

Approved Costing Guidance

Costing Glossary¹

March 2021

¹ Please refer to the [NHS Data Model and Dictionary](#) for terms that are not listed in the costing glossary

Glossary of terms

A

Term	Definition	Sector
A&E unit	NHS Accident & Emergency (national code 01) are defined as a consultant led 24-hour service unit with full resuscitation facilities in acute hospitals. This term is used for costing as a subset of 'Emergency Department' which includes minor injury units, urgent treatment centres and walk-in centres.	Acute
Activity	A measurable amount of work performed using resources to deliver the services to patients to achieve desired outcomes: eg a procedure in theatre, pathology test or therapy contact.	All
Activity count	The number or duration of activities in the national cost collection that are undertaken: eg number of tests or time spent in theatre in minutes.	All

Activity field	A particular data field in an activity feed: eg 'attendance identifier' is an activity field in the non-admitted patient care (NAPC) feed.	All
Actual WTE	This is the real whole time equivalent (WTE) numbers of staff, as shown in the general ledger, and represents the actual cost of staff (in a particular service area) in the period. For example: one full time staff member is 1 WTE. One part-time staff member doing 12 hours per week in a 40-hour week is 0.3 WTE. This is now used in the allocation method for designated support costs.	All
Acuity	The measurement of intensity of care: for example, nursing acuity is the measurement of the intensity of nursing care required by a patient. An acuity-based staffing system regulates the number or grade of nurses on a shift according to patients' needs.	All
Admitted patient care (APC)	An overarching term covering patients who have been admitted to a hospital: eg ordinary elective admissions; ordinary non-elective admissions; day cases; regular day admissions; regular night admissions.	Acute, Mental health, Community
Aggregated costs	Some costs may be reported separately in the general ledger , but for patient-level costing these costs need to be aggregated	All

	when creating the cost ledger . Standard CP2: Clearly identifying costs contains more detail on where this is appropriate. ²	
Allocation to mobile	The time from the moment a response unit is allocated to an incident until it moves to travel to the scene. This includes preparing the crew and vehicle to move once assigned to the incident.	Ambulance
Anonymised record	Where a patient record is brought into the costing system without any patient identifiable information, for example where there is sensitive/legally restricted data. This is not a proxy record; it is a real record without patient identifiable detail.	All
Approved Costing Guidance	The inclusive term for the costing standards and the <i>National cost collection guidance</i> .	All
Associate	Two companies are 'associated' if one company is a subsidiary of the other or both are subsidiaries of the same body corporate.	All
Assurance tools	Tools provided by NHS England and NHS Improvement to help develop and maintain an assurance process that will promote continued improvement of costing in trusts: for example,	All

² See <https://www.england.nhs.uk/approved-costing-guidance/>

	information gap analysis template (IGAT), standards gap analysis template (SGAT), costing assessment tool (CAT), integrated costing assurance log (ICAL).	
Audit trail	A record of where data comes from and the decisions that have been made to generate reports, data feeds and ledgers. This makes costing outputs transparent.	All
Auxiliary data feeds	The patient-level activity feeds that will be matched to the master feeds: eg pharmacy feed.	All

B

Balance sheet	A section of the general ledger for holding the value of assets and liabilities of the organisation. Balance sheet items are not necessarily required in the costing process.	All
BDO report	This is the blueprint for the Costing Transformation Programme .	All
Budgeted headcount	<p>The planned number of staff to run a department, service or ward. This is often included in financial reports or produced by financial management staff for their annual 'start point' budgeting report.</p> <p>Budgeted headcount has been replaced by actual WTE as an allocation for designated support costs.</p>	All

C

Care cluster or cluster	National currencies that group patients of mental health services according to common characteristics, such as level of need and resources required.	Mental health
Care professional	An individual who is formally trained or employed to care for patients: eg nurses, therapists, support workers and social workers.	Mental health
Casemix	A way of describing and classifying healthcare activity. Patients are grouped according to their diagnoses and the interventions carried out.	Acute
Child	<p>The National Service Framework for Children, Young People and Maternity Services³ defines children and young people as 'under 19 years', with the caveat that 'the age ranges for service provision will vary according to the different agencies' statutory obligations.'. Therefore, for the purposes of the NSF an adult is someone who is aged 19 years and over.</p> <p>These age ranges are generally applied in HRG4+. We therefore use these age definitions in the Approved Costing:</p>	All

³ <https://www.gov.uk/government/publications/national-service-framework-children-young-people-and-maternity-services>

	except where specified, eg cystic fibrosis categorises children as 16 years and under.	
Clinic attendance	General term for when patients attend a healthcare professional in a clinical setting. These can be booked or ad hoc. One patient may visit the healthcare professional(s) holding the clinic or a succession of patients during a clinic session. Includes clinics held by community care professionals in clinical settings (see also Community clinic attendance) and hospital clinics (see Outpatient attendance).	All
Clinical engagement	<p>Involving clinicians and healthcare professionals in developing costing methods and practices, and to make use of the costed data.</p> <p>Clinicians and healthcare professionals are the organisation's public face. They may remain in the same post for many years and have considerable NHS experience, which gives them a wealth of knowledge about the system's strengths and weaknesses. Their decisions and actions bear directly on the use of the organisation's resources. For more information on clinical engagement, see the Department of Health and Social Care's guide to effective clinical and financial engagement.⁴</p>	All

⁴ www.gov.uk/government/publications/nhs-clinical-and-financial-engagement-best-practice

Clinical excellence awards (CEAs)	Awarded in England to NHS consultants and academic GPs who perform 'over and above' the standard expected of their role.	All
Collection resource	A collection resource is an aggregation into groups with shared characteristics for reporting to NHS England and NHS Improvement. They can be found on the within the extract specifications on our website .	
Collection year	The cost collection year starts on 1 April and ends on 31 March. The year used to describe the cost collection year is the year it is collected in, so the 2019 cost collection will be for data from 1 April 2018 to 31 March 2019.	All
Commercial activities	Any activity a provider undertakes to generate a commercial return outside its directly commissioned healthcare contracts.	All
Commercial income	Income relating to non-patient care income. Historically this was referred to in the financial accounts as Category C income . This should be shown separately for costing and reported in the reconciliation statement. For the PLICS collection, this income should be netted off from the cost of providing the service that generated the income.	All

