



North East Ambulance Service NHS Foundation Trust
Annual Report and Accounts 2017/18

**North East Ambulance Service NHS Foundation Trust
Annual Report and Accounts 2017/18**

**Presented to Parliament pursuant to Schedule 7,
paragraph 25 (4) (a) of the National Health Service Act
2006**

North East Ambulance Service NHS Foundation Trust
Annual Report and Accounts 2017/18
(for the period 1 April 2017 to 31 March 2018)

Contents

Performance Report	7
Overview of Performance	7
Chief Executive's Statement	7
About Us – Our History and Purpose	10
About Us – Our Activities	10
About Us – Our Strategy and Key Strategic Priorities	11
About Us – Key Issues and Risks	11
Going Concern Disclosure	13
Performance Analysis	14
Our key performance measures and how we monitor them	14
Operational Performance 2017/18	17
Financial Performance 2017/18	20
Other Financial Information	21
Environmental and Sustainability Matters	22
Emergency Preparedness, Resilience and Response	24
Social, Community, Anti-Bribery and Human Rights Issues.....	25
Accountability Report	27
Directors' Report.....	27
Board of Directors	27
Statement of disclosure to auditors	38
Foundation Trust membership	43
NHS Improvement's Well-Led Framework.....	45
Patient Care	46
New services and developments.....	47
Service improvement initiatives.....	49
Complaints handling.....	51
Stakeholder relations	52
Stakeholder engagement, public and patient involvement events.....	53
Remuneration Report	56
Annual statement on remuneration	56
Senior managers' remuneration policy	56
Annual Report on Remuneration.....	60

Staff Report.....	66
Workforce headlines	66
Analysis of staff costs and numbers (subject to audit)	67
Sickness absence	68
Staff policies and actions	70
Staff survey report 2017	73
Expenditure on consultancy	76
Off-payroll engagements	76
Exit packages (subject to audit)	77
NHS Foundation Trust Code of Governance	79
Mandatory disclosures	79
Comply or explain disclosures.....	83
NHS Improvement's Single Oversight Framework.....	84
Single Oversight Framework	84
Segmentation	84
Finance and use of resources	84
Statement of Accounting Officer's Responsibilities	86
Statement of the Chief Executive's Responsibilities as the Accounting Officer of North East Ambulance Service NHS Foundation Trust.....	86
Annual Governance Statement	87
Quality Report 2017/18	104
Independent Auditor's Report.....	182
Annual Accounts 2017/18	187
Glossary of Terms	221

Performance Report

Overview of Performance

Chief Executive's Statement

2017/18 has been an eventful year for the Trust, with lots of positive developments and service improvements for our patients, as well as challenging times and pressures.

We ended the year with the sad news that our Chairman, Ashley Winter OBE, had passed away following a short illness. Ash had served as our Chairman for five years, overseeing a significant number of changes and achievements for the Trust. We are devastated at the loss of a valued friend and colleague and our sincere condolences and thoughts are with Ash's family.



Our operating environment

We began the year operating under the old ambulance response standards which we are all familiar with. As outlined in the Annual Report last year, achieving the old Red response time targets had become extremely challenging for the vast majority of ambulance trusts. This was in part due to increased acuity of patient conditions, as well as system pressures. In 2017/18 we began to see some positive progress. Our Red 1 performance for the year had seen significant improvements, with the national standard achieved in June 2017. The remaining Red and Green priorities continued to be challenging, which was concerning for us.

In the autumn we implemented the new national performance standards for our emergency responses. This represented the first major change in standards within the ambulance sector for over forty years, following the largest clinical trial in the world. The implementation of such a significant change was a huge task which required a lot of careful planning to ensure that the transition from the old standards was smooth and seamless with no negative impact on our patients. I am very proud of the way in which colleagues managed this transition, with no issues occurring when the new standards commenced on 31st October 2017.

The standards seek to ensure that those patients with the most critical and life-threatening condition obtain not just the quickest but the most appropriate type of response from us. I am delighted that we met the target for the most life threatening emergencies (Category 1) and indeed were the top performer nationally in respect of this performance standard.

Our Category 2 and Category 3 performance has been more challenging and we are doing all we can to improve our responses to these patients, including collaborative working with partners in the local health economy.

Our ability to achieve the new standards is set within the context of our recent independent demand and capacity review, which indicates that we require additional resources in respect of staff and vehicles in order to be able to consistently meet the new standards and provide a timely response to our patients. We continue to work closely with our commissioners to find ways in which we can reduce the resource gap and deliver further efficiencies.

In March 2018 the North East experienced a significant bout of snowfall when the 'Beast from the East' landed. Whilst the snow presented a number of challenges there were some fantastic examples of our staff going above and beyond to help our patients. This included staff walking miles to work, sleeping on station so they could be ready for their next shift and looking after people trapped in the cars when roads became cut-off. We

couldn't have continued to operate as effectively without the support of our partners and voluntary organisations across the region, who helped our crews get to work and access patients in difficult to reach locations. What a brilliant example of what we can all achieve through effective partnership working!

Our Scheduled Care (Patient Transport) service continued to perform very well during 2017/18 and we are delighted to have been able to further progress the integration of Scheduled and Unscheduled Care services. This provided us with increased resilience during pressured times, keeping our paramedic-led crews for those patients with the most acute conditions. It has also enabled us to develop a clearer career framework for our Scheduled Care colleagues.

In 2017/18 we saw a significant increase in 111 call volumes, with demand 37% higher than in the previous year. Whilst call answering performance was challenging we were able to reduce the level of referrals from 111 to emergency departments, as well as the transfers from the 111 to 999 services. This not only helps to ensure that patients are provided with appropriate advice and treatment, but reduces the pressures felt by our acute trust partners in their A&E units.

In respect of 999 call answer performance, the 95% target was narrowly missed, but we remained one of the strongest performers nationally.

Our Emergency Operations Centre ended the year with the fantastic news that we had retained the NHS111 and Integrated Urgent Care contract for a further five years. This is great news for the Trust and our patients, as operating both the 111 and 999 service enables us to seamlessly ensure that patients receive the most appropriate response for their condition. There are several new features within the contract and we are currently planning the mobilisation of the service from October 2018.

Whilst the financial environment remained challenging in 2017/18, we were able to achieve our financial plan and therefore access additional funding at the year-end which took us into a small surplus position. We still have a lot of hard work ahead of us to ensure that we remain in a good financial position – our cost improvement target for 2018/19 is extremely challenging.

Quality

Whilst the operating environment was challenging during 2017/18, we maintained a healthy position in respect of our quality indicators. We improved our position in five of the eight national clinical ambulance quality indicators.

A number of our services won national awards for quality. This included our dedicated end of life care and transport service which won the Nursing Times award for 'Enhancing Patient Dignity' and our GP direct booking service through 111 which won a national Bright Ideas in Healthcare Award.

We have continued to look at ways in which we can improve the quality of the services we provide. One of our Clinical Care Managers along with the Informatics team have developed an electronic application titled 'Clinical Annual Record of Excellence' (CARE) which provides paramedics with almost real time feedback on their clinical interventions, enabling good practice to be noted and areas of improvement addressed in a timely way. This is a great example of innovation which has been developed through the hard work and commitment of our staff.

Our staff

During the year we continued to make good progress in recruiting to our increased establishment level, following the receipt of additional funding from our commissioners. We also continued to develop our organisational structures to ensure that we are an organisation fit for the future. This included the development of our Clinical Care and Transport service which helps us to match the skills of our staff to the acuity of our patients.

We improved upon our staff survey results, attaining the best results across the whole of the ambulance sector. This is a great achievement and I believe this shows that we have continued to improve working conditions for our staff year-on-year.

We also achieved one of our key priorities - to obtain the Investors in People accreditation. Again, this shows that we are truly seeking to make NEAS a great place to work for all of our staff.

Finally, we were named the top performing health and social care employer in the Stonewall Top 100 Employers list, achieving a ranking of 46th place. This is an incredible achievement which reflects our efforts to engage with lesbian, gay, bisexual and transgender (LGBT) employees and make NEAS a fully inclusive workplace.

During the last quarter of the year I took on the role of equality and diversity national chief executive lead for the ambulance sector and I look forward to working with colleagues in partner trusts to see what we can achieve in the advancement of equality and diversity in 2018/19.

Our Board and Governance

There were a number of changes in Board composition during the year. We welcomed Dr Mathew Beattie as our new part-time Medical Director. We also welcomed John Marshall and Dr Gerry Morrow as new Non-Executive Directors. Wendy Lawson and Jeff Fitzpatrick stepped down as Non-Executive Directors having served six years following the authorisation of the Foundation Trust. On behalf of the Board I would like to sincerely thank Wendy and Jeff for their contributions.

Following the sad news that Ash could no longer continue with us as Chair in January 2018, Catherine Young stepped up to be our Acting Chair, with Carolyn Peacock taking the role of Acting Senior Independent Director. Catherine and Carolyn have both shown an excellent commitment to the Trust with Catherine providing us with stable leadership during the transition period between Ash stepping down and the appointment of a new Chair. It was Ash's wish that we appoint a Chair quickly to ensure our stability as an organisation and we look forward to welcoming our new Chair during Quarter 1 of 2018/19.

Looking ahead

We have so much to be proud of as an organisation, having secured the new NHS111 contract, achieved the Investors in People accreditation, delivered award winning innovative new services, being awarded Global Digital Exemplar status and improving our staff survey results. I would like to express my sincere thanks to our valued staff, volunteers and partners for all their hard work and support.

No doubt there are challenges ahead for us, particularly in relation to securing the right level of resources to ensure that our service model is aligned to meet the new performance standards, as well as delivering a significant cost improvement target. I am confident, however, that we will continue to strive for excellence and deliver the best patient care possible to our patients. 2018/19 will I'm sure be a challenging but rewarding year for the Trust.



Yvonne Ormston
Chief Executive
24 May 2018

About Us – Our History and Purpose

The North East Ambulance Service NHS Foundation Trust (the Trust) was authorised as a Foundation Trust in November 2011 and are one of ten ambulance services in England, covering an area of around 3,230 square miles. We serve a population of more than 2.71 million people and employ more than 2,500 staff including our valued volunteers.

Our mission is to provide safe, effective and responsive care for all, and our vision is to deliver unmatched quality of care every time we touch lives. Even in the most challenging situations we strive to perform to the highest professional standards in a spirit of collaboration and team work. Caring for and treating more patients closer to home is at the heart of our plans, and our committed, compassionate and caring staff are critical to our success.

About Us – Our Activities

The North East Ambulance Service NHS Foundation Trust operates across Northumberland, Tyne and Wear, County Durham, Darlington and Teesside. We provide an Unscheduled Care service to respond to 999 calls (the emergency element of our services), and a Scheduled Care service which provides pre-planned non-emergency transport for patients in the region (our patient transport service).

In 2017/18 under the Trust's new Clinical Care and Transport business model, we integrated our Unscheduled and Scheduled Care services, enabling us to more effectively match patient acuity with the skills of our staff with the aim of enhancing clinical outcomes and improving patient experience.

We also deliver specialist response services through our Hazardous Area Response Team (HART). HART units are made up of specially trained paramedics who deal with major incidents. Our front line services are delivered from 61 stations across the North East region.

Since 2013 we have delivered the NHS 111 service for the region. The service operates 24 hours a day, seven days a week, helping patients who need medical help fast but do not need to call 999 – as well as anyone who is unsure which service to use. The service has developed over the years to provide patients with greater access to a range of clinicians for advice and support. We have been able to demonstrate how this service can run alongside the 999 service to provide a seamless access point for patients. During 2017/18 we were re-awarded the NHS111 contract for the region, which means that the Trust will continue to deliver the service to the North East for a further five years from October 2018.

The Trust operates two out of hours services in the region – in South Tyneside and North Tees - alongside partner organisations. As part of these services we provide out-of-hours home visiting and telephone assessment services.

On 1st March 2018 our wholly owned subsidiary company, North East Ambulance Service Unified Solutions (NEASUS) went live. NEASUS is a fleet services and fleet management company. NEASUS is contracted by the Trust to maintain, fit, service, clean and repair the vehicles for the Trust.



About Us – Our Strategy and Key Strategic Priorities

We have continued to focus on the three strategic aims as set out in our five year strategy for 2015 to 2020:

- **Do what we do well** – achieve sustainable service delivery and ongoing improvements, whilst protecting best practice and quality standards through optimum use of all available resources.
- **Look after our employees** – nurture a consistent culture of compassion that values and supports employees to deliver exceptional care to patients.
- **Develop new ways of working** – drive and shape the future of urgent and emergency care services through effective integration and collaboration.

The delivery of the strategic aims is supported by the Trust's corporate objectives, with the following priorities being in place for 2017/18 to support the delivery of the Trust's two year operational and financial plan:

1. **Organisational sustainability** – including achieving the financial plan; and delivering agreed performance trajectories.
2. **Improving quality and safety** – including delivering the Care Quality Commission (CQC) improvement plan; developing and delivering the Quality Strategy and Clinical Workforce Strategy; refreshing and relaunching quality improvement methodologies; and delivering the requirements of safe, sustainable and productive staffing.
3. **Workforce and Investors in People** – including achieving the Investors in People standard; recruiting to the increased establishment levels; reducing sickness absence; and delivering the Organisational Development Strategy.
4. **Clinical Care and Transport** – including implementation of the restructure and integration of the Clinical Care and Transport model; implementing the requirements of the Ambulance Response Programme; and alignment of capacity and demand.
5. **NHS111 and the Clinical Assessment Service** – including the development and expansion of the Clinical Assessment Service; the development of the North East Provider Alliance; and retention of the NHS111 and Clinical Assessment Service contract.
6. **Communications and engagement** – including strengthening and developing communications channels to employees and stakeholders; and full engagement with the STP planning and delivery.

About Us – Key Issues and Risks

The 2017/18 financial year has been a significant period for NEAS and ambulance trusts nationally. Following the largest ever ambulance clinical trials, the Ambulance Response Programme (ARP) was introduced in the same year that we faced our largest ever cost improvement programme (CIP) target and the re-tender of the NHS111 and Clinical Assessment Service (CAS).

The following summarises the key issues and challenges we've faced over this period:

➤ **Ambulance Response Programme**

The introduction of the Ambulance Response Programme in the North East, on time and to plan was a huge success for NEAS within the overall rollout of the programme nationally. We went live at the end of October 2017. This significantly changed the way we operate and support safe, effective and responsive care for all our patients.

This change has not been funded nationally so we set out during the year to work with a globally recognised specialist to develop a new model for our demand and capacity requirements. We are negotiating with our commissioners at present to understand how the changes to staffing requirements and vehicle provision will be provided, but there is a risk that the achievement of standards will be compromised if the funding required is not made available.

➤ ***NHS111 / Clinical Assessment Service (CAS) retender***

NEAS is a relatively small NHS Foundation Trust and the NHS111 / CAS service forms a significant part of our business. We achieve great efficiencies through the joint working across 999 and 111 so significant effort was devoted to making sure that we were able to re-tender for the service at a level that was financially balanced and still provided unmatched quality of care for our patients.

We received notification in March 2018 that we had been successful in winning the contract for 111 and the CAS for a further 5 years, starting in October 2018. This is a great success for the Trust and will enable us to continue to improve the care provided to patients across all our work.



➤ ***Recruitment***

Recruitment to meet the needs of ARP and the new CAS is challenging but we had a successful year through 2017/18 with the recruitment of paramedics and Emergency Care Assistants enabling us to get three out of the five new vehicles secured in our contract negotiations, out on the road. The gap in recruitment has been met in part through the use of third parties although our vacancy factor is now in line with other NHS trusts.

The use of third parties to maintain performance whilst not yet being at full establishment is putting pressure on our ability to achieve our very challenging CIP target and will continue to present a challenge in 2018/19.

The increase in paramedic establishment is supporting our continued success in improving our 'see and treat' rate which continues to improve. Paramedics also received notification of the move to a Band 6 role as part of the development of their scope of practice.

➤ ***Funding and quality impacts***

The gap between our current contract for 999 and the requirements of the jointly commissioned (with our lead commissioner) demand and capacity report to deliver the new ARP standards is an issue which has not yet been resolved. A dialogue will continue on this during May and June 2018.

In addition to this pressure, we identified a risk in 2017 of the intention by commissioners to remove funding for clinical capacity in the Emergency Operations Centre to the value of £1.3m. This pressure

is a risk to both our ability to achieve our 'hear and treat' targets and to maintaining safe standards for our CQC compliance.

We noted in the annual plan for 2017/18 that we were the lowest funded Ambulance Trust in the country and this, alongside the issues raised above, continues to present a challenge to our ability to deliver efficiencies, especially on sickness, handover to clear and in reducing late finishes.

There are a number of quality schemes such as 'paramedic pathfinder' which we would like to roll out but which require further funding. We will continue to pursue opportunities to fund these schemes to improve patient care and experience.

During 2017 we launched a new CARE programme aimed at improving the ability of staff to benchmark themselves against their peers and learn from their experience.

➤ ***Changes to healthcare provision by CCGs / FTs***

During 2017/18 we have worked with a number of Clinical Commissioning Groups (CCGs) and Foundation Trusts (FTs) to support their plans for service reconfiguration. Notably we have worked with Northumberland and Durham on improvements to handover performance and with Sunderland / South Tyneside on their reconfigurations of Stroke, Paediatrics and Obstetrics / Gynaecology.

We have also remained fully engaged in discussions regarding future configuration of the health economy within the North East and Cumbria.

Going Concern Disclosure

Our full accounts, presented at the end of the report, have been prepared in accordance with the directions made under paragraph 24 of schedule 7 of the National Health Service Act 2006 and NHS Improvement, the Independent Regulator of NHS Foundation Trusts.

The Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view in accordance with the NHS Foundation Trust Annual Reporting Manual 2017/18 and Department of Health Group Accounting Manual 2017/18. After making enquires, Directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the Trust continues to adopt the going concern principle in preparing the annual accounts and annual report.

The Directors consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS Foundation Trust's performance, business model and strategy.

Performance Analysis

Our key performance measures and how we monitor them

Unscheduled Care

The introduction of the new ambulance response standards in October 2017 represented the first major overhaul of the performance standards for the ambulance sector in more than forty years. The standards were developed following the completion of the largest clinical ambulance trial in the world – incorporating over 14 million calls with no patient safety or adverse incidents attributed to the trial, also known as the Ambulance Response Programme (ARP).

During 2017/18 we piloted elements of the ARP with the full roll-out of the new standards going live on 31st October 2017. Implementing such a big change whilst running an emergency service required significant planning along with the skills and commitment from individuals and teams from across the service.

NHS England defined the new targets as follows:

Category	Percentage of calls in this category	National Standard	How long does the ambulance service have to make a decision?	What stops the clock?
Category 1	8%	7 minutes mean response time 15 minutes 90 th centile response time	The earliest of: •The problem being identified •An ambulance response being dispatched •30 seconds from the call being connected	The first ambulance service-dispatched emergency responder arriving at the scene of the incident (There is an additional Category 1 transport standard to ensure that these patients also receive early ambulance transportation)
Category 2	48%	18 minutes mean response time 40 minutes 90 th centile response time	The earliest of: •The problem being identified •An ambulance response being dispatched •240 seconds from the call being connected	If a patient is transported by an emergency vehicle, only the arrival of the transporting vehicle stops the clock. If the patient does not need transport, the first ambulance service-dispatched emergency responder arriving at the scene of the incident stops the clock.
Category 3	34%	120 minutes 90 th centile response time	The earliest of: •The problem being identified •An ambulance response being dispatched •240 seconds from the call being connected	If a patient is transported by an emergency vehicle, only the arrival of the transporting vehicle stops the clock. If the patient does not need transport the first ambulance, service-dispatched emergency responder arriving at the scene of the incident stops the clock.
Category 4	10%	180 minutes 90 th centile response time	The earliest of: •The problem being identified •An ambulance response being dispatched •240 seconds from the call being connected	Category 4T: If a patient is transported by an emergency vehicle, only the arrival of the transporting vehicle stops the clock.

From a clinical perspective, there are new Ambulance Quality Indicators as follows;

- For heart attack patients we will measure the proportion of patients that receive definitive treatment within 150 minutes of making a 999 call. NHS England expect 90% of patients to meet this standard by 2022.
- For stroke patients, we will measure the proportion of patients that complete their pathway of care within 180 minutes of making a 999 call. NHS England expect 90% of patients will meet this standard by 2022.
- A new set of clinical quality indicators is proposed for patients with sepsis, people who have fallen and are still on the floor, and for those experiencing mental health crises.

In addition, there will be new standards for:

- Call answering (20 seconds, 95th centile)
- Call closure (proportions)
- Call to angiography in STEMI
- Call to thrombolysis (reperfusion) in stroke
- Survival to discharge in cardiac arrest (Utstein group)
- Long waits (and clinical impact)
- Serious incidents (number and severity)

The new performance standards were continuing to embed nationally at the year-end, with a number of changes being made in response to feedback from staff at ambulance trusts across the country. As outlined in the *About Us – Key Issues and Risks* section of this report, our jointly commissioned demand and capacity review identified that further resource is required to enable us to consistently deliver against the new response targets.

For the period 1st April 2017 to 30th October 2017 we continued to operate under the previous performance standards for our Unscheduled Care service. NHS England defined these targets are follows:

Category	Percentage of calls in this category	National Standard	How long does the ambulance service have to make a decision?	What stops the clock?
Red 1	3%	75% within 8 minutes	The clock starts at the point the call is connected to the ambulance service	The first ambulance service-dispatched emergency responder arriving at the scene of the incident
Red 2	47%	75% within 8 minutes	The earliest of: •The problem being identified •An ambulance being dispatched •60 seconds from the call being connected	The first ambulance service-dispatched emergency responder arriving at the scene of the incident
Green	50%	No national standard	The earliest of: •The problem being identified •An ambulance response being dispatched •60 seconds from the call being connected	The first ambulance service-dispatched emergency responder arriving at the scene of the incident

Scheduled Care

There are no national targets against which our Scheduled Care (Patient Transport Service) is measured. We do set a number of local quality indicators, such as time on vehicle (with the aim for this to be less than 60 minutes in 90% of cases), timeliness of arrival at treatment centre and timeliness of pick-up following treatment (85% to be picked up within 60 minutes).

Emergency Operations Centre

There are new proposed national targets for 111 and our expanding Clinical Assessment Service but the thresholds/ targets for these measures have not yet been set. We monitor a number of different local metrics, including: 111 call answer performance, timeliness of 111 clinician call-backs and the percentage of 111 calls transferred to 999.



Monitoring Performance

Monitoring performance against these national and local metrics is of paramount importance, and we do this in a number of ways.

- We have a Performance team who analyse trends and trajectories for performance and liaise with all departments in the Trust to triangulate performance and proactively challenge and support.
- The Chief Operating Officer holds weekly performance meetings with the senior management of each service line (Emergency Care, Patient Transport Service and the Emergency Operations Centre). This enables an analysis of the previous week's performance to be undertaken, as well as forecasting and planning for the coming weeks.
- The Executive Team also critically assess the previous week's performance as part of their weekly meeting.
- Each service holds monthly management meetings to review operational, quality, finance and workforce performance, as well as emerging risks.
- There is a monthly performance management meeting, Delivering Consistently, in which the senior management team meet with the Executive Directors. This is a 'confirm and challenge' meeting in which the services present the outputs from their Joint Business Meeting, and the Executive Directors seek assurance over the management of key performance targets and risks.
- The Board committees and sub-groups also seek assurance over key elements of performance.
- The Board of Directors meets on a monthly basis and reviews the integrated performance report in detail.
- Our performance is also subject to regular external scrutiny by our stakeholders, for example through regulatory returns and correspondence with NHS Improvement and the Care Quality Commission, meetings with our commissioners, Overview and Scrutiny Committees and Healthwatch meetings.

Operational Performance 2017/18

Unscheduled Care

The way in which performance has been reported during 2017/18 has completely changed with a transition at the end of October to the new performance standards for Unscheduled Care provision. Prior to that transition, Red 1 performance for the year had seen significant improvements, with the national standard achieved in June 2017 for the first time. The remaining Red priorities continued to deteriorate through the year, with slight improvements seen for Urgent cases.

The forecast position for Red 1 was being achieved (this was the revised forecast agreed for our 2017/18 NHS England operational plan, however Red 2 and Red 19 forecasts were both missed (Red 2 -13.57%, Red 19 -0.87% from forecast) with performance remaining significantly below the national target.

Since the end of October 2017, we have been operating to the new standards. Under these standards (explained earlier in the *Performance Analysis* section of this report) we have been the top performer nationally for attending life threatening emergencies (C1 cases) and have achieved both national standards for C1 since the implementation of ARP.

The national standard for C4 was also met in March 2018. We have been struggling to achieve the C2 and C3 incidents in time, which represents the majority of our patients. The reference period we have is the winter and spring and therefore at this point it is very hard to determine the full year effect of the ARP standards.

The winter of 2017 saw NHS trusts across the North East face severe pressure which will also have had a major effect on response performance. We will continue to provide analysis of our performance internally and externally as the trends become more evident and we are also able to benchmark ourselves against other ambulance trusts. A demand and capacity review to understand the resource requirements needed to achieve the new national standards has been completed in partnership with commissioners.

The tables below show how we performed compared to the national average and the other ambulance trusts across the country.

Category 1 - Mean Response Time (7 Minute Target)				
Financial Year	NEAS Performance	National Average	Highest trust Performance	Lowest trust Performance
2017/18*(mm:ss)	06:44	08:22	06:44	10:06
Category 2 - Mean Response Time (18 Minute Target)				
Financial Year	NEAS Performance	National Average	Highest trust Performance	Lowest trust Performance
2017/18*(mm:ss)	24:13	25:32	12:19	33:06

Category 3 - 90 th Percentile Response Time (2 Hour Target)				
Financial Year	NEAS Performance	National Average	Highest trust Performance	Lowest trust Performance
2017/18* (hr:mm:ss)	04:12:15	02:23:30	01:16:58	04:12:15

Category 4 - 90 th Percentile Response Time (3 Hour Target)				
Financial Year	NEAS Performance	National Average	Highest trust Performance	Lowest trust Performance
2017/18* (hr:mm:ss)	03:39:39	03:18:45	02:19:45	04:52:29

* Data above is from 30th October 17 to 31st January 18 inclusive (latest national benchmark data)

As a Trust which provides 999 / 111 and GP out of hours services we understand the importance of working with others to provide care closer to home for patients, when it is safe to do so. We therefore ensure that we review and monitor our 'Hear and Treat' and 'See and Treat' rates and report them externally to the commissioners of our service. Not only does this provide a positive patient experience it reduces the use of other resources such as the Emergency Department, when this is not required. We have increased the number of cases of Hear and Treat and See and Treat, whilst reducing the conveyance to other services over the past three years.

Scheduled Care

Performance on Scheduled Care remained excellent with time on vehicle and collection within 60 minutes continuing to perform well at the year end, both achieving the local target. On time arrival has missed the 80% target by 3.2% (a decrease from 0.3% in February 2018). This is due to an increase in early arrivals. Further work is being undertaken to review the impact of same day bookings and adherence to schedules.



Emergency Operations Centre

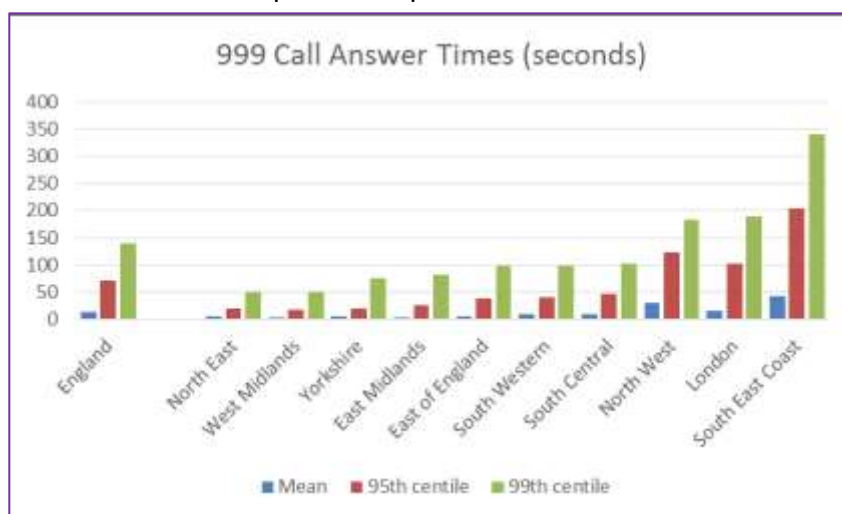
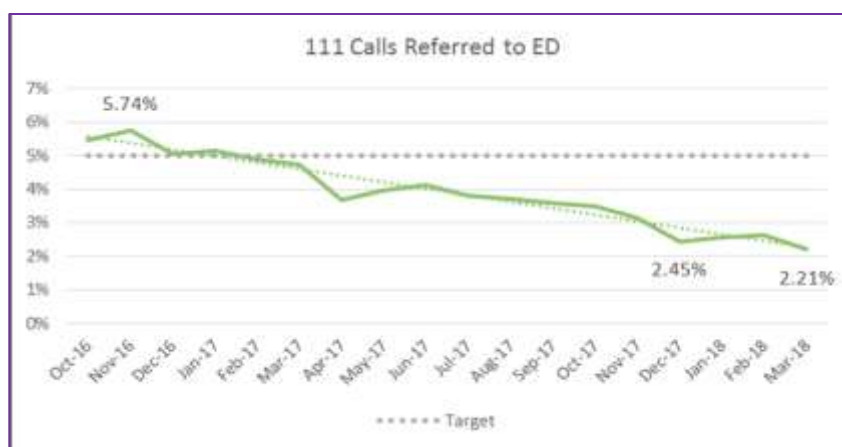
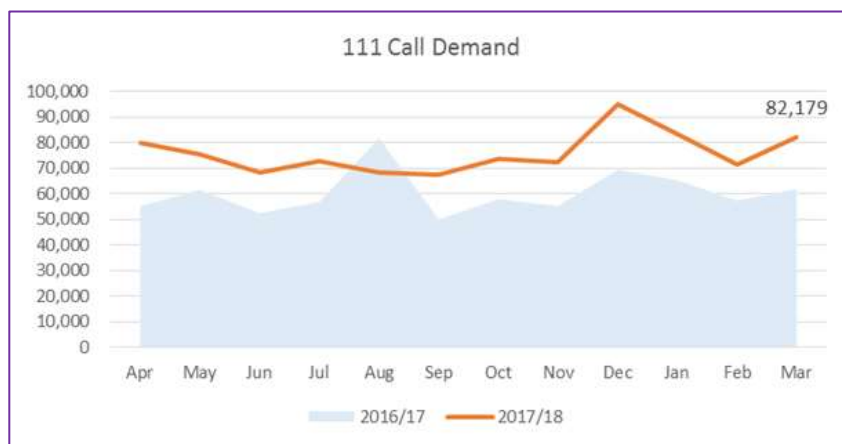
2017/18 saw a significant increase in 111 call volumes, pushing call volumes for the year to the end of March to be 37.25% higher than the previous year. This has hit call answering performance with the standard being missed since Christmas, affected by both call volumes and by the severe weather incurred in February.

