and senior management responsible for the areas under this assessment's KLOEs.

At the time of the assessment, Southend University Hospital NHS Foundation Trust was working closely with two other NHS providers, Mid Essex Hospital Services NHS Trust and Basildon and Thurrock University Hospitals NHS Foundation Trust, with the three organisations operating with boards meeting in common and a single accountable officer. The three trusts had commenced processes to formally merge into one organisation, with this process ongoing. The three trusts operating under this arrangement are referred to in this report as the Mid Essex, Southend and Basildon Hospitals Group ('the Group'). **Our assessment scope is limited to Southend University Hospital NHS Foundation Trust, with reference to the Group structure only where this directly impacts on the NHS foundation trust's own performance in relation to the assessment KLOEs.**

Findings

Requires improvement

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

- We rated the use of resources at this NHS foundation trust as Requires Improvement. While the NHS foundation trust is making good progress in some areas with evidence of good practice, despite this, their overall costs per WAU remain high. Acknowledging that there are some poor data quality issues and inaccuracies, the NHS foundation trust is spending more than other NHS trusts on its workforce and the delivery of clinical services. Performance against operational standards has also declined.
- During the assessment process the NHS foundation trust presented its view that formally reported 2017/18 activity data, which feeds many of the metrics relied upon in this assessment, contained material inaccuracies that would, if corrected, materially improve its benchmarked performance in a number of areas. We have noted this, but we have not been able to place reliance on the Trust's internal view of performance for the purposes of this assessment. The key productivity metrics referred to in this report are derived from formal data collections as held within the NHS Improvement Model Hospital tool.
- According to Model Hospital data, the NHS foundation trust has reported that it spends more per weighted unit of activity (WAU) than most other NHS foundation trusts nationally. This indicates that the NHS foundation trust is less productive at delivering services than other NHS foundation trusts by showing that, on average, the NHS foundation trust spends more to deliver the same number of services.
- Individual areas where the trust's productivity compared particularly well included delayed transfers of care rates, day case rates, and staff sickness rates, while opportunities for improvement were identified in procurement and staff retention rates.
- The trust has made good progress in reducing reliance on agency staffing, and has examples of using innovative workforce models, technology and developing clinical pathways to improve how resources are used in the interests of patients.
- The trust has a good track record of delivering its financial plans and has an improving trend in its underlying deficit. As of 30 November 2019, the NHS foundation trust is on track to achieve a breakeven financial position in 2019/20.

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

- The NHS foundation trust's performance across the clinical services productivity metrics has shown some improvement, with ongoing areas to work on. The trust is working on improving its services and pathways, increasing staff engagement and developing leadership at all levels.
- At the time of assessment in November 2019, the NHS foundation trust was not meeting the national performance targets for Cancer 62-day wait, 4-hour Accident and Emergency (A&E) wait, the diagnostic 6-week wait or the 18-week referral to treatment (RTT) target, some of which placed the trust well into the lowest quartile nationally. The NHS foundation trust's performance was also significantly worse than its peers in Cancer, diagnostic and RTT wait targets. The NHS foundation trust was performing marginally better than the average of its peers against the A&E target.
- The NHS foundation trust outlined how it was minimising waiting times in the emergency department through a range of clinical pathway redesigns, the use of technology such as electronic patient flow management to release bed capacity, admission avoidance schemes, and increasing zero-day lengths of stay (LOS). These measures were supporting the Trust to cope with a 9-10% increase in A&E demand compared to the previous year.
- The NHS foundation trust is working effectively with system partners to improve patient flow, examples of which include having a social worker present in the emergency department, community-based early discharge support, specific focused plans to reduce respiratory admissions and length of stay and working with Primary Care Networks to assign care homes to specific GPs.

