Mid Cheshire Hospitals NHS Foundation Trust

Use of Resources assessment report

Leighton Hospital
Middlewich Road
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Cheshire
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Date of publication: 14/04/2020

This report describes our judgement of the Use of Resources and our combined rating for quality and resources for the trust.

Ratings

Overall quality rating for this trust	Good
Are services safe?	Requires improvement
Are services effective?	Good
Are services caring?	Good
Are services responsive?	Good
Are services well-led?	Good

Are resources used productively?	Good

Combined rating for quality and use of resources	Good

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

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

Use of Resources assessment and rating

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

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

Combined rating for Quality and Use of Resources

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

The trust was rated as good for use of resources and for well led at trust level.

There were significant indicators within the audit results for the urgent and emergency care unit at Leighton Hospital to show a declining picture of effectiveness which did not have embedded ownership or leadership.

They did not meet national standards for responsiveness within urgent and emergency care although there was significant environmental improvement work underway at the time of our inspection aimed at improving the capacity and flow within the department.

The trust faced significant challenges with staff recruitment and although international recruitment had been successful there remained challenges to the levels of registration in order to meet staffing standards in the urgent and emergency department.

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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?	Good

How we carried out this assessment

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

We visited the trust on 14 November 2019 and met the trust's leadership team including the chief executive and the chair, as well as relevant senior management responsible for the areas under this assessment's KLOEs.

Findings

Good

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

We rated the trust's use of resources as Good. The trust is in surplus and has a track record of managing spending within available resources and in line with plans. In October 2016 the trust took on community services which has impacted a number of metrics considered within this assessment. However, the trust highlighted this has led to an increase in collaborative working across the local health economy and has allowed for new models of working to be introduced such as single points of access for specialities.

Since the previous Use of Resources Assessment in March 2018, the trust has demonstrated an improvement across a range of metrics in addition to areas which in the previous assessment were recognised as challenged, for instance e-rostering which has now been rolled out across the organisation. Despite challenges across the workforce, including high pay costs, high sickness absence rates and an increasing agency spend, the trust demonstrated they are using alternative workforce models and recruitment strategies to mitigate these issues where possible.

- In 2018/19 the trust delivered a £1.1m surplus, including £7.4m of Provider Sustainability Funding (PSF), against a control total plan of £5.2m surplus. For 2019/20 the trust has signed up to a control total of £1.7m deficit (including £7.9m of PSF and Marginal Rate Emergency Tariff funding (MRET)) which it is on target to meet as at quarter 1. The deterioration from 2018/19 to 2019/20 is primarily due to the ageing estate and investments into the opening up of wards and SAFER staffing levels.
- The trust has adequate cash reserves and is able to consistently meet its financial obligations. The trust is not reliant on short-term loans to maintain positive cash balances.
- With an overall cost per weighted activity unit (WAU) of £3,397 compared to a national median of £3,486, the trust spends less on pay and other goods and services per weighted unit of activity than most other trusts nationally. This indicates that the trust is more productive at delivering services than other trusts by showing that, on average, the trust spends less to deliver the same number of services. Underneath this headline metric, the split between pay costs and non-pay costs is significant with the trust benchmarking in the highest (worst) quartile for pay and the lowest (best) quartile for non-pay.
- Individual areas where the trust's productivity compared particularly well included clinical productivity, in particular a low and reducing pre-procedure elective bed days metric; Did Not Attend Rates; recruitment and retention; pathology metrics; and pharmacy metrics. In addition, through the Central Cheshire Integrated Care Partnership, the trust have introduced a number of alternative models of care including a GP led ward and a single point of access within orthopaedics.
- Since the previous Use of Resources assessment, the trust has introduced and embedded new technologies and ways of working with demonstrable benefits on the efficiency of the organisation, some of which were highlighted as areas of improvement previously. For example, the implementation of e-rostering across the organisation, a shared EMIS with primary care and the introduction of the Malinko system.
- Opportunities for improvement were identified within emergency readmission rates; the use of temporary staff and agency spend; sickness absence rates; procurement; and estates and facilities. In addition, the trust has seen a deteriorating number of Delayed Transfers of Care as a result of increased admissions and demand within community services.

