South Tyneside and Sunderland NHS FT

Use of Resources assessment report

Sunderland Royal Hospital
Kayll Road
Sunderland
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Date of publication: 10/06/2020

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?	
Combined rating for quality and use of resources	

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

The trust's use of resources is inspected and rated separately. It was determined that due to the recent merger there was insufficient data available to rate the trust's use of resources. Therefore, there is no combined rating for quality and use of resources.

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Date of inspection visit: 14 January to 5 February 2020
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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?

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 10 February 2020 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

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

The trust's Use of Resources was not rated at this assessment. This is due to the merger of two organisations, City Hospitals Sunderland NHS Trust (CHS) and South Tyneside NHS Foundation Trust (STH) in April 2019 to create South Tyneside and Sunderland NHS Foundation Trust.

Data used for this assessment predominately covers the period prior to the merger (2018/19) and therefore, this report references performance across both legacy organisations throughout. Where more recent data was available, this has been used and is referenced together with the steps that the combined trust have taken since April 2019.

- The two legacy trusts have a track record of managing spend in line with plans. In 2018/19, STH had a control total of £12.1m deficit against which it delivered a £2m deficit. CHS had a control total of £11.9m deficit against which it delivered a £3.1m deficit.
- For 2019/20, the combined trust has a control total of breakeven, against which it is planning to deliver, albeit there remained a level of risk at the point of the assessment.
- Both legacy organisations were reliant on cash borrowing, however, the combined trust has not drawn down in year (2019/20). The legacy trusts have historical borrowings of £19.3m in total.
- When comparing the overall productivity of both legacy organisations, there is a varied picture. For 2018/19, STH spent more on pay and other goods and services per weighted unit of activity (WAU) than most other trusts nationally; in contrast CHS spent less. At £3,931 STH benchmarked in the highest (worst) quartile for overall cost per WAU against a national median of £3,486. With an overall cost per WAU of £3,422, CHS benchmarked below the national median and in the second lowest (best) quartile.
- The trust has undertaken a substantial amount of work since the merger of CHS and STH to improve productivity and align systems across hospital sites and is continuing to standardise systems, people and processes. As a result, the trust was able to demonstrate considerable cost savings achieved, in particular through the consolidation of corporate functions such as finance and human resources.

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 January 2020, the trust was meeting the constitutional operational performance standards around Referral to Treatment (RTT) and diagnostics, however, was not meeting these for Cancer or Accident and Emergency (A&E). A&E performance has deteriorated over the previous 12 months with the trust recognising this as a significant pressure, although the trust explained the recent opening of the Single Day Emergency Care (SDEC) is expected to reduce the pressure and make a positive impact.
- Whilst the trust were consistently below (better than) the standard of 3.5% for Delayed Transfer of Care (DTOC) rates between December 2018 and September 2019, the DTOC rate had significantly increased to 5% in October 2019 and 7.2% in November 2019. The trust cited two reasons for this increase; patient choice and patients awaiting packages of care to be put in place by the local authority before discharge.
- The trust explained it intends to carry out a review with the Emergency Care Intensive Support Team (ECIST) to apply clinical challenge to expedite discharges. The trust demonstrated it has a good working relationship with the Local Authority and are now able to identify bed vacancies in care homes to use as 'time to think' beds rather than patients residing in acute hospital beds whilst care packages are arranged. The trust also have community nursing teams working with local care homes to prevent admissions and to facilitate seamless discharge.
- At 7.57% for quarter 4 2018/19, emergency readmission rates for CHS are slightly below the national median of 7.73%, however, for STH the rates are significantly above the national median at 9.97%.
- For STH, as of quarter 4 2018/19, more patients were coming into hospital unnecessarily prior to treatment compared to most other hospitals in England. On pre-procedure elective bed days the legacy trust was performing in the second highest (worst) quartile at 0.20 compared to a national median of 0.12. For pre-procedure non-elective bed days, the legacy trust was performing in the lowest (best) quartile at 0.34 compared to a national median of 0.66.
- However in contrast, for CHS, fewer patients were coming into hospital unnecessarily prior to treatment compared to most other hospitals in England. At 0.12 the legacy trust benchmarked in line with the national median for pre-procedure elective bed days. For non-elective pre-procedure bed days the legacy trust benchmarked in the second highest (worst) quartile at 0.70 compared to the national median of 0.66.
- The Did Not Attend (DNA) rates for both STH and CHS as of quarter 4 2018/19 were higher than the national median of 6.69%. STH, at 7.47% benchmarked in the second highest (worst) quartile and CHS, at 8.46%, benchmarked in the highest (worst) quartile. However, at the time of the assessment the trust provided more recent data which demonstrated a significant improvement across both trusts moving CHS to 6.4% and STH to 5.02%. The trust explained the reasons for the improvement were as a result of the increased use of technological solutions such as