- The NHS foundation trust has focussed successfully on reducing admissions and expediting discharges for a rising number of patients who are aged 85+, through working closely with care homes to avoid unnecessary admissions, introducing a 'Hospital at Home' service across the Group service supporting earlier discharges, and collaborating with primary and community care to improve end of life care.
- The NHS foundation trust is working towards its long length of stay (LLoS) reduction target to reduce the weekly average of occupied bed days by adult patients in an acute hospital for 21 days or more. To date the NHS foundation trust has met approximately 90% of its ambition to reduce LLoS by 5% by March 2020.
- Delayed transfers of care (DTOC) numbers at the NHS foundation trust are low at approximately 1.2%, which compares well against regional and national benchmarks. The NHS foundation trust has an effective Integrated Discharge team supporting the timely discharge of complex patients and holding regular long stay review meetings for patient stays over 7 days.
- Readmission rates at 7.34% are higher than national (5.36%) and peer (5.38%) averages. The NHS foundation trust attributes this to its coding methodology for ambulatory care. We have not been able to ascertain a restated position. The current coding methodology risks masking the actual readmission rates and the NHS foundation Trust should consider how it can ensure it maintains an accurate view of readmission rates, for example through revising its coding methodology.
- Diagnostic target breaches have occurred most often within the endoscopy service, driven largely by staffing shortfalls in hard to recruit roles. Diagnostic demand and capacity have been reviewed across the Group and the NHS foundation trust has introduced Nurse Endoscopist roles to create alternative capacity.
- The NHS foundation trust has a large waiting list and has been reporting a high number of 52 week wait breaches. The NHS foundation trust has received support from NHS England and NHS Improvement's Intensive Support Team to support it with demand and capacity management. Improvement initiatives have yet to be translated into improved performance and outcomes for patients.
- The NHS foundation trust sees opportunities in closer working within the Group to improve access, achieve economies of scale and share best practice for elective care. An example of this is Orthopaedics as a specialty where closer working is underway, including current work to standardise prosthesis products.
- Pre-procedure elective bed days in Q4 (January to March 2019) of 2018/19 stood at 0.14, which is slightly higher than the national and peer median at 0.12. However, day case rates are good and the NHS foundation trust is working with the GIRFT programme and implementing key GIRFT priorities.
- The NHS foundation trust Did Not Attend (DNA) rates are comparable with its peers, but higher than the national average. The NHS foundation trust's Outpatients DNA rate at 7.25% is higher than the national average of 6.96% but comparable with peers. When this factor is looked at in conjunction with poor Elective and Cancer performance, there is concern about the effectiveness of demand and capacity planning at service-line level.
- There are additional opportunities to improve theatre utilisation.

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

- The NHS foundation trust is progressing well in reducing its agency expenditure and continues to see a downward trajectory. For 2017/18 the NHS foundation trust reduced agency expenditure by £3.6 million compared to the previous year, and made a further £4.9 million reduction in 2018/19. The NHS foundation trust is also on plan to meet its agency ceiling for 2019/20. The NHS foundation trust has successfully transferred a number of agency staff onto bank contracts resulting in cost savings. Bank rates across the group structure have recently been standardised, allowing for easy movement of staff and improved staffing to cover across sites. The introduction of a temporary staffing 'app' is expected to further enhance take-up of bank shifts for medical staffing. Recruitment of overseas nurses has also supported a reduction in nurse agency costs, as has the reduction in the medical vacancy rate by 2% over the last 12 months. The NHS foundation trust does however continue to use some high cost locums in hard to recruit medical specialities. Executive sign off is required for any shifts above the agency cap rates.

- For 2017/18 the NHS foundation trust reported an overall pay cost per WAU of £2,390 compared with a national median of £2,180, placing it in the worst quartile nationally. This means that it spends more on staff per unit of activity than most trusts. Nursing and AHP costs per WAU are both above the national average placing them in the second-worst cost quartile. As set out on page 2 of this report, the NHS foundation trust believes the 2017/18 WAU data is misstated. If this were corrected in line with the NHS foundation trust's view, performance would improve to within the second-best cost quartile. The NHS foundation trust has not reported its medical staffing costs per WAU through the Model Hospital. We heard that the NHS foundation trust provides out-of-hospital therapy services which is a driver for warranted variation of Allied Health Professional costs.

