

NHS Providers: NED Network

Mark Ward, Operational Productivity Director of Engagement
Matt Woodburn, Model Hospital Governance and Delivery Manager
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Operational Productivity

- Lord Carter's review into operational productivity found that in the NHS and hospitals internationally, high-quality patient care and good value go hand-in-hand
- The new Operational Productivity directorate is supporting acute trusts to identify what good looks like across every area of the hospital with the aim of saving £5bn of efficiencies by 2020-21
 - £1bn through better procurement;
 - £2bn of efficiencies by improving workforce productivity and reducing unwarranted variation in clinical practice;
 - £1bn by transforming hospital pharmacy and medicines; and
 - £1bn through better management of estates and facilities

New priorities this year: pathology services consolidation and corporate services consolidation

Expanding scope to include new sectors: mental health and community

Progress to date



Improvement

- Hospital pharmacies' uptake of better value biosimilars Infliximab and Entarecept has **saved nearly £40m**;
- Annual estates and facilities **energy cost savings of more than £40m**;
- The new NHS procurement benchmarking tool's preliminary data shows **up to £70m annual savings** where trusts should be securing the median price across a sample of products and **up to £270m savings if they secured the best prices**;
- Getting It Right First Time programme to improve efficiencies and patient outcomes in trauma and orthopaedics has **saved approximately £50m of efficiencies**;
- **E-rostering pilot** helped reduce the cost per caring hour through less reliance on agency staff (down from 5 percent to 2 percent) and improve patient care.

Consolidation: pathology and corporate services

NHS Improvement's *Strengthening Financial Performance and Accountability in 2016-17* document set an expectation that all 238 trusts were to establish plans to **consolidate pathology services and consolidate corporate services.**

This is in order to identify opportunities and help draw up locally agreed plans **to save approximately £500m over three years.**

Jim Mackey's letter to the NHS in July 2016 asked all trusts to produce a 2-pager setting out their plans across the 44 STP footprints.

Some trusts and STP footprints have given this considerable thought, others were only at the start of their collaborative working;

Consolidation: pathology and corporate services

Good examples of where pathology consolidation has already taken place:

- University College London, Royal Free, The Doctors Laboratory, and North Middlesex are consolidating services under the Health Services Laboratory banner. Two of these partnerships have nearly completed their next phase of consolidation with the Health Services Laboratories expecting to move into their new central London hub by the end of 2016.
- Surrey Pathology Service is now incorporating Royal Berkshire to form Berkshire and Surrey Pathology Services. This will result in further savings of £7m per annum for the network;
- North West London will also be consolidating the majority of pathology services within Imperial College NHS Trust resulting in savings of approximately £9m per annum.

Consolidation: pathology and corporate services

On corporate services, the preliminary data is showing us it's not such a good story.

- Consolidation and outsourcing is still very immature For example for something as obvious as payroll only 30% of trusts have properly outsourced their service.
- For accounts payable it's even worse at 14% outsourcing their service;
- Further unwarranted variation we are seeing includes some trusts paying as much as £6 per payslip others under £2;

New sectors: mental health and community

The **NHS spends around £20 billion annually on mental health and community health services.**

Key for us to expand our approach to these sectors (and beyond) to find wider system efficiencies

We will **be working with the 57 mental health trusts, 18 community providers and the many acute trusts** that provide community services.

Engagement with these trusts has already started and so far has been very positive.

The aim is to work with the sector to define what good looks like. The initial scope will be data driven and cover:

- Understanding the funding flows;
- Understanding the services provided;
- Understanding the costs of services provision, including relative costs across pathways;
- Identifying initial data on performance and variations;
- Identifying opportunities and examples of good practice;

We will **work with a cohort of trusts** to work with to help us develop our ideas and the evidence base. Contact Luke Edwards, Director of New Sectors at luke.edwards1@nhs.net

Expect to **report back in Autumn 2017, however we will share when early opportunities** are identified

The Model Hospital

The Model Hospital is a key strand of work to improve hospital productivity

- The NHS is expected to deliver efficiencies of 2-3% per year and in June 2014 Lord Carter of Coles was asked to look at what could be done to improve efficiency in hospitals in England.
- The Carter Report (February 2016) focused on English non-specialist acute hospitals. The report identified wide variation in acute hospital productivity and efficiency, with unwarranted variation as well as warranted variation. It made a set of recommendations to make efficiencies over the next few years.
- The Carter team engaged with an expanding cohort of trusts to collaborate and support trusts in identifying savings.