email and text. An example given was patients are now able to cancel appointments online which are then automatically offered to those on the waiting list, resulting in the appointment being filled rather than missed. In addition, the trust demonstrated it is now concentrating on finding solutions to reduce the DNA rate for its elderly patients who may not have easy access to the IT solutions implemented.

- The trust has engaged well with the Getting It Right First Time (GIRFT), with the Medical Director appointed as the Senior Responsible Officer for the programme. The trust demonstrated some evidence of governance around processes; however, it was recognised this could be strengthened further. The trust has seen a number of improvements as a result of GIRFT, including;
- Sunderland Eye Infirmary is recognised as an exemplar for its ability to undertake 12 routine cataract procedures in a four-hour theatre list which exceeds the National Institute for Health and Care Excellence (NICE) standard of 8 procedures;
- The implementation of a dual on call rota within General Surgery;
- A reduced length of stay to 3.5 days in Trauma & Orthopaedics, which is below the national median. The trust also explained it is continuing to try and reduce this further.

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

- For 2017/18, CHS had an overall pay cost per weighted activity unit (WAU) of £1,904 compared with a national median of £2,180. STH equivalent WAU was £2,799 for the same period. This means that CHS spent less on staff per unit of activity for most trusts and STH spent more. The trust cited that part of the reason for higher costs per WAU for staff at STH relates to the large number of community services that the trust provides, making benchmarking difficult as staff costs are captured but not community activity.
- Underneath the headline pay cost metric, substantive medical costs per WAU for 2017/18 were lower than national median (£533) for both legacy trusts at £442 for CHS and £420 for STH. Substantive nursing costs per WAU were lower than national average (£710) for CHS (£694) but significantly higher than the national average at STH (£1,335), again reflecting the skew of community services and the proportion of these services delivered by the nursing staff group from STH only.
- For both STH and CHS, the AHP cost per WAU in 2017/18 was higher than the national median (£130) at £155 and £138 respectively. For STH, the trust explained the higher costs reflect the expanded role for therapists in line with the portfolio of services the organisation provides, together with the inclusion of specialist eye infirmary staff.
- The trust has developed an innovative workforce model to use AHPs, and other staff groups, to support patient flow throughout the hospital. Examples and evidence was provided and includes;
- Pharmacy staff to support duties on the wards, including medicines reconciliation and ensuring medication isn't delaying potential discharges.
- Pharmacists are now being deployed into the Emergency Departments to see and treat minor injury or illnesses and work alongside Physicians Associates in both A&E, UEC and SDEC.
- Physiotherapists are expanding their roles within Orthopaedic Outpatients to performing both new and review appointments.
- Using a band 4 non-clinical individual to develop into a Discharge co-ordinator role.
- Agency cost per WAU (2017/18 data) benchmarks both legacy trusts in the lowest (best) quartiles, however, more recent data indicates an increase in spend during 2019/20. The combined trust has continued to use NHS Professionals for the majority of its agency requirements, however, due to the significant operational pressures on A&E, there have been instances of using non NHSP resources during winter 2019/20, although all shifts were filled on framework.
- The trust reported c.76% of the 2019 agency bill stems from the medical workforce which is a continued theme from the individual trusts. 11 out of 28 services are using locum agency to fill rota gaps and the trust is conducting a review of all 11 services to identify 'Green' services which will return to budget within 1 year or 'Amber' services which will return to budget within 2 years. The trust has had some success filling vacancies in acute medicine, elderly care and the acute renal specialty. Remaining areas of medical workforce pressure 'Red' services include Neurology, Neurophysiology and Radiology, and Gastroenterology all of which are regionally identified fragile services.
- The trust has seen continuing success with vacancy rates both prior to and after the formal merger with the current rate of vacancy for registered nurses at 3% in the merged organisation.
- The trust was able to describe current and future plans, to ensure that vacancy rates remain low, and this includes working collaboratively with Sunderland University to support recruitment which is already showing to be successful. In addition, there has been a recruitment drive with nursing staff from the Philippines. The trust reported it now has