Performance for warm transfers and call-backs by our partner, Vocare for 111 calls has improved but is still below target. For the last three months of the year, we hit the target to reduce transfers from 111 to 999 resulting in an ambulance attending on scene to below 10%. This was the first time in the lifetime of the contract that we managed to get below 10% and it has now been sustained for three months. Furthermore,

transfers from 111 to Emergency Departments has also continued to improve with only 2.21% of all 111 calls referred to Emergency Departments in March 2018. This ensures that patients receive the most appropriate help and support whilst also assisting our acute trust partners in reducing the pressure on their A&E units.

As a result of setting up the Clinical Assessment Service (CAS), 48.54% of calls triaged received a clinical contact for the month of March 2018, just short of the 50% national target. This sets the Trust up well to further develop pathways within the CAS to improve this performance.

In respect of 999 call performance, the target of 95% for calls answered within 5 seconds was not met, with a year-end position of 93.76%. Despite just missing the target, the Trust was consistently one of the strongest performers nationally for call answer speed. This is evidenced by the adjacent graph which shows the position for March 2018.



Financial Performance 2017/18

It has been another financially challenging year for the Trust as we continue to develop the services we provide for the people of the North East whilst dealing with both increasing demands for our services, delivering a stretching cost improvement programme and setting up a wholly owned subsidiary company.

We started the year with a plan to attain our nationally derived target, of a £1.4m deficit position. However, by the end of the year we moved to an adjusted financial performance surplus position of £0.18m, mostly achieved due to the receipt of Sustainability and Transformational funding at the year end, and therefore not reflective of the underlying recurring financial position. Our end of year cash balance was £10.3 million.

We made capital investments of £6.7m during the year, the largest proportion of which, £3.8m, was spent on the replacement of vehicles including front line ambulances, rapid response and patient transport vehicles. We also made significant investments in the equipment for these vehicles including state of the art defibrillators. Investments worth £1.3m were also made to maintain and enhance our estate.

Our operating income for the year was £125.3 million. The majority of our income comes from the provision of our Unscheduled Care and Scheduled Care services through our main contract which we have in place for the 10 Clinical Commissioning Groups (CCGs) in our geographical area.

Unscheduled Care contracts for 2017/18 were based on a block volume arrangement for a fixed value, based on historical tariffs, with no charges for over, or reductions for under, activity against this activity plan.

Actual Scheduled Care activity against the block contract planned levels are shown, by currency, in the table below.

Patient activity (local tariff)	Contract 2017/18	Outturn 2017/18	Outturn 2016/17
Calls	489,527	497,865	494,858
Hear and Treat	28,570	26,774	23,967
See and Treat	78,322	102,174	90,857
See and Convey	288,443	284,444	289,391
Neo-natal	532	391	559

For the 2018/19 Unscheduled Care contract this will continue to be centred on a block volume of activity for a fixed payment value from the CCGs, however this is now fixed for two years.

Our Scheduled Care contract is also based on a block contract and is for transporting patients to out-patient appointments, dialysis appointments, day centres, out of hours treatment centres and primary care centres.

We also receive separate income for discrete contracts with local CCGs in respect of the North East 111 service the Durham Urgent Care Transport service, a dedicated Durham discharge service, as well as Urgent Care service provision in the South of Tyne and Hartlepool and Stockton areas.

Additional income is received from our Commercial Services Team which provides a range of training services and event cover to the general public and private sector.

Overall our income for the year was slightly ahead of 2016/17. This was due to the provision of Sustainability and Transformational Funding (STF) received from NHS England as previously referred, commissioner investment in front line services and new Scheduled Care contracts gained in year

The Trust has complied with Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) which requires that the income from the provision of goods and services for the purposes of the health service in England must be greater than its income from the provision of goods and services for any other purposes. The impact of other income on the Trust is insignificant.

Foundation Trusts are required to disclose the income and full cost associated with fees and charges (income generation) levied by the Trust where the full cost exceeds £1 million or the service is otherwise material to the accounts. We did not exceed the £1 million threshold and therefore a detailed disclosure is not required.

Our running costs continue to be tightly controlled however we have seen pressures in the following areas:-

- Pay;
- Establishment costs;
- Legal fees;
- Clinical negligence premium; and
- Training.

However there has been a reduction in spending in the areas of:-

- Premises costs; and
- Provisions of discount rate.

Our cost improvement programme (CIP) is pivotal to achieving financial performance and our CIP plan for the year was £7.595 million. We marginally over achieved our target reaching a total saving of £7.672m (i.e. a 1% over-achievement). There was however a significant shortfall in recurrent savings, which has led to an increased CIP target being built into the 2018/19 financial plan.

There have been no events since the end of the financial year that have affected the Trust.

Other Financial Information

North East Ambulance Service NHS Foundation Trust has complied with the cost allocation and charging guidance issued by HM Treasury.

No political donations were made during the year.

The Government's 'Better Payment Practice Code' requires public sector bodies to pay all trade creditors within 30 days or within the agreed terms. The Trust is an approved signatory of the prompt payment code, hosted by the Institute of Credit Management on behalf of the Department of Business Innovation and Skills. As a result the Trust is committed to:

- Pay suppliers within agreed terms;

- Ensure suppliers know how to invoice them; and
- Encourage good practice.

The Trust paid 96% and 95% of its non-NHS invoices within 30 days by number and value respectively and similarly 95% and 96% on its NHS invoices within 30 days by number and value respectively.

During 2017/18 no interest was payable under the Late Payments of Commercial Debts (interest) Act 1998.

Environmental and Sustainability Matters

We seek excellence in every aspect of the Trust and as a consequence NEAS is committed to preventing pollution from our business. We endeavour to comply with and, where possible, exceed the requirements of all relevant environmental legislation as well as other requirements to which the Trust subscribes. This is reflected in our Environmental Policy Statement.

The Trust aims to provide a superior patient experience with a reduced overall cost - both financial and environmental. We are now four financial years through a 7 year Carbon Management Plan (CMP). The CMP, endorsed by the Carbon Trust and the Trust's Chief Executive commits the Trust to a challenging reduction in CO₂; 30% by 2020 from a 2012/13 baseline. Over the lifetime of the Carbon Management Plan the cashable savings associated with the Plan amount to £10.6 million in diesel, electricity and gas.

In rolling out the CMP, NEAS have executed numerous carbon reduction projects including high efficiency LED lighting at all ambulance stations, two wind turbines and the use of solar panels at 23 Trust properties. Due to the success of the Air Source Heat Pump (ASHP) installation at Hexham Ambulance station in 2015, the Trust has eliminated gas heating through ASHP technology at 10 additional properties.

Since 2012/13, a cumulative total of over £310,000 has been saved in electricity and gas consumption from rolling out the 'invest to save' energy projects. This equates to a 30% reduction in electricity, a 43% reduction in gas and a 9% reduction in water. Within the financial savings we also have guaranteed income generated through both Feed in Tariff and Renewable Heat Incentive schemes for 20 years.

The overall carbon savings have been outstanding, with over a 1,100 tonnes saved from the 'invest to save' energy projects from 2012/13 until January 2018. As a result of these achievements NEAS was proud to win 2 NHS Sustainability Awards in May 2017 in the Finance and Energy categories.

The Trust is also working hard to reduce the diesel consumption and the consequent emissions of our fleet vehicles. We have collaborated with the Energy Savings Trust on two fleet projects in 2017; a Green Fleet review as well as a Grey Fleet review (business mileage) with a view to reducing diesel consumption of our fleet as well as our staff travelling in their own car on business.

As a result of the Green Fleet Review the Trust has trialled an electric BMW i3 as a rapid response vehicle; it has a petrol range extender, meaning it has the potential to cover the distances needed by

the Trust. The Trust is now in a position to make a decision regarding the long term inclusion of the model in its fleet.

The Trust is also investing in some 'invest to save' diesel projects within the fleet - engine cleans and engine remapping - both of which aim to reduce consumption and emissions. A trial of 10 vehicles is underway for both projects and if successful they will be rolled out further to suitable vehicles.

The Trust is now 3 years into a collaborative Total Waste Contract for non-healthcare waste. Waste to landfill is now hugely reduced compared to pre contract; around 2% compared to greater than 60% in the baseline year of 2012/13. NEAS produces orange infectious waste suitable for alternative treatment and infectious yellow sharps for incineration.

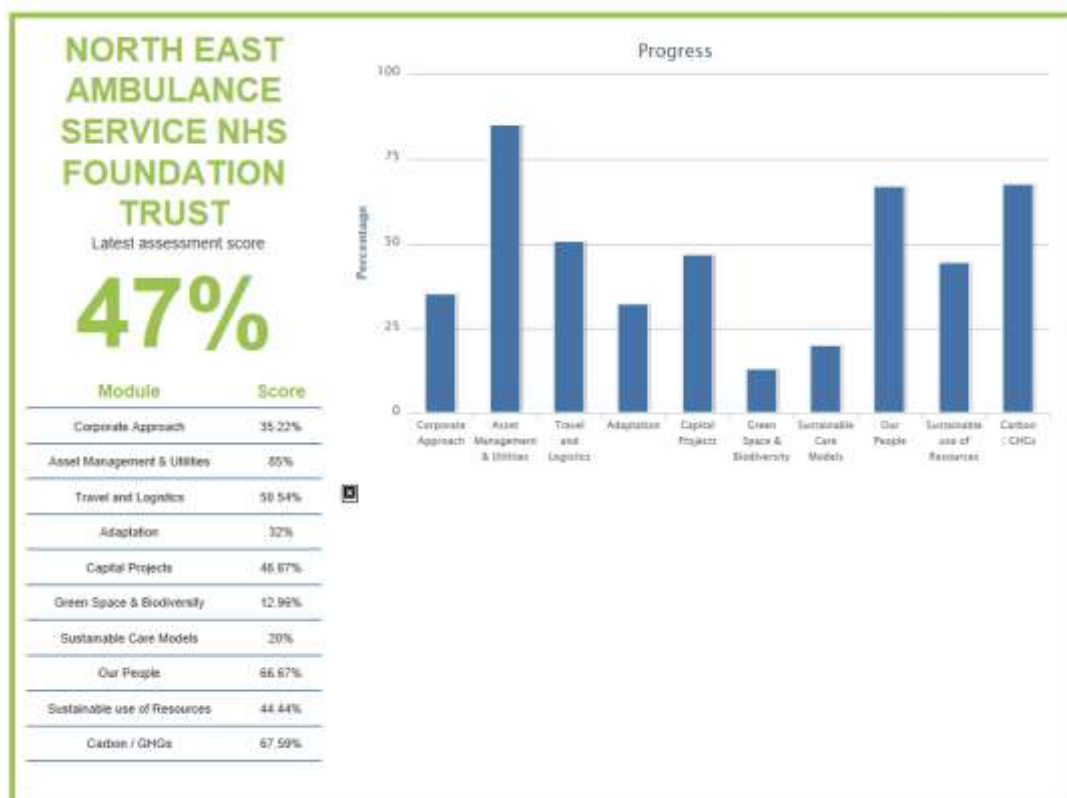
The Trust has rolled out number of projects within five key areas since 2013 that have created financial and environmental savings as well as increased the Trust's compliance with healthcare waste requirements:

- An e-learning package for annual staff training was rolled out in 2017 with emphasis on segregation and compliant waste disposal.
- To aid identification of NEAS waste and ensure duty of care, the Trust introduced a branded tape that is attached to all orange bags and yellow sharps pots upon disposal and signed and dated by the member of staff disposing this ensuring our duty of care even when the waste has left a NEAS site.
- Contractual improvements through joining the northern consortium clinical waste contract which gave the Trust more management power over the contract as well as preferential rates.
- Engagement of partner hospitals to allow NEAS crews to drop labelled and well segregated clinical waste at the hospital, reducing the time & diesel needed by NEAS crews to return to base to dispose of healthcare waste after a hospital visit.
- Moving NEAS up the waste hierarchy through donation of out of date clean medical stock to less developed countries, this reducing disposal volume and cost.

As a result of the improvements made the Trust was highly commended in the 2017 NHS Sustainability Awards in the Waste Category.

The Trust is working hard to introduce healthier and non-meat based lunch options in the canteen at its headquarters. NEAS have teamed up with Quorn who have conducted three taster sessions in the canteen in 2017/18 as well as providing recipe training for the catering contract. Meat-free more sustainable dishes are now incorporated into the menu options twice each week.

NEAS completed the Sustainable Development Unit's (SDU) Good Corporate Citizen Tool for the first time in 2016 and achieved a score of 41% which was above our target of 25%. During 2017 the SDU changed the format of the assessment and renamed it the Sustainable Development Assessment Tool, which allows trusts to measure their progress against the United Nations' Sustainable Development Goals. NEAS scored 47% on the assessment, an improvement on the previous year's assessment.



Emergency Preparedness, Resilience and Response

The NHS needs to plan for, and respond to, a wide range of incidents and emergencies that could affect health or patient care. Under the Civil Contingencies Act (2004), NHS organisations and providers of NHS funded care must show that they can effectively respond to emergencies and business continuity incidents while maintaining services to patients.

The NHS England Core Standards for the Emergency Preparedness, Resilience and Response (EPRR) are the minimum standards which NHS organisations and providers of NHS funded care must meet. The standards are reviewed and updated as lesson are identified from testing, national legislation and guidance changes and/or as part of the rolling NHS England governance programme.

As part of the national EPRR assurance process we are required to assess ourselves against these core standards. We submitted our self-assessment to NHS England in August 2017 and have undertaken updated assessments since this time. The outcome of this self-assessment shows that we were achieving the following compliance levels at the year-end, making some key improvement from our August assessment:

Area	Compliance Rate (August 2017)	Compliance Rate (Year-end 2017/18)
Core Standards	84%	100%
Governance	50%	83%
HART	90%	95%
Marauding Terrorist Firearms Attack	89%	95%
Hazardous materials and chemical, biological, radiological and nuclear defense	100%	100%

There are areas within the EPRR core standards which NEAS are partially or non-compliant with, however there is work in progress to ensure that the Trust can move from its current state to its future, desired state. It is to be recognised that in relation to the areas which are partially or non-compliant there is rationale and actions in place to make improvements. As an example, the governance standard is currently at 83% due to the Trust's previous annual reports not including a summary of the self-assessment against the standards. Following the publication of this annual report this module should be fully compliant.

Social, Community, Anti-Bribery and Human Rights Issues

We have a broad range of policies in place covering environmental, social, community and human rights issues.

We work with a range of community partners through our Healthwatch Ambulance Forum and our Stakeholder Equality and Diversity Forum to ensure we are able to liaise with partners that work within local communities, understand their issues and can respond to potential concerns and priorities.

We have worked with staff and stakeholders to assess and grade our performance against the national Equality Delivery System 2 guidance. The 2017/18 grading sessions indicated we had improved in seven objectives, remained the same in four objectives and one objective had declined.

We have continued to undertake targeted initiatives with Black, Asian and Minority Ethnic (BAME) people through a range of community events and specific BAME recruitment events across Newcastle, Sunderland and Middlesbrough. These have helped us to understand the views and needs of people and promote employment and volunteering opportunities to people from these communities.



We have gathered patient and community feedback from the BAME events, Pride events, schools visits and other community engagement. This feedback and data gathered through our Equality and Diversity dashboard and

annual report have allowed us to identify areas for improvement and priorities, and inform the annual review of our Equality Strategy action plan.

In the last 12 months we assessed ourselves against the Job Centre Plus Disability Confident Scheme and were awarded the 'Employer' status. We also worked with a range of organisations to develop a communications guide for front line employees to support them to communicate with patients with a variety of communication needs.

In 2018 we were ranked as the top performing health and social care organisation in the Stonewall Workplace Equality index and the top performing Foundation Trust, Ambulance Service and Emergency Service in the North East of England. We continue to make significant improvements to become an inclusive organisation and create a workplace that is inclusive of lesbian, gay, bisexual and transgender people and provide services that consider peoples' needs. In the last 12 months we have undertaken a substantial amount of work to create a support trans and non-binary people in the workplace and when they access services developing resources and training for employees.



In respect of anti-bribery, there is an Anti-Fraud, Bribery and Corruption Policy in place, with regular updates on activity and investigations provided to the Audit Committee. The Trust's Standards of Business Conduct Policy also includes reference to bribery. The Local Counter Fraud Specialist also ensures fraud awareness training is delivered as part of the Trust's statutory and mandatory training requirements.

In October 2017 the Board of Directors approved the Trust's Modern Slavery Act (2015) Statement which demonstrates the Trust's commitment to and efforts in, preventing slavery and human trafficking practices in the supply chain and employment practices.

Y. A. Ormston

Yvonne Ormston
Chief Executive
24 May 2018

Accountability Report

Directors' Report

Board of Directors

The Board of Directors is responsible for formulating and driving strategy, ensuring accountability and shaping culture. It is ultimately accountable for everything that goes on in the organisation and it is responsible for putting the right people, the right quality of information and the right systems in place to make decisions. It operates through a scheme of delegation within a robust framework of systems and reporting which ensures that core business and risks are being controlled. The Board gains assurance through its committee structure and sources of other assurance and it meets formally, both in public and private sessions throughout the year to discharge its duties and receive those assurances. Our Chair and Chief Executive have complementary roles in leadership:

- Our Chair leads the Board of Directors and ensures its effectiveness. The Trust's Chair also chairs the Council of Governors. At the year-end our Deputy Chair, Catherine Young, was the Acting Chair.
- Our Chief Executive, Yvonne Ormston, leads the Executive Team and the organisation.

All Directors adhere to the Trust's Standards of Business Conduct policy and the core principles underpinning Board responsibilities and behaviours, including the Nolan Principles and the fit and proper person requirements of the Trust's CQC registration and NHS Provider Licence. The Standards of Business Conduct policy was updated during 2017/18 to ensure compliance to the new national standards published by NHS England.

The Board of Directors has a range of skills and experience gained from the public, private and voluntary sectors that complement all areas of our business including clinical expertise, senior experience within other NHS bodies and emergency services, legal services, logistics, finance, human resource management and operational management. This range of skills ensures balance, completeness and appropriateness of membership of the Board of Directors.

Appointment and removal of directors are completed in accordance with the NHS Act 2006. Under the NHS Foundation Trust Code of Governance, and the Trust's Constitution, removal of the Chair or Non-Executive Directors requires the approval of three-quarters of the members of the Council of Governors. Appointments will also be terminated if, in accordance with the Constitution, they become disqualified from holding their appointment or they resign from office by giving notice. All Board appointments are made in accordance with the fit and proper persons regulations outlined above.

The roles of Non-Executive Directors

Non-Executive Directors contribute to the development of strategy and play an important role in scrutinising management in achieving agreed goals and objectives and monitoring the reporting of performance. Non-Executive Directors are drawn from the local community and can ensure that the voice of the public is heard in decision-making processes and that the interests of patients remain at the heart of Board discussions.

Non-Executive Directors also have a role in working with the Chair in the appointment and remuneration of the Chief Executive and other Executive Directors as members of the Trust's Nomination and Remuneration Committee. All of our Non-Executive Directors, including the Acting Chair, are considered to be independent.

The roles of Executive Directors

Some decisions are delegated to the executive management of the Board of Directors. Decision making for the operational running of the Trust is delegated to the Executive Management Team.

Executive Directors share the same corporate responsibilities as Non-Executive Director colleagues but bring detailed knowledge of the organisation's management systems and processes and of the health sector, as well as specialised clinical and managerial expertise.

The Trust has seven Executive Directors covering six voting Executive Directors position (as this includes two part-time Medical Directors) who are employed by the Trust on permanent contracts with a six month notice period.

Board composition

There have been a number of changes in Board composition during 2017/18. Sadly, our Chair, Ashley Winter OBE, resigned from his position in January 2018 due to ill health. Ash passed away in March 2018 after a short illness. Ash had served as the Trust's Chair for five years and made a significant contribution to the Board and the wider Trust. We lost a great leader, colleague and friend. Our thoughts and condolences are with Ash's family at this time.

Catherine Young, the Trust's Deputy Chair and Senior Independent Director (appointed to these roles from 1st November 2017) stepped into the role of Acting Chair whilst Carolyn Peacock took on the role of Acting Senior Independent Director (to ensure appropriate separation between the Chair and Senior Independent Director positions).

Earlier in 2017/18 we said goodbye to two of the Trust's longstanding Non-Executive Directors, Wendy Lawson and Jeff Fitzpatrick, who had in recent times also served as the Trust's Senior Independent Director and Deputy Chair respectively. Wendy and Jeff had served as Board Members prior to the Trust's authorisation and the Board records its thanks for their contributions over many years.

John Marshall and Dr Gerry Morrow joined the Board as Non-Executive Directors on 1st November 2017. John Marshall has brought a new skill set to our Non-Executive Director team, with significant experience in senior positions within the legal sector, alongside experience as the chair of a number of regional not-for-profit organisations. Dr Gerry Morrow is a GP by background and also specialises in health informatics.

The addition of GP expertise to the Non-Executive Director skill set complements the appointment of Dr Mathew Beattie as the Trust's part-time Medical Director. Dr Beattie joined the Board in July 2017 and the increase in Medical Director time commitment has been very beneficial to the development of Clinical Assessment Service and multi-disciplinary working, including the employment of GPs.

Name and position	Background (Skills, experience and expertise)	Board of Directors (out of 10 meetings held)	Audit (out of 5 meetings held)	Nomination and Remuneration (out of 2 meetings held)	Council of Governors (out of 8 meetings held) ^
Executive Directors					
Yvonne Ormston, Chief Executive (From 1st October 2014 - present)	<ul style="list-style-type: none"> Previously held the post of Deputy Chief Executive of Gateshead Health NHS Foundation Trust. More than 30 years' experience of working in the NHS locally, including being Locality Director at Northumberland Care Trust and Chief Executive of Gateshead Primary Care Group. 	8	N/A	1/1 (by invitation)	3/4
Lynne Hodgson, Director of Finance & Resources (From 1st June 2016 – present)	<ul style="list-style-type: none"> Previously held the post of Director of Finance, ICT and Support Services at North Tees and Hartlepool NHS Foundation Trust. Over 30 years' experience of working within the NHS including directing and influencing both the provision and commissioning of health care services. Portfolio includes managing Finance, Procurement, IT and Support Services, therefore giving a rounded knowledge of operations within the NHS. 	10	5	N/A	1/4
Paul Liversidge, Chief Operating Officer (From July 2006 – present)	<ul style="list-style-type: none"> More than 30 years' experience within the ambulance service in a number of front-line, operational and management roles. Took up the post of Director of A&E in February 2001 with overall responsibility for operational staff, control 	9	N/A	N/A	2/4

Name and position	Background (Skills, experience and expertise)	Board of Directors (out of 10 meetings held)	Audit (out of 5 meetings held)	Nomination and Remuneration (out of 2 meetings held)	Council of Governors (out of 8 meetings held) ^
	<p>room staff and emergency planning.</p> <ul style="list-style-type: none"> Following the merger of the North East Ambulance Service with the Tees part of the Tees, East and North Yorkshire Ambulance Service in July 2006, appointed to the role of Director of Operations. 				
<p>Joanne Baxter, Director of Quality and Safety, RGN</p> <p>(From August 2013 – present)</p>	<ul style="list-style-type: none"> Executive nurse, with over 26 years' of experience of working in the NHS. Extensive clinical experience from working in a number of specialist areas in both acute hospitals and community settings. Experience in managing a diverse mix of clinical services, both in community services and more recently in acute/emergency care. 	8	N/A	N/A	1/4
<p>Caroline Thurlbeck Director of Strategy, Transformation and Workforce</p> <p>(From August 2015 to present)</p>	<ul style="list-style-type: none"> Over 25 years' experience of working in the NHS. Experience across a wide range of areas, including strategic planning, performance management, project and programme management, organisational development, EPRR (emergency preparedness resilience and response), information management and technology and analytics. 	7	N/A	N/A	3/4

Name and position	Background (Skills, experience and expertise)	Board of Directors (out of 10 meetings held)	Audit (out of 5 meetings held)	Nomination and Remuneration (out of 2 meetings held)	Council of Governors (out of 8 meetings held) ^
Kyee Han, Medical Director, MBBS, FRCS, FCEM (From January 2010 – present)	<ul style="list-style-type: none"> Consultant in Accident and Emergency Medicine. Honorary Clinical Senior Lecturer. 	5	N/A	N/A	N/A
Dr Mathew Beattie (From July 2017 – present)	<ul style="list-style-type: none"> North of Tyne Clinical Lead for NHS 111 in 2013. Clinical Director for South Tyneside CCG commissioning services for long term conditions and urgent care prior to appointment as the Trust's Medical Director in July 2017. 	5/7	N/A	N/A	N/A
<ul style="list-style-type: none"> Non-Executive Directors 					
Ashley Winter, Chair OBE (Resigned effective from 31 January 2018 during his third term)	<ul style="list-style-type: none"> Former Chairman and Managing Director of Patterson Motor Group for 20 years. Extensive business experience and involvement in local charities. Director of Herbert Dove Trustees Ltd, Lion Court (Corbridge) Ltd and H&S Events (T&W) Ltd and Trustee of Charlotte Straker Project (Charitable Nursing and Residential Home). Worked in education, chairing both Learning and Skills Council North East and Tyneside Training and Enterprise Council and former University Governor. Independent. 	7/7	N/A	1/1	5/6
Catherine Young, Non-Executive Director and Acting	<ul style="list-style-type: none"> Fellow of the Institute of Chartered Accountants in England & Wales (ICAEW). 	10	N/A	2/2	6/6

Name and position	Background (Skills, experience and expertise)	Board of Directors (out of 10 meetings held)	Audit (out of 5 meetings held)	Nomination and Remuneration (out of 2 meetings held)	Council of Governors (out of 8 meetings held) ^
<p>Chair from 1st February 2018</p> <p>Deputy Chair and Senior Independent Director (effective from 1st November 2017)</p> <p>(Re-appointed on 1st February 2018 for her second 3-year term)</p>	<ul style="list-style-type: none"> Worked in practice and in business, at both PLC and SME level, and holds non-executive positions as Chair of Audit Committee with the national charity Breast Cancer Care, Governor and Member of Finance & Development Committee at the University of Sunderland and as a commissioner and pension scheme trustee at the Port of Blyth. Catherine is also a member of the ICAEW Northern Regional Strategy Board. Independent. 				
<p>Douglas Taylor, Non-Executive Director and Chair of the Audit Committee</p> <p>(Re-appointed on 1st February 2018 for his second 3-year term)</p>	<ul style="list-style-type: none"> Chartered CIPFA accountant. Worked in the public sector for over 40 years and is a former Director of Finance in a Development Corporation and Chief Executive of a Newcastle based regional housing association for over 10 years. NHS experience includes being a former Director of Finance in a major teaching hospital Trust and more recently served as a non-Executive Director and Chair of the Audit Committee at Tees, Esk & Wear Valleys NHS Foundation Trust. Independent. 	10	5	1/2	4/4
<p>Carolyn Peacock, Non-Executive Director</p> <p>Acting Senior Independent</p>	<ul style="list-style-type: none"> Significant senior experience with a 32 year career at Northumbria Police, achieving the 	9	5	2/2	2/4

Name and position	Background (Skills, experience and expertise)	Board of Directors (out of 10 meetings held)	Audit (out of 5 meetings held)	Nomination and Remuneration (out of 2 meetings held)	Council of Governors (out of 8 meetings held) ^
Director from 1st February 2018 (Appointed on 1st November 2015 for a 3 year term (1st term))	position of Assistant Chief Constable. <ul style="list-style-type: none"> • Experience as a lay panellist for the Nursing and Midwifery Council's fitness to practice hearings. • Accredited workplace and community mediator. • Performance and leadership coach. • Independent. 				
Helen Suddes, Non-Executive Director (Appointed on 1st November 2015 for a 3 year term – 1st term)	<ul style="list-style-type: none"> • Qualified nurse. • Has held senior positions within primary care organisations. • Experience of leading county-wide Urgent Care Reviews and overseeing specialist primary and community care services. • Currently works within health education in the North East. • Independent. 	9	N/A	2/2	1/4
Jeff Fitzpatrick, Non-Executive Director and Deputy Chair (Left on 31.10.17 following completion of his third term)	<ul style="list-style-type: none"> • Extensive experience in Human Resources and general management. • Fellow Chartered Institute of Personnel & Development. • Fellow Institute of Marketing • Member British Institute of Management. • Independent. 	6/6	4/4	1/1	3/3
Wendy Lawson, Non-Executive Director and Senior Independent Director (Left on 31.10.17 following completion of her third term)	<ul style="list-style-type: none"> • Extensive experience in Contact Centre business, running her own consultancy based in Newcastle. • Long and successful career in sales, business development and telemarketing, 	6/6	N/A	1/1	3/3

Name and position	Background (Skills, experience and expertise)	Board of Directors (out of 10 meetings held)	Audit (out of 5 meetings held)	Nomination and Remuneration (out of 2 meetings held)	Council of Governors (out of 8 meetings held) ^
	<ul style="list-style-type: none"> In 1999 she set up her own Contact Centre Consultancy. Independent. 				
John Marshall, Non-Executive Director (Appointed on 1st November 2017 for a 3 year term – 1st term)	<ul style="list-style-type: none"> Spent legal career at Dickinson Dees LLP and latterly Bond Dickinson LLP from 1989-2016. A Disputes Resolution Partner, elected Senior Partner in 2010 Non- Executive Director and Chair of Newcastle Gateshead Initiative. Chair of Trustees of Newcastle United Foundation Chair of the Regional Development Committee of the Prince's Trust Sits on the Board of North East England Chamber of Commerce Sits on the International Advisory Board of Newcastle University Business School Tutor at St Chad's College, Durham University School Governor at Northumberland Church of England Academy in Ashington. Independent. 	4/4	N/A	1/1	1/1
Dr Gerry Morrow, Non-Executive Director (Appointed on 1st November 2017 for a 3 year term – 1st term)	<ul style="list-style-type: none"> Full time GP for 20 years in rural Northumberland. Developed an expertise in evidence based medicine and patient involvement. For the past 7 years Gerry has been medical director and editor at Clarity Informatics. Independent. 	4/4	1/1	1/1	1/1

^ There were four public Council of Governors meetings and four private Council meetings. Private Council meetings are by invitation only and therefore not all Board Members are eligible to attend. This has been reflected in the figures.