Community care contact	Where a healthcare professional visits one patient in their own residence (or place outside a clinical setting). Can be booked or not booked. Specifically, as recorded on the Community Services Data Set (CSDS). Carer(s) may be present, but multiple patients do not attend the location sequentially.	Community
Community clinic attendance	A clinic attendance where a patient or patients visit a healthcare professional in a clinical setting – specifically as recorded on the Community Services Data Set (CSDS). These can be booked or ad hoc. One patient may visit the healthcare professional(s) holding the clinic or a succession of patients during a clinic session. (See Outpatient attendance for hospital clinics and those recorded on the CDS.)	Community
Commissioning Data Sets (CDS)	CDS form the basis of data on activity carried out by NHS trusts reported centrally for monitoring and payment purposes. They support the current Healthcare Resource Group (HRG) version 4 for calculation of payment to trusts and monitoring of other initiatives including the 18 weeks Referral to Treatment standard.	Acute
Community first responder (CFR)	CFRs respond to local emergency calls and provide life-saving first aid in the vital minutes before an ambulance arrives.	Ambulance, Community

Community mental health team (CMHT)	Care professionals who assess and provide care to patients in a non-admitted care setting. They can also visit and review patients admitted to a ward or similar inpatient care setting.	Mental health
Community Services Data Set (CSDS)	This is a national dataset ⁵ collected by NHS Digital, It allows community service providers and commissioners to view local and national information from community services, to improve patient care.	Community
Community setting	This may include the patient's own residence, a health centre or a primary care facility. In the mental health sector, it may also include temporary accommodation, hostels or other locations.	All
Comparison against peers	The practice of comparing performance internally and externally based on key performance indicators of financial and/or care practice.	All
Complications and co-morbidities	Many HRGs differentiate between care provided to patients with and without complications and co-morbidities. Complications may arise during a period of healthcare delivery that prolongs the length of stay. Co-morbidities are pre-existing conditions that	All

⁵ <https://digital.nhs.uk/data-and-information/data-collections-and-data-sets/data-sets/community-services-data-set>

	affect the treatment received and/or prolong the length of stay: eg diabetes or asthma.	
Computer-aided dispatch (CAD)	The system that helps dispatchers, crews and call handlers respond to an incident , and which logs information from a response, including job-cycle timestamps.	Ambulance
Consultant episode	The time a patient spends in the continuous care of one consultant using the hospital site or care home bed(s) of one healthcare provider, or in the case of shared care, in the care of two or more consultants. Where care is provided by two or more consultants within the same episode, one will take overriding responsibility for the patient and only one consultant episode is recorded. Additional consultants contributing to a patient's care are called shared-care consultants. A consultant episode includes episodes for which a GP is acting as a consultant.	Acute, Mental health, Community
Consumables (consumable items)	Items used in delivering patient care that are intended to be single use, eg swabs after a theatre procedure or food in an occupational therapy session.	All
Core healthcare resource group (HRG)	The core HRG is the unit that covers the primary diagnosis and procedure after removing any unbundled activity.	All

Cost allocation method	The process of distributing costs from a pool of costs to an appropriate destination, using resource and activity.	All
Cost categorisation	To ensure costs are categorised in a consistent way, the standardised cost ledger in the technical document categorises costs according to whether they are patient-facing or support.	All
Cost centre	The code used in the general ledger (and cost ledger) to identify a department or service.	All
Cost classification	Costs are classified as either fixed, semi-fixed or variable to ensure they are categorised consistently across all providers. This classification is not part of the costing process but shows how costs behave based on the level of activity. The definitions adopted for fixed, semi-fixed and variable costs are detailed in Standard CM15: Cost classification.	All
Cost driver	Any factor that causes activities and costs to vary, such as length of stay in hospital.	All
Cost ledger (standardised)	Provides a complete record of financial expenditure and income incurred by an organisation. Information reported in the cost ledger will be based on entries made in the general ledger and	All

	ensures the costs are in the correct starting place to begin costing across all providers.	
Cost model	Contains the costing rules for importing, validating and allocating costs to activities, and then allocating these costed activities to patient events or incidents.	All
Cost object	The final destination for the costs originating in the general ledger and defined by the records that a provider maintains: eg care records. For example, a patient cost object in acute care may be an episode of care, which has a clear start and end date and well-understood interventions taking place in between. There will also be cost objects for non-patient services (such as education and training , research and development) and commercial items such as car-parking costs.	All
Costing approaches	Standards that focus on high volume or high value procedures and procedures that can be difficult to cost. They should be implemented after the costing methods and prioritised by volume and value of the activity to your organisation.	All

Costing assessment tool (CAT)	An improvement tool developed by NHS England and NHS Improvement to allow costing practitioners to record and measure their progress against the costing standards. Scores from the CAT will be included in the national PLICS portal for benchmarking as well as identifying productivity opportunities and the development of the national tariff . The CAT may also form the basis of providers assessment under the costing assurance programme.	All
Costing assurance programme	The aim of the assurance process is to provide evidence of the work undertaken and the reasoning behind the decisions made. ⁶	All
Costing glossary	Descriptions of terminology used in the patient-level information and costing systems (PLICS) standards for all sectors and the national cost collection guidance.	All
Costing methods	These focus on high volume or high value services or departments . They should be implemented after the information requirements and costing processes which form the core standards. The costing methods should be prioritised based on the value and volume of the service for your organisation.	All

⁶ For details of the costing assurance programme, see <https://improvement.nhs.uk/resources/costing-assurance-programme/>

Costing principles	Seven costing principles inform the standards and improve the accuracy, consistency and relevance of costing. They are described in the costing principles section of the <i>Approved Costing Guidance</i> .	All
Costing processes	These standards describe the costing process you should follow. They describe the role of the general ledger , how to ensure costs are clearly identified and appropriately allocated to activities, and how these activities should be accurately matched to patients. The costing processes also detail the process of reconciliation of both cost and activity data, and the assurance of the cost data.	All
Costing Resource	Components used to deliver activities, such as staff, equipment or consumables. The cost ledger includes a mapping of costing account codes to a prescriptive list of costing resources provided by NHS Improvement in the costing standards technical document . Also called 'implementation resource' in previous documents.	
Costing Transformation Programme (CTP)	NHS Improvement's programme to move from reference costs collection to patient-level costing collection. This will improve the quality of costing information throughout the NHS and	All

	support providers to deliver more effective and efficient outcomes. For more background information see our website .	
Cumulative year-to-date data loading	Extracting data from the patient-level feeds and loading it into the costing system by replacing the old data with an updated year-to-date dataset every month.	All
Currency	A unit of healthcare activity such as HRG , spell , episode or attendance.	All

