Use of Resources Assessments

A Discussion Paper

Introduction

Use of Resources (UoR) assessments have been a feature of the regulatory framework since October 2017. Within non-specialist acute trusts they are an important part of the Care Quality Commission's (CQC) assessment process.

This paper

- Looks at how the findings of the NHS Improvement (NHSI) assessments have been reported and how trusts have responded.
- Considers how non-executive directors were involved in the NHSI assessment team visit and the post-reporting stages of Use of Resources.

To inform our paper we surveyed eleven non-specialist hospital trusts within our client portfolio where UoR assessments had taken place.

1. Key Messages

1. **The extent to which non-executive directors were involved in the NHSI assessment visit varied. Most often the Board Chair attended, at some trusts the Finance Committee Chair and Audit Committee Chair also attended.**
2. **Actions to address UoR findings tend to be incorporated in wider ranging plans (e.g. CQC Action Plan).**
3. **In some trusts actions are being monitored and reported to service committees such as Workforce and Quality Committee.**
4. **Trusts noted that UoR assessments are influencing NHSI's approach to supporting non-specialist hospital trusts.**
5. **In some cases UoR reports are being used pro-actively as a further source of assurance and are feeding into Annual Governance Reports and external audit UoR assessments.**

2. Use of Resources Assessments

Background

NHSI commenced UoR assessments in October 2017, following a sector wide consultation exercise. After a period of pilot assessments all non-specialist acute trusts who undergo a UoR assessment receive a combined trust-level rating of Care Quality Commission's (CQC's) five quality questions and a UoR rating.

The assessments are designed to improve understanding of how effectively and efficiently trusts are using their resources – including their finances, workforce, estates and facilities, technology and procurement – to provide high quality, efficient and sustainable care for patients. It follows on from Lord Carter's review[1], which identified considerable opportunities for improvements in efficiency for acute hospitals in these areas.

Only non-specialist acute trusts are currently being assessed for UoR, due to the better availability and quality of productivity data for these trusts. Specialist acute, ambulance, mental health and community services trusts will be included in the UoR framework once appropriate metrics are developed and this data becomes available. NHSI envisage that UoR assessment for ambulance trusts will be introduced in 2020.

UoR assessments should:

- Lead to a focus on better quality, sustainable care and outcomes for patients.
- Be proportionate, minimising regulatory burden, and draw on existing data collections where possible.
- Be clear to trusts what information NHSI will look for and what 'good' looks like – all data will be made available to all trusts through the Model Hospital.
- Promote good practice to aid continuous innovation and improvement.
- Help NHSI to identify trusts' support needs through the Single Oversight Framework, as well as being a useful improvement tool for organisations.

'The assessment should be a useful improvement tool, enabling you (trusts) to demonstrate to patients, communities and taxpayers that you are delivering services efficiently. While providing care that meets the CQC five key domains: safe, effective, caring, responsive and well-led'.

(UOR assessment; a brief guide for acute non-specialist trusts')

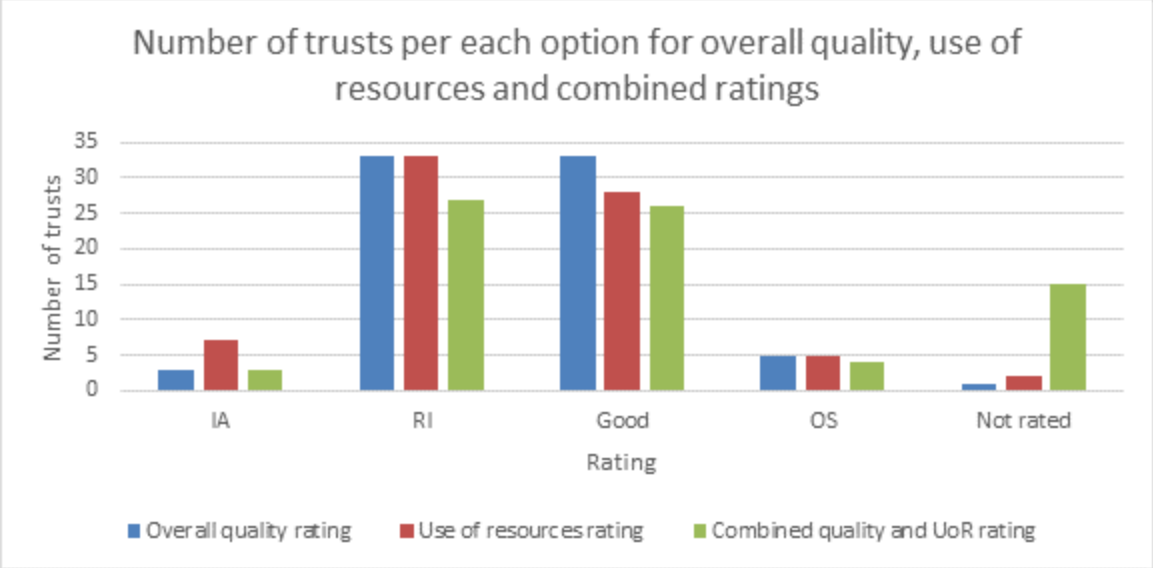
The framework mirrors the structure of the joint Well-Led framework and CQC's inspection approach, where key lines of enquiry (KLOEs), prompts and metrics are used for a balanced assessment of a trust.