Board decisions

The types of decision taken by the Board of Directors include those on the organisation as a whole. The Board of Directors is responsible for formulating and driving strategy, ensuring accountability and shaping culture.

It is ultimately accountable for everything that goes on in the organisation and it is responsible for putting the right people, the right quality of information and the right systems in place to make decisions.

The Board of Directors operates through a scheme of delegation within a robust framework of systems and reporting which ensures that core business and risks are being controlled. The Board gains assurance through its committee structure and sources of other assurance and it meets formally, both in public and private sessions throughout the year to discharge its duties and receive those assurances.

The Board delegates some of its powers to a committee of Directors or to an individual Executive Director and these are set out in the Trust's scheme of delegation. Decision making for the operational running of the Trust is delegated to the Executive Team.

Performance evaluation

The Executive arm of the Board of Directors is monitored both collectively and individually on the delivery of key objectives, with the Chief Executive appraising performance of Directors on a quarterly basis, and the Chairman reviewing the Chief Executive's performance annually.

As a Foundation Trust, it is the role of the Council of Governors to ensure there is an effective and meaningful performance assessment and appraisal process in place for both the Chairman and Non-Executive Directors.

Further information on individual Board Member performance evaluation processes is included within the Remuneration Report.

All Board Committees (and those groups reporting to them) conduct a formal 'Review of Effectiveness' on an annual basis. Each Committee (and group) is required to demonstrate to the Board (and each group to its senior committee) that it has fulfilled its remit, remained within its terms of reference and has satisfactorily discharged its duties, adding value in terms of assurances and identifying and mitigating risk. This process is led by the Non-Executive Chair of the Committee. For 2017/18 the evaluation process incorporated the use of a survey assessment tool, which was sent to all members and regular attendees of each Committee to seek views on effectiveness. This then informed the overall assessment to ensure that the outcomes reflected broader feedback.

The Board undertook a self-assessment against the NHS Improvement and CQC Well-led domain in Quarter 3 of 2017/18. In addition, Deloitte LLP undertook a Board observation in February 2018 and provided the Board with some informal verbal feedback on the content, structure, debate and

discussion within the meeting. As part of their Quarter 4 workplan, Internal Audit undertook a review of governance arrangements (with particular reference to the findings of the previous well-led governance review in January 2016), although the outcome was not finalised at the year-end.

Declaration of interests

It is a requirement that the Chair and all members of the Board of Directors should declare any conflict of interest that arises in the course of conducting NHS business. Upon appointment, members of the Board of Directors are asked to declare any business interests, directorships, positions of authority in a charity or voluntary body in the field of health and any connection with contracting bodies for NHS services. All such declarations are entered in a register and are available for public scrutiny.

A copy of the Board's register of interests is available on the Trust's website. Alternatively, you can obtain a copy of the register of interests by writing to our Trust Secretary using the contact information at the end of this report.

Similarly to our Board of Directors, all of our Governors must declare details of any company directorships or other significant interests which could conflict with their responsibilities as a Governor of the Trust. A register of interests is maintained by the Trust, and is available through request to the Trust Secretary. Address details can be found at the end of this report.

During 2017/18 the Trust's Standards of Business Conduct Policy was updated to reflect the new national requirements for declaring interests, gifts and hospitality which were published by NHS England.

Audit Committee

The Audit Committee has primary responsibility for monitoring and reviewing financial and other risks and associated controls, corporate governance and financial assurance. The Chair of the Audit Committee is Douglas Taylor.

The Audit Committee is accountable to the Board of Directors and details of its meetings and member attendance are set out in the Board of Directors' table earlier in this report.

During 2017/18 the Committee:

- Reviewed regulatory submissions in accordance with its terms of reference and external requirements. This included: the annual accounts; annual report; quality report; annual governance statement; annual planning self-certifications; ISA260 and external audit reports;
- Sought assurance regarding the robustness of risk management processes;
- Reviewed the processes behind the development of the clinical audit plan, and sought assurance over progress made in implementing the plan;
- Undertook the annual review of the Trust's Constitution, Standing Orders and Standing Financial Instructions;
- Reviewed and approval several waivers of formal tendering procedures, in accordance with the Standing Financial Instructions;
- Approved the terms of engagement in relation to the external audit, quality report work and independent examination of the Charitable Fund;
- Considered the risks contained within the external audit plan;
- Evaluated the effectiveness of both internal and external audit functions;

- Reviewed Internal Audit updates throughout the year, including providing input on the draft plans presented at the beginning of the year. Progress in implementing audit recommendations was reviewed at each meeting;
- Approved the counter fraud annual work plan and received progress updates as well as updates on ongoing investigations;
- Received an assurance report to outline the Trust's position in respect of the NHS Digital Cyber Security Assessment following the Wannacry cyber attack in 2017.
- Sought assurances regarding the processes and controls in place to appropriately investigate and act upon Freedom to Speak Up concerns;
- Received regular updates on losses and special payments; and
- Received annual reports on compliance with policies falling within the remit of the Audit Committee.

In line with requirements of the Code of Governance the Committee reviewed the effectiveness of the External Audit and Internal Audit functions. The assessment was conducted following the completion of the 2016/17 year-end audits. Audit Committee members completed a comprehensive survey and the results were reported to the Committee in July 2017. A similar process will be initiated in May 2018 to review the effectiveness of both functions for 2017/18.

The Council of Governors appointed Mazars as the Trust's external auditors from 1 September 2016, under a four year contract. Mazars' fee for the audit of the accounts and assurance work on Quality Report for 2017/18 was £40,600 (excluding VAT). During the year no non-audit services were provided (with the exception of the external assurance work on the Quality Report, in line with regulatory requirements).

The Internal Audit function is provided by the NHS Audit Consortium AuditOne, which was formed in June 2016 following the merger of Audit North, Northern Internal Audit & Fraud Services and Sunderland Internal Audit Services.

Nomination and Remuneration Committee

The Council of Governors decides on the remuneration of the Chairman and Non-Executive Directors.

The Board's own Nomination and Remuneration Committee has delegated authority to set remuneration for all Executive Directors, monitor their performance, consider nominations for Executive Director vacancies and make recommendations on such appointments. The Committee sets the policy and authorises the remuneration packages and contractual terms that are sufficient to attract, retain and motivate Executive Directors whilst remaining cost effective. Proper regard to the Trust's circumstances, performance and comparative information from within the NHS and other public sector organisations are taken into account. Advice and guidance to this Committee is provided by the Head of HR and Trust Secretary in respect of national guidance, Trust protocol and other related matters.

All Non-Executive Directors are members, including the Trust Chair, who is the Committee Chair. The Committee meets at least once per financial year, and details of its meetings and member attendance are detailed in the Directors' table included earlier within this report.

Statement of disclosure to auditors

The Directors confirm that so far as they are aware:

- There is no relevant audit information of which the North East Ambulance Service NHS Foundation Trust's auditor is unaware.
- They have taken all the steps they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the North East Ambulance Service NHS Foundation Trust's auditors are aware of that information.
- Made such enquiries of his/her fellow Directors and of the Trust's auditors for that purpose; and
- Taken such other steps (if any) for that purpose, as are required by his/her duty as a Director of the Trust to exercise reasonable care, skill and diligence.

Council of Governors

The Council of Governors is the accountability forum between the Board of Directors and its stakeholders. It represents local interests and holds the Non-Executive Directors to account, as well as exercising its statutory powers which include:

- Appointing (and removing) the Chair and other Non-Executive Directors, deciding on remuneration and allowances;
- Appointing (and removing) the Trust's external auditors through a fair tendering process involving a task and finish group, and receiving the annual accounts and the annual report; and
- In preparing the Trust's forward strategic plan, the Board of Directors must have regard to the views of the Council of Governors.

The Council meets formally and in public four times a year and has constituted a number of Governor Committees to help it fulfil its role.

Governors canvass the opinion of the Trust's members and the public (and for appointed governors the body they represent), on the Trust's forward plan, its objectives, priorities and strategy, and their views are communicated to the Board of Directors.

In addition Governors have attended a number of different events and meetings across the region including Overview and Scrutiny committees and national conferences. Governors share relevant feedback with the full Council.

Our Council of Governors has been operating formally for over six years now and has discharged many of its statutory duties, including the appointment and re-appointment of the Chair and Non-Executive Directors and the appointment the Trust's external auditors.

There have been a number of formal and informal meetings involving Governors, with the full Council Meeting taking place quarterly. Over the year, there has been a programme of themed seminars and update sessions to ensure that the Council fully understands the business of the Trust and its various activities so that Governors can fulfil their important role of engaging with the public and ensuring that our services continue to improve in line with the wishes of the membership.

The Council of Governors undertook a review of effectiveness at the year-end, with all Governors being invited to complete a survey. The survey sought views on the Council's performance and meeting dynamics, including the Council agenda, Governor participation, the information it receives,

the frequency and timing of meetings, its committees and working groups and community engagement.

The Trust is committed to ensuring that Governors are equipped with the skills and knowledge they need, and that training which will support them in fulfilling their role is offered. The Governor Governance Committee works closely with the Trust Secretary to develop an annual training and development programme that reflects the needs and preferences of the Governors.

In January 2018 Michael Glickman, public Governor for the South of Tyne constituency, was re-appointed by the Council as Lead Governor for a period of 2 years, and therefore was in post throughout the full duration of 2017/18.

Governor elections were held during 2017/18 and this resulted in a number of new public and staff Governors being elected into post, as outlined in the following table.

The following table shows the members of the Council of Governors, each Governor's term of election, whether they were elected or appointed, including a description of the constituency or organisation that they represent, and their attendance at the Council of Governors meeting. Where a Governor was not in post for the full year, the table shows attendance against the number of Council meetings they were eligible to attend. During the year there were four public Council of Governors meetings (the regular quarterly meeting) and 4 private Council meetings (primarily to approve the appointment of two Non-Executive Directors and to agree the process for the recruitment of the Chair).

Region or organisation	Governor name	Term of appointment	Council of Governors meetings (max 8)
North of Tyne Region	Mary Mallatratt	2 years from 1 November 2011 Re-elected 1 November 2013 to 31 October 2016 Re-elected 1 November 2016 to 31 October 2019	8 of 8
	Jane Tomlin	3 years from 1 November 2011 Re-elected 1 November 2014 to 31 October 2017	4 of 6
	Violet Rook	3 years from 1 November 2016 to 31 October 2019	8 of 8
	Derek Bramley	3 years from 1 November 2016 to 31 October 2019	6 of 8
	Louis Davies	3 years from 1 November 2017 to 31 October 2020 <i>Left the Council effective from 9 February 2018</i>	0 of 2
	VACANCY		
	VACANCY		
	VACANCY		
South of Tyne Region	George Smith	3 years from 1 November 2013 Re-elected 1 November 2016 to 31 October 2019	5 of 8
	Michael Glickman	3 years from 1 November 2011	5 of 8

Region or organisation	Governor name	Term of appointment	Council of Governors meetings (max 8)
	(Lead Governor)	Re-elected 1 November 2014 to 31 October 2017 Re-elected 1 November 2017 to 31 October 2020	
	Steve Young	3 years from 1 November 2014 to 31 October 2017	0 of 6
	Bill Laing	3 years from 1 November 2016 to 31 October 2019	6 of 8
	Shobha Srivastava MBE	2 years from 1 November 2011 Re-elected 1 November 2013 to 31 October 2016 Re-elected 1 November 2016 to 31 October 2019	7 of 8
	VACANCY		
Durham Region	Robert Alabaster (Deputy Lead Governor)	3 years from 1 November 2011 Re-elected 1 November 2014 to 31 October 2017 Re-elected 1 November 2017 to 31 October 2020	6 of 8
	Ricky Clayton	2 years from 1 November 2011 Re-elected 1 November 2013 to 31 October 2016 Re-elected 1 November 2016 to 31 October 2019	6 of 8
	Michael Hemingway	3 years from 1 November 2011 Re-elected 1 November 2014 to 31 October 2017	5 of 6
	Alex Murray	3 years from 1 November 2016 to 31 October 2019	5 of 8
	Geraldine Granath	3 years from 1 November 2016 to 31 October 2019	6 of 8
	Andrew Eales	3 years from 1 November 2017 to 31 October 2020	2 of 2
Teesside Region	Ray Stephenson	2 years from 1 November 2011 Re-elected 1 November 2013 to 31 October 2016 Re-elected 1 November 2016 to 31 October 2019	8 of 8
	Veronica Fletcher	3 years from 1 November 2011 Re-appointed 1 November 2014 to 31 October 2017	1 of 6
	Jean McKenna	3 years from 1 November 2011 Re-elected 1 November 2014 to 31 October 2017 Re-elected 1 November 2017 to 31 October 2020	2 of 8
	Fred Lewis-Bynoe	3 years from 1 November 2011 Re-elected 1 November 2014 to 31 October 2017	3 of 6
	Liz Sanderson	3 years from 1 November 2016 to 31 October 2019 <i>Resigned 28 April 2017</i>	0 of 2

Region or organisation	Governor name	Term of appointment	Council of Governors meetings (max 8)
	VACANCY		
	VACANCY		
	VACANCY		
North East Ambulance Service (Staff Governors)	Ken Powell (Emergency Care)	3 years from 1 November 2016 to 31 October 2019	4 of 8
	Chris Black (Support Services)	3 years from 1 November 2014 to 31 October 2017 Re-elected 1 November 2017 to 31 October 2020	6 of 8
	Henry Convery (Emergency Operations Centre)	3 years from 1 November 2014 to 31 October 2017	0 of 6
	VACANCY – Patient Transport Service		
	VACANCY – Emergency Operations Centre		
Voluntary Organisations' Network North East (Stakeholder Governor)	VACANCY		
Association of North East Councils	Councillor Richard Dodd	3 years from 1 November 2011 to 31 October 2014 Re-appointed 20 February 2015 to 31 October 2017 Re-appointed 1 November 2017 to 11 June 2018	5 of 8
	Councillor Oskar Avery	3 years from 9 May 2017 to 31 May 2020	5 of 6
	Councillor Joyce Welsh	3 years from 9 May 2017 to 31 May 2020	4 of 6
	Councillor Andrew Scott	3 years from 9 May 2017 to 31 May 2020	2 of 6
Tees, Esk and Wear Valleys NHS Foundation Trust	Rob Cowell	7 months from 1 April 2014 to 31 October 2014 Re-appointed 1 November 2014 to 31 October 2017 <i>Resigned 20 July 2017</i>	0 of 2
	Jennifer Illingworth	3 years from 3 January 2018 to 2 January 2021	0 of 2
Teesside University	Linda Nelson	1 year 10 months from 1 January 2016 to 31 October 2017 Re-appointed 1 November 2017 to 31 October 2020	8 of 8
CCG	VACANCY		
Acute Trust Representative	VACANCY		
Local Resilience Forum Representative	Alison Slater	3 years from 1 November 2017 to 31 October 2020	1 of 2

The Board and Governor relationship

Our Board of Directors recognises the importance of receiving and reacting to views of our Council of Governors. As a Foundation Trust from November 2011, the Board of Directors was keen to understand the statutory powers of the Council of Governors and to support it in creating the forums where the Council could hold the Board of Directors to account for its actions, decisions and behaviours through formal meetings and by providing all of the information that the Board has at its disposal.

The Council of Governors has established three committees, namely the Nomination & Remuneration Committee, Governor Governance Committee and a Membership & Engagement Committee. There is also Governor membership on the Quality Report Task & Finish Group, and some Governors are members of the Trust's Stakeholder Equality and Diversity Group. This Group brings together key external stakeholders of the Trust to provide feedback on our approach to equality and diversity.

The Governor Governance Committee provides Governors with enhanced opportunities to develop an understanding of governance arrangements specifically affecting the Council, as well as broader governance matters affecting the Trust. The Committee also works with the Trust Secretary to shape the training and development plans for Governors, ensuring that they meet the needs of the Council. Quarterly Governor development sessions were held throughout the year, with all Board Members also invited to attend. This included opportunities to debate, discuss and shape the Trust's strategic plans. Other topics included:

- Updates from the Board committee Non-Executive Director Chairs on the work of each of the main committees;
- An insight into the Trust's partnership working across the region;
- Training on how to enact the role of holding Non-Executive Directors to account;
- Training and guidance on how to utilise the Trust's Governor toolkit to engage with members and the public;
- A speed-dating session with the Board in order to further develop relationships and provide time for informal discussions;
- An update on the Trust's equality and diversity; and
- An overview of the Trust's volunteer services.

The Board of Directors has taken steps to ensure that the members of the Board, and in particular the Non-Executive Directors, develop an understanding of the views of Governors and members about the Trust, for example through attendance at meetings of the Council of Governors and the development sessions.

Our Chief Executive attends every meeting of the Council of Governors to provide regular updates on the performance of the Trust and key issues. The Executive Team and Non-Executive Directors of the Board also attend these meetings on a regular basis, as demonstrated by the attendance table within the Board Composition section of the Directors' Report.

The schedule of matters reserved for the Board of Directors includes a specific section detailing the roles and responsibilities of the Council of Governors. There is also a specific policy which outlines how the Council of Governors can raise serious concerns about the Board of Directors, should the situation ever arise.

Foundation Trust membership

There are no limits to how many members we can have as a Foundation Trust; anyone who is over 16 years old and lives in the North East region can join. We can request that certain people do not become members, for example, someone who has threatened, harassed, harmed or abused NHS staff, patients or visitors in any way, and members of staff who have submitted their notice of resignation (though if eligible they may apply to become a public member rather than a staff member). Our constituencies are as follows:

- North of Tyne: Newcastle upon Tyne, Northumberland and North Tyneside;
- South of Tyne: Gateshead, South Tyneside and Sunderland;
- Durham: County Durham and Darlington; and
- Teesside: Hartlepool, Stockton, Middlesbrough and Redcar & Cleveland.

Membership profile

The following tables illustrate our membership profile and how this compares to the eligible population within the North East.

Age Profile

Public Constituency	Number of members	Eligible population in North East
Age 0-16*	2	497,959
Age 17 - 21	37	166,163
Age 22+	8,545	1,977,708
Unknown	772	0
Total	9,465	2,641,830

NB: Age is not mandatory and does not reflect total membership number

*Only individuals aged 16+ are eligible to become members.

Gender Profile

Gender (Public Constituency)	Number of members	Eligible population in North East
Female	4,922	1,344,524
Male	4,383	1,297,305
Not specified / prefer not to say	51	0
Total	9,356	2,641,829

Public Constituency	Number of members
As of 1 April 2017	9,458
New members	103
Members leaving	205
As of 31 March 2017	9,356

Ethnicity Profile

Public Constituency	Number of members	Eligible population in North East
White	8,678	2,475,567
Black	36	13,220
Asian	237	74,599
Mixed	106	22,449
Other	44	11,051
Unknown	255	-

Socio economic sub group profile

Public Constituency	Number of members	Eligible population in North East
AB	2,202	136,534
C1	2,640	244,337
C2	2,112	179,166
DE	2,386	264,115
Unclassified	16	-

Membership by constituency

Public/ Staff	Constituency	Number of members
Staff	Emergency Care	1,276
	PTS	530
	Emergency Operations Centre	545
	Support Services	378
	Durham	2,072
	North of Tyne	2,656
	South of Tyne	2,538
	Teesside	2,090
Total Members		12,085

Effectiveness of member engagement

We held our annual members' meeting at Gateshead College in September 2017, along with our Annual General Meeting. We provided a look back over the highlights and challenges during 2016/17, as well as launching our new Quality Strategy 2017-2020. In addition, we shared with members and attendees an insight into visit from Professor Keith Willett, Director of Acute Care for NHS England and one of the national leads for the development of the new ambulance response targets. You can find out more about Professor Willett's visit to the Trust in the *Stakeholder Engagement, Public and Patient Involvement Events* section.

We have a Membership & Engagement Committee where activity is reported, and our Governors play an active role in supporting the Trust with membership engagement. We have developed a toolkit which assists Governors in engaging with members and the public, enabling them to represent their views effectively.

Governors accompany our staff to various community events throughout the year to engage with members and the wider public. In 2017/18 this has included Trust representation at the various Pride events across the region, the Newcastle and Middlesbrough Melas, agricultural shows and emergency service open days.

Members who wish to contact their Governor directly should check on our website for contact details. If they are unsure of which Governor they need to contact they should email governors@neas.nhs.uk or alternatively write to our Engagement and Membership Officer who will direct the contact to the appropriate Governor, using the address at the end of this report.

Members who wish to contact a Director should either address a letter to the Director concerned, at the address on the last page of this report. We operate in an open and transparent manner and members are welcome to get in touch if they have a query or comment.

NHS Improvement's Well-Led Framework

During 2017/18 NHS Improvement published a revised joint Well-Led Framework in conjunction with the Care Quality Commission (CQC). The Board was appraised of the new Framework both during the consultation stage and following publication of the final document. The revised Framework provides a fully joined-up approach structured around eight key lines of enquiry and will be used by CQC when assessing trusts as part of the new annual well-led inspection. In addition, the Framework requires all trusts to undertake a self-assessment against the Framework on an annual basis and commission an independent external review every three to five years.

As the Trust had received its last independent report against the previous well-led framework in January 2016, the Board agreed that an external review against the new Framework was not required in 2017/18. In line with the new requirements, the Board did undertake a detailed self-assessment against the new Framework in Quarter 3.

The self-assessment was developed through a series of workshops, firstly with the Executive Team and then with the full Board. The Board scored each of the eight key lines of enquiry using the CQC rating scale of Outstanding, Good, Requires Improvement and Inadequate. For each prompt question within the eight key lines of enquiry, the Board asked itself how it was assured over the compliance with requirements and what evidence would support the rating provided.

An action plan was developed to address areas with scope for improvement and this is monitored by the Executive Team, with co-ordination from the Trust Secretary. Key actions included: continuing to promote the Freedom to Speak Up concept to staff; ensuring that performance management arrangements appropriately reflect the Trust's operating model following the recent organisational restructure; and re-developing the appraisal format in line with the Trust's values and behavioural framework.

The Board is scheduled to re-review the self-assessment early in 2018/19, ensuring that it remains a dynamic and up-to-date reflection of the Trust's position in respect of the well-led principles.

In addition to the self-assessment, the Board has continued to seek assurance over the governance of quality compliance with the other aspects of the CQC regulations. This has included a comprehensive mapping exercise to link each of the CQC key lines of enquiry and supporting prompts to the reports

and information reviewed by the Board, its committees and sub-groups. This ensures that there is appropriate scrutiny of key aspects of performance and governance, supporting the Trust to achieve compliance with the standards.

In addition, the Board has received quarterly updates on the progress against remaining aspects of the CQC improvement plan which was developed following the previous CQC inspection in 2016 to monitor the implementation of the resulting recommendations. The Quality Committee, chaired by a Non-Executive Director, took the lead role in the assurance process prior to the presentation of the plan at Board level. A full progress update against the improvement plan can be found within Part 3 of the Quality Report.

The Board's work around the Well-Led Framework, as well as the broader CQC compliance work, informed the Board's overall evaluation of performance, internal control and governance at the year-end. There are therefore no material inconsistencies between the Annual Governance Statement, Board Assurance Statements, year-end and regulatory submissions.

Patient Care

We have continued to invest in patient care during 2017/18, putting patient care and safety first and at the very heart of the Trust's focus.

The Trust's performance against key clinical ambulance quality indicators (AQIs) and metrics is outlined in full within the Quality Report's *'Reporting Against Core Indicators'* section. In 2017/18 we improved our performance in five of the eight (63%) clinical AQIs compared with the previous year. We were the top performing Trust in respect of the STEMI care bundle (i.e. the percentage of patients suffering a suspected ST myocardial infarction who receive an appropriate care bundle). We have also demonstrated an improvement in the stroke care bundle implementation, performing better than the national average.

Further information on how we have developed our services to improve patient care during 2017/18 is included in the Quality Report, with key initiatives including:

- Embedding our strategic approach of aligning and integrating our Scheduled and Unscheduled Care services to provide greater flexibility of response and matching skill levels to patient acuity and need;
- We have introduced a new organisational structure which strengthens clinical leadership, closer to the frontline, where care is delivered to patients;
- Additional recruitment of 76 clinicians to provide frontline care, following investment from our commissioners;
- Embedding our sepsis screening tool and delivering a dedicated sepsis screening module to frontline staff as part of the Trust's statutory and mandatory training provision. As a result we have seen a significant improvement in compliance with our sepsis care bundle, exceeding the target set and achieving the related Quality Priority;
- Continuing to embed the enhanced Zoll defibrillator technology which was introduced on our double crewed ambulance fleet in 2016/17. The defibrillators provide our crews with instant feedback on their technique, allowing immediate change to the management of chest compressions, as well as enabling data transfer to the electronic patient record and receiving

hospital. In 2017/18 we committed to investing more funding to purchase the Zoll defibrillators for the rapid response vehicles;

- One of our Clinical Care Managers along with the Informatics team have developed an electronic application titled 'Clinical Annual Record of Excellence' (CARE) which enables paramedics to receive almost real time feedback on their clinical interventions on the care bundles linked to the national Ambulance Quality Indicators. This enables good practice to be noted and areas of improvement addressed in a timely way. The CARE app also includes a self-assessment framework to enable individual clinicians to identify where they may have training needs relating to clinical practice skills, which can be addressed at an individual level or results can be aggregated to inform the skills training programme at station, cluster, division or Trust level. The CARE app has been piloted in the South of our region from December 2017, with roll out planned throughout 2018.
- We continued to deliver our dedicated end of life care transport service and we were delighted that this service was recognised nationally as a winner in the Nursing Times Award for 'Enhancing Patient Dignity' in December 2017.
- The Trust were winners of the national Bright Ideas in Healthcare 2017 – Primary and Community Care category for GP Direct Booking via NHS111. This project enabled our call handlers in the 111 service to arrange a GP appointment for a patient, whilst the patient remained on the call, when this was appropriate for their clinical condition disposition.

A proportion of our income in 2017/18 was conditional on achieving quality improvement and innovation goals agreed between the Trust and our commissioners, for the provision of relevant health services, through the Commissioning for Quality and Innovation (CQUIN) payment framework.

The 2017/18 and 2018/19 national CQUIN scheme includes:

- NHS staff health and well-being;
- Improving the uptake of the flu vaccinations for frontline staff;
- A reduction in the proportion of ambulance 999 calls that result in transportation to a type 1 or type 2 A&E Department.

In 2017/18 we achieved £869,310 of the total of the CQUIN scheme a total of £1,545,437. The CQUIN scheme in 2018/19 equates to £1,563,085.

New services and developments

A number of new services were developed and launched during 2017/18. These included:

1. Clinical Assessment Service (CAS)

During 2017/18 the scope and impact of the CAS has broadened to include a wider range of pathways including mental health, access to the *6 service (as a pilot), access to pharmacy and falls referral services. Our *6 service enables healthcare professionals to contact a clinician in our Clinical Assessment Service to provide additional advice and guidance to ensure residents remain in their home with support from other services, when it is safe to do so. We have launched a pilot in the South Tyneside area, involving 10 care homes in February 2018 and will evaluate this.

During 2018/19 as part of the mobilisation of the new 111/CAS service, this will continue to grow in line with the new national specification.

2. Pharmacy

In 2017/2018, we agreed to join a programme, establishing a rotating pharmacy role across Urgent and Emergency Care and this is due to go live in 2018.

3. MacMillan Nurses

As previously referenced, we deliver an award-winning end of life care transport service. In order to build on this work and develop a Supportive, Palliative and End of Life Care Strategy with plans to make a real difference to patients we have been successful in bidding for funds to establish a specialist team in the Trust, which will include a Macmillan nurse facilitator, an engagement officer with administration support. This team is one of only two in ambulance services across the country and recruitment to the team was underway at the year-end.



