

# Croydon Health Services NHS Trust

## Use of Resources assessment report

Croydon University Hospital  
530 London Road  
Thornton Heath  
Surrey  
CR7 7YE  
Tel: 02084013000  
[www.maydayhospital.org.uk](http://www.maydayhospital.org.uk)

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	Requires improvement ●
Are services safe?	Requires improvement ●
Are services effective?	Requires improvement ●
Are services caring?	Requires improvement ●
Are services responsive?	Requires improvement ●
Are services well-led?	Requires improvement ●
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 NHS trusts.

This is the first time that we have awarded a combined rating for Quality and Use of Resources at this NHS trust. The combined rating for Quality and Use of Resources for this NHS trust was requires improvement because the trust did not consistently manage its resources to allow it to meet its financial obligations on a sustainable basis and to deliver high quality care.

# NHS Trust

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Date of inspection visit: 08 October to 25 October  
Date of publication: 11/02/2020

This report describes NHS Improvement's assessment of how effectively this trust uses its resources. It is based on a combination of data on the trust's performance over the previous twelve months, our local intelligence and qualitative evidence collected during a site visit comprised of a series of structured conversations with the trust's leadership team.

Proposed rating for this trust?

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 trust's performance against a set of initial metrics alongside local intelligence from NHS Improvement's day-to-day interactions with the NHS trust, and the NHS 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 NHS trust on 31 October 2019 and met the NHS 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

Requires improvement 

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

**We rated use of resources as requires improvement because the NHS trust does not consistently manage its resources to allow it to meet its financial obligations on a sustainable basis and to deliver high quality care.**

- The NHS trust delivered its financial plan in 2018/19, achieving a deficit of £15.1 million against a planned deficit of £15.1 million (excluding Provider Sustainability Funding (PSF)). This is in the context of the NHS trust having been in special measures for finance in 2016/17 having failed to deliver its financial plan at that time. The NHS trust was removed from special measures within seven months, having demonstrated improved delivery and governance processes.
- The NHS trust is planning to breakeven in 2019/20 (post PSF and financial recovery funding). It posted its first surplus in 2018/19 after four consecutive years in deficit. Because of its improving financial position, the NHS trust is repaying external cash support (loans).
- We noted several areas where the NHS trust benchmarks well nationally or can illustrate best practice. These include:
  - The One Croydon Alliance, demonstrating enhanced system working.
  - The NHS trust's financial turnaround from being in Special Measures in 2016/17 to forecasting a breakeven position in 2019/20.
  - The NHS trust's increased level of CIP delivery in 2017/18 and 2018/19 compared to the historic run rate.
  - A programme to support the movement of patients throughout the hospital reducing patient waiting times.
  - Good performance on some of the national waiting time targets.

Sustaining such improvements and delivering outcomes relating to the work undertaken in these areas will remain a key area of focus for the NHS trust.

- Whilst the NHS trust has demonstrated improvement in several areas there are areas where the NHS trust can show further improvement. These include:
  - The accuracy of the NHS trust's reference cost information, Patient-level information and costing systems (PLICS) and SLR systems.
  - The NHS trust's liquidity score and Better Payment Practice Code (BPPC) performance are areas for improvement.
  - The NHS trust has identified areas of incorrect coding of procedures affecting their data for pre-procedure elective and non-elective bed days.
  - Staff retention at the NHS trust shows room for improvement, at 79.2% in December 2018 against a national median of 85.6%. The latest data from December 2018 has the NHS trust's retention rate at its lowest in the 12-month period.
  - Antibiotic prescribing rate per 1,000 admissions: the NHS trust is the national outlier. Inappropriate use of antibiotics is a major driver for the development of antibiotic resistance and requires robust leadership in delivering a sustained antibiotic stewardship programme going forward.
  - Radiology: The NHS trust's outsourcing costs as a percentage of total imaging costs is 27.9% against a national median of 4.9% as at March 2018 and this is the highest level recorded nationally. The NHS trust will need to review its plan for services going forward, specifically to reduce its current reliance on outsourcing and temporary staffing.
  - Estates costs. The soft facilities management (FM) cost per m<sup>2</sup> for the financial year 2018/19 places the NHS trust in the fourth (worst) quartile nationally. Plans are underway to procure some of the services within this area and will need to demonstrate improvements through this process.
  - IM&T costs: The NHS trust's costs of the IM&T function per £100 million turnover is £4.64 million in 2018/19 against a national median of £2.52 million. This places the NHS trust in the fourth (worst) quartile nationally. The NHS trust will need to demonstrate improvements against a number of metrics that underpin this overall position through its engagement in the South West London IM&T strategy, as well as identifying areas where it can improve within potentially shorter timeframes.