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

- At the time of the assessment in November 2019, the trust had consistently been meeting the constitutional operational performance standards around Referral to Treatment (RTT) and Cancer; however, was not meeting the standard for Accident & Emergency (A&E). The trust was also not meeting the diagnostic standard but explained a software issue had impacted their performance data from May 2019 and therefore this was not a true reflection. Previous to this, the trust was consistently below (better than) the standard month on month.

- Patients are more likely to require additional medical treatment for the same condition at this trust compared to other trusts. At 9.31%, emergency readmission rates are above the national median of 7.85% and in the highest (worst) quartile. However, there has been a small improvement from the previous Use of Resources assessment where the rate was 10.12%. The trust reported it has focused on 3 key areas to reduce the readmission rate including the following initiatives;
  - With a focus on paediatrics – the development of an open ward policy to avoid children returning via A&E. The trust also reported it is developing Child Health hubs (based on the Imperial Model) working with local GPs to reduce the number of children returning to the hospital. The locations have been identified and agreements have been achieved with GPs, however, at the time of the assessment these hubs were not yet in place.
  - Implementation of a frailty hotline through A&E whereby the department can provide support to care homes via Skype and the care homes will also have access to the out of hours GP service. The trusts frailty team is also upskilling and training care home and community staff to support this.
  - The doubling of floor space within A&E in December 2019. As a result of an overcrowded emergency department, patients are sometimes admitted in order to free up capacity. The additional space will ensure patients remain within the department to be treated then discharged as opposed to being admitted unnecessarily.
- Fewer patients are coming into hospital unnecessarily prior to treatment compared to most other hospitals in England.
  - On pre-procedure elective bed days, at 0.04, the trust is performing in the lowest (best) quartile when compared to the national median of 0.12. Although the trust has been consistently below the median for the previous 12 months, it was reported this improved figure for quarter 2 2019/20 was as a result of only 3 patients having a pre-procedure stay of 4 days. The trust highlighted it performs well as a result of carrying out a high proportion of day case surgery compared to more complex surgery, which reduces the requirement for patients to be admitted ahead of surgery. The trust has done considerable work across a range of specialities to increase the number of day cases, including extending the hours of the day case treatment centre and rearranging theatre lists.
  - On pre-procedure non-elective bed days, at 0.64, the trust is in the second lowest (best) quartile and just below the national median of 0.65. Specific work done by the trust over the last 12 months includes; the reprofiling of trauma lists, improved process for inpatient endoscopy listing and structured ambulatory care pathways so patients can be discharged to return for their procedure the following day if clinically appropriate.
- The trust demonstrated a robust process in place for the cancellation of elective operations, where cancellations due to bed capacity can only be approved by the Chief Operating Officer. At the time of the assessment, the rate of elective cancellation due to no inpatient bed was 0.15%.
- The trust reported bed occupancy in surgical beds is low, however, this has led to a number of outliers in medical beds. In order to resolve this, the trust described an effective buddy system in place between medical and surgical wards to ensure care is maintained and to reduce the length of stay for the medical outliers. In addition, the trust is undergoing reconfiguration of the bed base within the trust, moving to an increase in medicals beds and a reduction in surgical beds.
- Over winter 2018/19 the trust opened a GP led ward through working with the GP alliance and Central Cheshire Integrated Care Partnership (CCICP) whereby GPs provide ward based care and discharge planning for up to 30 patients at any one time. This led to a reduction in length of stay, reduced complaints and also a reduction in escalation beds opened as a result. The joint working has also allowed GPs and consultants to learn from one another and achieve the best outcome for the patient.
- Along with the CCIP, the trust has implemented a single point of access whereby all orthopaedic referrals are seen by a multi-disciplinary team (MDT) to ensure they are signposted to the most appropriate service, rather than straight to secondary care. The trust demonstrated this has reduced private provider usage and increased the conversion rate in theatres, ensuring the most appropriate patients are seen by the trust.
- Virtual fracture clinics are well established within orthopaedics and the trust was able to demonstrate improvements in patient outcomes and experience. The trust told us they have rolled out virtual clinics to other services including Ear, Nose and Throat (ENT) and Gynaecology; however, further progress requires bespoke software to be developed which has slowed the roll out process down.
- Since the previous Use of Resources assessment, the trust's Delayed Transfers of Care (DTOC) rate has deteriorated and in August 2019 was 5% (and above the 3.5% standard). The trust reported this is as a result of increased admissions and the increased demand for community support. Furthermore, the trust explained NHS Continuing Healthcare funding has remained static and there are marked differences between the two Cheshire councils, both of

which impact the trusts ability to discharge patients. The trust has a daily escalation call in place with all partners which tracks each patient who presents as a DTOC. The trust has also developed a web based tool which is fully accessible by all partners and enables medically optimised patients and the availability of homes to be visible, all governed by agreed information sharing agreements.