4. Mental Health pathways

Building on the work we have undertaken in 2016/17 to improve mental health care for patients accessing our services, we supported a secondment of a senior mental health practitioner from Northumberland, Tyne & Wear Mental Health Trust to work with us in developing a Mental Health Clinical Strategy for the Trust.

We have reviewed the national framework for mental health education for healthcare professionals and have a three year implementation plan for this.

We have also continued to review the mental health pathways within our clinical triage system NHS Pathways and worked with our colleagues delivering specialist mental health services to see how we can improve the care and experience for patients.

5. South Tyneside out of hours

During 2017, this service for home visiting was established alongside the out of hours telephony service, expanding the scope of services that we are able to provide in order to treat patients in their own homes where appropriate to do so. From October 2018, the telephony service will be merged into the 111/CAS contract.

6. *North Tees Home visiting*

We launched this service in April 2017 using our advanced practitioner and GP workforce. This service is delivered in partnership with North Tees and Hartlepool NHS Foundation Trust and Hartlepool & Stockton Health (the local GP Federation).

7. *Clinical Care and Transport*

As previously referenced, we have continued to progress with our Clinical Care and Transport project which aims to enhance responsive care and therefore patient safety, through more effectively matching the demand we are facing, in terms of acuity and need, with a more targeted clinical skill-set and vehicle resource type. As part of the development we are restructuring our organisation to implement the model, with much of this restructure now completed.

The implementation of Clinical Care and Transport resulted in the renaming of the Trust's traditional service lines from Emergency Care and Patient Transport Services to Scheduled and Unscheduled Care respectively.

We have continued to provide Advanced Practitioner coverage across the Trust and increase their scope of autonomous practice, for example in cardiac arrest and trauma care responses. Our Advanced Practitioners work across the Clinical Care and Transport service operationally and within our Emergency Operations Centre. Advanced Practitioners are highly skilled clinicians who are able to assist the Trust in delivering care closer to home when it is appropriate to do so, reducing unnecessary Emergency Department attendances. Advanced Practitioners also provide clinical support to call takers within the Trust's Clinical Assessment Service.

Additional multi-purpose vehicles were added to the fleet and this resource was deployed to support patient conveyance, enabling our paramedics to respond to the emergency incidents more effectively.

Service improvement initiatives

Service improvement is one of the core objectives of the Trust – we are passionate about improving our services for patients and improving working conditions for staff. This is embedded in our values, where we commit to striving for excellence and innovation in all that we do. We have undertaken a number of service improvement initiatives during 2017/18, including:

1. *Complex lifting*

A service improvement event was held to look at complex lifting and bariatric capacity across the service with the aim of developing a longer term strategy for the Trust. The event identified a preferred option and a small team have been working on what this would look like in practice as well as developing a business case. This work will due to be completed in April 2018 with the aim of an agreed option being implemented over the coming months.

2. *Alternative locations*

A joint event has been held with Northumbria Healthcare and Northumberland CCG to look at reducing the number of patients taken directly to the new Northumbria Specialist Emergency Care Hospital. The purpose was to explore what alternatives already exist and where there

may be gaps in provision in comparison to facilities elsewhere in the North East, in particular for frail and elderly patients. The learning from the event will help to inform future service provision and support NEAS use of alternative locations.

3. Recruitment processes in the Emergency Operations Centre (EOC)

The EOC held an event in 2017 to look at improving the way we recruit employees into their service with the aim of reducing the numbers of applicants who leave within the first few months or who drop out of the recruitment process. The event identified a number of improvements, including open events at evenings and weekends for potential call handlers. The results of the changes are being evaluated but the initial results indicate a reduction in the number of people dropping out of the recruitment process.

Service improvements following patient and staff feedback

We continue to develop and expand our patient feedback process and improved the data that is available to managers, patients and the public. We are committed to acting upon patient feedback and using this information to drive service improvements.

Patient feedback has led to several improvements across the Trust over the last 12 months, these have included:

- Developing a Communication Support Guide for employees to assist with patients with specific communication needs;
- We are piloting a Community Pharmacy Referral Scheme allowing some people to be seen by local pharmacists rather than travelling to urgent care or Accident and Emergency departments;
- We have worked with hospitals to improve the process to inform us when Scheduled Care patients are ready for collection;
- We have shortened the welcome message at the beginning of 111 calls to reduce the time it takes to get through to a call operator;
- We have worked with patients and commissioners to review the booking process, prevent patients from having to go through eligibility questions each time they call and give automatic eligibility to people over 30 miles from their hospital appointment. The new system will be live in 2018/19; and
- We liaised with strategic partners to improve the timeliness of call backs to patients.

Seeking feedback from our staff on how to enhance the services we provide to our patients is also something which we feel is very important. A key example of this is the way in which we respond to the staff survey feedback each year. The following key changes were made as a result of the staff survey results in the previous year:

- Continued improvement and increase in staff leadership and development provision, including the expansion of the Compass Leadership Programme for managers and the development of bespoke leadership offerings for staff at bands 1 to 4 and 5 to 6 respectively.
- Improvements in the quality and effectiveness of staff appraisal and performance review processes. This has included the redesign of the appraisal process and the launch of the new Behaviours Framework, which was developed by staff from across the Trust.
- Increasing the opportunities for staff to become involved in service development activities. This has included the opportunity for staff from across the service to become involved in rapid

process improvement workshops, as well as the relaunch of the quality improvement function within the Trust. This aspect is still being progressed but the aim is to empower staff to deliver quality improvement at every level.

- Providing more opportunities for flexible working within the Trust. This includes the decentralising of rostering systems to enable greater management flexibility closer to the front line. This is being progressed as part of the Trust's organisational restructure.

Improving patient and carer information

We continue to make progress towards ensuring our services are accessible to patients with a wide range of needs.

We continue to:

- Provide a range of communication mechanisms to contact our services including British Sign Language relay, Text Relay and telephone;
- Have a range of communication support providers for employees to use and access;
- Provide advice and guidance to all staff on meeting the specific communication needs of patients through statutory and mandatory training and factsheets; and
- Maintain the Recite Me accessibility tool to our website providing a range of accessibility features for disabled people and people whose first language is not English.

We have also worked with regional and national partners and NHS England to explore difficulties the ambulance sector is experiencing meeting the Accessible Information Standard and we have developed a number of process maps for each frontline service

We provide information in a range of formats on request. We provide a range of literature in easy read format for people with learning disabilities and we can provide information in large print, Braille, audio and other formats on request.

Our website is compatible with national W3C accessibility features to ensure people with a range of different needs are able to access information contained on our website.

Complaints handling

We recognise the importance of feedback received from our patients, their families and carers as a vehicle to improve the service we provide and ensure that patient experience is positive and meets the rightful expectations of the population we serve. To this end we encourage our patients to share their experience with us and tell us when we have performed well and when we have not performed so well.

We strongly believe that a culture of openness and honesty is key to improving patient safety, patient outcomes and overall patient experience. Fundamental requirements of this approach are the offer of a sincere and heartfelt apology and an explanation of what happened. Where harm has occurred this approach can ensure that the patient or carer is fully informed of how they or their loved one have come to suffer harm as a result of their contact with our service. Much work has been done to focus the attention on the importance of learning from mistakes as a means of achieving excellence in the field of pre-hospital care.

The financial year 2017/18 recorded 526 complaints, 0.033% of the overall activity and a reduction of 14.8% compared to the previous year. 352 complaints were upheld or partially upheld. The Trust received notification that, during 2017/18, 7 complaints were referred to the Parliamentary and Health Service Ombudsman. 773 appreciations were also received during 2017/18.

	2017 – 2018
Total Complaints	526
Total 999, 111 , Urgent Calls, Calls Answered & PTS Journeys	1,692,092
Complaints as a % Total 999, 111 , Urgent Calls & PTS Journeys (Patients + Escorts)	0.03%
Total number of Upheld Complaints	279
Total number of Part Upheld Complaints	73

In relation to the main causes of complaints, “Timeliness of Response” remains the most common with 222 related complaints, i.e. 42% of the total. “Quality of Care” follows with 220 related complaints, i.e. 42% of the total and “Staff Attitude” also follows predominantly with 107 related complaints, i.e. 20% of the total.

Cause of Complaint	2017 – 2018
Timeliness of Response	42% (222)
Quality of Care	42% (220)
Staff Attitude	20% (107)

Further information on complaints and how we identify and implement learnings can be found within Part 3 of the Quality Report.

Stakeholder relations

As the only provider organisation with a regional footprint, the Trust has a wide network of partners across the North East, including all Clinical Commissioning Groups (CCGs), acute trusts, community providers, mental health trusts, out-of-hours services, other emergency services, as well as social services and the third sector. The Trust has long established relationships with Overview and Scrutiny Committees in the North East and has met with them throughout the last year.

We have been engaged in the development of the two Sustainability and Transformation Partnerships (STPs) for the North East and the more recent move to an Integrated Care System. We have been closely involved in the development on an Accountable Care Organisation model for Northumberland although this is not as a full risk-sharing member.

In addition, we have been working closely with Yorkshire Ambulance Service NHS Trust and North West Ambulance Service NHS Trust as part of the Northern Ambulance Alliance. The Northern Ambulance Alliance was formally launched in April 2016 to share ideas for innovation and quality improvement, work collaboratively together and identify efficiencies across all three trusts. The Chief Executives and Chairs of the three organisations form the Northern Ambulance Alliance Board. A number of project workstreams are ongoing with regular reporting to the Alliance Board, and subsequently to our own Trust Board. In January 2018 the Boards of all three trusts within the Northern Ambulance Alliance met together for the first time to reflect on the achievements to-date and discuss the plans for the future.

We have been engaged with the Local A&E Delivery Boards in the North East. These provide significant opportunities to deliver system-wide changes, which we can contribute towards through our role as the out-of-hours gateway, as well as helping manage flow through hospitals both by reducing conveyance to Emergency Departments and facilitating timely discharge.

The Trust is actively involved with the North East Urgent and Emergency Care Network and has been a pivotal partner in a task and finish group established to tackle handover delays at hospitals. As part of this work, a new standard operating procedure was implemented before Christmas and a new Single PIN technology established to improve data capture and adherence to the new procedure.

NEAS has created the Integrated Urgent Care Alliance – a network of provider organisations coming together to agree the development programme for the Clinical Assessment Service (CAS), prioritised to ensure the whole urgent and emergency care system benefits from this new service. As part of the development of the 111/CAS retender process, NEAS invited regional partners to join us in working together to improve patient care and experience through this forum.

As well as this regional CAS service, the Trust continues to work in the provision of urgent care and out-of-hours services. As previously referenced, we provide out-of-hours services in South Tyneside and North Tees in conjunction with local partners.

We have worked very closely with Health Education North East in the development of new training programmes for Advanced Practitioners, enabling us to offer enhanced care for our patients.

We continue to work closely with both Teesside University and Sunderland University in the delivery of paramedic courses to support the continued expansion of the paramedic workforce.

During 2017/18, NEAS continued to work with our four regional fire and rescue services on the Emergency Medical Response Trial (EMR). This was a national initiative against a backdrop of increasing demand with the aim of improving patient outcomes for those in critical need. Although the trial ceased in September 2017, local evaluations highlighted the benefits of this type of co-responding for patients, in particular cardiac arrest incidents. NEAS has maintained a strong link with Fire colleagues and several stations, who were responding previous to the national trial, and are still providing this support to us on a 24/7 basis. We continue to work with them to look at future co-responding and other partnering opportunities in the coming months.

The Trust has been successful in being awarded Global Digital Exemplar status and will be working with partners to drive this forward during 2018/2019 and 2019/2020. The programme has provided funding which NEAS will match with the aim of joining up and digitalising health systems to provide clinicians with more timely access to accurate information and support service change.

Stakeholder engagement, public and patient involvement events

In October 2017 we once again partnered with the Resuscitation Council and the British Heart Foundation to train almost 1,800 school pupils in lifesaving skills as part of Restart a Heart Day. Each year our call handlers support approximately 2,200 people to perform CPR over the telephone in the critical minutes that an ambulance is travelling to reach a patient. This skill is something that people

can use for their rest of their lives. Teaching the next generation the skills will hopefully give them the confidence to help if such a situation arises.

In September 2017 we hosted a visit from Professor Keith Willett, the Director of Acute Care for NHS England and one of the national leads for the development of the new ambulance response targets. Professor Willett visited the Emergency Operations Centre where he was able to see first-hand how our dual trained NHS111 and 999 call handlers are working alongside the clinicians within the Clinical Assessment Service to keep patients out of A&E units where onward referral to alternative



services is most appropriate. Professor Willett met staff and volunteers at a Trust showcase event before delivering a keynote speech to a mixed audience of staff, stakeholders and volunteers. Professor Willett shared his insight into the new ambulance response standards, the future of urgent and emergency care and the position of ambulance services at the heart of this complex and challenging area of the NHS.

“The paramedic or ambulance technician is probably the most exposed clinician in the NHS. They are working alone in a non-clinical environment where they don’t know the patient and they are being asked to do the best for the patient with no diagnostics. The fact that the Clinical Assessment Service can link them up with advice, that’s a real ideal place to do it. The big issue, the big proportion shift, is what we do in response to the community. It’s moving from transport to a community treatment service.

“There’s no better place to understand what the needs of the community are and the response that you need to put in place, than sitting in an ambulance control centre and dispatch. Until you’ve sat there, listened to the calls and watched the resource allocation, then you start to understand the needs of your community and how that hooking up is essential. The ambulance service may not be the biggest provider and may not have the biggest funding behind it but it’s certainly got the best vantage position to understand what’s going on.”

We were also delighted to host a visit from the new Chief Executive of our regulator NHS Improvement, Ian Dalton, in January 2018. He met with our Chief Executive and our Chief Operating Officer before visiting the Emergency Operations Centre.



In February 2018 His Royal Highness the Prince of Wales formally opened the new Barnard Castle Emergency Services Station. The building is shared between County Durham and Darlington Fire and Rescue Service, Durham Constabulary, Teesdale and Weardale Search and Mountain Rescue Team and ourselves. The station is the first of its kind in the country and demonstrates a collaborative approach to the provision of emergency services for local communities. It was a great privilege and honour to welcome HRH the Prince of Wales, who was introduced to a number of our staff who work at the station.



Y. A. Ormston

Yvonne Ormston
Chief Executive
24 May 2018

Remuneration Report

Annual statement on remuneration

The Nomination and Remuneration Committee met twice during the financial year to fulfil its appointment and remuneration role.

At its meeting in April 2017 the Committee approved the appointment of Dr Mathew Beattie to the part-time Medical Director role. The Committee also reviewed its terms of reference and effectiveness for the year 2016/17.

The Committee met again in March 2018 and approved the proposal to extend the time commitment for Dr Beattie following the announcement of the retirement of the Trust's other part-time Medical Director, Kyee Han. In addition, the Committee approved a contractual increase in salary for the Director of Strategy, Transformation and Workforce, following her second full year in post. This salary model was agreed upon appointment, contingent on good performance.

During the year it was agreed to realign the performance year for the Executive Director to be conterminous with the financial year-end. As such remuneration and performance considerations based on the 2017/18 year will be reviewed by the Committee in Quarter 1 of 2018/19.



Catherine Young
Acting Chair
24 May 2018

Senior managers' remuneration policy

For the purposes of this policy and this report, senior managers are defined as those individuals who hold Board positions, namely the Chief Executive, Chairman, Executive Directors and Non-Executive Directors.

As outlined in the Directors' Report the Council of Governors decides on the remuneration of the Chairman and Non-Executive Directors.

In line with best practice and regulatory guidance, the Governor Nomination and Remuneration Committee, on behalf of the Council, reviewed benchmarking data in respect of basic pay and enhancements for the Chair and Non-Executive Directors.

For Executive Directors, the Board's own Nomination & Remuneration Committee, consisting of Non-Executive Directors, sets the policy and authorises the remuneration packages and contractual terms that are sufficient to attract, retain and motivate Executive Directors whilst remaining cost effective. Proper regard to the Trust's circumstances, performance and comparative information from within the NHS and other public sector organisations are taken into account.

Advice and guidance to this Committee is provided by the Head of HR and Trust Secretary, in respect of national guidance, Trust protocol and other related matters.

Pay and conditions of other Trust employees are taken into account when setting the remuneration for senior managers. Only Board Members are paid outside of the Agenda for Change pay framework. Executive Director salaries are market-tested, and benchmarking is a key factor in determining appropriate salaries.

We have reviewed our approach on Executive remuneration to determine whether the amounts paid are necessary and justifiable. This has involved undertaking both regional and national benchmarking to ascertain how our rates of Executive pay compare to others. For all Executive positions this demonstrates that remuneration is less than the average for the North of England.

We only have one individual with earnings greater than £150,000 which is our Chief Executive, paid at a basic salary of £151,500. This is significantly lower than any other trust Chief Executive within the North East of England and lower than six other ambulance trusts nationally.

We understand and fully support the need to critically assess Executive remuneration levels in order to ensure they are necessary and justifiable, particularly in the current financial climate. It is critical that we are able to attract the right calibre of candidates within our local market, and our salaries therefore need to be within a reasonable range when compared to other local trusts. We need to ensure that we are able to attract and retain good calibre candidates for the benefit of the Trust, our patients and our staff.

The Trust is committed to ensuring that Director's pay is considered in line with the Trust's performance, delivery of our Annual Plan and Strategic Objectives, together with the national context. This is shown within the future policy table below.

Component of pay	Link to Strategic Objectives	How the Trust operates this in Practice	Maximum limit	Performance Measures
Basic Salary	To enable the Trust to attract and retain the highest calibre of senior leaders in a competitive market place through offering appropriate but attractive salary packages	Executive Director salaries are monitored using market testing and benchmarking. Non-Executive Director salaries are also benchmarked to determine whether salaries remain appropriate.	No prescribed maximum limit, subject to external approval for salaries over £150,000	Annual appraisal of performance against agreed personal and corporate performance objectives.
Taxable Benefits		Directors are given a Car allowance/Lease Car Depending on job role, some Directors are in receipt of a phone allowance.	No prescribed maximum limit	Not applicable

Component of pay	Link to Strategic Objectives	How the Trust operates this in Practice	Maximum limit	Performance Measures
Pension		Non-Executive Directors do not receive any benefits.		
		Via the NHS Pension Scheme	Standard NHS Pension Scheme	Not applicable
Bonus		The Trust has no annual bonus arrangements in place.		Exceptional performance as defined by the Nominations and Remuneration Committee
Earn Back		However: The Remuneration Committee reserves the right to approve one-off, non-recurring payments to recognise exceptional performance, or delivery of specific projects.	No prescribed maximum limit.	
		% of salary will be reserved and released subject to achievement of specific objectives	Where salary levels are pitched in excess of £150,000	Annual appraisal of performance against agreed personal and corporate performance objectives.

For Non-Executive Directors the components of their remuneration are set out in the below table.

Role	Basic salary per annum (£)	Salary enhancement per annum in respect of the role (£)	Fees payable for any other duty (£)	Other items considered in respect of remuneration
Chair	44,000	-	-	-
Non-Executive Directors	14,000	-	-	-
Deputy Chair	14,000	0 from 1 Nov 17 onwards Previously 1,500	-	-
Audit Committee Chair	14,000	1,500	-	-
Senior Independent Director	14,000	1,500 from 1 November 2017 onwards Previously 3,000	-	-

As noted in the table, the Governor Nomination and Remuneration Committee reviewed the salary enhancements for the Deputy Chair and Senior Independent Director during the year. The review was timely given that the current post holders were due to leave the Board on 31st October 2017. The

Committee consulted benchmarking information and it was determined that the Trust had historically paid higher than average uplifts. The reduced uplifts became effective on 1 November 2017 when the new post holder took over the duties.

Performance conditions

The Council of Governors approved a performance assessment and appraisal process for the Chair and Non-Executive Directors and the Governor Nomination and Remuneration Committee decided on some of the key elements of that. The performance appraisal process takes into account best practice, and enables all Governors and fellow Board Members to provide feedback on a non-attributable basis in the form of a survey. The survey was developed to enable assessments of performance to be made against the core competencies for the Chairman and Non-Executive Director roles.

The Chair agrees objectives with each Non-Executive Director and develops their own personal objectives. The Senior Independent Director conducts the Chairman's appraisal, with input from the Lead Governor.

The Executive arm of the Board of Directors is monitored both collectively and individually, on delivery of key objectives with the Chief Executive reviewing the performance of Directors on a quarterly basis, and the Chair reviewing the Chief Executive's performance on an annual basis.

The Trust's Nomination and Remuneration Committee (consisting of Non-Executive Directors) takes account of the performance of each Director and that of the Executive arm of the Board as part of its annual salary review discussions.

As outlined in the Annual Statement on Remuneration from the Acting Chair, in line with contract, the Director of Strategy, Transformation and Workforce was awarded a salary uplift due to good performance in her second year in post.

Service contracts for senior managers

Our Executive Directors' contracts are subject to a notice period of 6 months. Agreement to any lesser period of notice must be approved by the Trust Board, subject to an assessment of the risk to the continuity of the business. Non-Executive Directors can terminate their contract at any time. No Executive Directors were released to work elsewhere on a secondment basis during the year and therefore there are no additional earnings to declare in this respect.

Senior managers' remuneration and pension benefits are detailed in the tables on the following pages. Accounting policies for pension and other retirement benefits are set out within the accounts. No compensation for loss of office payable or receivable has been made under the terms of the approved Compensation Scheme, and there have been no payments to past senior managers (this aspect of the remuneration report is subject to audit).

The key components of the remuneration package for senior managers include:

- Salary and fees;
- All taxable benefit; and
- Pension related benefit.

Some terms are specific to individual senior managers, which is assessed on a case by case basis, such as:

- Vehicles;
- On call arrangements; and
- Earn-back – in response to NHS Improvement guidance on Very Senior Manager Pay.

Annual Report on Remuneration

Nomination and Remuneration Committee

The Nomination and Remuneration Committee is chaired by the Chair of the Board, and all Non-Executive Directors are members of the Committee. There have been two meetings of the Committee during 2017/18 and Board Member attendance can be seen in the table within the Directors' Report.

During the year the Head of HR has provided the Committee with professional advice on remuneration and nomination matters. Further information about the remit of the Committee can be found in the Senior Manager Remuneration section of this report.

The term dates for senior managers can be seen within the Board composition table in the Directors' Report.

Expenses payments to Governors and Directors

Expenditure on Governors' travel expenses amounted to £3,337 (£4,209 2016/17). The total number of Governors claiming was 13. The number of Governors in post during the year varied due to a number of new appointments, resignations and changes in our appointed Governors. The year commenced with 25 Governors and ended with 23 Governors in post.

Directors' expenses for the reporting period were £11,051 (£9,085 2016/17). The total number of Directors claiming was 12 out of a maximum of 16 Directors who served on the Board during the year.

The remuneration tables overleaf have been subject to audit.

Name and Title	Period 1st April 2017 - 31 March 2018					
	Salary	Taxable Benefits	Annual Performance Related Bonus	Long Term Performance Related Bonus	All Pension Related Benefits	Total Remuneration
	(bands of £5,000)	(nearest £100) Note 1	(bands of £5,000)	(bands of £5,000)	(bands of £2,500) Note 2	(bands of £5,000)
	£'000	£	£'000	£'000	£'000	£'000
Yvonne Ormston - Chief Executive	155-160	0	0	0	32.5-35	190-195
Lynne Hodgson - Director of Finance and Resources	120-125	0	0	0	60-62.5	180-185
Paul Liversidge - Chief Operating Officer	100-105	3,400	0	0	15-17.5	115-120
Joanne Baxter - Director of Quality & Safety	100-105	0	0	0	0	100-105
Caroline Thurlbeck - Director of Strategy, Transformation & Workforce	90-95	0	0	0	32.5-35	125-130
Kyee Han - Medical Director (Note 4)	60-65	0	0	0	0	60-65
Mathew Beattie - Medical Director (from 01/07/17) (Note 5)	180-185	0	0	0	0	180-185
Ashley Winter - Chairman (to 31/01/18)	35-40	0	0	0	0	35-40
Douglas Taylor - Non Executive Director	15-20	0	0	0	0	15-20
Catherine Young - Non Executive Director	10-15	0	0	0	0	10-15
Helen Suddes - Non Executive Director	10-15	0	0	0	0	10-15
Carolyn Peacock - Non Executive Director	10-15	0	0	0	0	10-15
John Marshall - Non Executive Director (from 01/11/17)	5-10	0	0	0	0	5-10
Gerry Morrow - Non Executive Director (from 01/11/17)	5-10	0	0	0	0	5-10
Wendy Lawson - Non-Executive Director (to 31/10/17)	5-10	0	0	0	0	5-10
Jeffrey Fitzpatrick - Non-Executive Director (to (31/10/17)	5-10	0	0	0	0	5-10

Note 1 - taxable benefits includes the provision of a vehicle and telephone.

Note 2 - this is the annual increase in pension entitlement determined in accordance with the HMRC method.

Note 3 - there have been no payments made to past senior managers in the year.

Note 4 - Kyee Han's pay includes all employer on-costs and pension contributions

Note 5 – Dr Mathew's Beattie's pay is composed of a number of different elements relating to clinical duties, as well as his salary as the Trust's part-time Medical Director. This is shown in the following table:

Income source	£
Income associated with Medical Director position (from 1 July 2017)	85,559
Income associated with previous post as GP lead (April to June 2017)	35,254
Income from GP sessional work in the Clinical Assessment Service and as part of the GP Out of Hours contracts	60,232
TOTAL	181,045

Name and Title	Period 1st April 2016 - 31 March 2017					
	Salary	Taxable Benefits	Annual Performance Related Bonus	Long Term Performance Related Bonus	All Pension Related Benefits	Total Remuneration
	(bands of £5,000)	(nearest £100) Note 1	(bands of £5,000)	(bands of £5,000)	(bands of £2,500) Note 2	(bands of £5,000)
	£'000	£	£'000	£'000	£'000	£'000
Yvonne Ormston - Chief Executive	155-160	0	5-10	0	20-22.5	185-190
Roger French - Director of Finance & Resources, Deputy Chief Executive (to 31/05/16)	15-20	0	0	0	0	15-20
Lynne Hodgson - Director of Finance and Resources (from 01/06/16)	100-105	0	0	0	0	100-105
Paul Liversidge - Chief Operating Officer	100-105	2,600	5-10	0	22.5-25	135-140
Joanne Baxter - Director of Quality & Safety	100-105	0	5-10	0	40-42.5	150-155
Caroline Thurlbeck - Director of Strategy, Transformation & Workforce	95-100	3,100	5-10	0	0	105-110
Kyee Han - Medical Director	55-60	0	0	0	0	55-60
Ashley Winter - Chairman	40-45	0	0	0	0	40-45
Douglas Taylor - Non Executive Director	15-20	0	0	0	0	15-20
Catherine Young - Non Executive Director	10-15	0	0	0	0	10-15
Helen Suddes - Non Executive Director	10-15	0	0	0	0	10-15
Carolyn Peacock - Non Executive Director	10-15	0	0	0	0	10-15
Wendy Lawson - Non-Executive Director	15-20	0	0	0	0	15-20
Jeffrey Fitzpatrick - Non-Executive Director	15-20	0	0	0	0	15-20

Name and title	Period	Real increase in pension at age 60 (bands of £2,500)	Real increase in pension lump sum at age 60 (bands of £2,500)	Total accrued pension at age 60 at 31 March 2018 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2018 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2018	Cash Equivalent Transfer Value at 31 March 2017	Real increase in Employer Funded Cash Equivalent Transfer Value	Employers Contribution to Stakeholder Pension
		£000	£000	£000	£000	£000	£000	£000	
Yvonne Ormston - Chief Executive	01/04/2017 - 31/03/18	0-2.5	5-7.5	55-60	175-180	1,231	1120	111	
Paul Liversidge - Director of Operations	01/04/2017 - 31/03/18	0-2.5	2.5-5	40-45	125-130	885	815	70	
Lynne Hodgson – Director of Finance & Resources	01/04/2017 - 31/03/18	2.5-5.0	10-12.5	45-50	145-150	982	864	118	
Caroline Thurlbeck - Director of Strategy, Transformation and Workforce	01/04/2017 - 31/03/18	0-2.5	0-2.5	30-35	80-85	562	504	58	
Joanne Baxter - Director of Quality & Safety	01/04/2017 - 31/03/18	0-2.5	10-12.5	30-35	90-95	534	496	38	
Mathew Beattie - Medical Director	01/04/2017 - 31/03/18	0-2.5	0	20-25	60-65	383	377	6	

Name and title	Period	Real increase in pension at age 60 (bands of £2,500)	Real increase in pension lump sum at age 60 (bands of £2,500)	Total accrued pension at age 60 at 31 March 2017 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2017 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2017	Cash Equivalent Transfer Value at 31 March 2016	Real increase in Employer Funded Cash Equivalent Transfer Value	Employers Contribution to Stakeholder Pension
		£000	£000	£000	£000	£000	£000	£000	
Yvonne Ormston - Chief Executive	01/04/2016 - 31/03/17	0-2.5	5-7.5	55-60	170-175	1,120	1,050	69	
Roger French - Director of Finance and Resources	01/04/2016 - 31/05/17	0-2.5	0-2.5	55-60	170-175	0	0	0	
Paul Liversidge - Director of Operations	01/04/2016 - 31/03/17	0-2.5	2.5-5.0	40-45	120-125	815	759	56	
Lynne Hodgson - Director of Finance and Resources	01/06/2016 - 31/03/17	0.0	0.0	45-50	135-140	864	1,046	0	
Caroline Thurlbeck - Director of Strategy, Transformation and Workforce	01/04/2016 - 31/03/17	0	0	30-35	80-85	504	533	0	
Joanne Baxter - Director of Quality & Safety	01/04/2016 - 31/03/17	2.5-5	0	30-35	75-80	496	440	56	

Fair pay multiple

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisation's workforce. Total remuneration includes, salary, non-consolidated performance related pay, benefits in kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

The banded remuneration of the highest paid director in North East Ambulance Service NHS Foundation Trust was £181k. This was 9 times the median remuneration of the workforce which was £19,852.