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

- The NHS trust did not meet the national A&E performance standard over the last 12 months. However, since April 2019, the NHS trust has seen a month on month improvement in the number of patients seen within the 4-hour standard and in September 2019 performance was 85.85%, slightly better than the national median of 84.32%. In February 2019, the NHS trust implemented a High Impact Improvement Programme to address areas causing delays in A&E and facilitate patient care throughout their hospital admission and discharge. Examples of projects which are contributing to the improved performance are outlined below. However sustained improvement will need to be demonstrated across the emergency pathway to deliver positive improvements to the A&E waiting times.
  - The NHS Trust can demonstrate reducing time taken for ambulance handovers.

- The NHS trust has invested in a system to support the movement of patients throughout the hospital which has reduced patient waiting times for urgent scans in A&E from 3 hours to 30 minutes and received a Health Service Journal Patient Safety Award in 2019 for these achievements. Following this success, the NHS trust is hoping to extend the use of this technology from A&E through to the inpatient wards and are currently piloting this new process.
- The NHS trust has undertaken a pilot project on Telemedicine in care homes which has had good engagement from local care homes and supported timely discharge of patients, with the aim to offer as a substantive service.
- The NHS trust has undertaken a two-week pilot project in October 2019, named Frailty Fortnight, to test a new process to assess and treat frail patients, which delivered a reduction in time to be seen and reduced the number of admissions for this patient population.
- Performance against the referral-to-treatment (RTT) standard has been achieved consistently over the past 12 months. In August 2019 the NHS trust's performance was 92.00%, meaning they met the required performance standard and are performing better than the national median of 84.62%. This places it in the first (best) quartile nationally. The NHS trust is actively working across the local healthcare system to ensure the local population choose Croydon Health Services to deliver their care and there is evidence that the NHS trust has increased market share while ensuring referrals reduce.
- The NHS trust has also performed well against the diagnostics standards since May 2019, which ensures at least 99% of patients wait no longer than 6 weeks for a diagnostic procedure. However, in August 2019 the NHS trust's performance was 98.90%, meaning they fell just outside of the required performance standard for the first time this year. This was against a national median of 97.73%.
- The NHS trust met the 62-day cancer standard in April and May 2019 but has seen a dip in performance since June. Performance fell from 90.1% in May to 80.3% in June and was 83.1% and 82.8% in July and August 2019 respectively (below both the NHS trust's own trajectory and the national cancer standard). The NHS trust has highlighted that they are focusing on the actions required to improve cancer performance, and that they expect to meet the national standard from September 2019 onwards.
- At 5.41%, emergency readmission rates are slightly above the national median of 5.36% during July to September of 2019. This is an improvement on the previous 3-month period, where the NHS trust's emergency readmission rate was 8.25%. The NHS trust has made significant improvements in the number of patients readmitted to hospital within 30 days of discharge and this is in part attributed to the work of the Living Independently For Everyone (LIFE) team, who provide tailored support to local residents when they leave hospital.
- Pre-procedure elective bed days from July to September 2019/20 were 0.21 against a national median of 0.12. This places the NHS trust in the fourth (worst) quartile nationally. The NHS trust has undertaken an audit and found that they were logging the date of procedures as the day after the procedure, and they expect they will return to a figure closer to the national median in the next data publication for October to December 2019.
- Pre-procedure non-elective bed days in July to September of 2019/20 were 0.97 against a national median performance of 0.62. This places it in the fourth (worst) quartile nationally. The NHS trust also audited this data and found coding errors which have impacted on this metric which would reduce the reported figure to benchmark more closely with the national median. In addition, the introduction of the system to support the movement of patients throughout the hospital has reduced patient waiting times for urgent scans in A&E from 3 hours to 30 minutes.
- The NHS trust, along with the Croydon CCG, has led the development of the One Croydon Alliance, an integrated approach to delivering healthcare across the Croydon area. It is the first alliance in the NHS and through agreeing shared targets and integrating care the NHS trust and the CCG aim to remove duplication and free up resources for investment in frontline services.
- The Did Not Attend (DNA) rate in July to September of 2019/20 financial year was 8.36% against a national median of 7.14%. This places the NHS trust in the third quartile nationally, however the NHS trust compares favourably to other NHS trusts in London (10.12%). The NHS trust continues to seek opportunities for improvement and along with their text messaging service for alerting patients regarding their appointments, the NHS trust's services with the highest DNA rates are contacting patients three days before appointments to confirm attendance.
- In May 2019, the NHS trust lost a total of 520 bed days due to patients not being transferred to a more appropriate care setting, or delayed transfers of care (DTOC). This is lower than the national average of 579. However, DTOC rates have been improving in the NHS trust since March 2019 with the implementation of the High Impact Improvement Programme interventions.