D

Data feeds	A set of data generated from a system of records held by an organisation, which is imported into the costing system.	All
Data quality	The degree of completeness, consistency, timeliness and accuracy that makes data appropriate for a specific use.	All
Data validation tool (DVT)	The NHS England and NHS Improvement DVT assesses the data quality of the CSV files produced by the costing software and creates the XML files needed for the submission.	All
Delivery of care (for children with cystic fibrosis)	<p>There are two models for the delivery of care for children with cystic fibrosis:</p> <ul style="list-style-type: none"> • full care delivered entirely by a specialist cystic fibrosis centre • shared care delivered by a network cystic fibrosis clinic, which is part of an agreed designated network with a specialist cystic fibrosis centre. The network cystic fibrosis clinic is linked to and led by a specialist cystic fibrosis centre. 	Acute
Depreciation	An accounting method to allocate the cost of a tangible or physical asset over its useful life or life expectancy. This helps	All

	companies earn revenue from a depreciating asset while expensing a portion of its cost each year the asset is in use.	
Direct costs	Costs that directly relate to the delivery of patient care: eg medical and nursing staff costs.	All
Disaggregated costs	Some costs may be reported in the general ledger at a level that is not detailed enough for patient-level costing : multiple costs are combined. These costs need to be disaggregated when creating the cost ledger , using an appropriate method. Standard CP2: Clearly identifying costs contains more information on disaggregating costs.	All

E

Education and training (E&T) costs	Costs that relate directly to delivering E&T and are driven by E&T activity.	E&T transitional method
Education and training (E&T) programmes	These are a recognised part of the E&T curriculum and approved by the Higher Education Institute and relevant regulatory body. They provide clinical and mentoring support as defined by the relevant regulatory body.	E&T transitional method
Electronic patient report form (EPRF)	See patient report form . A paperless version of the patient administration system (PAS) that makes patient information easier to store and look up.	All
Electronic staff records (ESR)	System containing staff payroll data.	All
Emergency Department	This is used for costing as the combined term for accident & emergency units (24-hour service unit in acute hospitals), minor injury units, urgent treatment centres and walk-in centres.	Acute/Community
Emergency operations centre (EOC)	Where call takers, dispatchers and clinicians receive emergency calls and co-ordinate responses to them.	Ambulance

Escort	A staff member who accompanies a patient from a healthcare setting for the patient's and others' safety.	Mental health
Excess bed days	Days that are beyond the trim point for a given HRG.	Acute, Mental health, Community
Expenditure	Money spent on resources , including support resources, as reported in the general ledger output. Standard CP1: Ensuring the correct cost quantum and Standard CP2: Clearly identifying costs explain how expenditure should be extracted from the general ledger and prepared for the costing system.	All
Expense code	A code given to a cost to group entries in a general ledger . An expense code can be unique to one cost centre or appear in several cost centres in the ledger download.	All
External audit	A systematic and independent examination of an organisation's accounts, statutory records, documents (including non-financial disclosures) by an independent body. This examination applies the accounting concept of 'true and fair', ensuring the financial statements are free from material misstatements and faithfully represent the organisation's financial performance.	All

F

False-positive matches	Cases where activity data has been matched incorrectly to a patient episode, attendance or contact.	All
Finance costs	Interest, income taxes and other such expenditure (NHS trusts).	All
Finance income	Amounts earned on money invested (foundation trusts).	All
Financial expenses	Interest, income taxes and other such expenditure (foundation trusts).	All
Financial liabilities	Interest, income taxes and other such expenditure (foundation trusts).	All
Finished consultant episode (FCE)	A completed episode of patient treatment under the care of one consultant within one provider. If a patient is transferred from one consultant to another, even within the same provider, the episode ends and another begins.	Acute, Mental health, Community
Fleet costs	Fleet costs cover the running and maintenance of vehicles, including cleaning and repairs.	Ambulance
FP10hp or FP10	The FP10 is a prescription that can be used by a GP, nurse, pharmacist prescriber, supplementary prescriber or hospital doctor in England. When used in a secondary care setting, the	Acute, Mental

	<p>medication can be issued from any pharmacy. The prescription information and cost are recorded separately and charged to the hospital provider. The form used to authorise the recharge is called FP10hp.</p>	<p>health, community</p>
<p>Fully absorbed costs</p>	<p>Costs from a cost centre, specialty or other organisational unit that include not only the patient-facing element relating to the expenditure incurred but also the allocated support-cost element from support functions such as estates, human resources and finance.</p>	<p>All</p>

G

General ledger	Main accounting record for financial transactions by an organisation, including transactions for assets, liabilities, accounts payable, accounts receivable and other information used for preparing financial statements.	All
General ledger to cost ledger auto-mapper application	An application developed by NHS England and NHS Improvement to help map your general ledger expense codes to the standardised cost ledger expense codes , thereby reducing the burden of this exercise.	All
Group activity	Within a group session , each patient contact counts as one activity and will receive a share of the resource used to provide the session.	Mental health, Community
Group session	An 'appointment' where more than one patient receives care from one or more care professionals at the same time. This can be while admitted, or in a non-admitted patient care setting.	Mental health, Community

H

Handover to clear	<p>The period during which the crew and vehicle are made ready to respond to another incident.</p>	<p>Ambulance</p>
Hazardous area response team (HART)	<p>A team of paramedics and other emergency medicine practitioners trained and equipped to operate in hazardous areas such as disaster zones or those contaminated by hazardous chemicals or radiation.</p>	<p>Ambulance</p>
Headcount	<p>The total number of employees in an organisation (or a defined section of an organisation) who have one or more employment contracts at the reporting date. The headcount will be one for an employee who holds two or more contracts in the same team/department. However, if they work for two separate teams/departments, the count will be two. We recognise that this may lead to counting one employee twice.</p> <p>An employee is someone recruited on a permanent or fixed-term contract. This excludes bank, agency and locum staff.</p> <p>Reporting date refers to the date on which the relative weight values were created or updated (one way of holding these values is in a statistic allocation table).</p>	<p>All</p>

Healthcare professional	An individual associated with either a specialty or a discipline and who is qualified and allowed by regulatory bodies to provide a healthcare service to a patient.	All
Healthcare resource group (HRG)	Groupings of clinically similar treatments that use similar levels of healthcare resource. HRGs are used as the basis for many of the currencies. HRG4+ is the current version for 2017/19 tariff.	All
Hear and treat	Telephone advice that callers who do not have serious or life-threatening conditions receive from an ambulance service after calling 999. They may receive advice on how to care for themselves or where they can go for assistance.	Ambulance
Health promotion programmes	Health promotion programmes are delivered to groups rather than individuals and are directed towards particular functions (such as parenthood), conditions (such as obesity) and aspects of behaviour (such as drug misuse).	All
Hidden activity	Activity that takes place but is not recorded on any of your organisation's main systems, such as PAS . It must be identified for payments and clinical governance for the costed activity to be correct.	All