	2017/18	2016/17
Band of highest paid Director's total remuneration (£'000)	180-185	165-170
Median total (£)	19,852	19,655
Remuneration ratio	9	8

Cash equivalent transfer value

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures, and from 2004-05 the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Pension and retirement benefits

The provisions of the NHS Pensions Scheme cover past and present employees. The scheme is an unfunded defined benefits scheme that covers NHS employers, General Practices and other bodies allowed under direction of the Secretary of State in England and Wales. The scheme is accounted for as if it were a defined contribution scheme: the cost of participating in the scheme for an NHS body is taken to equal the contributions payable to the scheme for the accounting period. The total employer contribution payable for 2017/18 was £8,630,182. On advice from the scheme actuary, scheme contributions may be varied from time to time to reflect changes in the scheme's liabilities. A more comprehensive accounting policy note on pension liabilities is included in the full set of the accounts. Information on directors' pension entitlements.



Yvonne Ormston
Chief Executive
24 May 2018

Staff Report

Investment in our workforce and supporting our staff was a significant focus for the Trust in 2017/18, with one of our six corporate priorities for 2017-2019 being focussed entirely around workforce. This included objectives centred around:

- The achievement of the Investors in People standard.
- Recruiting to increased establishment levels, following an increase in funding from our commissioners.
- Reducing our sickness absence levels.
- Delivering our organisational development strategy and action plan.

Good progress had been made at the year-end in respect of the achievement of a significant number of these objectives and sub-objectives either being fully achieved or on track for achievement.

We were delighted to achieve our Investors in People accreditation at the 'developed' level in the summer of 2017. Investors in People is a people-centred quality standard designed to help embed good people practices, effective leadership and management, training and development to help us achieve our organisational goals. It is an objective, external endorsement that we have the right principles and practices in place and have communicated these effectively so that people and leaders know what is expected of them.



Workforce headlines

During 2017/18 we continued to focus on frontline recruitment, particularly in respect of paramedic posts. Whilst we did not achieve our increased establishment level at year end, the vacancy rate for Unscheduled Care had reduced to 2%, the lowest percentage of vacant posts within the Trust. In total across the Trust 96% of posts were filled at the year end. It is noted that the highest vacancy rate was in Support Services, where a number of posts were within the recruitment pipeline following phase two of the Trust's organisational restructure.

Staff turnover rates were also low, breaching the 1.25% target set for the year in all but two months. The Friends and Family Test score results for the year support the low turnover rates, with a continued improvement in positive results in respect of staff being likely to recommend the Trust to friends and family as a place to work compared to eighteen months ago. In 2017/18 the quarterly results for recommending the Trust as a place to work did not dip below 67% and reached a high of 83% in Quarter 1. As recently as Quarter 2 2016/17 the figure was as low as 32%.

In addition, the Trust saw continued improvement in its NHS staff survey scores, outperforming the rest of the ambulance sector for the first time. The engagement score increased from 3.53 (out of 5) in 2016/17 to 3.58 and the Trust achieved its highest ever completion rate. More information on the staff survey can be found in the *Staff Survey Report 2017* section of the Annual Report.

We continued to promote Freedom to Speak Up and the role of the Freedom to Speak Up Guardian to staff across the Trust during 2017/18, encouraging staff to raise concerns and providing assurance that concerns are appropriately investigated and responded to. During the year the Guardian received eight concerns which all combined concerns around patient safety and staff behaviour. There were no consistent themes in respect of the cases, either in their content or the area of the Trust at the centre of the concerns. Each case was unique in its content.

In some cases it was concluded that there was no case to answer and the person raising the concern received feedback to explain the outcome of the investigation. In other cases elements of the concerns were upheld and this resulted in recommendations being made to either strengthen a process / policy or to support an individual in improving their clinical competency or management skills.

A network of Freedom to Speak Up Champions was set up towards the end of the year and we look forward to embedding and growing the network, ensuring that there are appropriate points of contact for raising concerns throughout the Trust, both geographically and within each core service.

Analysis of staff costs and numbers (subject to audit)

An analysis of our average staff numbers for the year is shown below. The 'other' category includes staff engaged by the Trust that do not have a permanent employment contract. This includes employees on short-term contracts of employment, agency/temporary staff and inward secondments from other organisations.

Staff group	Permanent staff 2017/18	Other 2017/18	Total 2017/18	Permanent staff 2016/17	Other 2016/17	Total 2016/17
Ambulance staff	1,992	-	1,992	1,920	-	1,920
Medical and dental	4	-	4	-	-	-
Administration and estates	337	6	343	331	4	335
Healthcare assistants and support staff	65	-	65	71	-	71
Nursing, midwifery and health visiting staff	25	-	25	16	-	16
Agency and contract staff	-	-	-	-	2	2
Other	2	-	2	2	-	2
Total average numbers	2,340	6	2,346	2,340	6	2,346

As at 31 March 2018 the gender split of the Trust's workforce was as follows:

		MALE	FEMALE	MALE 2017	FEMALE 2017
DIRECTORS	Full time	1	4	1	4
	Part time	5	3	4	4
OTHER SENIOR MANAGERS	Full time	23	22	18	16
	Part time	1	4	2	5
EMPLOYEES	Full time	1307	749	1278	704
	Part time	270	410	259	375

An analysis of our staff costs for the year is shown in the following table:

Staff group	Permanent staff 2017/18 £000	Other 2017/18 £000	Total 2017/18 £000	Permanent staff 2016/17 £000	Other 2016/17 £000	Total 2016/17 £000
Salaries and wages	73,099	238	73,337	69,511	295	69,806
Social security costs	6,922	-	6,922	6,455	-	6,455
Apprenticeship levy	344	-	344	-	-	-
Pension cost – defined contribution plan employer's contribution to NHS pensions	8,630	-	8,630	8,032	-	8,032
Termination benefits	889	-	899	859	-	859
Temporary staff – agency / contract staff	-	120	120	-	79	79
TOTAL GROSS STAFF COSTS	89,884	358	90,242	84,857	374	85,231
Recovery from Department of Health group bodies in respect of staff cost netted off expenditure	(237)	-	(237)	-	(134)	(134)
TOTAL STAFF COSTS	89,647	358	90,005	84,857	240	85,097

Sickness absence

The health and wellbeing of our employees is of vital importance and we recognise that sickness absence is an important indicator in this respect. Our sickness absence levels have traditionally been high and we are focussed on working with staff to reduce sickness absence levels where possible, providing appropriate support for our staff.

Figures converted by the Department of Health to best estimates			Statistics Published by NHS Digital from Electronic Staff Record Data Warehouse	
Average FTE	Adjusted FTE sick days lost (based on Cabinet Office definitions)	Average annual sick days per FTE	FTE days available	FTE days of recorded sickness absence
2,357	35,104	14.9	860,176	56,947

NHS Sickness Absence Figures for NHS 2017-18 Annual Report and Accounts

Source: NHS Digital - Sickness Absence and Publication - based on data from the ESR Data Warehouse

Period covered: January to December 2017

Data items: ESR does not hold details of normal number of days worked by each employee. Data on days available and days recorded sick are based on a 365 – day year.

The number of FTE-days available has been taken directly from ESR. This has been converted to FTE years in the first column by dividing by 365 (with a further adjustment where the figures are based on less than 12 months' data).

The number of FTE-days lost to sickness absence has been taken directly from ESR. The adjusted FTE days lost has been calculated by multiplying by 225/365 to give the Cabinet Office measure (with a further adjustment where the figures are based on less than 12 months' data).

Average Annual Sick Days per FTE has been estimated by dividing the estimated number of FTE – days sick by the average FTE, and multiplying by 225 (the typical number of working days per year).

One of our ongoing corporate objectives for 2017-19 is centred around reducing sickness absence rates and we have taken a number of steps towards this, recognising that a reduction in sickness absence will take time to achieve.

Almost half of all absences relate to mental health concerns, including anxiety and stress and we have continued to ensure that we have appropriate support in place for staff. This includes a significant focus on Mind's Blue Light Campaign which aims to raise awareness of mental health and combat the stigma that can still surround it. There are approximately 20 Blue Light Champions in place throughout the Trust to signpost staff for support. The work undertaken in this area as a whole enabled the Trust to achieve 'best in class' in the annual NHS staff survey in relation to dealing with staff feeling unwell due to stress.

In addition, we provide staff with access to counselling services and operate a real-time critical debrief process to ensure that staff who have dealt with traumatic incidents are given immediate support from their managers.

Musculoskeletal (MSK) injuries account for almost 20% of absences. We have an in-house occupational health service which facilitates access to a Rapid Access Physiotherapy Service which provides treatment and advice to staff suffering from musculoskeletal issues. The Service is available within a 15 mile radius of where the member of staff works and is used extensively with nearly half of all employees accessing the service for either initial or review appointments.

We also purchased new specialist lifting equipment for staff with the aim of reducing the need for staff to lift patients wherever possible.

We revised our sickness absence policy during the year and organised mandatory training sessions for all managers to help them to understand and gain confidence in using the policy. 89% of managers had been trained by the year-end. In addition a dedicated HR business partner is now focussed on sickness absence. A sickness absence action plan is in place with regular scrutiny by the Workforce Committee.

Staff policies and actions

Our policies are formally reviewed every three years, or more frequently if required, in order to ensure that they are fit for purpose and reflect the latest requirements and good practice.

Supporting disabled employees

In 2017 we have undertaken an assessment against the Job Centre Plus Disability Confident scheme and we were assessed as a Disability Confident Employer, the second level of a three level scheme. The goal is to ensure organisations takes a number of actions to support disabled people into work and stay in work, with specific policy aims being:

- Engage and encourage employers to become more confident so they employ and retain disabled people;
- Increase understanding of disability and the benefits of employing or retaining disabled people;
- Increase the number of employers taking action to be Disability Confident; and
- Make a substantial contribution towards halving the disability employment gap.

We have made good progress over the last year, 5.8% of all employees identify as disabled, 5% of all applications are from disabled people and 5.4% of people appointed identify as a disabled person, which is 0.1% higher than the previous year.

We have undertaken an analysis of the full recruitment process through our Equality Analysis Report which is available on our website.

Our Equality, Diversity and Human Rights Policy provides details of our service and employment aims and policy for all protected groups including disabled people.

Through the recruitment and selection process we will continue to assess the specific needs of new employees on a case by case basis with support from Occupational Health. This will help to identify and advise of any reasonable adjustments necessary to ensure that individuals can make a smooth transition into the workplace.

If an employee is not able to continue in their substantive role (once reasonable adjustments have been considered), we work with them individually to identify suitable alternatives. We support each person through a redeployment process which offers work trials and opportunities to discuss suitable alternative roles. Our guidance for managing dyslexia in employment describes how the Trust aims to ensure that all individuals who are dyslexic or have a learning disability do not face discrimination either on the grounds of disability or with regard to other aspects of their identity.

Staff engagement

Communicating to a geographically diverse workforce is a challenge, but over the past year, NEAS has improved staff engagement through a number of actions, including the Investors in People accreditation and NHS Staff Survey action plans. The Trust now scores the highest of all ambulance services in England for overall staff engagement.

The NEAS communications team won silver in the North East Chartered Institute of Public Relations award for best in-house communications team.

Our Board has become much more visible to the frontline. There are Quality Walkrounds every month to meet Scheduled and Unscheduled Care crews at hospitals and staff in our Emergency Operations Centres. We are also incredibly proud to celebrate the success of our staff. We introduced our Beyond Awards six years ago and in the last 12 months we received the highest number of nominations ever for awards recognising Emergency Care, Patient Transport, Contact Centre, Support Services, Innovation, Unsung Hero, Volunteer of the Year, Team of the Year, Public Nomination, Services to the Community, Mentor of the Year and Student of the Year.

We hold an annual Educational Awards ceremony where all employees who have had an academic achievement are recognised for their hard work and achievement.

We produce an Equality and Diversity Annual Report and publish this on our website. This report includes an overview of our progress over the last 12 months on a range of metrics to ensure we comply with our Public Sector Equality Duty. A copy of the 2017 report can be found at: www.neas.nhs.uk

Engagement with staff representatives

The Trust remains fully committed to working in partnership with our Trade Union colleagues to ensure the views of employees are taken into account in making decisions which are likely to affect the interests of our employees.

Regular consultation on key issues takes place at our joint consultative committee, attended by both Staff Representatives and senior managers, on a bi-monthly basis.

All policies with an HR-related impact are reviewed by staff representatives. Policies are progressed with our Trade Union colleagues through the Joint Policy Sub-Group and which allows Staff Representatives to be fully involved in the development of our HR Policies.

Consultation on each phase of our organisational restructure has taken place with both local and regional Trade Union Officers on a regular basis to ensure appropriate and timely communications.

Health and safety

Health and safety remains a top priority for the Trust with a dedicated Health and Safety Committee and a full suite of related policies in place. In addition there has been significant investments in staff health and safety during the year, for example with the purchase of Mangar Elk lifting cushions to assist staff in the safe lifting of patients. The Trust has also worked collaboratively with County Durham and Darlington Fire and Rescue Service to assist with the complex lifting of patients, for example those in difficult environments.

The Trust is embarking on a driver behaviour programme trial where approximately 30 volunteer drivers will log into a response vehicle with a card. This will assess their driving and provide reports on standards of driving. This work has been in the pipeline with insurers and providers of driver and vehicle data management systems for some years. Cranfield University have been involved with the setting up of driver parameters. This sees the Trust at the forefront of driver behaviour programmes nationally.

Occupational health

Our Occupational Health service continues to provide a complex managed clinical service. It provides a mix of high frequency transactions (e.g. referrals and immunisations) with lower frequency events that can have a high impact and are highly valued by managers and staff but are difficult to measure (e.g. operational staff in difficulties).

The Occupational Health Service is fully SEQOHS accredited (the national accreditation scheme for occupational health providers) and its delivery is underpinned by the following principles:

- Strong focus on a high quality, clinically-led, evidence-based service
- An equitable and accessible service for the whole workforce
- Impartial, approachable and receptive to both clients and employer
- Contributes to improved organisational productivity
- Works in partnership with all NHS organisations and within the community
- Strives for innovation and excellence
- Offers diversity and depth of specialisation and training opportunities.

The Occupational Health Service has a comprehensive system in place for clinical governance including processes that allow the Trust to achieve or maintain conformance with NHSLA Level 3 requirements. These include standards for a competent and capable workforce, a safe environment, and learning from experience.

The Occupational Health team work relentlessly to help improve the physical, psychological health and wellbeing of all NEAS staff. Some of their work has already been referenced in the *Sickness Absence* section of the *Staff Report*. As a result, at the annual staff award ceremony they received the award of “*Team of the Year in 2017*” in recognition of the work of an outstanding team within the Trust who have worked together effectively to deliver an excellent service.

Health surveillance work continued within Fleet, HART and the Emergency Operations Centre. We have also undertaken 1095 drivers’ medicals for operational staff during their Statutory & Mandatory training. This has also provided the opportunity to carry out Night Worker’s Assessments and Skin Surveillance.

The Occupational Health Service coordinated the flu vaccination programme for employees across the Trust. Although the national target of 70% of front line health care workers was not achieved there was a 4% increase in activity with a total of 1,275 (54.4%) Influenza vaccinations administered in 2017/18. In doing so, the Trust was able to secure CQUIN funding of over £90,000.

Fraud and corruption

The Trust’s contract with Commissioners include specific clauses and schedules regarding counter fraud arrangements. On 1 November 2017, NHS Protect was replaced by the NHS Counter Fraud Authority, a new Special Health Authority tasked to lead the fight against fraud, bribery and corruption in the NHS.

Local Counter Fraud Specialist Services (LCFS) were provided to the Trust via contract arrangements with AuditOne. There were some changes in personnel during 2017/18, with the appointment of a Head of Counter Fraud and the centralisation of counter fraud services by AuditOne. The Trust’s Counter Fraud workplan was revisited and refreshed under the new leadership. In February 2018 the

Trust included a counter fraud payslip message in all staff payslips, advising of the new telephone and email contact address for the Counter Fraud team and national reporting details.

The LCFS team has delivered a programme of fraud awareness sessions throughout the year to ensure that all staff understand their roles and responsibilities in countering fraud. All staff are required to complete a fraud awareness e-learning as part of their annual statutory and mandatory training.

An annual plan, updates on progress against the plan and an annual report on compliance against the Counter Fraud arrangements are presented to the Audit Committee regularly. The Trust's Counter Fraud Policy is available on the Trust's website.

Staff survey report 2017

Commentary

Staff engagement is of paramount importance to NEAS. Communications and engagement is a specific corporate priority for 2017-2019, demonstrating a clear commitment to ensuring that we have effective mechanisms in place for communicating with staff, seeking staff views and responding to feedback.

The staff survey is an important indicator of staff engagement and a vital tool for seeking staff views across a broad range of different topics.

Summary of performance

In 2017 1,327 staff completed the survey, equating to 54.4% of the total number of eligible staff. This represented a demonstrable improvement on the prior year response rate of 49%.

We achieved an engagement score of 3.58 (out of 5), which was the highest engagement score amongst ambulance trusts. The staff engagement score is generated from 3 of the 32 key findings (staff recommending the Trust as a place to work, staff motivation at work and staffs' ability to contribute towards improvements).

The Trust scored significantly better in 6 of the 32 key findings areas and there was one area which had deteriorated. All other key finding areas either stayed the same or improved to some degree.

The **top five most improved areas** compared to the 2016 survey were:

- The percentage of staff working extra hours (the percentage of staff had reduced);
- Staff satisfaction with resourcing and support;
- Percentage of staff witnessing potentially harmful errors, near misses or incidents in the last month (the percentage had reduced);
- Staff recommending the organisation as a place to work; and
- Fairness and effectiveness of procedures for reporting errors, near misses and incidents.

There was only **one area where scores had deteriorated** compared to the previous year:

- Percentage of staff appraised in the last 12 months.

We achieve the **top scores from across all ambulance trusts** in the following seven areas:

- The quality of non-mandatory training, learning or development;

- The percentage of staff working extra hours (where a lower percentage is most desirable);
- Staff recommending the organisation as a place to work or receive treatment;
- Staff motivation at work;
- Staff satisfaction with the quality of work and care they are able to deliver;
- The percentage of staff agreeing that their role makes a difference to patients and service users; and
- The percentage of staff experiencing harassment, bullying or abuse from staff in the last 12 months.

Our top five and bottom five ranking areas within the survey are outlined in the tables below.

Response rates				
	2016 (previous year)	2017 (current year)		Trust improvement/ deterioration
	NEAS	NEAS	Ambulance Trust average	
Response rate	49%	54%	42%	5% increase

TOP 5 RANKING SCORES				
	2016 (previous year)	2017 (current year)		TRUST IMPROVEMENT/ DETERIORATION
	NEAS	NEAS	Ambulance Trust average	
KF2 <i>Staff satisfaction with the quality of work and care they are able to deliver</i>	4.00	4.03	3.81	IMPROVEMENT (0.03)
KF1 <i>Staff recommendation of the organisation as a place to work or receive treatment</i>	3.52	3.66	3.44	IMPROVEMENT (0.14)
KF16 <i>Percentage of staff working extra hours</i>	84%	81%	85%	IMPROVEMENT (1%)
KF4 <i>Staff motivation at work</i>	3.74	3.78	3.65	IMPROVEMENT (0.04)
KF13 <i>Quality of non-mandatory training, learning or development</i>	3.98	4.00	3.90	IMPROVEMENT (0.02)

BOTTOM 5 RANKING SCORES				
	2016 (previous year)	2017 (current year)		TRUST IMPROVEMENT/ DETERIORATION
	NEAS	NEAS	Ambulance Trust average	
KF23 <i>Percentage of staff experiencing physical violence from staff in last 12 months</i>	2%	3%	2%	DETERIORATION (1%)
KF21 <i>Percentage of staff believing that the organisation provides equal opportunities for career progression or promotion</i>	69%	69%	69%	SAME
KF15 <i>Percentage of staff satisfied with the opportunities for flexible working patterns</i>	33%	34%	34%	IMPROVEMENT (1%)
KF24 <i>Percentage of staff / colleagues reporting their most recent experience of violence</i>	63%	65%	65%	IMPROVEMENT (2%)
KF6 <i>Percentage of staff reporting good communication between senior management and staff</i>	18%	20%	20%	IMPROVEMENT (2%)

Each corporate function or service area received a breakdown of the staff survey results for their own area and managers were tasked with developing an action plan, with particular focus on those areas where positive scores had been less than 50%. Some of the key areas for focus include:

- **Supporting staff to undertake meaningful appraisals**, noting that this was the only area where a statistically significant deterioration had been noted. A new appraisal policy and process was launched on 1st April 2018. This is more user friendly and includes a greater focus on the Trust's Behaviours Framework, which was developed by staff. All line managers will receive training on the new appraisal process.
- **Health and wellbeing** – this links to a number of the bottom ranking results, including staff satisfaction with flexible working patterns and violence against staff. We are continuing to promote health and wellbeing initiatives, as well as decentralising our staff rostering system to provide managers with greater input into decisions regarding annual leave. We have launched a new Health and Wellbeing meeting in late 2017/18 as well as the new Behaviours

Framework, which aims to ensure that we all challenge ourselves and each other to bring our values to life. We will undertake a deep dive to further understand the survey results regarding staff experiencing physical violence from other staff.

- **Communications between line managers and staff** – we will seek to ensure that team meetings are embedded within the new organisational structure where possible. We will work to develop clear 'team' identity on the front line in order to support more effective communications and develop good line manager and staff relationships.

Expenditure on consultancy

Over the last 12 months the Trust has engaged the services of consultants to provide specific specialist services. The total cost for 2017/18 was £167,000.

Off-payroll engagements

The Trust makes every effort to minimise the use of off-payroll arrangements, which are only used as a last resort, for example where recruitment has failed for critical posts. Only in very exceptional circumstances would off-payroll engagements be undertaken for highly paid staff.

When off-payroll engagements arise we strictly apply NHS Improvement requirements to ensure proper protocols are followed and disclosures made.

The following table shows all off-payroll engagements as of 31 March 2018 for more than £245 per day, and lasting for longer than six months.

	NUMBER OF ENGAGEMENTS
No. of existing engagements as of 31 March 2018	0
<u>Of which:</u>	
Number that have existed for less than one year at the time of reporting	0
Number that have existed for between one and two years at the time of reporting	0
Number that have existed for between two and three years at the time of reporting	0
Number that have existed for between three and four years at the time of reporting	0
Number that have existed for four or more years at the time of reporting	0

We confirm that where appropriate we would subject any off-payroll engagements to a risk based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance would be sought.

The following table shows all new off-payroll engagements, or those that reached six months in duration, between 1 April 2017 and 31 March 2018, for more than £245 per day and that lasted for longer than six months.

	NUMBER OF ENGAGEMENTS
Number of new engagements, or those that reached six months in duration between 01 April 2017 and 31 March 2018	0
Number of the above which include contractual clauses giving the trust the right to request assurance in relation to income tax and national insurance obligations	0
Number for whom assurance has been requested	0
<u>Of which:</u>	
Number for whom assurance has been received	0
Number for whom assurance has not been received	0
Number that have been terminated as a result of assurance not being received	0

The following table shows all off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2017 and 31 March 2018.

	NUMBER OF ENGAGEMENTS
Number of off-payroll engagements of Board Members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed Board Members and/or senior officials with significant financial responsibility. This figure includes both off-payroll and on-payroll engagements.	7

Exit packages (subject to audit)

Over the last 12 months we have agreed the redundancy of 21 employees as part of our organisational restructure. In addition, however, we have successfully managed a number of organisational change situations through redeployment and/or retirement and resignation.

In addition, we have however supported a number of staff to leave the organisation either through voluntary severance or with a settlement agreement in line with Treasury guidance.

EXIT PACKAGE COST BAND	NUMBER OF COMPULSORY REDUNDANCIES	NUMBER OF OTHER DEPARTURES AGREED	TOTAL NUMBER OF EXIT PACKAGES BY COST BAND
<£10,000	-	3	3
£10,000 - £25,000	3	2	5
£10,000 - £25,000			-
£25,001 - £50,000	6		6
£50,001 - £100,000	13		13
£100,001 - £150,000	1		1
£150,001 - £200,000			
Total number of exit packages by type	23	5	28
Total resource cost (£000's)	1,247	49	1,296

	AGREEMENTS - NUMBER	TOTAL VALUE OF AGREEMENTS £000
Voluntary redundancies including early retirement contractual costs	-	-
Mutually agreed resignations (MARS) contractual costs	4	44,337
Early retirements in the efficiency of the service contractual costs	-	-
Contractual payments in lieu of notice	-	-
Exit payments following employment tribunals or court orders	-	-
Non-contractual payments requiring HM Treasury approval	1	5,000
Total	5	49,337
<i>Of which: non-contractual payments requiring HM Treasury approval made to individuals where the payment value was more than 12 months of their annual salary</i>	1	5,000

NHS Foundation Trust Code of Governance

The NHS Foundation Trust Code of Governance contains guidance on good corporate governance. NHS Improvement, as the healthcare sector regulator, is keen to ensure that NHS Foundation Trusts have the autonomy and flexibility to ensure their structures and processes work well for their individual organisations, whilst making sure they meet overall requirements. For this reason, the Code is designed around a “comply or explain” basis. NHS Improvement recognises that departure from the specific provisions of the Code may be justified in particular circumstances, and reasons for non-compliance with the Code should be explained.

North East Ambulance Service NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

There are other disclosures and statements (mandatory disclosures) that we are required to make, even where we are fully compliant.

The mandatory disclosures have already been made within the main text of the Annual Report and page references are therefore provided below.

Mandatory disclosures

Code ref.	Summary of requirement	Section reference
A.1.1	<p>The schedule of matters reserved for the board of directors should include a clear statement detailing the roles and responsibilities of the council of governors.</p> <p>This statement should also describe how any disagreements between the council of governors and the board of directors will be resolved.</p> <p>The annual report should include this schedule of matters or a summary statement of how the board of directors and the council of governors operate, including a summary of the types of decisions to be taken by each of the boards and which are delegated to the executive management of the board of directors.</p>	Directors’ Report – The Board and Governor Relationship section
A.1.2	<p>The annual report should identify the chairperson, the deputy chairperson (where there is one), the chief executive, the senior independent director (see A.4.1) and the chairperson and members of the nominations, audit and remuneration committees.</p> <p>It should also set out the number of meetings of the board and those committees and individual attendance by directors.</p> <p>This requirement is also contained in paragraph 7.46 as part of the remuneration report requirements. The disclosure relating to the remuneration committee should only be made once.</p>	Directors’ Report – Board Composition section and table of Board Members
A.5.3	<p>The annual report should identify the members of the council of governors, including a description of the constituency or</p>	Directors’ Report – Council of Governors

Code ref.	Summary of requirement	Section reference
FT ARM	organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated lead governor.	section and table of Governors
	The annual report should include a statement about the number of meetings of the council of governors and individual attendance by governors and directors.	Directors' Report – Board Composition section and table
B.1.1	The board of directors should identify in the annual report each non-executive director it considers to be independent, with reasons where necessary.	Directors' Report – Council of Governors section and table.
B.1.4	The board of directors should include in its annual report a description of each director's skills, expertise and experience.	Directors' Report – Board Composition section
FT ARM	Alongside this, in the annual report, the board should make a clear statement about its own balance, completeness and appropriateness to the requirements of the NHS foundation trust.	Directors' Report – Board of Directors section
	The annual report should include a brief description of the length of appointments of the non-executive directors, and how they may be terminated	Directors' Report – Board of Directors section describes how appointments may be terminated.
B.2.10	A separate section of the annual report should describe the work of the nominations committee(s), including the process it has used in relation to board appointments.	Directors' Report – Board Composition section and table shows appointment length
FT ARM	The disclosure in the annual report on the work of the nominations committee should include an explanation if neither an external search consultancy nor open advertising has been used in the appointment of a chair or non-executive director.	Directors' Report – Nomination and Remuneration section
		Remuneration Report – Nomination and Remuneration Committee
B.3.1	A chairperson's other significant commitments should be disclosed to the council of governors before appointment and included in the annual report. Changes to such commitments should be reported to the council of governors as they arise, and included in the next annual report.	Not applicable – open advertising was used for all vacant Board positions.
		Directors' Report – Board Composition table
		Directors' Report – Declaration of Interests section

Code ref.	Summary of requirement	Section reference
B.5.6	Governors should canvass the opinion of the trust's members and the public, and for appointed governors the body they represent, on the NHS foundation trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the board of directors. The annual report should contain a statement as to how this requirement has been undertaken and satisfied.	Directors' Report – Council of Governors section Directors' Report – The Board and Governor Relationship
FT ARM	If, during the financial year, the Governors have exercised their power* under paragraph 10C** of schedule 7 of the NHS Act 2006, then information on this must be included in the annual report. This is required by paragraph 26(2)(aa) of schedule 7 to the NHS Act 2006, as amended by section 151 (8) of the Health and Social Care Act 2012. * Power to require one or more of the directors to attend a governors' meeting for the purpose of obtaining information about the foundation trust's performance of its functions or the directors' performance of their duties (and deciding whether to propose a vote on the foundation trust's or directors' performance). ** As inserted by section 151 (6) of the Health and Social Care Act 2012)	Directors' Report – The Board and Governor Relationship
B.6.1	The board of directors should state in the annual report how performance evaluation of the board, its committees, and its directors, including the chairperson, has been conducted.	Directors' Report – Performance Evaluation section
B.6.2	Where there has been external evaluation of the board and/or governance of the trust, the external facilitator should be identified in the annual report and a statement made as to whether they have any other connection to the trust.	Directors' Report – Performance Evaluation section
C.1.1	The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS foundation trust's performance, business model and strategy. Directors should also explain their approach to quality governance in the Annual Governance Statement (within the annual report). See also ARM paragraph 7.90	Performance Report: Overview – Going Concern section Further disclosures are made in the Annual Governance Statement
C.2.1	The annual report should contain a statement that the board has conducted a review of the effectiveness of its system of internal controls.	Annual Governance Statement
C.2.2	A trust should disclose in the annual report: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	Directors' Report – Audit Committee section
C.3.5	If the council of governors does not accept the audit committee's recommendation on the appointment, reappointment or removal of an external auditor, the board of directors should include in the	Not applicable for 2017/18 – see Directors'

Code ref.	Summary of requirement	Section reference
C.3.9	annual report a statement from the audit committee explaining the recommendation and should set out reasons why the council of governors has taken a different position.	Report – Audit Committee section
	<p>A separate section of the annual report should describe the work of the audit committee in discharging its responsibilities. The report should include:</p> <ul style="list-style-type: none"> the significant issues that the committee considered in relation to financial statements, operations and compliance, and how these issues were addressed; an explanation of how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or re-appointment of the external auditor, the value of external audit services and information on the length of tenure of the current audit firm and when a tender was last conducted; and if the external auditor provides non-audit services, the value of the non-audit services provided and an explanation of how auditor objectivity and independence are safeguarded. 	Directors' Report – Audit Committee section
D.1.3	Where an NHS foundation trust releases an executive director, for example to serve as a non-executive director elsewhere, the remuneration disclosures of the annual report should include a statement of whether or not the director will retain such earnings.	Remuneration Report – Service Contracts for Senior Managers section
E.1.5	The board of directors should state in the annual report the steps they have taken to ensure that the members of the board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS foundation trust, for example through attendance at meetings of the council of governors, direct face-to-face contact, surveys of members' opinions and consultations.	Directors' Report – The Board and Governor Relationship
E.1.6	The board of directors should monitor how representative the NHS foundation trust's membership is and the level and effectiveness of member engagement and report on this in the annual report.	Directors' Report – Foundation Trust Membership section
E.1.4	Contact procedures for members who wish to communicate with governors and/or directors should be made clearly available to members on the NHS foundation trust's website and in the annual report.	Directors' Report – Foundation Trust Membership section
FT ARM	<p>The annual report should include:</p> <ul style="list-style-type: none"> a brief description of the eligibility requirements for joining different membership constituencies, including the boundaries for public membership; information on the number of members and the number of members in each constituency; and a summary of the membership strategy, an assessment of the membership and a description of any steps taken during the year to ensure a representative membership [see also E.1.6 above], including progress towards any recruitment targets for members. 	Directors' Report – Foundation Trust Membership section

Code ref.	Summary of requirement	Section reference
FT ARM	The annual report should disclose details of company directorships or other material interests in companies held by governors and/or directors where those companies or related parties are likely to do business, or are possibly seeking to do business, with the NHS foundation trust. As each NHS foundation trust must have registers of governors' and directors' interests which are available to the public, an alternative disclosure is for the annual report to simply state how members of the public can gain access to the registers instead of listing all the interests in the annual report.	Directors' Report – Declaration of Interests Section

Comply or explain disclosures

The Trust has complied with the majority of the 'comply' or 'explain' disclosures of the NHS Foundation Trust Code of Governance, with the exception of one statement. The following table outlines the provision where we did not fully comply with the provision.