The Model Hospital aims to help trusts identify opportunities

VISION

If all trusts could perform at least as well as the current average performers in all areas, the NHS will save at least £5bn each year within the next 3 to 4 years

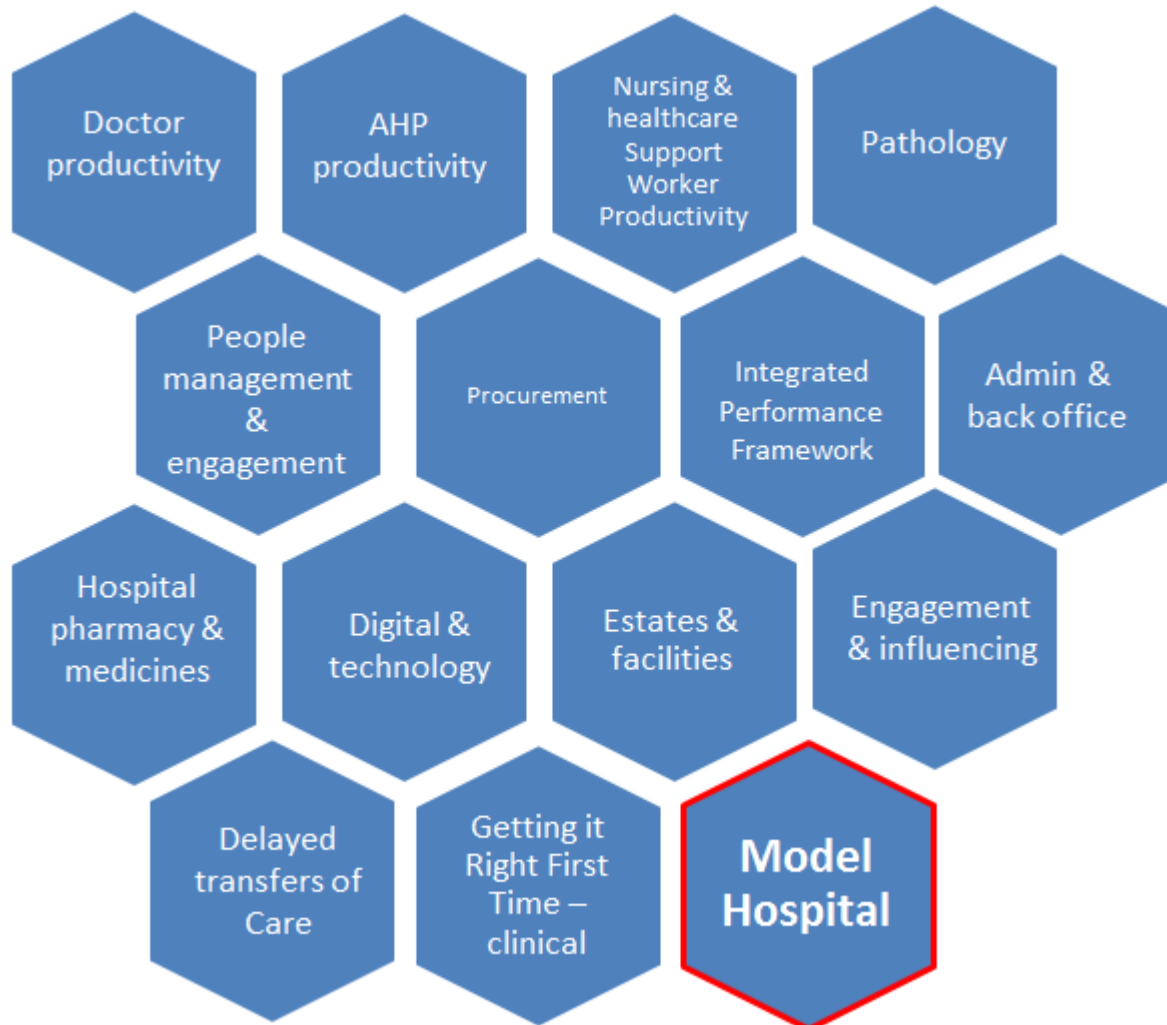


The model hospital will provide a nationally available information system relating to metrics of productivity, efficiency and quality of care