Use of Resources reports are published on the CQC website, along with the CQC report. All published reports are accessible using the following link:

[1] Operational productivity and performance in English NHS acute hospitals: Unwarranted variations - February 2016

https://www.cqc.org.uk/use-of-resources-reports

Up to 10th September 2018, 75 trusts had been assessed for UoR. The graph below shows a breakdown of the ratings awarded.



Alignment with Regulatory Environment

UoR forms part of NHSI's approach to oversight and improvement through the Single Oversight Framework (SOF), identifying support needs and good practice to help drive improvement.

Under the Finance and Use of Resources theme in the SOF, trusts are scored each month against several finance metrics, resulting in an overall finance score. Once a trust has undergone a UoR assessment and been given a proposed rating, the NHSI uses the draft UoR report and proposed rating alongside the finance score, to inform its wider consideration of support needs.

CQC's overall quality rating combines their five trust-level quality ratings of safe, effective, caring, responsive and well-led. The UoR assessment is considered together with the overall quality rating to form the combined rating for quality and use of resources. The combined rating for Quality and UoR summarises the performance of the trust taking into account the quality of services and the trust's productivity and sustainability.

How assessments are carried out

UoR assessments are based on a combination of data in the trust's performance over the previous 12 months, NHSI local intelligence, a commentary on its performance provided by the trust and qualitative evidence collected during a site

visit based on a series of structured conversations with the trust's leadership team.

Preparing for the assessments

A trust needs to familiarise itself with the UoR Framework and in particular the five key lines of enquiry (KLOEs), evidence sources and prompt questions.

Use of Resources area	Key lines of enquiry (KLOEs)
Clinical Services	How well is the trust using its resources to provide clinical services that operate as productively as possible and thereby maximise patient benefit?
People	How effectively is the trust using its workforce to maximise patient benefit and provide high quality care?
Clinical support services	How effectively is the trust using its clinical support services to deliver high quality, sustainable services for patients?
Corporate services, procurement, estates and facilities	How effectively is the trust managing its corporate services, procurement, estates and facilities to maximise productivity to the benefit of patients?
Finance	How effectively is the trust managing its financial resources to deliver high quality, sustainable services for patients?

Model Hospital is a key source of assessment data. Pre assessment, NHSI teams critically analyse trust performance against each of the initial UoR metrics. Trusts will need to review their performance in order to evidence their commentary.

Ahead of the on-site visit, trusts provide NHSI with a high-level commentary against the five KLOEs and are encouraged to submit any extra evidence or more recent data that will inform the assessment.

The KLOE commentary form is a pre-assessment questionnaire provided by NHSI ahead of the assessment. It is not a self-assessment and is reviewed as part of the teams preparation and to help focus on particular lines of questioning. Information that should be provided in the KLOE commentary form is:

- In what areas is the trust doing well, and how is the trust able to deliver this performance?
- What are particular areas of focus for the trust?

- In what areas does the trust have room for improvement?
- Why has the trust not been able to deliver these improvements to date?

On-Site Visit

An assessment team is chosen by the NHSI to undertake the site visit. Team members comprise an appropriate mix of experience and understanding across the five KLOE areas. A pre-visit team meeting is held to review the trust's data and agree particular areas of focus at the assessment visit. Those areas are influenced by factors such as gaps in data, outlying comparative performance and local knowledge.