Code Ref.	Summary of Disclosure	Explanation
D.2.3	The council should consult external professional advisers to market-test the remuneration levels of the chairperson and other non-executives at least once every three years and when they intend to make a material change to the remuneration of a non-executive.	Due to the availability of a significant amount of benchmarking information through the annual NHS Providers' remuneration survey, the Governor Nomination and Remuneration did not engage external professional advisers to market-test the remuneration levels of the Chair and Non-Executive Directors. The Committee was provided with a copy of the benchmarking from NHS Providers, which was deemed to provide sufficient evidence for the consideration of remuneration.

NHS Improvement's Single Oversight Framework

Single Oversight Framework

NHS Improvement's Single Oversight Framework provides the framework for overseeing providers and identifying potential support needs. The framework looks at five themes:

- Quality of care;
- Finance and use of resources;
- Operational performance;
- Strategic change; and
- Leadership and improvement capability (well-led).

Based on information from these themes, providers are segmented from 1 to 4, where '4' reflects providers receiving the most support, and '1' reflects providers with maximum autonomy. A foundation trust will only be in segments 3 or 4 where it has been found to be in breach or suspected breach of its licence.

The Single Oversight Framework applied from Quarter 3 of 2016/17. Prior to this, Monitor's Risk Assessment Framework (RAF) was in place. Information for first two quarters of 2016/17 relating to the RAF has not been presented as the basis of accountability was different. This is in line with NHS Improvement's guidance for annual reports.

Segmentation

The Trust's confirmed segment from NHS Improvement as at the end of Quarter 3 was segment 2. Within segment 2 providers are offered targeted support from NHS Improvement, but are not in breach of their licence and formal action is not needed.

The Trust's segment for Quarter 4 has not yet been confirmed by NHS Improvement.

This segmentation information is the Trust's position as at 31 March 2018. Current segmentation information for NHS trusts and foundation trusts is published on the NHS Improvement website.

Finance and use of resources

The finance and use of resources theme is based on the scoring of five measures from '1' to '4', where '1' reflects the strongest performance. These scores are then weighted to give an overall score. Given that finance and use of resources is only one of the five themes feeding into the Single Oversight Framework, the segmentation of the trust disclosed above might not be the same as the overall finance score here.

Area	Metric	2017/18 scores				2016/17 scores	
		Q4	Q3	Q2	Q1	Q4	Q3
Financial sustainability	Capital service capacity	1	1	1	1	1	1
	Liquidity	1	1	1	1	1	1
Financial efficiency	I&E margin	2	2	2	1	1	2
Financial controls	Distance from financial plan	1	1	1	1	1	1
	Agency spend	1	1	1	1	1	1
Overall scoring		1	1	1	1	1	1

Statement of Accounting Officer's Responsibilities

Statement of the Chief Executive's Responsibilities as the Accounting Officer of North East Ambulance Service NHS Foundation Trust

The NHS Act 2006 states that the chief executive is the accounting officer of the NHS foundation trust. The relevant responsibilities of the accounting officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by NHS Improvement.

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require North East Ambulance Service NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of North East Ambulance Service NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Department of Health Group Accounting Manual and in particular to:

- Observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual (and the Department of Health Group Accounting Manual) have been followed, and disclose and explain any material departures in the financial statements;
- Ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance; and
- Prepare the financial statements on a going concern basis.

The Accounting Officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS Foundation Trust and to enable her to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS Foundation Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in the NHS Foundation Trust Accounting Officer Memorandum.



Yvonne Ormston
Chief Executive
24 May 2018

Annual Governance Statement

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS Foundation Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the NHS Foundation Trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the NHS Foundation Trust Accounting Officer Memorandum.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of North East Ambulance Service NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them economically, effectively and efficiently. The system of internal control has been in place in North East Ambulance Service NHS Foundation Trust for the year ended 31 March 2018 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

Leadership

The Board of Directors has overall responsibility for the management of risk within the Trust. The Director of Quality and Safety is designated as the Executive Lead for risk management and is responsible for ensuring that there are robust systems and processes in place for effective risk management and for ensuring that the Risk Management Strategy and Policy are implemented and evaluated effectively. These are effectively implemented via the Annual Risk Management Action Plan which is monitored by the Executive Risk Management Group. Professional support is provided by the Head of Risk.

The Board of Directors receive a quarterly risk management report containing the Board Assurance Framework (BAF) and the Organisational Risk Register (ORR), both of which are subject to regular scrutiny at the Executive Risk Management Group. Additionally the strategic risks on the Board Assurance Framework are mapped to an appropriate Non-Executive Director-chaired Board Committee, and the relevant extracts are reviewed at every meeting of the Board Committees.

Executive Directors of the Trust have the responsibility for leadership in risk management for their own Directorates. On a cyclical basis the Directorate and service risk registers are scrutinised by the Executive Risk Management Group.

Trust managers are responsible for the management of day-to-day risks of all types within their management structure and budget allocation. They are charged with ensuring that risk assessments are undertaken throughout their area of responsibility on a pro-active basis and that remedial action is carried out where problems are identified in order to reduce or mitigate that risk.

Risk Training

It is the policy of the Trust to provide and maintain, so far as is reasonably practicable, all plant, systems of work (including safe use, handling, storage and transport of substances and articles), places of work and working conditions, such that they are safe and with minimal risks to employees, as well as to non-employees, and to provide such information, instruction and training as is necessary for this purpose.

The Board received an update on risk management as part of the Board Development Programme. All Board Members received health and safety training as part of the Trust's statutory and mandatory training programme.

Risk management is incorporated in the Trust's induction and statutory and mandatory training programme. General risk awareness/health and safety training is also provided to all staff on an annual basis according to their level of need/responsibility. During 2016/2017 training at all levels included the reporting and management of adverse events. Furthermore a dedicated training course for investigating officers was delivered to improve the standard of investigations.

The Risk Management Strategy, policies and procedures and responsibilities are held in the Trust's Document Management System, available to all staff.

The Quality and Safety Directorate have a number of appropriately qualified and experienced staff to lead, support and advise staff at all levels of the organisation with the identification and management of risk.

All adverse events are recorded and investigated by the Trust utilising the Ulysses Safeguard System. Those of a serious nature are considered by a Root Cause Analysis process and signed off via the Serious Incident Review Group, chaired by the Chief Executive. The outcomes of such incidents inform future training plans, policies and wider learning for the Trust.

The Trust has representation on the National Ambulance Risk and Safety Forum and various other national and regional groups which promote active benchmarking and learning from good practice.

The risk and control framework

The Trust endeavours to establish a positive risk culture within the organisation, where unsafe practice (clinical, financial, etc.) is not tolerated and where every member of staff feels committed and empowered to identify and correct/escalate system weaknesses.

The Trust Board is committed to ensuring a robust infrastructure is in place to manage risks from operational level to Board level, and that where risks crystallise, demonstrable improvements can be put in place.

The Trust therefore has a comprehensive Risk Management Strategy and Policy. The Annual Risk management Plan is reported into the Executive Management Group on a quarterly basis. The Trust recognises that it is impossible and not always desirable to eliminate all risks and that systems of control should not be so rigid that they stifle innovation and imaginative use of limited resources, in order to achieve health benefits for patients. The strategy defines the leadership, responsibility and accountability arrangements of risk within the Trust. It promotes integrated governance and the philosophy of Enterprise Risk Management (ERM). ERM dictates that risk management is systematic, robust and evident, that it should identify potential events that may affect the organisation and manage risks to be within its risk appetite. The strategy covers non-clinical, clinical, organisational and financial risks. It also meets the requirements of the former NHS Litigation Authority Risk Management

Standards for Ambulance Trusts, which remains a good benchmark and the Risk Management Standard ISO 31000:2009. It also requires that risk management processes are applied to business planning at all levels and that risk management issues are communicated to key stakeholders where necessary.

The Risk Management Strategy also contains a section on risk appetite and risk maturity which is based upon the methodology initiated and designed by Southwark Clinical Commissioning Group and the Good Governance Institute, which is widely used by other NHS organisations. The Board of Directors was fully briefed on this and was actively involved in reviewing the Trust's risk appetite during the year.

North East Ambulance Service NHS Foundation Trust's appetite is currently assessed as moderate – i.e. the Trust will accept moderate risk to the delivery of our Strategy within the Trust's accountability and compliance frameworks, whilst maximising performance within Value For Money frameworks. The Trust may take considered risks, where the long term benefits outweigh any short term losses. Well managed risk taking will ensure that the skills, ability and knowledge are there to support innovation and maximise opportunities to further improve services. The Trust commits to review its risk appetite statement on an annual basis and/or following any significant changes or events.

The Board reviewed its risk maturity in February 2018 and an internal self-assessment indicated that the Trust had remained at the 'risk managed' level. The Board continued to support the overall aim of reaching 'risk enabled', but recognised that changes in management structures and personnel in the year had not enabled this to take place by 2018, as originally planned. It was recognised that risk maturity can fluctuate depending upon changes within the organisation, as well as external pressures.

The annual internal audit of risk management includes an assessment of the risk maturity of the organisation. The Executive Risk Management Group will monitor the implementation of recommendations arising from this audit. The risk management audit conducted in 2017/2018 provided 'good assurances'. Furthermore the Trust has delivered the annual risk management plan ahead of schedule with all areas achieved by the end of quarter 3.

The Risk Management Policy describes how risks are identified, recorded and managed via the electronic Ulysses Safeguard system and how they are quantified, using a risk scoring matrix. This allows standardisation of risk assessment across the Trust, utilising a common currency. The policy also requires action plans to be determined and implemented for those risks that are inadequately controlled. The Trust also has a number of associated policies and procedures embedded in the organisation including Reporting and Investigation of Adverse Events, Reporting and Management of Serious Incidents, Aggregating Data and Learning from Incidents and Complaints and Claims Handling.

Board Assurance Framework

The arrangements in place to manage the organisation's risk include the Trust's Board Assurance Framework (BAF). The BAF provides the Trust with a method for effective management of the principal strategic risks to meeting its corporate objectives and links to the Trust's mission, vision and strategic aims. It provides a structure for evidence to support the Annual Governance Statement and as a result, simplifies Board reporting and the prioritisation of action plans.

The Board Assurance Framework includes the following key elements:

- Strategic objectives of the Trust by the responsible Director, with each objective mapped to a Board Committee for monitoring;
- A description of the strategic risk, including initial score, current score and target score;

- The corporate / organisational risks which link to the main strategic risk, including scores and the groups responsible for seeking assurance over the effective management of these risks;
- Risks to achieving the objectives;
- key controls in place to manage the risks;
- Assurances from the key controls;
- Evidence of the controls and assurance;
- Any gaps in control;
- Any gaps in assurance; and
- Plans to address gaps in control and assurances.

The Executive Risk Management Group promotes effective risk management and leadership whilst overseeing and monitoring the Board Assurance Framework.

The Board Assurance Framework is approved by the Board at the beginning of the financial year and managed through delegation to its Committees. A Board Development session was held in April 2017 to provide the Board with an additional opportunity to discuss and debate the strategic risks, controls and assurance prior to the approval of the document. The Board subsequently reviewed the Board Assurance Framework on a quarterly basis throughout the year and approved the final version at the end of the year.

Quality Governance is provided via the Trust's Quality Committee which monitors the delivery of the Trust's Quality Strategy and compliance with the CQC fundamental standards. This Committee also oversees production of the Quality Report. The Quality Committee has been supported by the Executive-led Quality Governance Group, a Clinical Advisory Group, Strategic Health and Safety Committee, Serious Incident Review Group and Strategic Safeguarding Group. The Quality Governance Group also has three sub-groups, namely the Patient Safety Group, Clinical Effectiveness Group and an Experience, Complaints, Litigation, Incidents and PALs (ECLIPs) Group.

There are a number of mechanisms in place to assess the quality of performance information throughout the Trust. The Data Quality Assurance Group investigates any issues escalated to it by the Informatics Team and others. In addition data quality dashboards are reviewed by the service lines. Further information on data quality is included within the Annual Quality Report section of this Statement.

The Trust manages its information security on an on-going basis via two forums, the Information Security Working Group (ISWG) and the Information Governance Working Group (IGWG). The former typically deals with technical issues and how to address them and escalates more significant issues to the IGWG. The IGWG manages the Trust's information security at a much higher level, and is in a position to provide much wider assurances due to the involvement of staff from across the Trust.

The Trust also formally assesses its compliance against the Information Governance standards (including Information Security) via the Information Governance Toolkit which is visible and auditable to regulating bodies. As of the 31st March 2018 the Trust scored 89% against the compliance matrix, compared to 94% in the previous year.

During the year there were no Serious Incidents which related to Information Governance.

The Trust is currently working through the Information Commissioner's Office 12 steps to prepare for the General Data Protection Regulation (GDPR) which will apply from 25 May 2018.

The highest scoring risks throughout the year which were reflected on the Board Assurance Framework during 2017/18 are outlined below, along with a brief summary of the mitigating actions taken:

Risk Description	Key Mitigating Actions
<p>Organisational sustainability is compromised by the Trust's ability to meet its performance targets, financial plan and / or contractual commitments. This would impact negatively on the ability of the Trust to meet its regulatory requirements and efficiency targets, with potential impacts on patient care, reputation and the ability to recruit / retain staff. This may result in the Trust being unable to deliver quality services in accordance with CQC's fundamental standards.</p> <p>Ultimately this strategic risk may prevent the Trust from achieving Corporate Priority 1: Organisational Sustainability and sub-objectives relating to: meeting the financial plan; delivering against performance trajectories; establishing a subsidiary company; and developing the Northern Ambulance Alliance.</p>	<p>The Trust managed this down to its target level through effective management in a number of different areas:</p> <ul style="list-style-type: none"> • Successful implementation of the new Ambulance Response Programme (ARP) standards, notwithstanding the performance and resource challenges that remained. It was noted that the Trust was not formally held to account for delivery of the ARP standards by regulators in-year. • Successfully re-securing the 111 and Integrated Urgent Care Service during the competitive tender process. • Effective management of the financial resources to exceed the agreed control total, make a small adjusted performance surplus and maintain a healthy liquidity ratio. • Delivering most key performance indicators against contracts, including 111, Unscheduled Care and Out of Hours services. • Establishment of a subsidiary company to deliver fleet services, with a number of benefits including to: <ul style="list-style-type: none"> • Protect core NHS services and patient care by seeking commercial growth through the subsidiary, generating dividend revenue for front-line care services; and • Improving the cost position of the Trust through improved efficiency within Fleet. <p>The Trust continued to play an active role in the Northern Ambulance Alliance, which resulted in efficiencies in a number of areas (for example the procurement of a new fleet management system).</p>

Risk Description	Key Mitigating Actions
<p>Pressures on performance, workforce and finance, coupled with a number of changes in the local and national health economy and structures may place significant risk on the ability of the Trust to achieve national quality standards and deliver the quality requirements. Ultimately this strategic risk may prevent the Trust from achieving Corporate Priority 2: To improve quality and safety. The aim of this priority is to continually improve quality and Safety within the trust by delivering the key metrics set out in the quality strategy, quality report and sign up to safety pledges.</p> <p>It also links to Corporate Priority 4: Clinical Care and Transport. This incorporates the full integration of front line services, the implementation of the new performance standards and the alignment of capacity and demand.</p>	<p>The Trust undertook a number of mitigating actions during the year to ensure that quality and CQC compliance were safeguarded, including</p> <ul style="list-style-type: none"> • Continued development of the Clinical Care and Transport service, which allows a level of overlap between the Unscheduled and Scheduled Care services. This enables the Trust's workforce to be used more effectively to deliver care to patients, matching staff skill to the acuity of the patient. • Partnership working with other health care providers and organisations across the North East to support timely responses to patients – for example to assess falls patients to determine whether they are injury or non-injury falls. • Continued development of the Clinical Assessment Service to incorporate a greater breadth of clinicians in order to provide both staff and patients with enhanced clinical support. During 2017/18 this has included GPs and Emergency Department Consultants being available to support triage. • The Trust has continued to focus on learning from delays and incidents. This has included senior staff reviewing every long delay since the introduction of the ARP standards. • The Trust committed to invest in new intelligent defibrillators for its rapid response vehicle fleet, following the positive impact the new devices have had on clinical outcomes when installed on the ambulance fleet in the previous year. • The Trust continued to perform well in respect of the ambulance quality indicators (AQIs). <p>Despite this, the Trust's demand and capacity review showed a significant gap in funded resource in order to meet the new ARP standards. This remained an issue of concern for the Trust and its stakeholders, and work continues on a local and national level to seek additional financial resource to enable the Trust to operate at a resource level which will enable a responsive service to patients.</p>
<p>Failure to develop and maintain a strong workforce and culture will result in poor retention of staff, increased pressure on existing employees and a weak</p>	<p>The Trust undertook a number of mitigating actions, including:</p> <ul style="list-style-type: none"> • Working hard to achieve the desired Investors in People status.

Risk Description	Key Mitigating Actions
<p>organisational culture, ultimately impacting upon the desirability of the Trust in respect of employment, investment and sustainability. Ultimately this strategic risk may prevent the Trust from achieving Corporate Priority 3: Workforce and Investors in People. This includes achieving Investors in People status, recruitment and retention, reducing sickness absence and delivering quality leadership and organisational development programmes.</p>	<ul style="list-style-type: none"> Continuing to successfully recruit to the increased paramedic establishment with a reduction in paramedic turnover. Embarking on phase 2 of the Trust's organisational restructure to ensure that the Trust is fit for purpose. Demonstrating a significant commitment towards staff mental health and wellbeing through initiatives such as the MIND Blue Light campaign. Achieving the top staff survey results in the ambulance sector. Achieving the status of top health and social care employer in the country on the Stonewall Top 100 index. Launching the new Compass leadership programme for managers within the Trust. Launch of the NEAS Behaviours Framework which was developed by staff to demonstrate how to excel in living the Trust's values. Continuing to enhance the visibility and accessibility of Board Members through formal and informal walk rounds to meet crews at local hospitals. <p>It is recognised that sickness absence remained a challenge and a number of actions were put in place with the aim of reducing this further over time.</p>
<p>Inability to deliver an effective and efficient NHS111 and CAS (either through ineffective management or through loss of contract) impacting on the sustainability of the Trust and its ability to win new business and negative impacts on reputation and recruitment. Ultimately this strategic risk may prevent the Trust from achieving Corporate Priority 5: NHS111 and the Clinical Assessment Service. This priority incorporates the development and expansion of the Clinical Assessment Service; the development of the North East Provider Alliance; and retention of the NHS 111 and Clinical Assessment Service Contract for the North East.</p>	<p>The Trust undertook a number of mitigating actions, including:</p> <ul style="list-style-type: none"> Continued development of the Clinical Assessment Service, broadening the range of clinical support available. Continued good performance in respect of key 111 metrics, particularly call answer and patient feedback. Development of a strong bid for the NHS111 and Integrated Urgent Care competitive tender process, which included commitment of support from alliance partners. Ultimately successfully securing the retention of the 111 and Integrated Urgent Care contract for the North East.

Risk Description	Key Mitigating Actions
<p>A lack of effective communications and engagement will result in disaffected and disengaged employees; a lack of compliance with key requirements which may impact on patient safety; inability to meet corporate objectives; loss of opportunity for the Trust to build market share; poor external reputation; and poor relationships with stakeholders. Ultimately the Trust will be unable to progress and develop, thus impacting upon sustainability.</p> <p>Ultimately this strategic risk may prevent the Trust from achieving Corporate Priority 6: Communications and Engagement. This priority is centred around strengthening and develop communications channels to employees (internal) and stakeholders (external) to support delivery of corporate objectives.</p>	<p>The Trust undertook a number of mitigating actions, including:</p> <ul style="list-style-type: none"> - Hosting a successful staff and stakeholder event with Professor Keith Willett to discuss the importance of the ambulance service in respect of the urgent and emergency care strategy nationally. - Staff survey results, the Stonewall index and improvements in the Equality & Diversity Delivery System 2 scores all demonstrate a positive improvement in staff satisfaction. - The Trust has remained positively engaged in the development the Sustainability and Transformation Partnerships / Accountable Care System discussions within the North East. - Approval and funding has been secured for the development of an enhanced staff intranet and communication facility, which is due to launch in 2018/19

Action plans to minimise the possibilities of these risks being realised are co-ordinated via the relevant directorate leads and include continuous monitoring via the appropriate group or Board-level committee.

Future risks have been identified as part of our strategic and operational planning process. The most significant of these risks are outlined below, along with the plans to address them:

Risk Description	Planned actions
<p>The demand and capacity review demonstrated a significant resource gap between the funded resource and the actual resource required in order to meet performance targets. This therefore poses a risk in respect of the delivery of the performance targets with a linked risk to quality and safety.</p>	<p>Discussions continue at a local and national level to work collaboratively with the NHS to identify and develop solutions to reduce this gap, recognising the financial challenges facing the entire sector.</p> <p>The Trust will continue to seek opportunities to work collaboratively with health partners to identify system-wide approaches to the delivery of quality services for patients.</p> <p>The Trust will continue to link in with national groups regarding embedding the new ARP performance standards, providing dynamic feedback on implementation.</p>

Risk Description	Planned actions
The Trust's cost improvement programme target for 2018/19 is significant – £8.357 million. There is a risk that the Trust is unable to meet its overall target and / or is unable to meet the target through the agreed proportion of recurrent savings.	The Trust continues to develop its transformational / quality improvement arm with plans in place to identify efficiencies within aspects of the service without negatively impacting upon patient care.
Failure to recruit, attract and retain staff may add to resources being reduced further and the dilution of skill-mix ultimately impacting on patient care.	During 18/19 the Trust will remain focused on international recruitment following successes in 17/18. The Trust will also continue to work in partnership with Teesside University and Sunderland University.
Significant amounts of system change throughout the region may impact upon the ability of the Trust to deliver a quality service consistently across the region, given the Trust's role as a regional provider.	The Trust continues to work with its partners across the region, seeking to ensure that Sustainability and Transformation Partnerships and other new collaborative arrangements such as Accountable Care Systems understand the regional delivery model and the implications of proposed changes on the Trust.

NHS Foundation Trust Licence Condition 4 sets out the overall standards expected for different aspects of governance. This includes, but is not limited to: the effectiveness of the Board and its committees; the clarity of reporting lines; and the clarity of responsibilities and accountabilities throughout the Trust. Under NHS Improvement's Single Oversight Framework, the segmentation of providers is based, in part, on compliance with the licence conditions.

The Board routinely reviews information which provides assurance over compliance with the key elements of Licence Condition 4, including but not limited to:

- Annual reviews of effectiveness for each Board-level Committee;
- An annual assessment of Board effectiveness;
- Summary of assurances and escalations from each Board Committee; and
- An annual review of key corporate documents including the Scheme of Delegation, Standing Financial Instructions, Standing Orders and the Constitution.

The Board is required to assess compliance with the underlying principles, systems and standards of good corporate governance to NHS Improvement in the form of a Corporate Governance Statement. The Audit Committee reviewed the Trust's Corporate Governance Statement and sought evidence to support the declarations being made. It considered the risks and mitigating actions that management provided to support the Statement and determine both from its own work throughout the year and assurances provided from the work of the Trust's internal auditors, external auditors and other external audits or reviews, whether the Statement was valid. Only then did the Audit Committee recommend to the Board that the Corporate Governance Statement could be signed.

Risk Management is embedded within the organisation in a number of ways. All departments within Directorates maintain up-to-date risk registers via the Ulysses Safeguard System and risk is a key agenda item on all meeting agendas. Risks are escalated via departmental and directorate risk registers to the

Organisational Risk Register which identifies the major risks to the whole organisation both within a year and for the foreseeable future.

Management of these risks are reported to the Executive Risk Management Group by exception. There is a clear escalation process to ensure high level risks are reported on the Organisational Risk Register.

Business cases must include a full risk assessment and Equality Impact Assessment prior to formal approval.

All Cost Improvement Schemes have processes in place to identify and mitigate risks to quality. The Transformation Board is chaired by the Chief Executive and provides additional focus, leadership and assurance on the identification and safe delivery of cost improvements / transformational schemes.

Management and operational structures are in place to manage the risks that the Trust faces. All of the groups working within the governance structure are remitted to identify and where appropriate escalate all risks emerging from the business transacted. The Groups/Committees report through Committees of the Board in a structured manner, ultimately to the Board.

There are clear Terms of Reference for each Board Committee and group that report to it and a robust process is in place to review the effectiveness of the groups and Board Committees on an annual basis. The structure of these reviews ensures that consideration is given to any potential overlap and gap in responsibilities; minimising the risks to compliance with the Trust's licence. The timing of these meetings has been aligned to provide for the most up-to-date information to be considered to inform decision-making and assess risk.

The remit of five Committees of the Board covered risk (both clinical and non-clinical) and these are:

- Executive Risk Management Committee; (the remit of which has been outlined earlier in this statement)
- Audit Committee; (which sought assurance over the risk management processes and controls in place rather than the content and management of individual risks themselves)
- Quality Committee;
- Workforce Committee; and
- Finance Committee.

With the exception of the Executive Risk Management Committee, all of the Committees were chaired by a Non-Executive Director of the Trust.

Clinical Risk is monitored via the Trust's Quality Governance Group and Quality Committee. The Trust's Medical Director chairs the Clinical Advisory Group. Both groups have access to expert professional opinion from specialist medical advisers and clinicians.

Clinical risk, whilst being everyone's responsibility, is managed by operational staff and monitored by the Quality and Safety Directorate. Clinical risk is reported through the Risk Management System, Ulysses which allows themes and trends to be identified and inform organisational learning. All clinical practices are carried out using the best available clinical evidence base. This includes advice that is given to patients over the telephone as well as advice and skills performed when the paramedic is in a face to face situation. In the former, the evidence base is largely taken from papers published in the UK and for the latter the evidence base is the Joint Royal Colleges Ambulance Liaison Committee's latest Clinical Guidelines. Clinical competency assessments have been introduced as part of the improvements

around clinical supervision and these assessments will inform the training plan. The Root Cause Analysis (RCA) process has also been reviewed in line with the National Patient Safety Agency (NPSA) recommendations and ensures incidents identify learning through the involvement of those delivering care in the RCA process. During the year, Medical Director capacity was increased to provide additional clinical oversight at the Trust.