- The trust undertook Venn capacity and demand modelling which highlighted areas of good practice but also identified constraints such as not having some 7 day services available. As a result of the work, the trust has developed an action plan with a focus on ED streaming and out of hospital care.
- The Did Not Attend (DNA) rate for the trust, at 5.89%, was below the national median of 7.13% for quarter 2 2019/20 and represents an improvement from the previous Use of Resources assessment. Although benchmarking well, the trust highlighted they were looking to further reduce this and demonstrated a number of measures in place, including an additional 470 car parking spaces planned for next year with the aim of reducing the number of patients leaving as a result of not being able to park. The trust have also developed a patient web based portal which will be implemented at the end of the 2019/20 financial year and will support alternative appointments, cancellations and allow letters to be sent digitally.
- The trust has engaged well with the Getting It Right First Time (GIRFT) programme with 16 GIRFT visits to date at the time of the assessment. The Medical Director is the Executive lead and a central database containing all action plans is held. The trust explained it focuses on the top five recommendations from each review and were able to talk about improvements achieved as a result of GIRFT - this included the reduction of the DNA rate in ENT following a review of the pathways and converting to day cases where possible.

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

- For 2017/18 the trust had an overall pay cost per WAU of £2442, compared with a national median of £2,180, placing it in the highest (worst) quartile nationally. This means that it spends more on staff per unit of activity than most other trusts when compared nationally and represents an increase from the previous Use of Resources assessment. The trust evidenced pay expenditure from 2016/17 to 2017/18 increased by £21m, a key driver of which was the acquisition of CCICP (community services). In addition, the trust has seen an increase in patient demand and length of stay which in part has contributed to the higher pay costs.
- Underneath the headline pay cost metric, the trust benchmarks in the highest (worst) quartile for both Nursing cost per WAU (£848 compared to a national median of £710) and Allied Health Professionals (AHP) cost per WAU (£183 compared to a national median of £130.) However, at £399 compared to a national median of £533, benchmarks in the lowest (best) quartile for Medical cost per WAU.
- For nursing, the trust reported the higher costs are in part due to high retention rates leading to a cohort of staff at the top of their pay bands, together with the use of extended roles within nursing to help mitigate gaps in medical rotas. The use of innovative ways of working and successful recruitment has reduced vacancy rates, which in turn has led to an increase in substantive pay costs.
- The trust did not meet its agency ceiling as set by NHS Improvement for 2018/19, spending £0.4m above ceiling, but it spends less than the national average on agency as a proportion of total pay spend (3.96% compared to a national average of 4.4%). For 2019/20 the trust is forecasting to meet its ceiling, however, at the end of quarter 2 had spent £3.2m compared to a £2.4m target.
- The trust recognised it is challenged with regards to the use of temporary and agency staff and reported it was unable to achieve significant reductions in agency costs due to a number of key drivers including; an increase in patient acuity, registered nurse vacancies and high sickness absence rates.
- In order to support on call staff with decisions regarding the use of agency staff, a safe staffing guidance document has been introduced which breaks down the numbers of staff required on each ward and provides further in-detail information about the needs of each ward at any one time.
- For nursing the trust have increased the use of bank staff and have a robust system in place for on-cap and off-cap agency spend. The trust is also reviewing its bank incentive scheme policy to support retention and a reduction in agency spend.
- The trust demonstrated a number of ways in which it is trying to ensure a sustainable nursing workforce supply for the future, including;
  - In 2019 the trust successfully recruited 44 international nurses; 25 of which were in post at the time of the assessment and a further 19 due to start before December 2019. The trust outlined the strong preceptorship and pastoral support models that have been established to support its international nurses, creating a culture to support the retention of these nurses.
  - A UK adaptation scheme in place which is a development programme allowing overseas registered nurses to undertake exams with the aim of joining the UK NMC.