considerable interest for nursing posts with a number of nurses applying for roles from other local trusts. The trust has also committed to support neighbouring trusts, particularly regarding the success of the overseas recruitment demonstrating collaborative working. Furthermore the Chief Executive is the Senior Responsible Officer for the local Integrated Care System workforce workstream.

- The trust evidenced it is doing a vast amount of innovative work to support and engage local communities into their workforce. This includes making a commitment to support ex-military staff from Sunderland and the combined trust won a 'Step into Health Award' for Leading the Way as an Employer – awarded for taking great steps to embed the recruitment of veterans and their families into the organisation. The trust has a specific focus on the BME workforce and understanding how the BME workforce can feel they are treated equally and developed. An example of which includes developing progress and personal development plans for all Philippine nurses.
- The trust makes good use of job planning to organise and deploy its workforce effectively, and this is particularly used for nursing, consultants, AHPs and doctors. At the time of the assessment 100% of consultants and doctors have an up to date job plan. The trust explained they are in the process of transferring to e-rostering and are working towards the full implementation of e-job planning by April 2020 with approximately 50% of job plans already on the system. The legacy trusts had a standardised job planning policy, and this continues to be monitored by the joint Medical Workforce Assurance Group.
- The trust provided data to show staff retention rates for the combined trust were 88.02% as at November 2019 which would place them above (better than) the national median when benchmarking. The legacy trusts had high retention rates at 88.6% for CHS and 82.1% for STH as of December 2018. The 12-month rolling turnover rate for the combined trust in 2019 was 12.3%.
- The trust demonstrated staff retention is a key focus and recognised the need to invest in training and career development opportunities. This includes all staff receiving 'a year on' interviews to understand what is required to support staff to stay, in addition to regular PDRs and also exit interviews, career clinics, internal rotation programmes, stretch assignments and a Shared Leadership Programme. In addition, an annual awards event is hosted, and the trust has seen an increase in award nominations over the last year.
- Staff sickness levels of the combined trust in December 2019 was 5.6%. The trust reported this had improved for January 2020. The trust has recently appointed a specialist in Public Health to develop a strategy to raise the profile of and tackle lifestyle issues leading to sickness absence. The trust explained theatres, estates and facilities and emergency medicine where the 3 'hotspot' areas with highest sickness absence rates and targeted work was taking place within these staff groups to reduce absence.

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

- For 2018/19, the trust's overall pathology cost per test was £1.77 which places it in the second lowest (best) quartile nationally and below the national median cost of £1.94. The trust explained a large part of this success has been down to the trust's involvement in the North East wide Pathology Collaborative run via Gateshead Healthcare NHS Foundation Trust which has been in operation for over 5 years. The arrangement supports the delivery of both a "hot" and "cold" site delivery model with non-urgent pathology services being provided via Gateshead whilst local "hot" services are still provided for patient care locally.
- Whilst the trust has not seen any real cost reduction savings as a result of the above performance, it has seen qualitative improvements, for example, reduced turnaround times in tests and supported 7 day working arrangements.
- However, the trust's test per capita data for 2018/19 is high at 30.3 in comparison to a national median of 23.9. This indicates a potential opportunity for better demand management arrangements and reducing the number of unnecessary tests undertaken per person based on population. In response to this, the trust have developed a paper considering how clinical behaviours can be improved helping to make more informed decisions about the types of tests that are required, and the trust's IT system prompts to ask whether certain tests are absolutely required prior to them being requested.
- With regards to imaging services, the trust is working collaboratively with other trusts and is involved in the North East and Cumbria Imaging Group. For 2018/19, both legacy trusts benchmarked below the national median of £56.29 for overall cost per report; with STSFT in the lowest (best) quartile at £43.85 and CHS in the second lowest (best) quartile at £53.86.