The Quality Committee is authorised by the Board to oversee all activity relating to monitoring the quality of patient's care (i.e. safety, effectiveness and experiences). This included for example, overseeing their involvement in the activities of the Trust as well as learning lessons from patient complaints and letters of appreciation. The Committee also received reports regarding the outcome of patient surveys and reports published by the Trust's Patient Advice and Liaison Service (PALS). These reports were discussed in detail in the Experience, Complaints, Litigation, Incidents and PALS Group (ECLIPs) which facilitated a thorough and robust discussion of all aspects which could affect the quality of the service received by patients.

The Audit Committee reviewed the establishment and maintenance of an effective system of governance, risk management and internal control, across the whole of the organisation's activities. This included activities that were both clinical and non-clinical.

Stakeholder Engagement

There are a number of mechanisms through which public stakeholders are informed and engaged in risk management. As at 31 March 2018 the Trust had 14 Public Governors representing four constituencies across the North East of England. A comprehensive update on Trust performance is presented to all Governors at the quarterly Council of Governors' meetings, which includes highlighting risk areas and challenges. In addition, Governors are invited to attend quarterly Governor Development sessions. During the last 12 months these sessions have included a significant focus on the Trust's strategy and wider developments regionally and nationally, including potential impact on, and risks to, the delivery of the Trust's core business.

The Trust also attends public events in local communities, such as community fairs, as well as attending public accountability forums such as Health Watch and the Health Overview and Scrutiny Committees.

The Executive Directors attend regular meetings with the Trust's lead Commissioners where risks and associated controls are shared. During the last year the Directors have attended Sustainability and Transformation Partnership meetings in the north and south of the region, as well as meetings regarding new models of care in the region, including Accountable Care Organisations.

Serious Incidents

All serious incidents are recorded on the Strategic Executive Information System (STEIS), an electronic database used by the Trust and monitored by the NHS Commissioning Support Unit and the lead Clinical Commissioning Group. For those incidents which affect other organisations, they are invited to contribute to the investigation and attend the Root Cause Analysis meeting where recommendations are made to reduce the risk of recurrence. Following the Root Cause Analysis meeting, the report is presented to the Serious Incident Review Group which is chaired by the Chief Executive. Once the investigation report is approved, a copy, together with the action plan, is sent to the North of England Commissioning Support Unit (NECS) for final sign off.

During the year there were 29 Serious Incidents reported. The area with the most SIs was the Emergency Operations Centre (999) with 11 incidents. This is followed by Operations (9), EOC 111 (6)

and Dispatch (3). Thematic analysis was completed for SIs closed in the last financial year to ensure actions, and recommendations have been undertaken and learning opportunities optimised.

CQC Compliance

The Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission. In April 2016 the Trust was inspected by the CQC and received an overall rating of 'good'. There have been no further planned / unplanned inspections since the publication of the final report. The Trust continued to implement the CQC recommendations from the report, as well as undertaking a self-assessment against the new Well-Led domain. The self-assessment was developed by the Board of Directors as part of the annual Board development plan. In addition the Trust mapped all CQC requirements to its governance structure to ensure ongoing monitoring and reporting of compliance against key standards. The Trust seeks continuous improvement in its services for the benefit of its patients and staff and more information can be found within the Quality Report.

NHS Pension Scheme

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

Equality Diversity and Human Rights

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with.

The Trust has received assurance from Stonewall in relation to our procurement practices and processes in their 2018 Workplace Equality Index feedback. The Trust is the top performing health and social care organization in the index and ranked 46th from the 434 organisations they assessed. The Trust scored 141 points, well above the sector average of 60 and above the top 100 average of 140 points. The Trust also assessed itself with staff and stakeholders against the EDS2 Equality framework, and saw significant improvements over the last 12 months. Four objectives were assessed as excelling, 12 as achieving, one split developing/achieving and one developing.

Carbon Reduction

The Foundation Trust has undertaken risk assessments and Carbon Management Plans are in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

In 2017 the Trust won two NHS Sustainability Awards in the energy and financing sustainability categories and was highly commended in the waste and reuse category. This shows Trust's commitment to environmental sustainability.

Review of economy, efficiency and effectiveness of the use of resources

The Trust's operational and financial plans are approved by the Board, and submitted to NHS Improvement. Performance against the plan is monitored by the Trust Board on a monthly basis, with

a summary version also being presented to the Governors on a quarterly basis. This ensures appropriate links back to public, staff and stakeholder accountability.

The Board receives and reviews a monthly Integrated Performance Report which draws together operational performance, quality metrics, workforce metrics and financial metrics in an integrated dashboard format. More detailed finance and quality reports are also presented as separate agenda items.

On a quarterly basis the Board receives a report outlining progress against the Trust's corporate priorities, alongside the quarterly presentation of the Board Assurance Framework to demonstrate how effectively strategic risks are being managed. The Board Committees also receive updates against the corporate priorities which have been mapped to them for ongoing scrutiny.

In addition to Board scrutiny, the Finance Committee meets on a monthly basis to review progress against the financial plan in detail and seek assurance over the delivery of the Cost Improvement Programme. The cost improvement plan and process were subject to internal audit scrutiny during the year. The audit provided assurance that the cost control and reduction programme had been appropriately designed, planned, approved, implemented, monitored and reported to ensure the Trust achieved the reduction target required. In addition NHSI undertook a CIP assurance visit to the Trust in June 2017, and following a fulsome review they were assured that the Trust had effective CIP processes in place.

The Trust's Transformation Board reviews the progress of the major transformational and service improvement projects and reports into the Finance Committee each month.

The remit of the Trust Board committees includes ensuring the effective use of resources and responsibility for investigating specific areas contributing to the Integrated Performance Report. For example, the Quality Committee reviews the progress against Ambulance Quality Indicators and on the Committee's behalf the Director of Quality and Safety and the Medical Director review the assurances, via Quality Impact Assessments, that the schemes in the CIP programme do not impact adversely upon service provision to patients.

During 2017/18 monthly performance meetings with service lines and corporate services were held, known as Delivering Consistently. These meetings enabled key issues and mitigating actions to be identified and discussed with the Executive Team on a timely basis.

Assurance on economy, efficiency and effective use of resources is also provided by Internal Audit, as their work-plan includes audits of the major areas of resource utilisation. Ultimately, however, the Trust has the lowest reference cost and cost per incident of all English Ambulance Trusts which provides substantial assurance on its economical use of resources.

Information governance

During the year there were no Level 2 serious incidents recorded via the Information Governance Toolkit.

Annual Quality Report

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. NHS Improvement (in exercise of the powers conferred on Monitor) has issued guidance to NHS Foundation

trust Boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

Overall responsibility for production of the Foundation Trust's annual Quality Report rests with the Directorate of Quality and Safety.

The Trust has taken robust steps to assure the Board of Directors that the Quality Report presents a balanced view and that there are appropriate controls in place to ensure the accuracy of data. These steps include:

Governance and leadership: The quality priorities within the report have been monitored and presented at the Quality Committee and Council of Governors throughout the year and any risks identified have been escalated to the Board of Directors via a summary report and the minutes of the meetings which have been presented to the Board on a bi-monthly basis. The Trust has reported progress to Healthwatch teams and has shared progress with local Overview and Scrutiny Committees. The Trust's Council of Governors and staff have been involved in the development of quality priorities for the Quality Report. The Trust has maintained an open approach to sharing data and progress with stakeholders regarding the Quality Report. The Audit Committee has a position of oversight and challenge on the Quality Report compilation, following due process and compliance with guidance. A summary report and minutes of the Audit Committee are then sent to the Board of Directors as assurance.

The Role of Policies and Plans: In ensuring the quality of care provided: The Trust maintains a Data Quality Dashboard where any data quality issues are monitored. If data quality issues are discovered, the data owner is responsible for making the necessary improvements to the data within the source system, which is monitored through the Data Quality Assurance Group. All data owners and staff have access to all Trust policies via the Document Management System.

Systems and processes: The Trust has robust processes around data quality. The data owner or informatics team provides the data, which is processed by the Performance Team and reviewed before being used in the Quality Priorities monthly performance report. Quality Report data is pulled from systems such as the Ulysses Safeguard System, or directly from our Contact Centre Computer Aided Dispatch (CAD) System. Data is reviewed when presented at the Quality Committee and any queries are fed back to the data owner/informatics to respond with a resolution or explanation. The Trust's Informatics team, which produces much of the data for the Quality Report, produce Trust-wide data quality reports for review by owners to strengthen data quality contained within all systems that are used to feed performance reports. They report/highlight any potential issues and offer the opportunity for correcting data, as well as highlighting any general problems with certain procedures. The Informatics Team also logs any issues that become apparent whilst reporting, and these are raised with the data owner and reviewed at the Data Quality Assurance Group. The Data Quality Assurance Group is a working group established to provide assurances to the Information Governance Working Group, through its direct reporting arrangements and ensures the Trust's compliance with legislative, mandatory and regulatory requirements in terms of the Group's scope.

People and skills: Data owners, providing information for the Quality Report, are the members of staff with expertise in that particular area. The Performance team then reviews all data from an objective standpoint to ensure the data is concurrent with forecasts or established baselines. Progress against the quality priorities is then communicated via various forums. When agreeing priorities to be included in the Quality Report, the Trust ensures that not only are staff involved, but also members of the public

through the Healthwatch forums and the Trust's Council of Governors. This ensures a balanced approach, where different opinions are represented. The Trust drew on staff and Governor expertise when developing the Quality Priorities with a task and finish group so staff with clinical and non-clinical skills had input into our priority process. They helped refine the Trust's priorities, with consideration to the possible measures and having a positive impact on the patient. The list of priorities, were also presented to the Executive Team and Board to obtain feedback.

Data use and reporting: Data is reported to internal Board-Level Committees only after it has been checked by the data owner, and then by the Performance team. The Board-Level Committees are then given the opportunity to scrutinise the data, before it is published externally on our internet site. Any group or individual then has the opportunity to question anything about the data and demand rationale for data. Healthwatch, Overview and Scrutiny Committees and Clinical Commissioning Groups all have direct and open contact with the Quality Report author. These groups are provided with the final draft version of the Quality Report before it is published so they have an opportunity to feedback on any element of the document, and their feedback statements are included in the final Quality report.

All of this input ensures a balanced view is presented in the final Quality Report.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the Quality Report attached to this Annual Report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee, the Executive Risk Management Committee and Quality Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The system of internal control is managed by the Board of Directors. The Board of Directors therefore employs a number of systems to assure itself that the systems of internal control are working effectively. The formal governance structure of committees reporting through to the Board, maintains effective systems and identifies, and where appropriate, escalates all risks emerging from the business transacted.

The Board of Directors endorses the strategic priorities, all formalised risk management plans and endorses and reviews the Board Assurance Framework. It also receives and reviews the monthly Board Performance Report which draws together the main components of Trust-wide performance (finance, operational performance, workforce and quality) against plan, from which the Board gains assurance.

The Audit Committee acts independently from the Executive, to provide assurance to the Board, based on a challenge of evidence and assurance obtained, that the interests of the Trust are properly protected in relation to annual reporting and internal control. It keeps under review the effectiveness of the system of internal control, that is, the systems established to identify, assess, manage and monitor risks both financial and otherwise, and to ensure the Trust complies with all aspects of the law, relevant regulation and good practice.

This Committee reports to the Board any matters in respect of which the Committee considers that action or improvement is needed and makes recommendations as to the steps to be taken.

The Committee developed, approved and monitored a programme of internal audit work which assessed the effectiveness and fitness for purpose of key assurance processes and systems of internal control. The Head of Internal Audit opinion has provided good assurance on the system of internal control. Where scope for improvement was identified, recommendations were made and action plans put in place that were monitored by the Audit Committee.

The Audit Committee has overseen the effectiveness of the Trust's risk management arrangements, considered the Annual Governance Statement and reviewed its statutory role and responsibilities and remains vigilant in assessing its controls in a complex and fast moving environment. The Audit Committee has also sought assurance over the development of the Clinical Audit Plan, its delivery and the effective implementation of recommendations.

During the year the Executive Risk Management Group has enabled a focussed review of strategic, Trust-wide, directorate and departmental risks to take place. In addition, the Group has undertaken detailed scrutiny of the risk management delivery plan, business continuity and resilience arrangements. During the year the group requested assurance that risks resulting from cyber security threats were well managed. Subsequently a report was presented to the Board of Directors which provided the assurance required.

The Quality Committee provides the Board with an independent and objective review of all aspects of quality governance. This includes but is not limited to: clinical effectiveness; patient safety; patient experience; CQC compliance; safeguarding; clinical audit; and progress against the Trust's Quality Strategy and quality priorities. The Committee fulfilled these roles throughout 2017/18, and escalated any key issues to the Board for further action, decision and scrutiny.

The Head of Internal Audit provides me with an opinion on the overall arrangements for gaining assurance through the Board Assurance Framework and on the controls reviewed as part of the Internal Audit work. The work undertaken throughout the year, following a risk based audit plan, agreed by the Audit Committee, culminated in a Head of Internal Audit Opinion. This Head of Internal Opinion concluded that on the basis of work carried out in accordance with the Tactical Internal Plan 2017/18 good assurance could be given that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently.

My review is informed by internal and external assessments during the year as follows:-

- Compliance with Foundation Trust Code of Governance;
- Internal self-assessment against the CQC / NHS Improvement Well-Led domain;
- Internal Audit reports on arrangements within key Trust functions;
- Monthly performance reports covering all Directorates in the form of an Integrated Performance Report;
- External Audit reports including the Value for Money conclusion, Audit Letter and Governance Report.

The Board of Directors of North East Ambulance Service NHS Foundation Trust approves this Annual Governance Statement.

Conclusion

We can conclude that no significant control issues have been identified.

Y. A. Ormston

Yvonne Ormston
Chief Executive
24th May 2018

Quality Report 2017/18

Contents

Part 1: Statement of Quality from our Chief Executive	105
Part 2: Priorities for Improvement and Statements of Assurance from the Board of Directors	108
Quality Priorities for improvement 2018/19	108
Statements of assurance from the Board.....	113
Reporting against core indicators	118
Part 3: Overview of quality of care in 2017/18.....	128
Clinical Effectiveness.....	131
Patient Safety	136
Patient Experience	141
Complaints	144
Annex 1: Feedback from our stakeholders.....	148
Annex 2: Statement of directors' responsibilities for the Quality Report	172
Annex 3: Limited assurance report on the content of the quality report and mandated performance indicators	173
Annex 4: Abbreviations.....	176
Annex 5: Glossary of Terms	177

Part 1: Statement of Quality from our Chief Executive

I am pleased to introduce our Quality Report for 2017/18 which demonstrates how we have continued to deliver high quality, cost effective care for patients over the past year. In addition we set out our key quality priorities for delivery throughout 2018/19.

Throughout the report there are examples of high quality of care and our commitment to continuously drive up quality, placing patients at the centre of all that we do.

2017/18 has been another very challenging year where we have continued to experience high demand, increased acuity of patients and system pressures set against the backdrop of a difficult economic climate. This has meant we have not achieved all of the national targets set.

However in October 2017 we implemented the national Ambulance Response Programme (ARP), which ensures that our response for **all** categories of patients is based on clinical need with a focus on meeting the needs of all patients requiring our service, not just those experiencing life threatening conditions I am delighted that we are consistently top of all ambulance services in the country for responding to the new category 1 life threatening conditions.



I have continued to be impressed with the efforts of our workforce in providing the best possible care to our patients, often in extremely challenging circumstances and have witnessed many examples of staff going the extra mile, such as during the extreme weather conditions we experienced over an extended winter period.

What is clear is that we have had many achievements.

Our staff survey results this year have been excellent, with particular improvements seen in quality and safety, these results have increased year on year. Staff engagement in the trust is the highest of all ambulance trusts nationally and we are recognised as a Stonewall top 100 organisation, being the best in the health and social care sector in the country for recognising and appreciating our diverse workforce. We recently undertook an Investors in People assessment and are continuing to build on this work.

We also remain confident in the care that is provided as we receive feedback from our patients through the Friends and Family survey, which tells us they would recommend the care and treatment delivered by our staff to their friends and family. Our results are well above the national threshold of 85% for our see and treat, patient transport service (now known as scheduled care service) and 111 service and our clinical outcomes for patients are consistently above the national average and 1st in some categories.

We have made significant progress on our paramedic vacancies, building on the solid alliances with our local universities, which has seen vacancies fall during the year through our active recruitment plans. We have developed a robust career framework and continued to support a range of apprenticeships, whilst also investing in more training and opportunities to make NEAS a better place to work.

We were delighted to host Professor Keith Willett, national Director for Acute Care at an event in September 2017 to outline how we are transforming the organisation from a predominantly transport service to one which provides clinical care and transport, supporting patients closer to home and is a key partner in the delivery of high quality patient care in the emergency and urgent care setting.

I truly believe that we provide one of the best 111 services in the country and were successful in being awarded a new five year contract in March 2018 to continue to provide and further enhance the service across the region. The 111 service provides a gateway to more than 3,000 alternative places for care and treatment, reserving valuable ambulance and A&E departments for those who need them most. Our

innovative work in introducing direct booking of appointments into GP practices was recognised nationally and we have continued to develop our clinical assessment service to access a broader range of professionals. This includes our newly funded Palliative and End of Life Care specialist team funded by Macmillan, this service is only one of two within an ambulance service. As a result of the work we had undertaken in developing a dedicated end of life transport service we were delighted to be awarded a national Nursing Times dignity in care award in December 2017.

We were pleased to be awarded Digital Exemplar site status, which enables us to invest, develop and refine the technologies we use to ensure we provide safe, sustainable and innovative services.

As a Board we recognised the need to strengthen clinical leadership and we have introduced a new clinical management structure, alongside investment in our Quality and Safety Directorate to support patient safety, clinical effectiveness and improve patient experience, wherever possible. We launched our new three year Quality Strategy and are committed to develop a Quality Improvement hub which will support staff at all levels to make a difference, day in and day out, ensuring we maximise our resources well.

This quality report for 2017/18 serves as an assessment of how we have improved as an organisation culturally, building on our solid foundations to further improve the care we provide to patients and make NEAS a better place to work for all of our employees and volunteers.

To the best of my knowledge, the information in this document is accurate in its coverage of outcomes and achievement.



Yvonne Ormston
Chief Executive
North East Ambulance Service NHS Foundation Trust

About our Quality Report

Quality Accounts are annual reports to the public from us about the quality of the healthcare services that we provide. They are both retrospective and forward looking as they look back on the previous year's data, explaining our outcomes and achievements, look forward to define our priorities for the next year to indicate how we plan to achieve these, and quantify their outcomes.



Part 2: Priorities for Improvement and Statements of Assurance from the Board of Directors

Following discussion with the Board of Directors, the Council of Governors, patient representatives, and clinicians, the following priorities for 2018/19 have been set. We have also given consideration to the feedback received from patients, staff and the public. Presentations have been provided at a range of fora with the opportunity to comment on the priority topics.

Progress against our priorities will be monitored through our Quality Governance Framework and reported to our Quality Governance Group and Quality Committee.

Quality Priorities for improvement 2018/19

Clinical Effectiveness

Priority 1 – Early recognition of treatment of sepsis

Why is this a Priority?

Sepsis is a life-threatening condition which can occur as part of the body's response to infection. It was estimated in 2016 that there are around 150,000 cases of sepsis every year resulting in 44,000 deaths, claiming more lives than bowel, breast and prostate cancer combined. The ambulance service can play a key role in improving outcomes for patients with sepsis through accurate, early identification and appropriate treatment.

Aims

The aim of this priority is to build on the progress made as part of the 2017/18 sepsis quality priority to improve the early recognition of sepsis; particularly in children and pregnant women and to continue to improve awareness amongst clinical staff of the signs of sepsis and enhance the clinical effectiveness of care provided through adherence to the sepsis care bundle.

Initiatives

- Sepsis training to continue to be developed and delivered as part of core Statutory and Mandatory training programme for 2018/19.
- Determine the sensitivity and specificity of the adult sepsis recognition tool
- Develop a paediatric sepsis recognition tool
- Develop a maternity sepsis recognition tool
- Audit our compliance with the national early warning score
- Take part in the national sepsis audit

Board Sponsor

Medical Director

Implementation Lead

Lead Consultant Paramedic

How will we know if we have achieved this priority?

- 95% of all clinical staff will have received sepsis training
- The Trust will achieve 80% compliance with full care bundle
- The trust will undertake a validation exercise to demonstrate the validity and reliability of the current adult sepsis recognition tool
- The Trust will develop a paediatric sepsis recognition tool
- The Trust will develop a maternity sepsis recognition tool
- We will have contributed to the national sepsis audit and act on report findings
- All findings and action plans to be monitored regularly through Quality Governance Group and Clinical Effectiveness Group.

Clinical Effectiveness

Priority 2 – Cardiac Arrest

Why is this a Priority?

It is well known that survival for patients experiencing a cardiac arrest is dependent on their receiving treatment within a very short time frame. Early recognition and access to treatment, early cardiopulmonary resuscitation (CPR) and early defibrillation are all key to survival. The ambulance service plays a key part in the chain of survival through the timeliness and quality of interventions provided.

Aims

The aim of this quality priority is to improve the support provided to clinicians on resuscitation and therefore improve the quality and outcomes for patients.

Initiatives

- Develop and implement a cardiac arrest strategy
- Evaluate the Resuscitation Academy's '10 steps' action plan and agree and develop a new action plan aligned to the Cardiac Arrest Strategy
- Roll out the new defibrillator technology to a wider group of clinicians, which provides live feedback on the quality of CPR delivered.
- Audit the resuscitation checklists used by staff to determine their benefit
- Strengthen the mortality review process for cardiac arrest deaths whilst patients are under our care
- Purchasing Community Public Access Defibrillators, through our NEAS Trust Fund to place in areas we feel would benefit most, based on our local intelligence

Board Sponsor:

Medical Director

Implementation Lead

Lead Consultant Paramedic

How will we know if we have achieved this priority?

- More patients' lives will be saved following witnessed cardiac arrest year on year (survival to discharge)

- More patients will survive following a witnessed cardiac arrest ROSC (UTSTEIN) compared to 17/18
- The Trust will have an approved Cardiac Arrest Strategy document with implementation plan
- There will be an increased number of specialist defibrillators being used across the Trust.
- An evaluation report on the Resuscitation Academy '10 steps' action plan
- Mortality Review Process Policy in place with reports to Board of learning and actions taken
- CPADs in place to support early defibrillation
- All findings and action plans to be monitored regularly through Quality Governance Group and Clinical Effectiveness Group.

Patient Experience

Priority 3 – Longest Waits for patients who fall

Why is this a priority?

There has been significant pressures on ambulance trusts and the wider urgent and emergency care system, which has led to a deterioration in national ambulance response times due to a range of factors such as increasing demand, staffing pressures, increased travel time and delays.

The introduction of the Ambulance Response Programme (ARP) ensures that an appropriate clinical response is identified, the right type of vehicle is dispatched so that patients who need prompt conveyance to hospital have their needs met. Performance standards have been identified for all categories of patients not just those who have or potentially have life threatening conditions. This has however meant that patients who have fallen are often categorised as requiring a 120 or 180 minute response.

There are occasions where patients who have fallen have experienced an extensive delay for a response and when our crews arrive the patient does not require conveyance to hospital. This lengthy delay is not only distressing for the patient and their family but also for the crew dealing with this situation.

As a Trust we wish to work with a range of partners to ensure a broader response to those patients over 65 years who fall, without an obvious injury to ensure we provide care which meets to needs of the patient, so their experience of the service is positive.

Aims

The aim of this priority is to ensure that those patients over 65 years, who have fallen and are in the C4T response category do not come to harm as a result of the wait and their experience of the service is positive.

Initiatives

- Enhance the use of real time performance feedback in EOC through use of a dashboard, pulling a range of information together to really focus on those patients with a long delay who have fallen
- Review the process for managing patients who fall and are over 65yrs old and are in the C4T category who experience long delays
- Pilot and evaluate a range of pathway and service developments, working with partner organisations to determine what has the greatest impact on patient safety and patient experience for patients who fall and are over 65 years of age, without an obvious injury, including those who fall outside
- Lead an event with key stakeholders to look at how we can develop a regional approach to patient who are over 65 years and fall without obvious injury to improve patient experience

Board Sponsor

Chief Operating Officer

Implementation Lead

Deputy Chief Operating Officer / Advanced Practice and Pathway Manager

How will we know if we have achieved this priority?

- Evidence that the real time dashboard is being used operationally to inform decisions relating to long delays for patients who fall
- Process review completed and Standard Operating Procedure in place for patients in the C4 category
- Improvement in C4T response relating to patients over 65 years who have fallen
- Reduction in complaints received relating to ambulance delays for patients over 65 years, who have fallen and initially required a C4T response
- Evaluation reports to review impact of pilots and improved response to patients over 65 years who have fallen
- Increased pathways / services available to support patients over 65 years who have fallen
- All findings and action plans to be monitored regularly through Quality Governance Group and relevant sub-groups.

Patient Safety

Priority 4 – Improving the care of patients with mental health needs, through improving staff knowledge and skills

Why is this a priority?

We recognise that currently it is difficult to understand the extent of pre- hospital emergency care use by patients who have mental health needs, with available evidence suggesting that 6% of service calls are mental health related, this rises to 10% when including those who have a physical problem also identified.

However we do know that patients can have complex mental health needs, for which paramedics are often not equipped to deal with. Feedback from our frontline staff identifies that we need to do more to support them when caring for patients with mental health issues, including a more clear understanding of what mental health services are available to support patients and reduce unnecessary conveyance to hospital.

Aims

The aim of this priority is to improve the knowledge and skills of frontline paramedics when dealing with mental health issues by providing high quality education and information to support them in practice.

Initiatives

- Introduce a three year Mental Health education programme to enhance the knowledge and skills of our frontline workforce to meet the care for patients with mental health needs
- Develop a Mental Health Strategy for the Trust
- Develop a mental health screening tool for paramedics to support clinical decision making and referral on to appropriate services
- To work with pathway and service development leads in the two Mental Health trusts to ensure we have clear referral processes into mental health services for our crews in and out of hours

Board Sponsor

Medical Director

Implementation Lead

Strategic Head - Emergency Operations Centre / Mental Health Lead

How will we know if we have achieved this priority?

- Three year Mental Health Programme approved
- 95% compliance with Mental Health training for frontline staff in 2018/19
- Screening tool developed and approved by the Trust
- Improved clarity of Mental Health Services and their remit across our two Mental Health trusts for in hours and out of hours referrals, through partnership meetings
- Updated Directory of Services across the trust's regional footprint
- All findings and action plans to be monitored regularly through Quality Governance Group and Strategic Safeguarding Group.

Statements of assurance from the Board

This section of the report is common to all healthcare providers and ensures that all Quality Accounts are comparable.

High level indicators of quality and safety are routinely reported to the Board and Council of Governors and our Quality Report gives information under the headings of patient safety, clinical effectiveness and patient experience, measuring areas of compliance, progress and improvement throughout the financial year. Performance is also compared to local and national standards where these are available.

All members of the Board regularly undertake Quality Walkarounds and report issues and concerns into individual Directorates as and when necessary.

1. During 2017/18 the North East Ambulance Service NHS Foundation Trust (NEAS) provided and/or sub-contracted three relevant health services. For NEAS relevant health services are defined as Emergency Care, Patient Transport Services, NHS111 and GP Out of Hours services.
 - 1.1 NEAS has reviewed all the data available to them on the quality of care in all three of these relevant health services.
 - 1.2 The income generated by the relevant health services reviewed in 2017/18 represents 98.9% of the total income generated from the provision of relevant health services by NEAS for 2017/18.
2. During 2017/18, 28 national clinical audits covered the relevant health services that NEAS provides. There were 0 national confidential enquiries that NEAS were eligible to take part in this financial year.
 - 2.1 During that period NEAS participated in 100% of national clinical audits and 100% of national confidential enquiries of the national clinical audits and national confidential enquiries it was eligible to participate in.
 - 2.2 The national clinical audits enquiries that NEAS was eligible to participate in during 2017/18 are shown below.
 - 2.3 The national clinical audits and national confidential enquiries that NEAS participated in during 2017/18 are shown below.
 - 2.4 The national clinical audits NEAS participated in, and for which data collection was completed during 2017/18, are listed below alongside the number of cases submitted to each audit as a percentage of the number of registered cases required by the terms of that audit.

National Clinical Audits eligible to participate in	National Clinical Audits participated in	Number of cases submitted (April – Oct 2017)
Ambulance Clinical Quality Indicators (ACQIs)		
STEMI	✓	537
Stroke	✓	2174
Cardiac Arrest	✓	1072
Other National Clinical Audit		
National Out of Hospital Cardiac Arrest Outcomes Registry (OHCAO)	✓	1781

Audit sample sizes :

For the ACQIs the sample size is 100% of eligible cases. ACQI data is reported to NHS England four months in arrears.

For the OHCAO study the sample size is 100% of eligible cases.