The assessment visit takes place on a pre-arranged date notified to the trust and follows the format shown below:

Timings	Meeting	Overview	Trust attendees
09.30 – 10.00	Internal briefing meeting for NHS I's assessment team (Representatives from the trust are not required to attend this session.		
10.00 – 10.30	Introduction	10 mins: Introduction 20 mins: Trust introduction and overview of performance against key lines of enquiry (KLOEs)	Chief executive Chair Director of finance Chief operating officer
10.30 – 10.45	NHS Improvement assessment team corroboration session		
10.45 – 12.15	Clinical services and People	45 mins: Questions on Clinical services KLOE 45 mins: Questions on People KLOE	Medical director HR director Nursing director Director of finance Chief operating officer Allied health professional lead
12.15 – 13.00	Lunch and NHSI assessment team corroboration session		
13.00 –	Operational	60 mins: Questions on	Director of finance

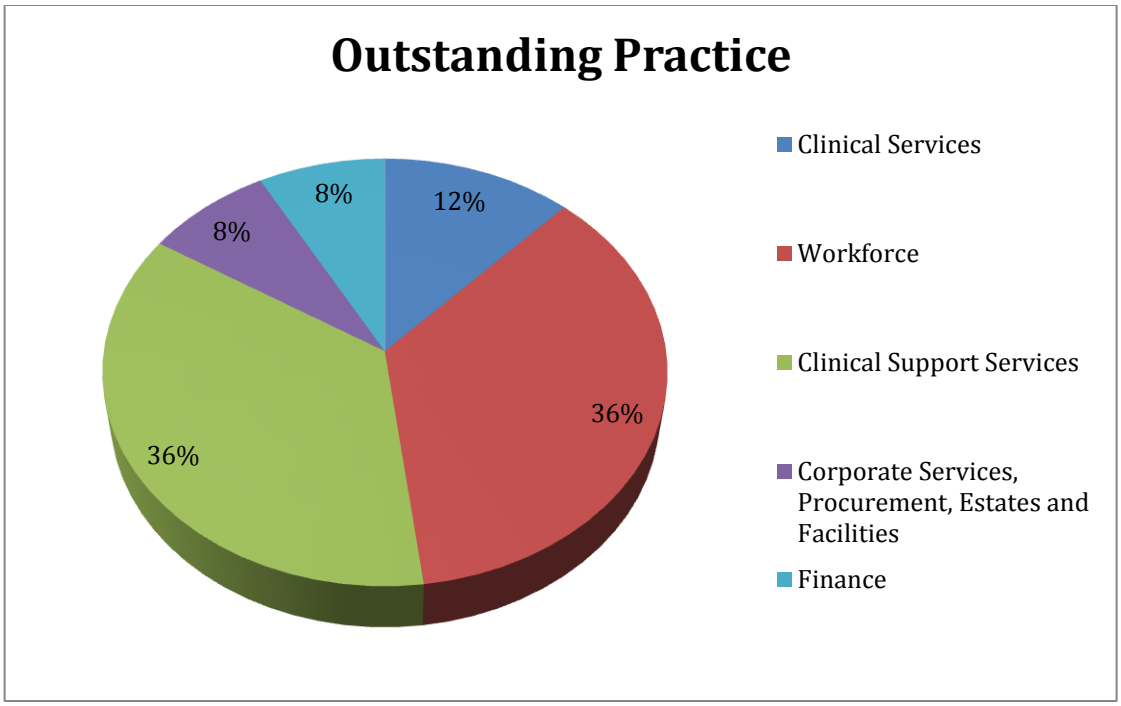
Timings	Meeting	Overview	Trust attendees
14.45	and Finance	Clinical support services KLOE and Corporate services, procurement, estates and facilities KLOE 45 mins: Questions on Finance KLOE	Medical director HR director Chief operating officer Chief pharmacist Head of estates Head of procurement
14.45 – 15.00	NHSI assessment team corroboration session.		
15.00 – 15.30	Overall use of resources	30 mins: Follow up session on findings from the day	Chief executive
15.30 – 16.30	NHSI assessment team corroboration and debrief meeting		
16.30 – 17.00	Summary and wrap up	30 mins: NHSI share early findings and initial recommendations	Chief executive Chair Director of finance Chief operating officer

Immediately following the assessment, NHSI may request further evidence as identified during the on-site visit. This informs the report and ensures there is sufficient and robust evidence to support the proposed rating.