It will provide information in support of trusts developing a greater understanding of their performance, and how it compares nationally, as well as with smaller peer groups

The Model Hospital is an enabler for the other Carter projects



The home page is intuitive & easy to use

NHS Improvement Model Hospital Portal
 Welcome Catherine, please select a provider:
 Sheffield Teaching Hospitals NHS Foundation Trust (RHQ) ▼

Home Guidance My Account

Model Hospital **Dashboard**

MODEL HOSPITAL FOR SHEFFIELD TEACHING HOSPITALS NHS FOUNDATION TRUST

BOARD LEVEL DASHBOARD

Safe Effective Caring Responsive People: Well-led Money & Resources **Test Headline Metrics**

1. CLINICAL SERVICE LINES

- Emergency Medicine
- General Medicine
- General Surgery
- Geriatric Medicine
- Paediatrics
- Cardiology
- Critical Care
- Trauma & Orthopaedics**
- Obstetrics & Gynaecology
- Vascular
- Urology
- Neurosurgery
- Ear, Nose & Throat
- Oral & Maxillofacial
- Ophthalmology

2. OPERATIONAL

- Inpatients
- Outpatients
- Radiology
- Theatres
- Pharmacy & Medicines**
- Pathology**
- Community Nursing
- Patient Booking & Scheduling
- Resource Scheduling
- Procurement**
- Back Office & Admin**
- Estates & Facilities**