Hierarchical allocation method	<p>A method of allocating support services costs to support services in one direction: for example, finance department costs can be allocated to IT, but IT department costs cannot be allocated to finance even if finance consumes IT resources. The standards specify that a reciprocal allocation method should be used instead because it more accurately represents the interactions between support services, so ultimately allows more accurate support costing at the patient level.</p>	All
HIV bands	<p>Category 1 (new patients) are newly diagnosed or have newly started on antiretroviral therapy (ARV medicines). These patients require more intensive clinical input than Category 2 (stable patients) in the first year of diagnosis. This includes a greater number of more complex diagnostic tests and more frequent clinic visits with a greater input from multidisciplinary teams.</p> <p>Category 2 (stable patients) covers patients who do not have one of the listed Category 3 complexities and are either not on ARV medicines or started ARV medicines more than one year ago. This category covers most patients and therefore should be used as the default category unless Category 1 or 3 criteria can be demonstrated and validated.</p>	Acute, Community

Category 3 (complex patients) covers patients who need high levels of maintenance. Complexities are:

- current tuberculosis co-infection on anti-tuberculosis treatment
- treatment for chronic viral liver disease
- oncological treatment
- active AIDS diagnosis requiring active management in addition to ARV medicines (not inpatient care)
- HIV-related advanced end-organ disease
- persistent viraemia on treatment (more than six months on ARV medicines)
- mental illness under active consultant psychiatric care
- HIV during current pregnancy.

Home care	Where the patient is cared for in their own home as though they were in hospital: eg a patient ‘transferred’ home for intravenous antibiotics rather than being ‘discharged’ home. The home care may be provided by the same provider or a contractor.	Acute, Mental health, Community
Home leave	Mental health term for a patient spending up to six days in their own residence while a bed at the inpatient unit is held open for them.	Mental health

Home visit	A patient contact in the patient's normal place of residence (excludes prison contacts).	Acute, Mental health, Community
Hospital ambulance liaison officers (HALO)	Staff who liaise between hospitals and the ambulance service, especially during patient handover.	Ambulance
Hospital Episode Statistics (HES)	A data warehouse containing details of all admissions, outpatient appointments and A&E attendances at NHS hospitals in England. This data is collected during a patient's treatment at a hospital to enable hospitals to be paid for the care they deliver. HES data is designed to enable secondary use for non-clinical purposes. For more information see the HES section of the NHS Digital website . ⁷	Acute, Community

⁷ <https://digital.nhs.uk/data-and-information/data-tools-and-services/data-services/hospital-episode-statistics>

IAPT	IAPT stands for Improving Access to Psychological Therapy and is an NHS service designed to offer short-term psychological therapies. The NHS programme in England offers interventions approved by the National Institute for Health and Care Excellence (NICE) for treating people with depression or anxiety.	Mental Health
IAPT Dataset	The IAPT programme is supported by a regular return of data generated by providers of IAPT services in delivering those services to patients. The data is received by NHS Digital and released as statistical publications covering activity, waiting times and patient outcomes such as recovery.	Mental Health
International Classification of Disease (ICD10)	The ICD is a medical classification list produced by the World Health Organization. It provides codes for diseases, signs and symptoms and is regularly updated.	All
Impairment	Occurs when the fair market value depreciation of a business asset exceeds the book value of the asset on the company's financial statements.	All
Implementation	The process of adopting the Approved Costing Guidance in a provider and using the processes described to produce patient-	All

	level data outputs that can be used internally and for national data collections.	
Implementation Resource/Implementation Activity	Resources and Activities as shown in the Technical Document at a lower level than the collection resource/collection activity.	All
Incident	For costing purposes, an activity provided by the ambulance service relating to an event: clinical advice on the telephone or dispatching a physical response to treat one or more patients.	Ambulance
Income centre	A code used to hold the three types of income shown in column B of Spreadsheet CP2.1: Standardised cost ledger in the technical document.	All
Income feed	Records used for income billing purposes.	All
Income group	A collection of income for a cohort of activities: eg income for delivering patient care or non-patient care activities.	All
Income ledger	Holds all the income transactions in the same way the cost ledger holds all the costs.	All

Incomplete patient events	Any patient event where the patient has not been discharged at the end of the reporting period, and/or their care started in a previous reporting period, or diagnostics or other events took place before or after the end of the reporting period.	Acute, Mental health, Community
Indirect costs	Costs indirectly related to the delivery of patient care. They are not directly determined by the number of patients or patient mix, but costs can be allocated on an activity basis to service costs. This term is commonly used in management accounting processes but is not used in the <i>Approved Costing Guidance</i> .	All
Information gap analysis tool (IGAT)	An implementation tool to identify which information feeds and fields are available for costing purposes. It is available on the Open Learning Platform .	All
Information requirements	Two standards describing how information should be collected and managed for the costing process .	All
In-month data loading	Extracting the most recent month's data from the activity feeds and loading it into the costing system each month. The advantage over cumulative year-to-date data loading is that smaller volumes of data are involved, and less processing power and/or time is required. The disadvantage is that late entries or	All

	adjustments to the previous month's figures are not picked up and included in the costing system.	
Integrated costing assurance log (ICAL)	<p>This template provides a standard format for the costing assurance log required as part of the costing standards for all sectors. It is designed to work with a patient-level information and costing system (PLICS).</p> <p>Each worksheet includes a template to record how to set up and run your costing system, as well as record decisions that are essential to understanding the journey from your general ledger and activity feeds to the costing system output.</p> <p>As well as making it easier to store and transmit costing knowledge within your organisation, the ICAL can provide evidence for the assurance process and is designed to help you keep to the costing principle of transparency. It makes it easier for NHS Improvement to compare your costing practices to the standards. The template is downloadable from our website.</p>	All
Investment revenue	Amounts earned on money invested (NHS trusts).	All

Internal audit	Takes place within an organisation and is reported to its audit committee and/or directors. It helps to design the organisation's systems and develop specific risk management policies.	All
Intervention	An action that will benefit the patient, whether it is physical, psychological or pharmaceutical.	Acute, Mental health, Community

J

Job cycle	<p>The job-cycle elements comprise the series of activities that follow when the emergency operations centre receives a call, decides on an action and sends a response unit to treat one or more patients. A job cycle starts when a call is received, or a response is dispatched to, for example, a patient referred by NHS 111, and ends when the response unit is ready to be sent on another job.</p>	Ambulance
Joint Venture	<p>Usually formed where two or more persons or companies come together to execute a particular business proposition or project in a contractual or corporate arrangement.</p>	All

L

Local Improvement Finance Trust (LIFT)	LIFT is a public private partnership (PPP). It delivers a wide range of property services to the NHS, not just new build, including master planning, land assembly and estate rationalisation.	All
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M