    - A registered nurse apprenticeship programme in partnership with Keele University which supports 16 apprenticeship posts to be upskilled over a 2 year period.
- The trust provided numerous examples of innovative workforce models, such as extending AHP roles to work with the CCICP, introducing advanced practitioners in histopathology and radiology, and reporting radiologists in breast services. The trust has also introduced pharmacy technicians on wards to release nursing time to provide direct patient care. The trust reported a number of benefits seen as a result of the pharmacy technician role including; a reduction in omitted doses, a reduction in medication wastage and cost savings achieved through ward stock and in patient supplies.
- At the previous Use of Resources assessment, e-rostering was highlighted as an area of improvement for the trust. Since then, the trust rolled out e-rostering in 2018/19 and at the time of the assessment there were 25 wards with e-roster fully implemented. Positive outcomes seen by trust as a result of the system include; a reduction in administration time, a reduction in pay anomalies, the ability to roster 6 weeks in advance including in hard to reach areas, and visibility of skill mix. The trust described key performance indicators and a new policy has been introduced to support the e-rostering software. The trust also outlined the implementation of a 'Me' application which uses a 2 step roster approval system and allows staff to view available shifts which they are able to pick up from the bank system.
- As part of the work done to ensure safe staffing, the trust has implemented the Malinko system (an electronic case load tool) in collaboration with Salford Royal NHS Foundation Trust. The system provides the trust with an accurate reflection of case load requirements across its community services, allowing the trust to schedule the effective and efficient placement of community staff. At the time of the assessment this was in place for one community team and as a result, in relation to capacity and demand the trust has seen a reduction in the percentage of red and amber days (unable to meet workload and requirement to defer patient visits) and an improvement in the number of green days (capacity to meet workload without deferring patient visits).
- All consultants at the trust have a job plan in place. These are linked to activity and are reviewed at divisional level and by a consistency panel. The trust reported that SAS doctors and clinical nurse specialists also have job plans in place, however, at the time of the assessment it had not been rolled out to AHPs.
- Staff retention at the trust is good, with a retention rate of 87.4% in December 2018 against a national median of 85.6%. The trust reported it has achieved this through a number of initiatives, such as; return to practice programmes, developing rotational programmes, implementing e-roster, and implementing a new approach to health and wellbeing.
- At 4.58% in June 2019, staff sickness rates are worse than the national average of 3.96%. The trust demonstrated an understanding of the main reasons for absence which are stress and anxiety followed by Musculoskeletal and bereavement. The trust are utilising Statistical Process Charts to understand the outliers and help to identify statistical changes in sickness rates, such as within the surgery and cancer services. This has allowed the trust to focus on changes in sickness patterns as well as the reasons for the sickness. The trust have reviewed their sickness policy and increased the use of return to work interviews as well as enhancing their employee assistance programme.

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

- Since 2009 the trust has had a joint venture and existing shared microbiology and cellular pathology service with East Cheshire Hospitals NHS Trust (ECT), however, blood sciences remains separate across two laboratories. There is a shared Executive board, vision and strategy across the service. The trust noted a business case has been submitted for the development of a fully integrated pathology network with ECT and University Hospitals of the North Midlands NHS Trust (UHNM) which is expected to deliver significant clinical and financial benefits once fully implemented.
- The overall cost per test at the trust, at £1.53 compared to a national median of £1.86 for 2018/19, benchmarks in the lowest (best) quartile nationally. This is an improvement on the previous year where the trust benchmarked above the national median. The trust has reduced the cost per blood science test, however, the cost of cellular pathology testing is increasing. The trust explained this is as a result of the use of external reporting which cannot fully be addressed until further progress is made with the integrated pathology network.
- With regards to imaging services, the trust benchmarks in the second lowest (best) quartile for overall cost per report at £46.29 compared to a national median of £56.29. The trust is actively collaborating on imaging services with other trusts within the Cheshire and Merseyside area which has resulted in range of benefits including; aggregated

equipment purchases, shared imaging protocols and alignment of pathways. For example; a joint procurement with Countess of Chester Hospital NHS FT for CT scanners which reduces the requirement for outsourcing, and a breast screening programme in collaboration with ECT which allows for single reporting system, central database and centre of excellence.