- Electronic rostering ('e-rostering) is in place with all nursing staff on e-roster, and 75% of medical staff on e-roster with a roll out plan in place to include all medical staff. Overall, 73% of all staff are on e-roster. Key performance indicators are in place to monitor utilisation and efficiency, and regular check and challenge meetings provide assurance of effectiveness. The electronic rostering system is also used to capture patient acuity information, and this is used to re-deploy staff across the site in real time as required. The most recent nurse staffing skill mix review was undertaken in June 2019 supported by an external safer staffing tool. Assistant practitioners have been introduced into ward nursing rosters, with three trainee nursing associates currently in training.
- Job planning is being progressed within the NHS foundation trust but there is more to do to realise the benefits from e-job planning and e-rostering for medical teams. The NHS foundation trust has 80% of medical staff with an e-job plan, against a national median of 94%. More work is required to match job plans to capacity and demand.
- Staff sickness is well managed resulting in very low sickness rates. At 3.37% staff sickness is below the national median of 4.11%, placing the NHS foundation trust in the best performing quartile nationally. The NHS foundation trust has focused on improving staff engagement through creating an intranet hub of information, providing additional training for managers and team development sessions focusing on engagement, and introducing a monthly staff forum. Health and Wellbeing services are also available for staff including occupational health support, self-referral to physiotherapy for MSK injuries and resilience and staff awareness sessions.
- Staff retention at the NHS foundation trust is 85.5%, benchmarking below the national average and placing them in the second-worst performing quartile nationally. The NHS foundation trust has implemented a number of strategies to improve staff retention rates including a 'stay' interview where managers seek to understand the drivers of staff retention at an individual level, a line manager retention 'toolkit' and a retention breakfast club. There has been focus on 'retire and return' initiatives, with the NHS foundation trust winning a national award for the best offer to those approaching retirement. High rotation of middle grade doctors has resulted in a review of job offers, and some job offers now include research opportunities or provide sub-speciality opportunities.
- Innovative workforce models are being used by the NHS foundation trust including paramedics working in the emergency department and advanced clinical practitioners working across the NHS foundation, with more in training. The scope of practice of nurse specialists has been reviewed in some specialities, including cancer services and respiratory medicine, which has resulted in reduced reliance on medical staffing for some clinical tasks.

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

- There are good indicators of high productivity within the NHS foundation trust's imaging service. The DNA rate for imaging appointments is very low at 1.3% for CT compared to a national average of 2.6%, and 2.0% for MRI compared to a national average of 4.2%. The NHS foundation trust attributes this to placing patient engagement at the heart of the service, with patients able to choose their appointments from the outset rather than being allocated slots. The imaging service has a low vacancy rate of 3% for Consultant Radiologists, which the NHS foundation trust attributes to its strong emphasis on improving working environments and offering flexible working through home reporting facilities.
- The NHS foundation trust is making good use of technology to improve productivity. An example of this is the electronic patient flow management system, which has released nursing hours and contributed to a 42% decrease in the time taken to assign a patient to a bed.
- The overall average cost per pathology test at the NHS foundation trust is £2.07 which benchmarks in the second most expensive quartile nationally. The NHS foundation trust is part of a local pathology joint venture with one other NHS provider. The joint venture is actively working to expand through the potential inclusion of a third NHS provider and is working with this provider to share good practice. The shared hospital management arrangements across the Mid and South Essex system have enabled a system-wide pathology on call rota.
- The NHS foundation trust's pharmacy staff and medicines cost per WAU is relatively high at £568 when compared to the national median of £408. The Trust reported a contributing factor for this being the commissioner-agreed policy to prescribe four weeks of medication on discharge in contrast to a general standard of two weeks. A further contributing factor is the hosting of Oncology services for one other local Trust, resulting in a higher than average proportion of higher cost cancer medication.
- The NHS foundation trust has performed well on delivering nationally identified savings opportunities from generic drug switches, achieving £1.7 million of savings cumulatively to March 2018 compared to a national median of £0.9 million. This equates to 113% of the NHS foundation trust's savings target.