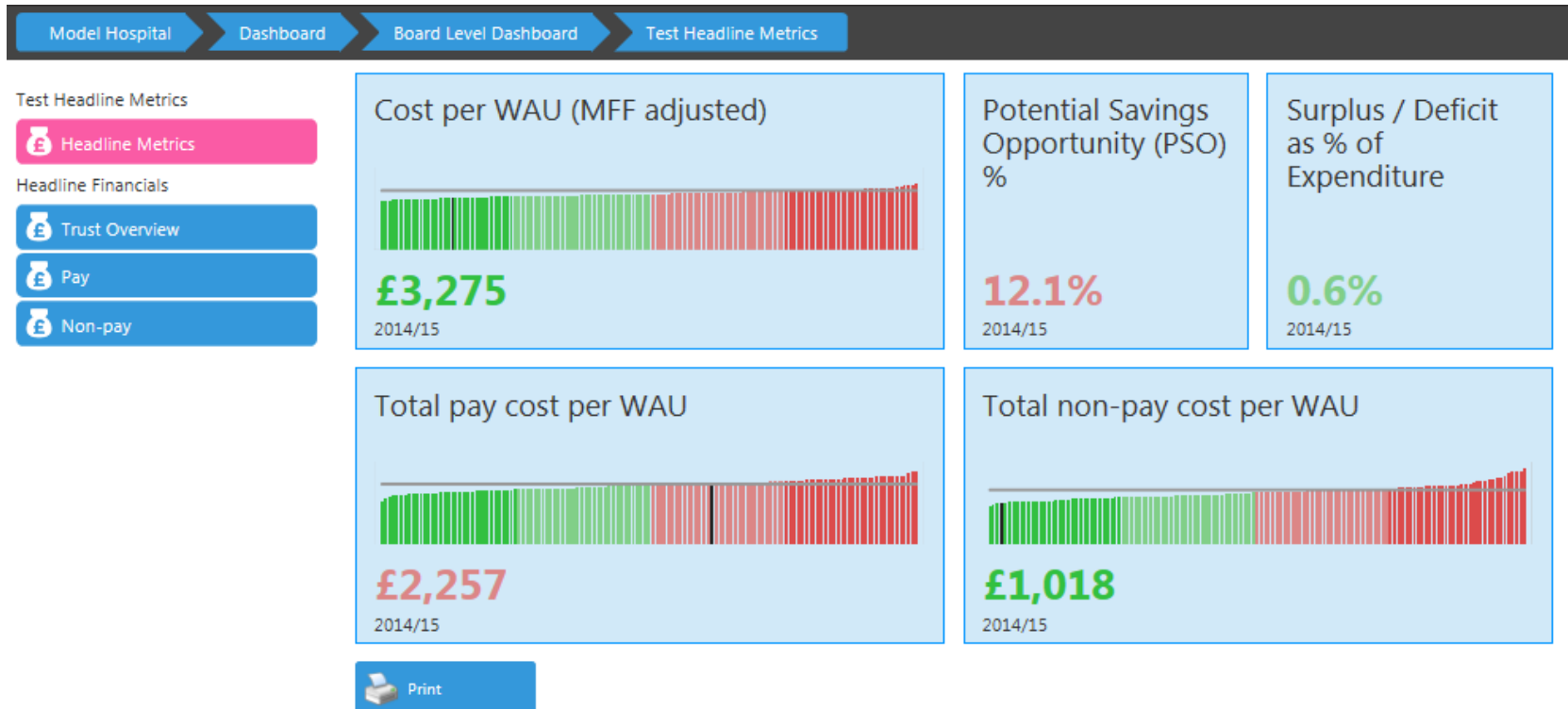
3. PEOPLE

- Doctors
- Nursing & Midwifery**
- Allied Health Professionals
- Other Clinical Staff
- Non-Clinical Staff
- Doctor Productivity
- Test Workforce Analysis**

4. PATIENT EXPERIENCE

- Patient Experience

Landing pages for each compartment show key metrics



Users can drill down to see much greater granularity

Test Headline Metrics

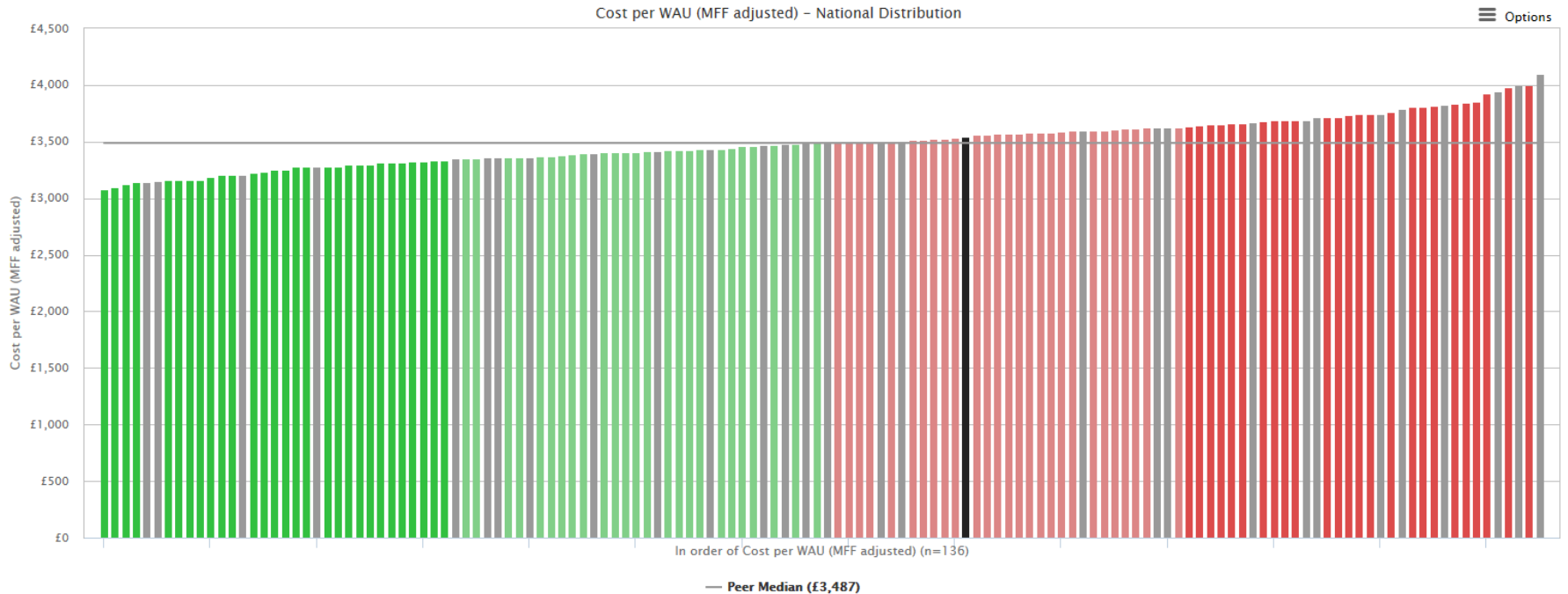
- Headline Metrics
- Trust Overview
- Pay**
- Non-pay