Mandated transition path	Guide to which elements of which standards are mandatory by which year of implementation .	All
Mandation	The process of making implementation of the <i>Approved Costing Guidance</i> mandatory for all providers in a specific sector.	All
Market forces factor (MFF)	An index used in tariff payment and commissioner allocations to estimate the unavoidable regional cost differences of providing healthcare. To obtain cost neutrality, the underlying MFF used in the PLICS portal and data quality tool is scaled. This is done using the percentage difference between PLICS costs quantum before applying the MFF and after its application – that is, the	All

	total national value of PLICS costs submitted is the same whether it includes or excludes the MFF.	
Master feeds	The core patient-level activity feeds to which auxiliary feeds will be matched: for example, admitted patient care (APC) .	All
Matching	The process to ensure the relevant auxiliary data feeds can be attached to the correct patient events in the master feeds.	All
Matching rules	Govern how auxiliary patient-level feeds should be matched to the correct patient contact. The rules have a hierarchy, with some matching rules preferred to others to minimise false-positive matches .	All
Materiality	A value that is significant to the overall picture of cost or activity .	All
Mental Health Minimum Data Set (MHSDS)	The Mental Health Services Data Set (MHSDS) ⁸ is a patient-level, output-based, secondary uses dataset collected by NHS Digital; which aims to deliver robust, comprehensive, nationally consistent and comparable person-based information for children, young people and adults (including older people) who are in contact with secondary & specialist mental health services	Mental health

⁸ <https://digital.nhs.uk/data-and-information/data-collections-and-data-sets/data-sets/mental-health-services-data-set>

	located in England, or located outside England but where services are commissioned by NHS England.	
Minor injury unit	NHS Accident & Emergency (national code 03) are defined as doctor or nurse led service unit treating minor injuries and illnesses and can routinely be accessed without appointment. This term is used for costing as a subset of 'Emergency Department' which includes 24-hour A&E units, minor injury units, urgent treatment centres and walk-in centres.	Acute/ community
Mobile to scene	The period from the moment a response unit starts its journey to arrival at the scene or being stood down.	Ambulance
Mono-specialty A&E departments	NHS mono-specialty A&E departments (national code 02) are defined as a consultant led specialty units – for example ophthalmology and dental. This term is used for costing as a subset of 'Emergency Department' which includes minor injury units, urgent treatment centres and walk-in centres.	
Multidisciplinary team (MDT) meetings	Where care providers with varied expertise come together to review the care plan of one or more patients. The patient may or may not be present. Not to be confused with a mobile data terminal (MDT) .	Acute, Mental health, Community

N

National cost collection (NCC) workbook	<p>This is the excel file which provider organisations enter the cost and activity data at an average currency level. This file is submitted annually, where a service is not yet in-scope for the PLICS collection.</p>	<p>All</p>
National tariff	<p>Since 1 April 2014, the term 'national tariff' refers to the statutory document published by Monitor (part of NHS England and NHS Improvement), which sets out the framework for pricing of NHS services in England. This includes national prices and the method for determining them, as well as the rules for local variations to national prices and local pricing rules. See also payment by results and national tariff payment system.</p>	<p>All</p>
National Tariff Payment System	<p>The name given to the payment system that sets out the national tariff. This set of prices and rules helps local clinical commissioning groups work with healthcare providers such as NHS trusts and NHS foundation trusts to identify which healthcare services provide best value to their patients.</p>	<p>All</p>
Negative costs	<p>Where the balance of a cost or set of costs in the general ledger or balance of a resource, activity or cost object in the costing process appears to be less than zero. This can occur for reasons that include miscoding, the value of a journal exceeding</p>	<p>All</p>

	the value in the cost centre, and inaccurate timings of accrual release in the general ledger. These are detailed in Standard CP2: Clearly identifying costs.	
Netting off	Allocating income to reduce all or part of a cost within an expense code to ensure that costs of activities are not inflated.	All
Non-current assets	Long-term investments whose full value will not be realised within the accounting year. Examples are investments in other companies, intellectual property (eg patents), property, plant and equipment.	All
Non face-to-face contact	Time spent by healthcare providers reviewing and advising a patient on care without that patient being physically present: eg having a phone conversation or a web chat with a patient while the patient is at home.	Acute, Mental health, Community
Non-responding time	The time that frontline staff and vehicles are available to respond to a 999 call but do not actually respond to an incident .	Ambulance
Nurse educator	Also known as a nurse tutor. A nurse educator is a nurse who teaches and prepares registered nurses for entry into practice positions. They can also teach in various patient care settings to provide continuing education to licensed nursing staff. Nurse educators teach in graduate programmes at Master's and	All

	doctoral level, to prepare future advanced practice nurses, nurse educators, nurse administrators, nurse researchers and leaders in complex healthcare and educational organisations.	
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O

Observation	Carried out by healthcare professionals in a mental healthcare setting to ensure a patient is well and not harming either themselves or others.	Mental health
Open learning platform (OLP)	A web-based system of information and resources to guide and assist implementation of the costing standards . The platform can be used as a reference tool or training course for costing practitioners. We now consult on the <i>Approved Costing Guidance</i> and provide supporting documentation via this platform. Please email costing@improvement.nhs.uk to register on it.	All
Operating expenses	The ongoing cost for running a product, business, or system.	All
Orthotic appliance	A support worn by a patient on the outside of their body. See also prosthetic limb .	Acute, Community
Other activities	Activities performed by a provider that do not relate to the care of its own patients. These include care provided to direct access patients and commercial activities. See Standard CM8: Clinical and commercial services supplied or received.	Acute, Mental health, Community

Other operating income	Includes revenue from all other operating activities that do not relate to the principal activities of the company, such as gains/losses from disposals, interest income, dividend income, etc.	All
Outpatient attendance	A clinic attendance where a patient or patients visit a healthcare professional in a clinical setting (usually but not exclusively a hospital setting) – specifically as recorded on the Commissioning Data Set (CDS). These can be booked or ad hoc. One patient may visit the care professional(s) holding the clinic or a succession of patients during a clinic session (see community clinic attendance for community service clinics).	All
Outpatient care	Non-admitted patient care contacts in a formal or non-formal ‘clinic’ setting.	Acute, Mental health, Community
Outreach activity (acute)	Where the staff who deliver services in wards in acute hospitals see patients outside such settings to provide continuity of care.	Acute
Outreach activity (mental health)	Non-admitted patient care contacts that require the care professional to search for the patient, before the contact can take place.	Mental health

Outsourced	Services that a provider is contracted to provide but which are provided by an external provider, often a private provider, on their behalf. See also services supplied .	All
Overheads	Such as finance and HR. They are allocated to all the services that used them, using a prescribed allocation method such as actual usage or headcount . These costs do not use resources and activities in the costing process .	All
Overstated	Reported with a value greater than the real value.	All