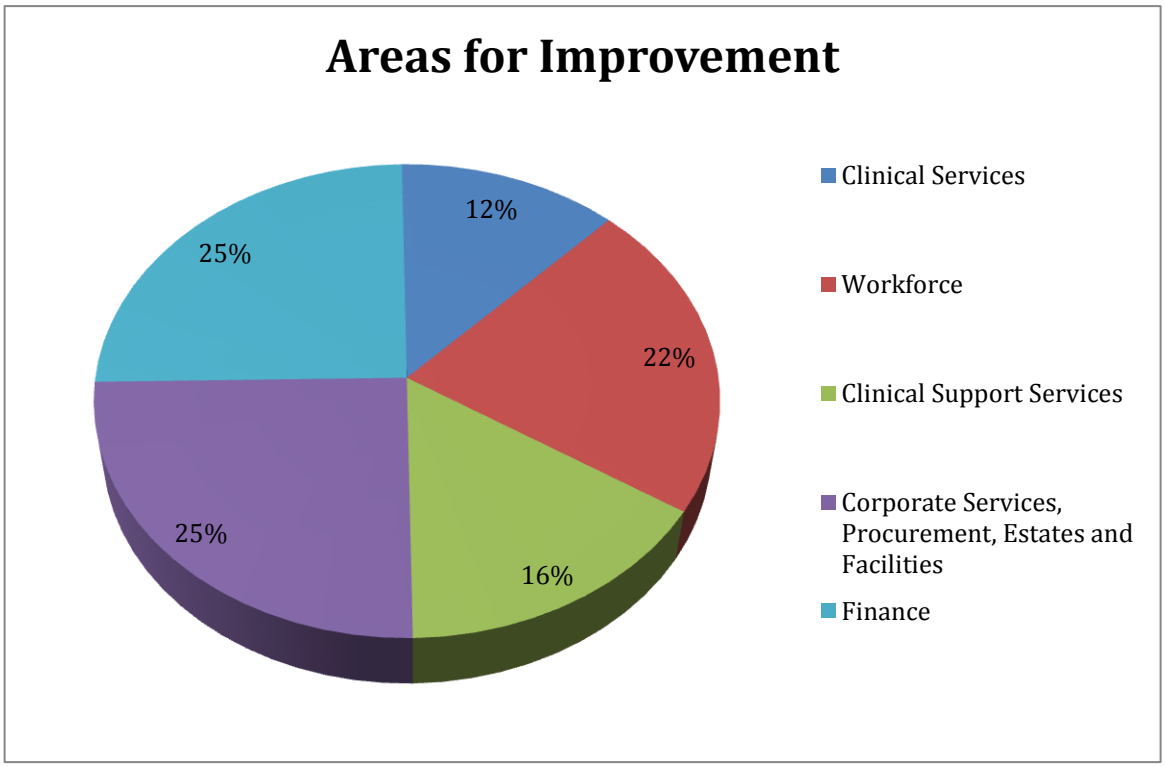
Trusts receive a draft UoR report in the weeks after the assessment and have the opportunity to review it and challenge accuracy and completeness before it is published. Trusts have the opportunity to request a review of the UoR rating after the full report is published.

Outstanding Practice/Areas for improvement

Our analysis of the UoR reports for our eleven clients found that 72 per cent of outstanding practice points were in the KLOE areas of Clinical support services and Workforce. Only 16 per cent related to Clinical services and Finance.



In terms of areas for development highlighted within the reports, the spread across the KLOE areas was more even. Half the identified areas for development were in the corporate services, procurement, estates and facilities and finance KLOE areas.



3. How are trusts responding to Use of Resources assessments?

We consulted with the eleven non-specialist acute trusts audited by either 360 Assurance or Audit Yorkshire who have had UoR assessments to gauge how the trusts had responded to the reports issued by CQC. We also included comments from one of our Business Associates who was seconded to NHSI during 2018 to support the UoR assessment process.

Non-Executive Directors Involvement in the On-Site Visit

NHSI guidance indicates an expectation that the Chair of the Trust Board should attend both the Introductory and Summary and wrap up sessions of the onsite assessment visit. In general, trusts have followed the guidance and in some cases the Board Chair has taken a lead role in introducing the trust to the assessment team. In some cases, a non-executive director other than the Chair, such as the Chair of Finance Committee has attended. At one trust, the Board Chair, Audit Committee Chair and Chair of Finance and Performance Committee attended. In a small minority of trusts, there was no non-executive director representation.