- In July 2019 the NHS trust launched Croydon Quality Improvement. This is the start of a programme which has the ambition to become a system-wide improvement tool across the One Croydon Alliance, empowering staff to inspire, innovate and improve. A number of projects have commenced, and some staff have been trained in quality improvement.
- The NHS trust can demonstrate good engagement with the Getting it Right First Time (GIRFT) programme. Each service is responsible for completion of their specific implementation plan and this is monitored by the NHS trust. There is evidence of implementation of the GIRFT recommendations across some specialities.

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

- In the financial year 2017/18 the NHS trust had an overall pay cost per WAU of £2,175, against a national median of £2,180. This means that it spends a similar amount on staff per unit of activity when compared to the national median. However, in August 2019, 8.8% of the total staff spend was on temporary agency staff, which is higher than the national median of 4.3% and in the worst quartile when compared to all other NHS trusts. The NHS trust did not meet its agency ceiling in 2018/19 and year to date the NHS trust is £2.1 million (30%) above the agency ceiling.
- Within the total pay cost, substantive nursing costs per WAU in 2017/18 is £694 against a national median of £710 (second best quartile). However, the NHS trust has a high nursing vacancy rate and temporary nursing staff spend which is not captured in this metric. The NHS trust has been working to reduce the agency use through both recruitment and retention initiatives and has made 300 offers to overseas nurses, reducing vacancies. The NHS trust recognises that these efforts must continue along with programmes to support the retention of new and existing nursing staff.
- Allied Health Professional (AHP) substantive costs per WAU in 2017/18 is £158 against a national median of £130 (third quartile). As an integrated care organisation, the AHP workforce is integral to the delivery of care and the NHS trust has therefore invested in this staff group. There are several AHP led community services, such as the LIFE service. In addition, the NHS trust has a fully integrated AHP service for inpatients and AHP hold extended roles such as the musculoskeletal Consultant Physiotherapist and Paramedics employed in the A&E. The NHS trust is planning to ensure efficiency in the deployment of AHPs by implementing electronic job planning and electronic job planning, but this is yet to be delivered.
- Medical costs per WAU in 2017/18 is £519 compared to a national median of £533 (second best quartile). In 2018/2019, 67% of job plans were fully signed off at the point of capture with a further 29% in discussion awaiting final sign off. Not all medical staff are on an electronic roster. The NHS trust gave examples of how it has used capacity and demand analysis and planning, as a fore-runner to job planning for some of its services. There is a Job Planning policy for the NHS trust which sets out the process for job planning across the NHS trust.
- Staff retention at the NHS trust shows room for improvement, with a retention rate of 79.2% in December 2018 against a national median of 85.6%. The NHS trust has a particular challenge in the nursing workforce with 27% leaving in the first year. This is an area for improvement for the NHS trust and they are currently implementing a staff support and engagement programme which includes an application to improve communications with staff, a staff awards programme and new staff equality networks.
- At 3.91% in August 2019, staff sickness rates are lower than the national average of 4.06%.
- Although a staffing review was undertaken in 2018/19 the NHS trust should ensure that this aligns with national guidance on safe staffing in the Developing Workforce Safeguards document. The NHS trust is currently undertaking this review under the supervision of the new Chief Nurse.
- The NHS trust did not meet its agency ceiling as set by NHS England & Improvement for 2018/19 and is forecasting to miss its ceiling in 2019/20. It is spending more than the national average on agency as a proportion of total pay spend. It was unable to achieve significant reductions in the cost of agency and locum staff due to challenges in recruiting staff.