- However, the trust also highlighted there are a number of limitations due to their location including recruitment challenges. The trust is an outlier for consultant radiologist vacancies at 50% compared to a national median of 10.6%. The trust demonstrated a number of initiatives in place to help reduce the workforce gaps including; a passport scheme across the locality, a radiography school with Keele University taking on local students through sponsorship, and the introduction of home reporting.
- In addition as of March 2019, the trust had high levels of imaging backlog as a percentage of activity. The trust provided evidence to show since then this has been significantly reduced through the increased use of outsourcing and reporting radiographers home reporting sessions. It was recognised that this would impact their outsourcing costs in the immediate future, which at the time of the assessment benchmarked well at 0.8% compared to a national median of 4%.
- The trust's medicines cost per WAU is relatively low at £245 compared to a national median of £320. As part of the Top Ten Medicines programme, it is making good progress in delivering on nationally identified savings opportunities, achieving £695k up to September 2019 against an annual 2019/20 target of £880k. The trust is making progress on switching to biosimilars where appropriate, delivering on opportunities for infliximab, etanercept and rituximab. Opportunities for improvement were identified for adalimumab, however, the trust explained this was within existing patients switching rather than new patients.
- The pharmacy department demonstrated it has introduced a number of schemes which have led to an increase in productivity over the previous 12 months including; the introduction of green bins for recycled medication, the use of patient's own medication, laptop deployment for pharmacists and label printers on wards.
- The trust was able to provide a number of examples of using technology effectively in order to improve productivity including:
  - A pharmacy robot to reduce stock holding and deliver cost savings
  - A joint information system between ECT and UHNM
  - A shared EMIS (software) with primary care to support integrated care and has also enabled a reduction in the variation of referral templates (from 300 to 1). An inhouse telephone system was also developed meaning a single point of access for all community services. The trust reported this has reduced GP admissions by 8%.
  - Smartboards have been implemented within all areas in ED.

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 £954 and when compared with a national median of £1,194, places it in the lowest (best) cost quartile nationally. This represents a reduction from the previous Use of Resources assessment.
- The cost of running their IM&T, Payroll, Finance and Human Resources (HR) departments are higher than the national median, however, the trust is actively participating in Collaboration at Scale in Cheshire and Mersey and has identified payroll and ledger as two opportunities using Cheshire as a stepping stone to larger collaboration.
- The finance function cost per £100m income for 2018/19 was £681.58k compared to a national median of £653.29k. The trust referenced this in part due to having an internal ledger and therefore additional posts associated with this. For HR the trust had a function cost of £1.19m per £100m income compared to a national median of £910.73k. This is a slight increase from the previous year, however, the trust informed us this is as a result of data accuracy issues in previous years which have now been resolved for the 2018/19 submission. The new e-rostering system together with hosted Occupational Health services are also included within this function cost, driving a higher than median spend.
- For IM&T, the trusts function cost was £3.54m per £100 income compared to national median of £2.52m. The trust has recognised some high costs are being driven by the age of equipment which they are actively replacing to reduce this in the medium term, for example there has been 1,200 new devices deployed since the last Use of Resources assessment. Furthermore the trust has a high spend for the use of paper medical records which also includes the staffing costs associated with these. The trust have implemented a number of digital applications and services, again driving a higher than median function cost.

- The trusts procurement process are relatively inefficient which is reflected in the trusts process efficiency and price performance score of 69 (compared to a lower benchmark of 50 and an upper benchmark of 79). This is mainly driven by price performance which benchmarks in the lowest (worst) quartile at 32 compared to a national median of 49. However, the trust's procurement league table position has significantly improved in the previous 12 months from 112 (2017/18) to 69 (quarter 4 2018/19).
- The trust's procurement function cost is £290k per £100m of income against national median £208k. The trust stated this is driven by the extra duties of the team which include a centralised inventory management system and an internal finance system. In addition, each division has procurement management support, including within community services.
- At £299 per square metre for 2018/19, the trust's estates and facilities costs benchmark significantly below the national average of £354. The trusts cleaning costs (£38 per square metre), cost per patient meal (£3.97) and laundry cost per item (£0.27) are all below (better) than the national median.
- The trust's backlog maintenance for 2018/19 was £579 per square metre against a benchmark value of £231. The trust highlighted validation of this figure had recently taken place at the time of the assessment and they were awaiting the outcome report. At £130 per square metre, the trust's critical infrastructure risk was also above the benchmark value of £86 per square metre. The trust reported structural surveys are under completion and the outcome of this will inform the estates strategy moving forward.
- The trust was an outlier for under-utilised space at 5.9% compared to a benchmark value of 1.0%. The trust reported this is as a result of asbestos within areas and the task of removing this safely which at the time of the assessment was underway.