Circulation of the Use of Resources report

The extent to which trusts circulate Use of Resources reports both within and outside the trust varies significantly. A fairly common approach appears to be presentation of the report, either in its complete form or as a summary commentary to the Trust Board for information. Where the Use of Resources report forms part of the CQC inspection report, it is common for the full inspection report and findings to be sent to the Trust Board. Trusts also informed us that reports were sent to Finance, Performance & Investment Committee and another to the Performance Committee. It is interesting that no trust appears to have reported to the Quality or Workforce Committee although ‘clinical services’ and ‘people’ are two of the areas covered in the KLOE’s. Several trusts told us that the Trust Board had received copies of the KLOE commentary either for information or in some cases for comment and agreement.

From our survey, it appears unusual for trusts to share UoR reports with other partner organisations. One trust did however confirm that the report had been shared with the local Clinical Commissioning Group (CCG) as part of the wider CQC inspection report.

Responding to findings

Whilst Use of Resources reports do not include recommendations, they highlight 'Areas for Improvement', as well as acknowledging 'outstanding practice'. As a result, the reports aim to highlight where trusts might focus further efforts to support better outcomes for patients and improved efficiencies.

From our survey, it appears the most trusts include 'areas for improvement' in their action plans. In most cases actions stemming from Use of Resources are incorporated within a wider action plan, often focused on CQC Inspection results. Progress against the actions are monitored and reported in line with the individual trust's performance monitoring arrangements. This is most usually through a Performance Sub Committee and then summarised at Trust Board level. Whilst some trusts have not adopted a formal action plan, actions put in place to address reported areas of weakness, for example procurement are being regularly reported through Finance and Performance Committee.

In some trusts individual actions are reported and monitored at the relevant sub-committee, for example issues raised relating to Clinical Services are monitored by Quality Committee and those relating to the People theme through Workforce Committee.

The transformation team within one trust has supported the development of a toolkit aligned to the Use of Resources KLOEs. As part of the toolkit, Model Hospital data is being extensively used to help to identify opportunities across the KLOE themes and these are being fed into improvement plans.

Trusts reported that they have noticed a change in the interaction they have with NHSI since Use of Resources was introduced. Engagement with NHSI includes discussion on progress being made in the areas of improvement set out in the report and there was a general consensus that as a result of Use of Resources, NHSI now had a better understanding of the challenges trusts were facing and that support work was more targeted than previously.

Use of Resources as a source of assurance

Trusts told us that the findings from the Use of Resources assessments were seen as a source of assurance. Although, interestingly, no trust mentioned Audit Committee having a specific role at post reporting stage.

A common approach adopted by trusts was the cross referencing of Use of Resources findings to risk registers and to action plans. In one case a trust had

referenced the Use of Resources assessment within its annual report, quality report and Annual Governance Statement. The same trust also informed us that the report had been used as evidence to support external audit's Use of Resources opinion.

4. Top Tips

Based on our experience of involvement in UoR assessments our top tips for a trust preparing for an assessment visit are:

1. Ensure that you understand the Model Hospital data and are able to give an explanation of the trust's position. Remember comparative high cost in itself is not necessarily a negative story. Consider what benefits there are to patients and stakeholders from the trust's investment.
2. Don't overlook the obvious. Relatively minor improvements can often have a significant benefit to patients.
3. Don't treat the assessment as purely a finance related exercise. Finance is only one of the five KLOE areas, try and give equal weight to all five.
4. Remember that the assessment is heavily based on performance over the last 12 months. Do not overly focus on governance issues (strategies/plans/etc). These are mainly covered elsewhere within the SOF.
5. Use the commentary wisely. Some trusts provide too much information, resulting in the main points they want to convey being obscured. Focus on the outlying Model Hospital data – 'good performance' – how was this achieved and 'poor performance' – reasons why and if high cost what additional benefits are being delivered.
6. Learn from others – engage with local/similar trusts who have had assessments – what worked for them and what did not.
7. Involve 'patient facing' staff in the assessment process. They are often best placed to relate how service delivery is benefiting patients – personal stories are powerful.
8. Involve non-executive directors in the assessment day particularly in the introductory session. Identify a role within the presentation team e.g. give an overview of the area served by the trust and the demographics.

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