P

Patient administration system (PAS)	<p>A central repository that stores patient-related information such as demographic data and details of how inpatients and outpatients came into contact with the hospital.</p>	<p>All</p>
Patient care pathway	<p>The patient's journey from initial contact to the end of treatment or to a condition management programme. A pathway may continue alongside the latter once it has begun. There are standardised pathways for various health conditions, although any individual patient's pathway is likely to vary from the standard. For more detail on these pathways, see the National Institute for Health and Care Excellence (NICE) website.⁹ Some patients will be on multiple pathways at the same time.</p>	<p>Acute, Mental health, Community</p>
Patient cost index (PCI)	<p>Compares each provider's average patient-level cost for an activity with the average cost of the same activity for selected peers, multiplied by 100. A trust with a PCI of 100 has costs equal to the peer average; a trust with an index of 110 has costs that are 10% more than the peer average and one with an index of 90 has costs that are 10% less.</p>	<p>All</p>

⁹ <https://pathways.nice.org.uk/>

Patient event	The record of a patient that is costed. Can include any point of delivery, including episode, attendance, care contact, telephone call, or bed day (community providers only).	All
Patient-facing costs	Those that relate directly to delivering patient care and are driven by patient events; they should have a clear activity-based allocation method and will be both pay and non-pay.	All
Patient-level activity (acute, mental health and community)	Calculated by matching activity to a patient episode, attendance or contact. Some types of activity are not directly matched to a patient but are still reported at the patient level using weightings based on headcount and/or acuity and time used.	Acute, Mental health, Community
Patient-level activity (ambulance)	Calculated by distributing activity from incidents across the patients involved. Some types of activity are not directly matched to a patient but are still reported at the patient level using weightings based on headcount and/or time used.	Ambulance
Patient-level costing	The practice of allocating costs to individual patients by recording and/or calculating the support resources and patient-facing resources consumed to deliver activities related to patient care.	All

Patient-level costs	Calculated by tracing individual patients' actual resource use. The output of the patient-level information and costing system (PLICS) .	All
Patient-level feeds	Data sources specified in Standard IR1: Collecting information for costing.	All
Patient-level information costing system (PLICS)	Costing software that combines activity, financial and operational data to cost individual episodes of patient care.	All
Patient report form (PRF)	Completed by ambulance crew members and containing information about each patient treated.	Ambulance
Patient transport service (PTS)	Provides NHS-funded transport for eligible people unable to travel to their healthcare appointments or between healthcare sites by other means due to their medical condition.	All
Patient unit costs	Costs of single episodes, attendances, contacts or spells of care delivered to individual patients. Reference costs are calculated from the average unit costs for different currencies across all relevant patient episodes, attendances, contacts or	All

	spells. Unit costs are defined in the national cost collection guidance. ¹⁰	
Payment by results (PbR)	The term previously used for the payment system in England, within which there was a national tariff that referred to the nationally set prices paid for each currency . A simple guide to payment by results provides a useful introduction. ¹¹ See also the national tariff .	All
Placement	The time students and trainees spend at a healthcare provider. A placement must last longer than one week (five working days) and be linked to defined learning outcomes. This duration may total one week but be spread over several months: eg one day a week for six weeks.	E&T transitional method
PLICS data quality tool (DQT)	Gives the NHS provider an interactive view of the PLICS data it submitted. Improves data quality and helps ensure any outliers are identified and addressed. The tool extracts nationally collected PLICS data and combines it with the relevant national published dataset (eg HES). It gives users access to a range of specific reports based on their PLICS submission and can be accessed via the PLICS portal .	All

¹⁰ <https://improvement.nhs.uk/resources/reference-costs/>

¹¹ www.gov.uk/government/publications/simple-guide-to-payment-by-results

PLICS portal	This national portal allows users to analyse patient-level costing information. The portal connects nationally collected PLICS data with the relevant national published dataset (eg HES data for acute services) to enable in-depth benchmarking of costs, patient outcome reporting, patient-level activity analysis, patient pathway analysis and more.	All
Podiatry currencies	<p>Tier 1: General podiatry – includes painful nail pathologies, dermatological conditions, corns, calluses and fissures, heel pain and metatarsalgia, basic vascular assessments, falls prevention advice and foot health education.</p> <p>Tier 2: Minor surgery – includes nail surgery procedures¹² to remove part of the nail or the whole nail to correct ingrowing toenails, or steroid injections to the foot or ankle, performed in community settings by podiatrists.</p> <p>Tier 3: Complex foot disease – covers management of at-risk foot and active foot disease in diabetes. Diabetic foot ulceration management including offloading devices and wound care, requiring senior staff, surgical debridement, costly dressings such as silver and maggots, as well as off-loading air cast</p>	Community

¹² The relevant OPCS-4 codes are: S642, Chemical destruction of nail bed; S682, Excision of wedge of nail; S701, Avulsion of nail. Such procedures performed in admitted patient care or outpatient settings should already have been reported against HRG JC43A or JC43B, Minor skin procedures.

	<p>walkers, custom-made orthotics and footwear. Increasingly, community foot protection teams supply antibiotics and generate costs for X-ray and pathology. Advanced management of rheumatoid arthritis using ultrasound and similar diagnostic techniques.</p> <p>Specialist care 1 – includes clinical debridement using hydrojet devices and topical negative pressure wound management for complex foot wounds.</p> <p>Specialist care 2 – includes advanced vascular assessments. Specialist diagnostics are increasingly used by advanced vascular podiatrists to assess the whole limb for risk factors for cardiovascular disease and incur costs that are significantly different from core podiatry.</p> <p>Other non-core podiatry – covers any other podiatry services provided in community settings and not described above, including podiatric surgery, complex biomechanics, forensic podiatry.</p>	
<p>Private finance initiative (PFI)</p>	<p>A way in which the private sector finances a public sector project. The project is leased to the public and the government authority makes annual payments to the private company.</p>	<p>All</p>

Private patients	Those responsible for paying fees for their care, either directly (self-pay) or through private medical insurance. Since the source of income is different from that for other types of patient, private patients need to be identified and flagged.	All
Prostheses, implants and devices	Artificial substitutes that are intentionally left behind for either functional or cosmetic reasons after surgery: eg a titanium hip which remains in the patient after an operation.	Acute, Community
Prosthetic limb or appliance	Worn by the patient on the outside of the body to replace or support part or all of a body part.	Acute, community
Providers of NHS services	Legal entities, or subsets of legal entities, that provide healthcare under NHS service agreements, operating on one or more sites within and outside hospitals. They include NHS trusts and NHS foundation trusts providing acute, ambulance, community and mental health services to treat patients and service users. They also include GP practices, local authorities with social care responsibilities, and non-NHS providers, although these are outside the scope of the Approved Costing Guidance . Providers are defined in more technical detail in the NHS Data Dictionary.	All