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

- The NHS foundation trust is working collaboratively within the Group's corporate services to share expertise and begin to consolidate services. A single finance ledger is being implemented, and recruitment and retention strategies have been considered on a group basis.
- The NHS foundation trust reported an overall non-pay cost per WAU of £1,594 for 2017/18, compared with a national median of £1,307, placing it in the highest cost quartile nationally. This suggests that the trust may be able to reduce its spending on supplies and services.
- Finance function costs for 2017/18 were £0.5 million per £100 million turnover which is in the least expensive quartile nationally. There are indications that this function is over-stretched, for example weaknesses in costing information, which the NHS foundation trust acknowledges and is starting to address through collaborative working across the Group.
- Human Resources costs for 2017/18 were £1.30 million per £100 million turnover which places it in the highest quartile nationally. The NHS foundation trust has outlined that non-recurrent overseas recruitment costs are included in these figures.
- IT costs per £100 million turnover were £1.76 million, placing it in the lowest quartile nationally with a national average of £2.52 million.
- The NHS foundation trust's procurement processes are relatively inefficient and tend not to successfully drive down costs on the things it buys. This is reflected in the NHS foundation trust's Procurement Process Efficiency and Price Performance Score of 39 (national average of 69), which places it in the worst quartile nationally.
- The Trust is 122 in the Procurement League Table ranking, which places them in the worst quartile nationally, and their Procurement Process Efficiency Score is 11.5 (out of a maximum 100) which also places them in the worst quartile nationally.
- The cost of the Procurement department is £0.21 million per £100 million of income. This places the NHS foundation trust in the second highest quartile for cost nationally. The non-pay savings opportunity indicated within the Model Hospital is estimated to be up to £2.12 million, and the NHS foundation trust is on target to deliver £1.80 million for 2019/20. However, metrics indicate that the NHS foundation trust only spends 17% of non-pay budget on contract, suggesting that the opportunities may be higher through improving purchasing processes.
- At £400 per square metre in 2018/19, the NHS foundation trust's estates and facilities costs benchmark in the second highest quartile nationally. Electro bio medical equipment (EBME) maintenance costs are exceptionally high at £52.27 per square metre compared to a national average of £15.65 per square metre. This may be attributable to non-maintenance imaging equipment costs being included in the reported figures.
- The NHS foundation trust's total backlog maintenance is £13.93 million which is £154 per square metre. This places the NHS foundation trust well into the best performing quartile nationally. However, the NHS foundation trust stated during the assessment that the estate is generally in poor condition and that the true backlog maintenance position is likely to be higher, as the reported figures are based on outdated external survey data. The NHS foundation trust has made a successful bid for capital funding to support site reconfiguration in light of the proposed merger.

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

- The NHS foundation trust has a good track record of delivering its financial plans in recent years. The NHS foundation trust has been operating in deficit, and the deficit has been reducing year-on-year:
- In 2016/17 the NHS foundation trust delivered an adjusted financial performance deficit of £10.8 million against a control total of £16.2 million deficit.
- In 2017/18 the NHS foundation trust reported an adjusted financial performance deficit of £8.3 million against an original control total and plan of £14.6 million deficit.
- In 2018/19 the NHS foundation trust reported an adjusted financial performance deficit of £5.0 million against an original control total and plan of £10.5 million deficit.
- The NHS foundation trust's underlying deficit has also improved over this period.
- For 2019/20 the NHS foundation trust has a control total and plan of breakeven, which it is on target to meet. As at 30 November 2019 the NHS foundation trust has reported a £2.3 million deficit which is in line with its plan at this stage of the financial year.