Test Headline Metrics, Pay

All pay costs	Trust Actual	Lower Quartile	National Median	Upper Quartile	Peer Median	Info	Distribution
Total pay cost per WAU	£2,257	£2,053	£2,186	£2,338	£2,188		
Pay costs by employment type	Trust Actual	Lower Quartile	National Median	Upper Quartile	Peer Median	Info	Distribution
Substantive staff cost per WAU	£1,941	£1,798	£1,901	£2,021	£1,810		
Non-Substantive staff cost per WAU	£315	£215	£287	£343	£317		
Uncapitalised staff cost %	100.0%	99.4%	99.7%	99.8%	99.1%		
Substantive staff by type	Trust Actual	Lower Quartile	National Median	Upper Quartile	Peer Median	Info	Distribution
Medical staff cost per WAU	£463	£473	£523	£570	£495		
Nursing staff cost per WAU	£743	£662	£730	£804	£756		
AHP and STT staff cost per WAU	£330	£176	£200	£233	£196		
Healthcare science staff cost per WAU	£73	£63	£83	£100	£76		
Corporate, admin, and estates staff cost per WAU	£332	£297	£357	£408	£351		
Corporate and admin staff cost as % of income	8.8%	7.1%	7.9%	8.7%	8.3%		
Non-Substantive staff by type	Trust Actual	Lower Quartile	National Median	Upper Quartile	Peer Median	Info	Distribution
Agency staff cost per WAU	£293	£105	£149	£210	£177		
Other Non-Substantive staff cost per WAU	£22	£85	£120	£166	£136		



National distribution is shown for all metrics



Close

We are populating the portal incrementally – compartments live now are:



Improvement

- **Headline financial metrics**
- **Headline workforce metrics**
- **Nursing & Midwifery**
- **Pharmacy & Medicines**
- **Estates & Facilities**
- **Visitor Cost Recovery**

More updates coming soon:

- **Ward-level Nursing & Midwifery**
- **Emergency Medicine**
- **Orthopaedic Surgery**
- **Headline financial metrics updated with 2015-16 performance data**
- **New and refreshed metrics for:**
 - *Pharmacy and Medicines*
 - *Trust Level Nursing*
 - *Estates and Facilities*

And by April 2017, a much wider spread of metrics:

- | | |
|---|--|
| <ul style="list-style-type: none">• Allied Health Professionals• Doctor Productivity• Initial metrics for most clinical specialties• Pathology• Back office | <ul style="list-style-type: none">• Procurement• Commercial income• Initial metrics in a Board-level dashboard• Initial metrics in a patient experience compartment |
|---|--|

The Model Hospital is developing at pace



Improvement

Total number of users: 1,900

Average weekly page hits: 5,809

Average weekly logins: 431

Total number of metrics: 506

Total number of data points: 147,129

What's this got to do with me?

- Model Hospital contains independent information you can use to challenge and support your executive Board members
- You can use the Model Hospital to identify specific areas of activity within your trust and how performance compares with that of peers
- In time, will be “single version of the truth”, used by NHS Improvement, CQC and NHS England – although not yet.
- Encourage trust colleagues to use the portal and help us refine and improve it

Questions and discussion

- How could the Model Hospital help your trust? What support and information do you need to do your job more effectively?
- What features would you most like to see on the Model Hospital?

Contacts for more information

Operational Productivity Division, NHS Improvement

NHSI.productivity@nhs.net

Mark Ward, Director of Engagement and Implementation

mark.ward12@nhs.net

David Ashby, Head of Model Hospital Portal Delivery

David.Ashby4@nhs.net

Matt Woodburn, Model Hospital Governance and Delivery Manager

Matt.Woodburn@nhs.net