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

- The NHS trust has performed satisfactorily against the top ten medicines savings target and overperformed by 104% in June 2019. The medicines cost per WAU was £213 as at September 2019 against a national median of £368. The NHS trust is in the first quartile nationally and this position reflects the NHS trust's effective partnership approach with Croydon CCG, as well as implementing systems that support reviews of high cost drugs to ensure appropriate usage and billing. In the most recent data available on the Model Hospital and through other central sources, the NHS trust has shown improvements in the following areas:
  - the number of days stockholding is at the national median of 21 days as at September 2019.



- The percentage of pharmacist time spent on actively prescribing is 40% against a national median of 35% as at September 2019.
- E-commerce ordering (AAH) which is 95% against a national median of 94%.

Areas for further improvement relate to:

- antibiotic usage which has increased since 2016/17 and is at 9,123 defined daily doses (DDI) per 1,000 admissions in 2018/19 against a national median of 5,952 DDD per 1000 admissions. This places the NHS trust as the highest outlier nationally.
- Improvement in the provision of a wider range of Sunday support services.
- The NHS trust's pathology service is delivered through the South West London Pathology partnership and data is aggregated for this whole service which operates across four providers. The NHS trust's overall cost per test in 2018/19 is £1.74 against a national median of £1.86. This places it in the second quartile nationally. The Pathology partnership has been established for some time and the NHS trust continues to support the venture to review and identify further efficiency opportunities going forward.
- The NHS trust's radiology cost per report in financial year 2018/19 is £50.05 against a national median of £52.94. This places it in the second quartile nationally. This cost has however increased from 2016/17 where the cost per report was £32.86 and this increase is primarily due to increased outsourcing activity. Outsourcing costs as a percentage of total imaging costs is 27.9% against a national median of 4.9% as at March 2018 and this is the highest level recorded nationally. Insourcing costs as a percentage of total imaging costs is 4.1% as at March 2018 against a national median of 1.6%. Temporary staffing and overtime as a percentage of total imaging costs is 9.3% against a national median of 6.3%. This places the NHS trust in the 4th quartile nationally. The backlog as a percentage of overall activity is recorded as being very low in 2017/18 and places the NHS trust in the 1st quartile nationally. The NHS trust will need to review its plan for these services going forward to reduce reliance on outsourcing and temporary staffing. The NHS trust is also working collaboratively within the picture archiving and communication systems (PACS) South West London project develop a joint model for networked radiology reporting.

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

- For 2017/18 the NHS trust had an overall non-pay cost per WAU of £1,319 compared with a national median of £1,307. This places it in the third (second worst) quartile nationally. A number of factors impact on this figure, including high cost drug expenditure (although part of this relates to a local commissioning arrangement) and increased spend on clinical supplies and outsourced activity in imaging as previously noted.
- The cost of the finance function for 2018/19 is £814,650 per £100 million of turnover against a national median of £653,290. This places it in the third quartile nationally. The finance function underwent a major restructure following the NHS trust's exit from Special Measures in 2016/17 and costs have reduced by 13% since that time. It is noted that the finance function had legacy costs associated with this initiative in 2017/18 which elevated costs for this period. Plans are underway to look at further improvements within operational and transactional areas, including the use of further automation initiatives in financial services, as well as areas of potential consolidation with Croydon CCG.
- The cost of the Human Resources (HR) function for 2018/19 is £1.21 million per £100 million turnover against a national median of £910,730. This places it in the fourth (worst) quartile nationally. It is noted that the main increase in the costs relates to the fact that some education and training costs were included which should not have been. The cost per £100 million turnover for HR specific systems and licences is £92,249 against the national median of £40,305. This places the NHS trust in the fourth (worst) quartile. The NHS trust is exploring opportunities for further efficiencies within the South West London APC and the potential to create a single recruitment hub and a single provider for occupational health services.
- The NHS trust's Procurement Process Efficiency and Price Performance Score for Q4 2018/19 is 66 against a national median of 69. This places it in the third quartile nationally. This is a significant improvement on the NHS trust's ranking in 2017/18 where it was placed at position 113. The level 1 standard of procurement has not been achieved against a national median of level 1. The percentage of transactions on e-catalogue is 88.1% against a national median of 94.1% in 2018/19 and this represents a decrease from that reported in the prior year of 93.8%. This places the NHS trust in the third quartile nationally. The NHS trust is part of the South West London procurement collaborative and the intention of this venture is to deliver a shared procurement service under one management function going forward.
- The NHS trust's estates and facilities (E&F) cost per m<sup>2</sup> for 2018/19 is £425 compared to a national median of £377. This places it in the third quartile nationally. The hard facilities management (FM) cost per m<sup>2</sup> for 2018/19 is £73