- For 2018/19, CHS had high outsourcing costs as a percentage of total imaging costs at 15% compared to national median value of 5%. The trust highlighted proposals are in place to further develop and train staff which will help reduce this level of dependency moving forward; and approaches are being exchanged across the two legacy trust sites to see what lessons can be learned and how capacity can be better shared, as STSFT outsourcing costs for the same period represented 2.4% of their overall imaging costs.
- The trust appears to show a mixed position with regard to its medicines spend across the 2 sites with a medicines cost per WAU of £126 at STS, and £355 at CHS, both in comparison to a national median cost of £320 for 2017/18. The trust explained a large part of this is driven by the purchase of high cost drugs, particularly for Ophthalmology where the trust provides a sub-regional service.
- Similar differences are apparent in Pharmacy between sites, in particular in relation to pharmacist time on clinical activity (CHS – 95%; STS – 74%, compared to national median of 76%) and Sunday on ward pharmacy hours (CHS – 8; STS – 0, compared to national median of 4). The trust explained pharmacy provision across both sites is being reviewed as part of the 'Path to Excellence phase 2' process in order to review service provision, seeking to consolidate around existing automation, and maximise the outsourcing of infrastructural delivery to invest in front-line patient facing pharmacy professionals to achieve the most safe and sustainable services possible. A business case for this was presented at the Executive Committee in February 2020.
- As part of the top 10 medicines programme, the trust is performing well across both sites, delivering additional savings of £234,250 at STS and £851,250 at CHS to November 2019. The trust reported it has a good history of joint working with their Clinical Commissioning Groups on medicines management, which have helped contribute to these successes including: the development and involvement in a Joint Formulary Committee where there has been an increased focus on patient outcomes from the use of drugs etc, and gain share arrangements that have been agreed promoting and incentivising the uptake of this drug switches.
- The combined trust have also developed an Integrated Medicines Management model which aims to ensure that patients receive the right drug, at the right time and at the right dosage, and is also being used to support and facilitate consultant ward rounds and discharge processes. The trust demonstrated this has resulted in benefits including; increased patient discharge arrangements and reduced discharge delays, improved patient experience and improved patient flow around the hospital.
- The trust provided data to show as of Q3 2019/20, both legacy trusts have made good progress in relation to biosimilar switching opportunities and are benchmarking above the baselines for all drugs.
- The trust demonstrated it is using technology in innovative ways to improve operational productivity including, for example;
- E-prescribing to deliver quicker more efficient drugs to patients
- An e-inpatient records system which is producing an electronic letter to GPs at the point at which a patient is ready to be discharged from hospital
- The trust's Meditech system whose modules which has achieved improved outpatient productivity (e.g. reduced did not attend rates), theatre productivity (recording operating times for individual surgeons to aid comparative performance and standardisation of theatre slots), and provides wider clinical governance and peer discussion
- A system called "occupy" which monitors the use of and occupancy of room areas, thus promoting an effective use of its estate.