<p>Proxy records</p>	<p>For areas with no patient-level activity, it may be possible to create new records for costing to cost a patient not the patient. For example, care provided outside the organisation. Proxy records should not be created for poor data quality.</p> <p>Note: For services with sensitive/legally restricted data, an existing patient record is anonymised or pseudonymised at patient level for costing and the cost collection. This is not a proxy record, it is a real record without patient identifiable detail.</p>	<p>All</p>
<p>Pseudonymised record</p>	<p>Where a patient record is brought into the costing system without any patient identifiable information, but with an identifier that can be mapped back to the patient if required. This may be used for legally sensitive information but where the tracking to the patient is deemed essential for local use.</p> <p>This is not a proxy record; it is a real record without patient identifiable detail.</p>	<p>All</p>
<p>Psychiatric intensive care unit (PICU)</p>	<p>Provides care to patients who require immediate or more than usual care due to high risk of self-harm or harm to others. PICUs usually have higher staffing levels and may have an array of specialised care providers. Not to be confused with</p>	<p>Mental health</p>

	'paediatric intensive care unit', which may also use PICU as an abbreviation.	
Public dividends capital (PDC)	A form of long-term government finance that was provided to NHS trusts when they formed to enable them to purchase the trust's assets from the Secretary of State.	All

Q

Quantum of cost	The total expenditure measured and allocated for the costing exercise. It should be reconcilable to the audited accounts using the <i>Approved Costing Guidance</i> .	All
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R

Reciprocal allocation method	A method of allocating costs that takes account of how corporate support services provide services to one another: for example, part of the cost of the finance department is allocated to IT and part of the cost of the IT department is allocated to finance.	All
Reciprocal charging arrangements	Agreements with foreign states allowing the NHS to charge their governments for care provided to overseas patients.	Acute, Mental health, Community
Reconcile	To match output from the costing system with its data sources as well as with totals from other financial statements. This takes account of adjustments and exclusions made during the costing process.	All

Reconciliation	The process of making sure that two or more sets of records agree.	All
Refresh	The practice of replacing data loaded into the costing system month-on-month with a fresh extract from the patient-level feeds . This may add new records, amend existing records and remove erroneous records from PLICS. For example, an activity in June, which is entered in the patient-level feed in August due to an administrative error, would be missed by an in-month data load at the end of June. A refresh after August would pick it up and add it to the list of activities in June within the costing system.	All
Relative weight value (RWV)	Developed to assign costs at the patient level where a patient-level feed is not available to identify the precise cost or number of activities performed. RWVs can also be used where supporting allocation information is required for the patient-level feeds . They can be used to allocate both patient-facing, overheads (type 1 support costs) and type 2 support costs .	All
Resource group	See Collection resource.	All
Resources	Components used to deliver activities, such as staff, equipment or consumable. The cost ledger includes a mapping of costing	All

	account codes to a prescriptive list of costing resources provided by NHS Improvement in the costing standards technical document . Also called 'costing resource' (or 'implementation resource' in previous documents)	
Response unit	One staffed vehicle or other unit (eg community first responder) that can be physically dispatched to an incident .	Ambulance

S

Searching	Mental health term for the clinician proactively tracking down the patient to ensure reviews are performed, medications taken, etc.	Mental health
Secondary Uses Service (SUS)	The Secondary Uses Service (SUS) is the single, comprehensive repository for healthcare data in England which enables a range of reporting and analyses to support the NHS in the delivery of healthcare services.	All
Secure Electronic File Transfer (SEFT)	SEFT is the web portal NHS providers use to transfer PLICS XML files created by the DVT tool to NHS Digital electronically and securely.	All
See and treat	Incidents where frontline staff provide focused clinical assessment at the patient's location, followed by appropriate immediate treatment, discharge and/or referral. Often a patient may be referred to other services more appropriate to their needs, or which can provide further support at home or in a community setting, in liaison with the patient's GP.	Ambulance
See, treat and convey	Incidents that result in a patient being conveyed because of an emergency call from a member of the public or organisation, or because of being categorised as needing an emergency response following a referral by a healthcare professional or	Ambulance

	electronically transferred to the CAD system from another CAD system.	
Serious untoward incident (SUI)	An incident in which patient(s), staff and/or the public suffer serious injury or unexpected death (or the risk of serious injury/death) while on the provider's premises.	Mental health
Service-level agreement (SLA)	Made between two organisations to identify the expected level of service that one provides to the other.	All
Service-line reporting (SLR)	A method for reporting cost and income by service lines (discrete business units) to improve understanding of each line's contribution to performance. SLR measures a provider's profitability by each of its service lines, rather than at an aggregated level for the whole provider.	All
Services received	Care provided to one organisation's patients by another organisation.	All
Services supplied	All activities a provider performs that do not relate to the care of its own patients.	All
Small numbers suppression	Information about an individual that is not public must not be identifiable, or able to be deduced from the data from the PLICS data quality tool or public portal. Figures that may identify	All

	individuals when subtracted from totals, subtotals or other published figures must be suppressed.	
SNOMED CT	A structured clinical vocabulary for use in an electronic care record. It represents care information in a clear, consistent and comprehensive manner. The move to a single common clinical terminology will reduce the risk of misinterpretation of the care record in different care settings. Mental health systems and provider organisations must adopt SNOMED by April 2020. Further information can be found on the NHS Digital website . ¹³	All
Specialing	Term for monitoring patients who require continuous one-on-one nursing care.	Acute, Mental health, Community
Spell	The period from date of admission to date of discharge for one patient in one hospital. A spell may consist of more than one finished consultant episode .	Acute, Mental health, Community
Staff pay timing issues	In some cases, the dates on which staff are paid and the way their pay is split over time can lead to problems recording their	All

¹³ <https://digital.nhs.uk/services/terminology-and-classifications/snomed-ct>

	costs in the costing system. For instance, differences in the number of days in a month can lead to varying hourly costs when staff are paid the same amount each calendar month. Also, overtime may be paid in the month following the month it was worked. For more detail see Standard CP1: Ensuring the correct cost quantum.	
Stakeholder	All individuals and groups likely to be affected by a proposed change.	All
Standalone feeds	Patient-level activity feeds not matched to any episode of care but reported at service-line level in the organisation's reporting process: eg the cancer multidisciplinary team meeting (MDT) feed.	All
Standardised cost ledger	Provides a complete record of financial expenditure incurred by an organisation. Information reported in the cost ledger will be based on entries made in the general ledger and ensures the costs are in the correct starting place to begin costing.	All
Standards	The Approved Costing Guidance describe the costing approach we ask you to adopt to comply with the Costing Transformation Programme . There are sector-specific standards for acute, ambulance, mental health and community	All

	providers. However, some areas of these standards have been integrated to reduce the burden on integrated providers: eg costing processes. This single, common integrated document set can apply to all sectors.	
Standards gap analysis	An implementation tool to be used to identify gaps that may make it difficult to implement the healthcare costing standards . The template is available on the Open Learning Platform .	All
Statement of comprehensive income (SOI)	A financial report detailing the change in a company's net assets during a specific period. It differs from a typical income statement that details profits and losses.	All
Statistic allocation table	A place to store relative weight values used to allocate costs.	All
Strategic Data Collection System (SDCS)	SDCS is the online platform used to upload the national cost collection (NCC) workbook.	All
Strategic transformation funds (STFs)	Five-year plans covering all aspects of NHS spending in England. Forty-four areas have been identified as the geographical 'footprints' on which these plans are based, with an average population size of 1.2 million people (the	All