against a benchmark value of £100. This places the NHS trust in the first (best) quartile nationally. The soft facilities management (FM) cost per m<sup>2</sup> for the financial year 2018/19 is £169 against the benchmark of £148. This places the NHS trust in the fourth (worst) quartile nationally. The NHS trust operates a mixed model of in-house and outsourced services within the estates department and all other metrics relating to these services score in the fourth (worst) quartile compared to the national benchmarks. The NHS trust has reviewed the provision of these services over the year and is currently in the process of procuring specific services going forward.

- The NHS trust's costs of the IM&T function per £100m turnover is £4.64 million in 2018/19 against a national median of £2.52 million. This places the NHS trust in the fourth (worst) quartile nationally. The NHS trust states that this is due to an overstatement of £3.3 million on the costs for the IT Project Management software/non-pay and clinical application costs being significantly above national benchmark median. The metrics that underpin the overall performance of the department is variable when compared to the respective national median values. The costs per £100 million turnover for security, information services, IT training, networks are generally better than their respective national median benchmarks and position the NHS trust in the first and second quartiles for these specific metrics. However, there are a significant number of other metrics where the cost per £100 million turnover are poorer than their respective national median benchmarks which positions the NHS trust in the third quartile and fourth (worst) nationally for those specific metrics. The NHS trust is engaged in a shared South West London APC strategy and plans to deliver an integrated IM&T provision across the four acute NHS trusts, and which aligns with the One London and the STP Digital Plan going forward. This is at a relatively early stage of development.

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

- The NHS trust's Cost Improvement Programme (CIP) delivery in 2018/19 was £19.3 million. In 2019/20 the NHS trust is forecasting to deliver £14.3 million of CIPs. As at September 2019 delivery is adverse to plan by £0.7 million against a plan of £4.9 million. £10.7 million (75%) is forecast to be delivered recurrently. Historic CIP delivery (from 2015 to 2018) was in the region of £8.1 million per annum, therefore the NHS trust is delivering a material improvement.
- The NHS trust spent £1.8 million on consultancy in 2018/19, however, this is forecast to reduce to £0.6m in 2019/20 following the departure of consultants who had been supporting the NHS trust's financial recovery. Spend on consultants in the first six months of the financial year is £0.5 million.
- The NHS trust has an innovative and advanced alliance with its CCG and other partners. This has allowed the local system to focus on encouraging patients that traditionally would have chosen alternative providers to choose Croydon as their provider of choice.
- The NHS trust's underlying position has improved over the last year. At the end of 2017/18 the NHS trust's underlying position was a deficit of £36.6 million. At the end of 2018/19 this had improved to a deficit of £17.9 million. The NHS trust is forecasting to improve this further to a deficit of £12.9 million by the end of 2019/20.
- The NHS trust's cash position is ahead of plan (£1.0 million) by £9.9 million in the first six months of the financial year, as a result of prior-year PSF.
- The NHS trust's capital servicing capacity has an upward trajectory over the last year (and since September 2017), with a value of 0.25 as of August 2019.
- The NHS trust's Income and Expenditure (I&E) margin has been on an upward trajectory over the last year (and since September 2017), and is currently at -2.95%. The NHS trust is forecasting to breakeven by the end of 2019/20, following receipt of PSF and financial recovery funding.
- The NHS trust's distance from financial plan has also been on an upward trajectory over the last year (and since September 2017), with a value of 0.01% as of August 2019.
- The NHS trust has struggled to remain within its agency ceiling, due to its retention rates and the fact that it has a 'Outer London' high cost area supplement (HCAS). Performance against this metric has deteriorated over the last year, however, it remains below the September 2017 value. The NHS trust is forecasting to achieve breakeven, in line with its plan, and is therefore mitigating the adverse agency position.
- The NHS trust has repaid £5.6 million in loans in the last 7 months. It is forecasting to have £78.5 million of non-current working capital/revenue support loans by the end of the year.
- The NHS trust's liquidity metric has been deteriorating over the last year, with liquidity days at -72.33. The NHS trust stretched its creditors while in Special Measures and has continued this policy subsequently. The NHS trust's Better Payment Practice Code (BPPC) performance is therefore at 37%. Improvements in these metrics should be an area of focus going forward.