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 legacy trusts show a mixed position with regard to overall non-pay cost per WAU. STH has a non-pay cost per WAU of £1,133 and CHS a non-pay cost per WAU of £1,518, both compared with a national median of £1,307, placing STH in the lowest (best) quartile and CHS in the highest (worst) quartile.
- Over the past 12 to 18 months, the trust has made several improvements following the merger with regards to consolidating its corporate service functions, including the establishment of a single executive team. The trust reported they have delivered the planned £2.7m recurrent savings between 2017/18 and 2018/19 and are on track to deliver further savings of £1.5m in 2019/20. For 2018/19, STH benchmarked less well against national average function costs than CHS across areas including Finance, HR and IM&T.
- For the finance function in 2018/19, STH had a cost per £100m income of £801.46k compared with a national median of £653.29k. In contrast, CHS had a cost per £100m income of £572.14k. One sub-function area which is high across both trusts is Accounts Payable, where STH have a spend per £100m income of £76,861 and CHS have a spend of £79,684, both in comparison to national median spend of £54,294. The trust demonstrated it understood the current position in this area and noted they are in the process of upgrading their Oracle system across both sites to help reduce this spending pressure.

- With regards to the Human Resources (HR) function for 2018/19, STH had a considerable higher cost per £100m turnover at £1.19m when compared with the national median of £910.73k. CHS again benchmarked below the median with a cost per £100m income of £713.04k. The trust reported a number of steps have been taken to help standardise and consolidate processes and functional areas. For example, reducing payroll costs post-merger, moving to a single expenses system, and investing in a single Organisational Development system and function.
- With regards to Occupational Health, the trust is in the process of developing a single function across their two sites with the aims of targeting sickness absence rates more quickly; fast tracking access to local physicians where necessary; and making more effective use of a specialist in Public Health to help promote wellness levels.
- In relation to the IM&T function, STH had a higher than median cost per £100m income at £2.78m compared to £2.52m national median for 2018/19. CHS benchmarked below this median with a function cost of £1.76m per £100m income. Within this function, both organisations benchmarked high for paper medical records. At the time of the assessment in January 2020, the combined trust had reported a £0.5m saving within this sub-function, which included moving to a completely paperless ED department. The trust expect similar benefits from the recent roll out of a Patient Administration System (V6) on the STH site.
- The trust's Procurement Process Efficiency and Price Performance Score also shows mixed results across the two legacy organisations with a score of 81 at STH, which placed it in the highest (best) quartile when compared with a national median value of 69; but a score of 42 at CHS, placing it in the lowest (worst) quartile nationally. Similarly, the legacy trusts procurement league table positions differ, with STH raking number 29 out of 133 and CHS raking 116 for quarter 2 2019/20.
- For 2017/18, the cost per WAU for supplies and services at STH was £260 and £337 at CHS, both against a national average of £364; This means that the overall costs were more expensive on the CHS side of the trust. The trust explained they are learning from procurement practices undertaken in STH to consolidate and promote areas of good practice. The combined trust is aiming to achieve Level 1 of the NHS Commercial and Procurement standards by end of March 2020 and to date it was felt that 70% of the required work to support this had been successfully achieved by the procurement teams, with the assessors booked to examine this work to review progress in March 2020.
- The trust has also developed a five-year forward procurement efficiency plan targeting the development and realisation of £15m across 2019/20 to 2024/2025, with £2.6m delivered in 2019/20. The trust explained the plan is based on increasing the standardisation of goods and services, increased scrutiny of goods potentially being requested "off contract", increased usage and uptake of Category Towers contract supplies (to secure local benefits from national contracts), and a review of the contract management arrangements across the trust.
- The former CHS site transferred all procurement and estates and facilities functions into a fully owned subsidiary company (Choice) which has delivered £5m of recurrent savings to date. The trust noted since the merger, the former STH estates function remains as part of the trust as opposed to the subsidiary organisation.
- At £253 per square metre in 2018/19, the estates and facilities function at CHS benchmarks significantly below the national average cost of £354 per square metre and has followed an improving trend since March 2016. However, estate costs at STH benchmark relatively high in comparison with a cost per square metre of £357. The trust explained the STH site acquired a new Combined Heat and Power (CHP) system in August 2019 which it expects will have a positive effect in reducing the estate costs on this side of the trust.
- The trust has established a joint management group which sharing practice across the trust to help reduce the overall cost position and standardise areas of good practice from CHS, including a number of soft facilities management areas as well as portering, sewerage and waste management. The trust explained the challenge, however, is that buildings on the STH site are generally much older and as such, have more technical issues to consider, for example, asbestos removal. Overall backlog maintenance at STH was £229 per square metre compared to a benchmark value of £213 for 2018/19. CHS benchmarked underneath their benchmark value of £291 with a backlog cost of £104 per square metre.
- A joint capital programme has been developed to help target areas most in need of development and support or more susceptible to risk.