	<p>smallest covers a population of 300,000 and the largest 2.8 million). A named individual will have led the development of each STP.</p>	
Students	<p>Those receiving education and training from a healthcare service provider who are not paid a salary (see also trainees for those who do receive a salary).</p>	E&T transitional method
Subsidiary	<p>A company is a 'subsidiary' of another company, its 'holding company', if that other company:</p> <p>(a) holds a majority of the voting rights in it, or</p> <p>(b) is a member of it and has the right to appoint or remove a majority of its board of directors, or</p> <p>(c) is a member of it and controls alone, pursuant to an agreement with other members, a majority of the voting rights in it.</p>	All

Supplementary feed	Information feed that contains no information about patient-facing activities. It is an information source to help to allocate resources more accurately: eg fleet information feed.	Ambulance
Supplier	Supplier of costing software.	All
Supporting contact	Contact from anyone other than the principal healthcare professional recorded on the PAS . A patient often receives multiprofessional services during their episode: eg physiotherapists working with burns patients on a ward.	All

T

<p>Technical document</p>	<p>A series of Excel spreadsheets to support implementation of the costing standards. It is sector-specific, but some spreadsheets have been integrated to include all items for acute, mental health and community services: eg Spreadsheet CP2.1: Standardised cost ledger. This will reduce the burden on integrated providers and improve the ability of integrated trusts to cost all their services using one technical document. The standards cross-refer to spreadsheets in the technical document, including column and row number where applicable. The technical document also contains the information you will need for cost collection. It can be downloaded from the our website.</p>	<p>All</p>
<p>Telemedicine</p>	<p>A non face-to-face contact with a patient using telephone or web-based applications: eg ambulance hear-and-treat service. Only non face-to-face contacts that directly support diagnosis and care planning, and replace a face-to-face contact, should be included in the costing process.</p>	<p>All</p>

Third-party frontline resource	Costs of patient-facing services provided by third-party organisations such as activity performed by third-party ambulance crews	Ambulance
Traceable costs	Where actual costs are used from an information feed to inform a relative weight value .	All
Trainees	Those receiving education and training from a healthcare provider who are paid a salary (see also students for those who do not receive a salary).	E&T transitional method
Travel time (ambulance)	Time spent travelling. It can apply to travel to scene, scene to treatment location, treatment location back to base, or anywhere.	Ambulance
Travel time (non-ambulance)	Time taken by a healthcare professional to make a journey from their workplace to meet a patient or patients.	Mental health, Community
Triage	The process of determining the priority of patients for treatment, based on the severity of their condition: eg paramedics will triage patients before transporting them to hospital; an A&E nurse will triage patients when they arrive at the hospital.	All

Trim point	For each HRG , the trim point is calculated as the upper quartile length of stay for that HRG plus 1.5 times the inter-quartile range of length of stay. After the spell of treatment exceeds this number of days, a provider will receive payment for each additional day the patient remains in hospital. This is referred to as an excess bed day payment or a long stay payment.	Acute
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U

Unbundled healthcare resource group (HRG)	An unbundled HRG represents an additional element of care. It will always be associated with a core HRG that represents the care event and will always be produced in addition to a core HRG.	All
Understated	Reported with a value smaller than the real value.	All
Unit cost	The cost incurred by a provider to produce, store and sell one unit of a product or service. Unit costs include all fixed costs and all variable costs associated with the production of a product or delivery of a service.	All
Unlikely match	A condition that voids any match made between data feeds when trying to associate resource use or activity with a patient episode. Care providers can list scenarios that will never occur in a clinical context: eg a specialty prescribing a drug that is never involved in a patient's care pathway within that specialty. Knowing these unlikely scenarios will avoid unlikely matches.	All
Unmatched activities	Activities not allocated to the patient episode, attendance or contact for which they occurred.	All

<p>Unwinding of discount</p>	<p>A term used in accounting and finance to describe, where future liability is fixed/certain, the undoing (unwinding) of the process to find out the discount in the said fixed future liability as against its relative current value (or interest to its relative present value).</p> <p>Example: When you apply discounting to a future cash payment to arrive at a present value, it is necessary to unwind that discount for each successive year until you arrive at the date of payment.</p>	<p>All</p>
<p>Urgent treatment centre</p>	<p>NHS urgent treatment centre is a term used by providers for either Walk in centres (Emergency Care Department Type 04) or Minor Injury Units (Emergency Care Department Type 03). We do not use this as a separate costing term.</p>	

V

Value-based healthcare	<p>This is a metric that combines cost and outcome of patient care to provide improved information on the ‘value’ that the element has for the patient. The concept is based on the research of Professor Michael E Porter (Porter ME, Olmsted Teiseberg O (2006) Redefining health care. <i>Harvard Business Review</i>) and is a framework for restructuring healthcare systems with the overarching goal of value for patients. It can be used when rolling out PLICS information, to contribute to the decision-making toolkit by giving a more effective comparator metric than cost alone.</p>	All
Volume of service	<p>The number of patients treated and activities performed by the department or service.</p>	All
Voluntary transition plan	<p>Guide to which elements of which standards should be implemented by which year during the development years for the sector. This can be found in the technical document.</p>	Community

W

<p>Walk-in centre</p>	<p>NHS walk-in centres (national code 04) are defined as predominantly nurse-led primary care facilities dealing with illnesses and injuries – including infections and rashes, fractures and lacerations, emergency contraception and advice, stomach upsets, cuts and bruises, or minor burns and strains – without patients needing to register or make an appointment. They are not designed for treating chronic conditions or immediately life-threatening problems.</p> <p>This term is used for costing as a subset of ‘Emergency Department’ which includes 24-hour A&E units, minor injury units, urgent treatment centres and walk-in centres.</p>	<p>Acute, Community</p>
<p>Weighted activity</p>	<p>Calculation to weight the activity by a relative value unit to add acuity to the count of activity.</p>	<p>All</p>
<p>Whole-time equivalent (WTE)</p>	<p>Measurement of the staffing resource involved in providing a service, taking account of full and part-time working.</p>	<p>All</p>

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