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

- The trust is in surplus and has a good track record of managing spending within available resources and in line with plans.
- In 2018/19 the trust delivered a £1.1m surplus (including £7.4m of PSF) against a control total plan of £5.2m surplus. For 2019/20 the trust has signed up to a control total of £1.7m deficit (including £7.9m of PSF and MRET funding), which it is on target to meet as at quarter 1. The deterioration from 2018/19 to 2019/20 is primarily due to the ageing estate and investments into the opening up of wards and SAFER staffing levels.
- The trust has adequate cash reserves and is able to 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 cost improvement plan (CIP) of £5.3m (or 2% of its expenditure) and is currently forecasting to deliver against its plans. 33% of the CIP was still identified as opportunity at the time of the assessment, however, the trust demonstrated they were working on evidencing further CIP and believed it would be delivered. At the time of the assessment the trust was planning to deliver 95% of their CIP recurrently and had just agreed a contract for additional work which would contribute towards the CIP. In 2018/19 the trust delivered £5.1m of their £5.9m target (86%), all of which was recurrent. CIP is monitored through the divisional monthly finance meetings and the trust explained this is being reviewed in order to drive cross-organisational schemes.
- The trust has an underlying deficit of circa £9m and is working with system partners to bring about transformational work which is needed to move back towards a surplus as a system. They also have a focus on transactional schemes internally.
- The trust rolled out their PLICS dashboard earlier in the year. The trust noted work is now being undertaken to refine the data to make it more meaningful for clinicians in order increase engagement. The trust explained it presents their PLICS work to all new consultants to ensure they understand the importance of financial balance to the trust and the impact this has on services. The trust were also able to demonstrate numerous examples where PLICS data had been used to highlight loss making areas.
- The trust has a number of non-clinical income streams including car parking and accommodation and highlighted they are currently exploring further options. The trust also works closely with the Mid Cheshire Charity to fund improvements to patient experience. Examples of this work provided were; a bereavement centre within maternity, sensory rooms within paediatrics and specialist products within dementia.

Outstanding practice

- The trust was able to demonstrate a clear theme of using technology and innovation to improve productivity throughout the trust through examples such as the use of the Malinko system, well established virtual clinics, the use of pharmacy robots and a shared EMIS system with primary care.
- The trust's use of their day case facility has enabled good patient flow with very few elective cancelations and low numbers of pre-procedure elective bed days.

Areas for improvement

- Despite an improvement from the previous Use of Resource assessment, the trust remains an outlier for emergency readmission rates and would benefit from continued work to reduce these.
- The trusts DTOC position has deteriorated since the previous Use of Resources assessment and as a result the trust has not met the target rate since May 2019.
- The trust sickness absence rate remains above the national median and further work should be undertaken to understand the drivers and reduce the sickness absence rate.
- The trust recognised it is challenged with regards to agency spend – it did not meet its agency ceiling for 2018/19 and although is forecasting to meet its ceiling in 19/20, at the end of quarter 2, was £0.8m over its target.
- As highlighted in the previous Use of Resources assessment, the trust's total backlog maintenance and critical infrastructure risk continue to benchmark significantly above the national median.

Ratings tables

Key to tables					
Ratings	**Not rated**	**Inadequate**	**Requires improvement**	**Good**	**Outstanding**
Rating change since last inspection	Same	Up one rating	Up two ratings	Down one rating	Down two ratings
Symbol *	➔➔	↑	↑↑	↓	↓↓
Month Year = Date last rating published					

***** Where there is no symbol showing how a rating has changed, it means either that:

- we have not inspected this aspect of the service before or
- we have not inspected it this time or
- changes to how we inspect make comparisons with a previous inspection unreliable.

Ratings for the whole trust

Service level

Trust level

Safe	Effective	Caring	Responsive	Well-led	Use of Resources
Requires improvement ➔➔ 2020	Requires improvement ↓ 2020	Good ➔➔ 2020	Good ➔➔ 2020	Requires improvement ↓ 2020	Good ➔➔ 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.