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

- The two legacy trusts have a track record of managing spend in line with plans. In 2018/19, STH had a control total of £12.1m deficit against which it delivered a £2m deficit. CHS had a control total of £11.9m deficit against which it delivered a £3.1m deficit.

- For 2019/20, the combined trust has a control total of breakeven, against which it is planning to deliver, albeit there remained a level of risk at the point of the assessment. The trust has managed several financial risks in year including increased nursing costs, however, full use of their risk share agreement with their CCGs is helping to manage this.
- The combined trust has an underlying deficit of circa £37m and the trust have been working to understand the drivers of this. They have worked with their system partners on a long-term recovery plan which would achieve breakeven by 2023/24.
- In 2018/19, STH had a CIP target of £11.4m (5.8% of expenditure) which was delivered in full, however, only 18.7 % of the CIP was recurrent. CHS had a target of £16.7m which they over delivered by £0.4m with 51% of the CIP delivered recurrently.
- In 2019/20, the combined trust has a CIP target of £19m against which it is forecasting to deliver £18m, 44% of it recurrently. The trust acknowledged their high reliance on non-recurrent CIP and their recovery plan will focus on identifying recurrent savings going forward.
- The combined trust has a PMO team which supports the divisional teams in the identification and monitoring of CIP. They have a financial delivery meeting which drives and monitors this process. The PMO provide extra support to tackle high level schemes as well as providing analysis of model hospital and benchmarking.
- Both legacy organisations were reliant on cash borrowing, however, the combined trust has not drawn down in year (2019/20). They have historical borrowings of £19.3m in total.
- Recently the combined trust has not been meeting its better payment practice metrics. The trust described the issues they have faced whilst upgrading their ledger and reported it has now reviewed a number of processes and engagement from clinical teams has improved as a result of this; therefore they are expecting an improvement in the metrics going forward.
- Since the merger the combined trust has been refreshing its SLR data and has a working group which is attended by a number of clinical leads. STH previously used their SLR to inform business cases and the trust noted the intention is to roll this out trust wide.
- The legacy CHS trust has a commercial estates company (Choice) which delivers additional income for the trust. The combined trust have also worked with the national team to enhance their processes for overseas income and are actively pursuing further opportunities for non-clinical income.
- Both legacy organisations used management consultancy in 2018/19, which totalled £0.9m and of which £0.4m was merger related.

Outstanding practice

- The trust has seen continuing success with vacancy rates both prior to and after the formal merger with the current rate of vacancy for registered nurses at 3% in the merged organisation.

Areas for improvement

The assessment team identified a number of areas of improvement for the trust, however, recognise that the trust has acknowledged and planned to address these across a range of initiatives and programmes throughout the post-merger plan;

- The trust has an underlying deficit of circa £37m and needs to continue to pursue interventions to address that deficit.
- At the time of the assessment, the trust was not meeting the constitutional operational performance standards for Cancer or Accident and Emergency (A&E), with A&E performance deteriorating over the previous 12 months.
- The trust's DTOC rate has significantly increased to 5% in October 2019 and 7.2% in November 2019. Although the trust have done work to understand the reasons behind this, the trust would benefit from further work to bring this back down below the standard.
- Further work is required to address the high sickness absence rates within the trust.

Ratings tables

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

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

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

Ratings for the whole trust

Service level

Safe	Effective	Caring	Responsive
Requires improvement Jun 2020	Good Jun 2020	Good Jun 2020	Good Jun 2020

Trust level

Well-led	Use of Resources
Good Jun 2020	N/A

Overall quality

Good
Jun 2020

Combined quality and use of resources

N/A

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.