- The NHS trust's Service Line Reporting (SLR) and Patient Level Information and Costing (PLICs) programme were not areas of focus throughout the NHS trust's work on system improvements and partnerships. The NHS trust continues to use this information and has been engaging with clinicians to ensure the data is accurate. It has proved particularly useful across the system to identify stranded costs. The NHS trust should continue to work on improving the efficacy of their PLICs system, and the accuracy of its costing information including reference costs.

## Outstanding practice

- The One Croydon Alliance, demonstrating enhanced system working.
- The NHS trust's financial turnaround from being in Special Measures in 2016/17 to forecasting a surplus in 2019/20.
- The NHS trust's increased level of CIP delivery in 2017/18 and 2018/19 compared to the historic run rate.
- The programme to support the movement of patients throughout the hospital reducing patient waiting times.

## Areas for improvement

- The accuracy of the NHS trust's reference cost information, PLICs and SLR systems.
- The NHS trust's liquidity score and BPPC performance are areas for improvement.
- The NHS trust has identified areas where incorrect coding of procedures was affecting their data for pre-procedure elective and non-elective bed days. They anticipate that this will bring them in line with national medians at the next data update.
- Staff retention at the NHS trust shows room for improvement, at 79.2% in December 2018 against a national median of 85.6%. The latest data from December 2018 has the NHS trust's retention rate at its lowest in the 12-month period.
- Antibiotic prescribing rate per 1,000 admissions: the NHS trust is the national outlier. Inappropriate use of antibiotics is a major driver for the development of antibiotic resistance and requires robust leadership in delivering a sustained antibiotic stewardship programme going forward.
- Radiology: The NHS trust's outsourcing costs as a percentage of total imaging costs is 27.9% against a national median of 4.9% as at March 2018 and this is the highest level recorded nationally. The NHS trust will need to review its plan for services going forward, specifically to reduce its current reliance on outsourcing and temporary staffing.
- Estates costs. The soft facilities management (FM) cost per m<sup>2</sup> for the financial year 2018/19 places the NHS trust in the fourth (worst) quartile nationally. Plans are underway to procure some of the services within this area and will need to demonstrate improvements through this process.
- IM&T costs: The NHS trust's costs of the IM&T function per £100m turnover is £4.64m in 2018/19 against a national median of £2.52m. This places the NHS trust in the fourth (worst) quartile nationally. The NHS trust will need to demonstrate improvements against a number of metrics that underpin this overall position through its engagement in the South West London APC IM&T strategy, as well as identifying areas where it can improve within potentially shorter timeframes.

# 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  
→←  
Feb 2020

**Effective**

Requires improvement  
→←  
Feb 2020

**Caring**

Requires improvement  
↓  
Feb 2020

**Responsive**

Requires improvement  
→←  
Feb 2020

### Trust level

**Well-led**

Requires improvement  
→←  
Feb 2020

**Use of Resources**

Requires improvement  
Feb 2020

### Overall quality

Requires improvement  
→←  
2020

### Combined quality and use of resources

Requires improvement  
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.