- The NHS foundation trust has a cost improvement programme (CIP) for 2019/20 of £12.5 million (or 3.1% of its expenditure) and as at 30 November 2019 is forecasting to deliver its plan. The NHS foundation trust delivered £11.1 million of efficiency savings in 2018/19 which was 3.2% of expenditure and 93% of its plan. Of the total savings of £11.1 million, £6.6 million (59.6%) related to recurrent schemes.
- The NHS foundation trust is making some use of external benchmarking information, including Model Hospital, to inform development of the efficiency programme. The NHS foundation trust reports an improving level of clinical engagement in the development of efficiencies.
- The NHS foundation trust has been reliant on loan finance in recent years to meet its financial obligations and pay its staff and suppliers in the immediate term, as a result of ongoing operational deficits. As at 30 November 2019 the NHS foundation trust had total outstanding working capital borrowings with the Department of Health and Social Care of £59.1 million. The NHS foundation trust plans to make a net repayment on these borrowings in 2019/20 of £3.8 million. The NHS foundation trust has not been reliant on capital loans to date. A clear governance process is in place to support the prioritisation and redirection of limited resources.
- The NHS foundation trust compares favourably to the national average for debtor days (22 days compared to the national average for NHS trusts and foundation trusts of 32 days as at October 2019). The NHS foundation trust compares unfavourably to the national average for creditor days (183 days compared to the national average for NHS trusts and foundation trusts of 116 days as at October 2019), although Better Payment Practice Code compliance is broadly in line with the national average (70.8% by number, compared to the average for NHS trusts and foundation trusts of 67.5% as at October 2019).
- The NHS foundation trust has weaknesses in the quality of its costing and financial analytics, which the NHS foundation trust acknowledges and attributes to historic under-resourcing within the finance function. The NHS foundation trust has been subject to regulatory action in relation to the data quality of its annual reference cost submission for both 2017/18. There are a number of other data quality concerns with the NHS foundation trust's formal information submissions that impact on Model Hospital data and the NHS foundation trust's benchmarked position, including potential errors within activity data that materially impact the NHS foundation trust's 2017/18 WAUs, and omitted medical staffing data. The NHS foundation trust is planning to improve this by working with partners within the Group to draw on wider expertise and resource.
- The NHS foundation trust does not have a commercial income strategy but has plans to implement one as part of the work to optimise corporate processes across the Group. There are processes in place for overseas visitor cost recovery.
- The NHS foundation trust seeks use management consultants only where there is a clear business rationale, and did not use management consultancy services during 2018/19. The trust has procured consultancy support during 2019/20 to strengthen CIP delivery.

Outstanding practice

- There is evidence of innovation within the Haemodialysis service with the NHS foundation trust offering patients a Haemodialysis service at home.
- The NHS foundation trust is maintaining staff sickness rates that are consistently better than the national average.
- The NHS foundation trust has received national recognition for its work to retain the skills of retiring staff, winning an award for best offer to those approaching retirement, and another for best diversity & inclusion initiative for retaining our ageing workforce.
- DNA rates within the NHS foundation trust's imaging service are significantly better than the national average, believed to result from focusing on patient choice.

Areas for improvement

- There is significant room for improvement in the efficiency and effectiveness of the procurement function, which benchmarks poorly against others in several areas. We note that the Trust is implementing a new procurement system which will improve the quality of benchmarking data and clarify procurement opportunities.
- The NHS foundation trust should continue to develop e-job planning and e-rostering to improve efficiencies in medical staff deployment.
- Staff retention remains below the national average, with scope for improvement.

- The NHS foundation trust should improve the quality of its costing information, and review its data quality in its widest sense, in order to improve the accuracy and usefulness of benchmarking data and to better support management decision making.
- While there were some examples given, there is scope for further use of benchmarking data to inform decision making.

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
Requires improvement →←
Mar 2020

Effective
Good →←
Mar 2020

Caring
Good →←
Mar 2020

Responsive
Requires improvement →←
Mar 2020

Trust level

Well-led
Good →←
Mar 2020

Use of Resources
Requires improvement
Mar 2020

Overall quality
Requires improvement →←
Mar 2020

Combined quality and use of resources
Requires improvement
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.