2.5/2.6 The reports of the 28 national audits were reviewed by NEAS in 2017/18 and NEAS intends to take the following actions to improve the quality of healthcare provided:

- Continue to embed the use of the Clinical Audit Dashboard.
- Further develop the clinical audit training programme for the Trust
- Further develop the clinical audit capacity within the Trust
- Work with Clinical Operations Managers, Clinical Care Managers and Section Managers to provide information to identify areas where additional clinical support and education is needed.
- Provide feedback to individuals about the positive aspects of care provided as well as any areas for improvement.
- Maximise the use of clinical audit data that Clinical Operations Managers and Clinical Care Managers have with the roll out of the CARE project.
- Plan to identify innovative ways to promote best practice, aligned to current national clinical guidelines and embed a quality improvement culture across the Trust with the introduction of the Quality Improvement hub and through Quality Improvement Workshops in 2018/19.
- Continue to improve the processes for auditing clinical records, making best use of our electronic record system to promote excellence in clinical record keeping standards.
- Continue to monitor clinical practice via clinical audit processes and recommend changes to clinical practice where necessary to improve the care we provide.
- In addition to the ACQI audits, NEAS will continue to actively participate in the national Out-of-Hospital Cardiac Arrest Outcome registry (OHCAO) to optimise joint, national learning.

2.7/2.8 The reports of seven local clinical audits were reviewed by NEAS in 2017/2018 and we intend to take the following actions to improve the quality of healthcare provided.

Local Clinical Audits completed	Number of cases reviewed	Actions to improve practice
Sepsis care bundle compliance	953	Education on deteriorating patients
111 calls – NHS Pathways	2322	Individual Feedback Monthly summary report to

		EDG Clinical Section Managers highlighting good practice, improvement and issues of concern at an individual level.
999 calls – NHS Pathways	115	Individual Feedback Monthly summary report to EDG Clinical Section Managers highlighting good practice, improvement and issues of concern at an individual level.
Dual trained – NHS Pathways	1479	Individual Feedback Monthly summary report to EDG Clinical Section Managers highlighting good practice, improvement and issues of concern at an individual level.
Airway management	133	Increased education on waveform capnography
Hyper acute stroke unit – appropriateness of referral	75	Education on benefits of limiting on scene time through Statutory and Mandatory
Use of Tranexamic acid in Major trauma	82	Share positive information with Colleagues (internal and external)
Use of Amiodorone in ventricular tachycardia / fibrillation	53	Education through Statutory and Mandatory on importance of accurate documentation and administration
Safeguarding – appropriate referral and standards of record keeping	280	All referrals were deemed appropriate. Safeguarding training has been revised to ensure the standards of referral are improved. An electronic referral form has been developed.
National Early Warning Score	368,000	Education on deteriorating patients and NEW2. Improved functionality on ePCR.

- NEAS will continue to audit and feedback on the quality of documentation on both paper Patient Report Forms (PRF) and Electronic Patient Care Records (ePCR) completed by front line staff. Audits have also been undertaken of the PRFs completed by third party service providers, to seek assurance that they are delivering consistent care to all patients. These audits aim to support the quality improvement of data capture.
- We have a programme of clinical audit reviewing infection prevention and control practice across clinical services. This provides assurance that the trust is compliant with the Health

& Social Care Act (2015). Clinical practice audits for hand hygiene, use of personal protective equipment, bare below elbows and intravenous cannulation are audited monthly.

3. The number of patients receiving relevant health services provided and sub-contracted by NEAS in 2017/18 recruited during that period to participate in research approved by a research ethics committee was 331.
4. A proportion of NEAS's income in 2017/18 was conditional on achieving quality improvement and innovation goals agreed between NEAS and its commissioners, for the provision of relevant health services, through the Commissioning for Quality and Innovation (CQUIN) payment framework.

Full payment of £2,380,000 was allocated in 2016/2017.

The 2017/18 and 2018/19 national CQUIN scheme includes:

- NHS staff health and well-being;
- improving the uptake of the flu vaccinations for frontline staff;
- a reduction in the proportion of ambulance 999 calls that result in transportation to a type 1 or type 2 A&E Department.

In 2017/18 we achieved £869,310 of the total of the CQUIN scheme a total of £1,545,437. Local discussions are underway with Commissioners regarding the final settlement for 2017/18. The CQUIN scheme in 2018/19 equates to £1,563,085. Further details of the agreed goals for 2017/18 and for the following 12 month period are available electronically at:

<https://www.england.nhs.uk/wp-content/uploads/2018/04/cquin-guidance-2018-19.pdf>

5. NEAS is required to register with the Care Quality Commission and its current registration status is Registered Without Conditions.
- 5.1 The Care Quality Commission has not taken enforcement action against the Trust during 2017/18.
7. The Trust has not participated in any special reviews or investigations by the Care Quality Commission during the reporting period.
8. NEAS did not submit (and is not required to submit) records during 2017/18 to the Secondary Uses service for inclusion in the Hospital Episode Statistics which are included in the latest published data.
9. NEAS's Information Governance Assessment Report overall score for 2017/2018 is 86% and is graded GREEN. Level 2 was achieved for all of the requirements with the exception of two elements and we are working towards compliance against those:

14.1-112 Information Governance awareness and mandatory training procedures are in place and all staff are appropriately trained.

14.1-305 Operating and application information systems (under the organisation's control) support appropriate access control functionality and documented and managed access rights are in place for all users of these systems.
10. NEAS was not subject to the Payment by Results clinical coding audit during 2017/18 by the Audit Commission.
11. NEAS will be taking the following actions to improve data quality:
 - continuing migration of data from source systems to our Trust Data Warehouse;
 - training workshops for Information Asset Owners and Information Asset Administrators regarding their responsibilities;
 - hold regular meetings of the Change Approval Board (CAB) which oversees any changes to recording of data;
 - hold regular meetings of the Data Quality Assurance Group to continue to provide a focus on this area;

- creation of Business Intelligence Forum to tackle Data Quality issues that impacts on accuracy of reporting;
- addition of Data Quality 'kite marks' to reports to provide assurance on accuracy of information;
- continue to promote and support the use of bespoke Data Quality reports to identify any issues in a timely manner so they can be corrected at source;
- further development and refinement of our Data Quality Dashboards to identify erroneous data and correct at source.

Reporting against core indicators

NHS Foundation Trusts are required to report performance against a core set of indicators using data available through NHS Digital.

Trusts are required to report only on the indicators that are relevant to the services they provide or sub-contract. For ambulance services, including NEAS, these include the speed of response performance and clinical indicators.

Speed of Response Indicators

During 2017/18, NHS England announced a new set of performance standards for ambulance services through the national Ambulance Response Programme (ARP). The Trust implemented the new performance standards from 30th October 2017 and these have superseded the Category A Red 1 and Red 2 standards.

Reporting for 2017/18 reflects both sets of standards, with the previous categories used for 1st April 2017 to 29th October 2017 inclusive and the new categories for 30th October 2017 to 31st March 2018 inclusive.

Pre-Ambulance Response Programme Indicators

Category A incidents are those involving patients with a presenting condition which may be immediately life threatening and who should receive an emergency response within 8 minutes, in 75% of cases.

Red 1 calls are those requiring the most time critical response and cover cardiac arrest patients who are not breathing and do not have a pulse, and other severe conditions such as airway obstruction.

Red 2 calls are those which are serious but less immediately time critical and cover conditions such as stroke and fits. Category A patients should receive an ambulance response at the scene within 19 minutes in 95% of cases. A 19 performance is based on the combination of both Red 1 and Red 2 categories of call.

Post-Ambulance Response Programme Indicators

Category 1 is for those patients that require an immediate response to a life threatening condition and where this requires resuscitation or emergency intervention from the ambulance service.

Category 2 is for those with symptoms linked to a serious condition, for example stroke or chest pain, that may require rapid assessment and/or urgent transport.

Category 3 is for those with urgent problems that require treatment and transport to an acute care provider.

Category 4 is for those that are not urgent and require transportation to a hospital ward or clinic within a given time window.

The national year to date positions for each of our targets, prior to and since the ARP, are shown in the tables below.

The continued pressure that is placed on urgent and emergency care systems across the country is evident in the new and old national ambulance benchmarking data, with few ambulance services achieving any of its national year to date targets during 2017/18.

Category A – Red 1 (75% Target)				
Financial Year	NEAS Performance	National Average	Highest Trust Performance	Lowest Trust Performance
2015/16	68.0%	72.5%	78.5%	68.0%
2016/17	67.5%	68.8%	73.3%	63.2%
2017/18*	73.34%	69.45%	73.88%	60.96%

Category A – Red 2 (75% Target)				
Financial Year	NEAS Performance	National Average	Highest Trust Performance	Lowest Trust Performance
2015/16	68.4%	67.2%	75.1%	60.4%
2016/17	62.2%	62.4%	72.9%	52.5%
2017/18*	55.46%	61.91%	70.63%	46.77%

Category A – 19 Minutes (95% Target)				
Financial Year	NEAS Performance	National Average	Highest Trust Performance	Lowest Trust Performance
2015/16	92.3%	92.6%	97.2%	87.4%
2016/17	89.3%	90.3%	94.6%	84.3%
2017/18*	87.14%	90.34%	94.57%	85.09%

*1st April – 29th October 2017

Data Source: NHS England, Ambulance Quality Indicators

South West Ambulance Service, Yorkshire Ambulance Service and West Midlands Ambulance Service are not required to report against these indicators due to their involvement in the Ambulance Response Programme trial, and therefore are not included in the benchmarking data.

Category 1 - Mean Response Time (7 Minute Target)				
Financial Year	NEAS Performance	National Average	Highest Trust Performance	Lowest Trust Performance
2017/18*(mm:ss) <i>Mean response time</i>	06:40	08:20	06:40	9:42
2017/18* (mm:ss) 90 th percentile	11:28	14:29	11:28	17:37

Category 2 - Mean Response Time (18 Minute Target)				
Financial Year	NEAS Performance	National Average	Highest Trust Performance	Lowest Trust Performance
2017/18*(mm:ss)	23:07	26:05	12:49	37:38
2017/18* (mm:ss) 90 th percentile	48:25	55:19	23:31	82:17

Category 3 - 90 th Percentile Response Time (2 Hour Target)				
Financial Year	NEAS Performance	National Average	Highest Trust Performance	Lowest Trust Performance
2017/18* (hr:mm:ss)	03:50:17	02:36:32	01:23:58	03:50:17

Category 4 - 90 th Percentile Response Time (3 Hour Target)				
Financial Year	NEAS Performance	National Average	Highest Trust Performance	Lowest Trust Performance
2017/18* (hr:mm:ss)	03:33:28	03:27:10	02:25:31	05:19:22

* data above is from 30th October 17 to 31st March 18 inclusive (latest national benchmark data)

All ambulance trusts are included in the data with the exception of Isle of Wight NHS Trust and November 2017 South East Coast NHS FT which went live with ARP in December 2017

NEAS considers that this data is as described for the following reasons:

- National guidance and definitions for AQI submissions to NHS Digital when producing category-performance information.
- This information is published every month on the DH statistics web pages as part of the AQIs.
- Ambulance trusts review each other's AQI definitions interpretations and calculations as part of the yearly workload of the NAIG (National Ambulance Information Group) to make sure that all are measured consistently.
- We are aware through peer review audits that are some variances in the way other Trusts are reporting.
- This information is reported to the Board of Directors monthly in the Integrated Quality and Performance Report.

Actions for improvement

The North East Ambulance Service has taken the following actions to improve response times, and so the quality of its services by focusing on three key aspects which impact on response performance - Managing Demand, Improving Efficiency, and Maximising Capacity.

Key actions include:

- commissioning a demand and capacity exercise, working with our commissioners to understand how we can best use resources to meet the new ARP standards, and use the findings of this as a basis for discussions regarding further investment required;
- undertaking a review of shift rotas to ensure we align these to better meet the demand for our services;
- working with our acute trusts to develop a regionally agreed process for patient handover at hospitals, with the introduction of a single PIN;

- reducing the number of patients conveyed to Emergency Departments through increasing 'hear and treat' and 'see and treat', where it is safe to do so;
- further embedding our strategic approach of aligning and embedding our scheduled and unscheduled services to provide greater flexibility of response to meet patient needs
- focusing on improving the efficiency of our services through reducing waste and maximising time spent delivering patient care;
- introducing the CARE platform which provides individual feedback to paramedics regarding key performance metrics such as job cycle times to learn and share best practice;
- continued focus on reducing staff sickness levels to bring this in line with other ambulance services nationally;
- working in partnership with GP practices to streamline patient pathways
- working with healthcare professionals to support their decision making when making urgent transport requests and providing written guidance to underpin this; and,
- continuing to focus on staff, and particularly paramedic, recruitment.

Ambulance Clinical Quality Indicators (ACQIs)

Our national targets are set to report on:

- patients with a pre-existing diagnosis of suspected ST elevation myocardial infarction who received an appropriate care bundle from the Trust during the reporting period;
- patients with suspected stroke assessed face to face who received an appropriate care bundle from the trust during the reporting period
- patients who are FAST positive, potentially eligible for stroke thrombolysis arriving at a hyper acute stroke unit within 60 minutes

STEMI - % of patients suffering a suspected ST elevation myocardial infarction and who receive an appropriate care bundle

Financial Year	NEAS Performance	National Average	Highest Trust Performance	Lowest Trust Performance
2015/16	86.27%	78.7%	86.27%	68.01%
2016/17	84.52%	79.45%	91.46%	63.01%
2017/18*	90.66%	76.56%	91.29%	64.95%

Stroke - % of suspected stroke patients (assessed face to face) who receive an appropriate care bundle

Financial Year	NEAS Performance	National Average	Highest Trust Performance	Lowest Trust Performance
2015/16	97.9%	97.6%	99.6%	96.43%
2016/17	97.74%	97.64%	99.68%	95.10%
2017/18*	98.66%	97.13%	99.62%	94.34%

*April 17 to December 17 (latest data available)

Stroke - % of FAST positive patients, potentially eligible for stroke thrombolysis arriving at a hyper acute stroke unit within 60 minutes				
Financial Year	NEAS Performance	National Average	Highest Trust Performance	Lowest Trust Performance
2015/16	63.65%	56.48%	64.81%	44.55%
2016/17	56.39%	53.62%	67.44%	36.94%
2017/18*	47.67%	54.19%	65.54%	37.30%

*April 17 – Oct 17 (latest figures available)

It is noted that due to reconfiguration of stroke services, based on national best practice guidance has had an impact in extending travelling times across our region.

We have demonstrated improvement in clinical performance for both STEMI and stroke care bundle implementation, being the best nationally for STEMI (year to date figure).

NEAS considers that this data is as described for the following reasons:

- NEAS considers that the data is as described in line with the standard national definitions. Source: <http://www.england.nhs.uk/statistics/statistical-work-areas/ambulance-quality-indicators/>
- This information is published every month on the DH statistics web pages as part of the ACQIs.
- Ambulance Trusts review the ACQI definitions interpretations and calculations of all Trusts as part of the yearly workload of the NAIG (National Ambulance Information Group) to make sure that all are measured consistently.

Actions for improvement

NEAS has taken the following actions to improve these indicators, and so the quality of its services by:

- Embedding a new electronic patient care record that will promote better documentation of care bundles;
- Embedding the process of prompt feedback to clinicians and their clinical care managers where excellent practice is noted and areas for improvement
- Ensuring statutory and mandatory training includes a refresher on STEMI and stroke to promote good practice

Patient Safety Data

The Trust has continued to work hard to develop an open and honest culture where staff are encouraged to report incidents and adverse events. This is evidenced by a 32% increase in patient safety incidents between 2016/2017 and 2017/2018. Through analysis of this data it enables themes and trends to be identified and actions put in place to prevent reoccurrence.

The data below evidences the increase in patient safety reported incidents from 1520 in 2016/17, to 2008 in 2017/18. Of those reported in 2017/18 97.2% were identified as causing low harm, no harm or were a near miss. It is noted that there has been an increase in the number of patients where severe harm or death has occurred, and whilst this is extremely concerning, when this is reviewed in line with increased volume of incidents reported the actual increase is 0.02%. Each incident which is deemed moderate harm or above is reviewed and a root cause analysis undertaken. Those cases which require a more in depth review are presented to the Clinical Review Group which enables a multi-disciplinary discussion to take place and where the incident meets the Serious Incident framework definition these are reported externally. This process ensures the correct level of review and scrutiny occurs and an opportunity for real learning and action to take place, in order to minimise the risk of harming occurring to patients. We proactively review our systems, processes, training and culture to improve patient safety.

Patient Safety Incident Reporting						
Indicator	NEAS Performance			National Average	Highest Reporting Trust	Lowest Reporting Trust
	2016/17	2017/18	April – September 2017			
Number of Patient Safety Incidents	1520	2008	843	609	1471	60
Number of Patient Safety Incidents that resulted in severe harm or death	24	27	13	6.3	78	1
Percentage of Patient Safety Incidents that resulted in severe harm or death	1.57%	1.34%	1.54%	1.03%	5.30%	1.66%

Data Source: Quality Dashboard, National Reporting and Learning System (NRLS). Latest benchmark data available only up to September 2017

Serious Incidents		
2015/16	2016/17	2017/18
24	31	29

Data Source: Ulysses Safeguard system

A number of the incidents reported during 2017/18 remain under investigation and therefore the harm level is yet to be finally determined.

NEAS considers that this data is as described for the following reasons:

- We use the Ulysses Safeguard system for reporting and managing all adverse events;
- We use the system to create reports and add data to the National Risk Learning System (NRLS) and other external agencies such as NHS Protect and the Health and Safety Executive (HSE);
- We conduct weekly data quality checks to ensure reporting is as accurate as possible.

Actions for improvement

The North East Ambulance Service has taken the following actions to improve our safety culture, and so the quality of its services by:

- Ulysses Safeguard developments and annual essential update by supplier to improve the system;
- engagement with staff and management teams to raise awareness of reporting and the benefits;
- delivering complaints investigation and root cause analysis training to improve outputs and learning from incidents;
- improving reporting and monitoring of trends/themes;
- introducing a quarterly learning poster identifying key actions / improvements made as a result of patient safety and non-patient safety incidents;

- continuing to produce a quarterly learning bulletin, featured within our Pulse publication focussing on patient safety, clinical effectiveness and patient experience where we have acted on incidents raised;
- developing and publishing our new Quality Strategy 2017 - 2020.

In addition, improvement actions have been implemented following all Serious Incidents which cover providing individual level feedback and training to system wide process changes. Key actions implemented during 2017/18 include:

- additional recruitment of 76 clinicians providing frontline care, following investment by Commissioners;
- updated escalation plans within the Emergency Operations Centre to ensure we maintain patient safety when we have a surge of activity;
- updated procedures to increase the call back by clinicians to assess patients, when there is a delay in ambulance response;
- the introduction of call back and clinical reassessment of patients by our clinicians, where GP's have requested we transport patients to hospital and we are delayed in doing so;
- introduction of bespoke safeguarding training for call handlers, to ensure they are skilled in identifying potential safeguarding concerns;
- embedding the THRIVE (Threat, Harm, Risk, Investigation, Vulnerability, Engagement) risk assessment tool which assists call handlers to assess the nature of the emergency response required. The tool enables operatives to decide whether it may be necessary for another agency to become involved. NEAS Call Handlers and Dispatch staff have been trained in this model;
- refreshing and redesigning of the Joint Operating Procedure between NEAS, Durham Constabulary, Northumbria Police and Cleveland Police. The aim is to provide information to police officers, police staff and partners in respect of the medical care options that are available through NEAS and the NHS. The procedure provides guidance to staff on what action to take in the event of clinical care not being available. The procedure also informs NEAS of the powers and responsibilities the police service has in response to incidents involving medical matters. This joint procedure enables our staff to directly contact our respective control rooms to seek advice and assistance whilst relaying information directly from the scene;
- reviewed the process for call handlers to ensure rapid access to information regarding most appropriate access to Community Public Access Defibrillators;
- improved the frequency that we update our systems to ensure location of new housing estates / roads are available within our Emergency Operations Centre in order to dispatch ambulances promptly to the correct location;
- influence change nationally on sepsis recognition within the NHS Pathways clinical assessment tool, used by call handlers and clinicians to improve patient safety;
- we have undertaken a retrospective look at all action plans generated as a result of Serious Incident over the previous 12 months to ensure we have embedded changes in practice, and where this has not happened have reviewed and actioned these appropriately.

Friends and Family

Our Friends and Family Test survey mechanism is now embedded into Trust practices and our wider patient experience survey collection takes place across Patient Transport Services (PTS), 111 and Emergency Care Services (ECS) to 'see and treat' patients.

We undertake monthly analysis of Friends and Family Test data and share it with service line managers and staff.

Emergency Care Service (see and treat)			
% patients who are likely or extremely likely to recommend us to friends or family			
Financial Year	Total responses received	Number of 'likely' and 'extremely likely' responses	% patients who would recommend
2015/16	331	314	94.9%
2016/17	812	786	96.8%
2017/18*	1596	1536	97.3%

Patient Transport Service			
% patients who are likely or extremely likely to recommend us to friends or family			
Financial Year	Total responses received	Number of 'likely' and 'extremely likely' responses	% patients who would recommend
2015/16	2679	1062	85.9%
2016/17	4782	4405	92.1%
2017/18*	1302	1243	95.5%

111 Service			
% patients who are likely or extremely likely to recommend us to friends or family			
Financial Year	Total responses received	Number of 'likely' and 'extremely likely' responses	% patients who would recommend
2015/16	788	693	87.9%
2016/17	1014	878	86.6%
2017/18*	941	812	87.6%

*data up to 18th February 2018

We have also undertaken an extensive patient experience survey, which was reported on in December 2017 involving over 6,500 patients. This identified that 93% of patients were extremely likely / likely to recommend the emergency care services (see and treat) to friends and family, 95% of patients receiving our patient transport service and 88% of patients who had received our 111 service.

Monitoring of Friends and Family results is conducted via the Trust's governance structure and ultimately into the Trust Board of Directors via the quality dashboard.

NHS Staff Survey

The 2017 Staff Survey was completed by 54% of staff, an improvement of 5% compared with 2016, and 17.1% compared with 2015.

Overall this year's staff survey results are really positive for us and give us plenty to be proud of. There is still work to do to improve and we are already working on those areas for improvement to help us make NEAS an even better place to work.

Of the 32 key findings we had only 1 response which was below the national average response for ambulance services and only one area which had deteriorated since the 2016 survey, which was number of people who had received an appraisal within the previous 12 months. Our indicators relating to quality and patient safety have all improved.

Overall staff engagement score (out of 5)				
Financial Year	NEAS Performance	National Ambulance Average	Highest Trust Performance	Lowest Trust Performance
2015	3.39	3.39	n/a	n/a
2016	3.53	3.41	n/a	n/a
2017	3.58	3.42	3.58	3.22

We are now the leading Ambulance Trust for the Staff Engagement Score, which is worked out using the average results of the following questions:

KF1 – staff recommendation of the Trust as a place to work or receive treatment

KF4 – staff motivation at work

KF7 – staff ability to contribute towards improvements at work

KF21 Percentage of staff believing that the organisation provides equal opportunities for career progression or promotion				
Financial Year	NEAS Performance	National Ambulance Average	Highest Trust Performance	Lowest Trust Performance
2015	63%	71%	76%	n/a
2016	69%	70%	76%	n/a
2017	69%	69%	83%	n/a

KF26 Percentage of staff experiencing harassment, bullying or abuse from staff in last 12 months				
Financial Year	NEAS Performance	National Ambulance Average	Highest Trust Performance	Lowest Trust Performance
2015	30%	30%	15%	n/a
2016	25%	28%	14%	n/a
2017	25%	28%	21%	n/a

The 2017 survey demonstrated significant improvement compared with 2016 for the three indicators above, the Trust also achieving above the national average for Ambulance Services for two of these indicators.

North East Ambulance Service is taking the following actions to improve staff engagement, and so the quality of its services by:

- a commitment to achieve the highest levels of Investors in People accreditation, beginning with the first assessment in June 2017;
- development of a new values-based behaviours' framework to be embedded within recruitment, appraisal, reward and recognition processes;
- implementation of the new leadership and management development strategic plan, beginning with the launch of a new internal leadership programme, Compass;
- continued improvements by Occupational Health and HR colleagues to support staff well-being at work, including increased psychological and counselling services, access to fast-track physiotherapy services and ongoing roll out of improvements via the MIND Blue Light Programme;
- continuation of senior leader walkarounds across our diverse patch taking every opportunity to engage directly with staff by attending roadshows, Q&A sessions and facilitating key sessions within our new leadership programmes.

Part 3: Overview of quality of care in 2017/18

The information provided in Part 3 is a presentation of the information that has been monitored throughout 2017/18 by the Trust Board, Quality Committee, Council of Governors and Quality Governance Group, which has included a regular review of progress against the agreed Quality Priorities set for 2017/18.

The majority of this report represents information from across the organisation that has been reported and monitored in a variety of forums. It includes five Quality Priorities that were selected for 2017/18 after discussion by the Trust Board following a consultation with members of the public and local committees to ensure that the focus of the indicators was what the public expected.

They cover the areas of clinical effectiveness, patient experience and patient safety.

Care Quality Commission (CQC)

As part of its regulatory regime, NEAS was subject to a comprehensive inspection by the Care Quality Commission (CQC) held during 18-23 April 2016.

The inspection resulted in a 'good' rating for the Trust with some minor areas for improvement.

Our ratings for North East Ambulance service

	Safe	Effective	Caring	Responsive	Well-led	Overall
Emergency and urgent care	Good	Requires improvement	Good	Good	Good	Good
Patient transport services (PTS)	Good	Good	Good	Good	Good	Good
Emergency operations centre (EOC)	Requires improvement	Good	Good	Good	Requires improvement	Requires improvement
Resilience	Good	Good	Good	Good	Good	Good
Overall	Good	Good	Good	Good	Good	Good

The CQC found that there is generally a culture of passion and enthusiasm with a focus on patients, although noted differences in culture across the geographical area.

Patients are happy with care received and staff attitude towards them and the CQC observed staff engaging with patients in a respectful and caring manner.

Care is provided in clean, hygienic and maintained environments.

Improvements have been noted in a shift in emphasis towards patient engagement and staff wellbeing, the relationship between the executive team and union representatives and support for frontline staff through Emergency Care Clinical Managers.

The CQC found areas of outstanding practice including:

- enrolment in the Mind Blue Light mental health programme;
- smart use of mobile phone application technology for locating motorcyclists;
- innovative approaches to improving medical safety at stadia events;
- Advanced Paramedic (AP) programme;
- research and development trials and programmes (eg Paramedic Acute Stroke Treatment Assessment (PASTA) – using a device to regulate intrathoracic pressure during resuscitation aimed to speed up access to stroke patients);
- Flight Deck capacity management system;
- 'The Lamp' electronic communication newsletter system.

However, there were also areas for which the Trust has been asked to make improvements.

The Trust has developed an improvement plan in response to the areas raised which will be closely monitored by the CQC for completion and close out. The plan has been fully implemented and closed out apart from ongoing actions to further improve dispatch resilience.

An update on key areas of the improvement plan are outlined as follows:

- improvements to dispatch resilience;

We have completed a review of options to improve dispatch resilience and made great progress in reducing the time it takes to establish a new dispatch function within minutes of a situation occurring. The Board and the CQC have received regular progress briefings and are satisfied with the improvements made to date.

- strengthening arrangements for Community First Responders;

We have strengthened the infrastructure to support Community First Responders, including the appointment of a Clinical Operational Manager leading this service

- completion of the EPRF project;

The Electronic Patient Care Record is now well established across the service and our use of paper records has now reduced to 17% of overall records

- dealing with complaints and incidents more effectively;

Our excellent performance in 2016/17 has been challenging to sustain in 2017/18, predominantly due to large scale organisational re structure and significant operational pressures across the whole urgent and emergency care system regionally. We have however made progress in training our new managers in complaints and investigation training and this is evident in our improving position at the end of March 2018

- introducing a standardised approach to learning across the organisation;

We have introduced a quarterly learning poster, which is placed in all stations and trust buildings to identify learning and actions as a result of patient safety and non patient safety incidents reported. We have also introduced a learning bulletin to be included in the Trust Pulse publication.

- recruiting staff;

We have undertaken a significant programme of recruitment and currently have a vacancy rate of 7.68%, compared to 20% in 2016. We have worked hard with our HEI partners to ensure a good supply of newly qualified paramedics over the coming year and are using the apprenticeship framework to develop our existing workforce

- reviewing training arrangements;

We have undertaken a review of the statutory and mandatory training programme. We have completed the work to determine clinical skills of our workforce and developed training programmes to support this.

- Strengthening staff support and improving IPC audits by June 2017;

We have introduced a new organisational structure which strengthens clinical leadership, closer to the frontline, where care is delivered to patients. We have undertaken a number of IPC clinical audits, which includes 2,067 observations of infection prevention and control measures over the year. We have been challenged with delivering the aspirational number of audits outlined in the IPC plan. We have recently benchmarked our IPC audit plan with other ambulance trusts and aligned it to our service size to inform the 2018/19 audit plan

- tackling operational performance from a number of standpoints with an aim to hit targets by June 2019;

We have introduced the new national Ambulance Response Programme on 30th October 2017, performance reporting is in shadow format whilst the new standards bed in. To date we have been first in the country consistently in terms of our response to life threatening category 1 emergencies.

Since the CQC visit we have developed a route map to 'Outstanding' with service line plans to continuously improve patient safety, clinical effectiveness and experience. We have also undertaken a self-assessment exercise to determine where our strengths and development needs are in light of the new Well – Led inspection process. We are confident that through our recent organisational restructure we have strengthened our clinical leadership capacity and capability to support strong leadership across all levels of the organisation.

Our Mission at North East Ambulance service is to provide safe, effective and responsive care for all and our newly published Quality Strategy 2017 – 2020 has five overarching aims:

1. No preventable deaths (patient safety)
2. Continuously seeking out and reducing patient harm (patient safety)
3. Achieving the highest level of reliability for clinical care (clinical effectiveness)
4. Deliver what matters most: work in partnership with patients, carers, and families to meet their needs (patient experience)
5. Deliver innovative and integrated care at or closer to home, which supports and improves health, well-being and independence (patient safety, clinical effectiveness and patient experience)

For each of the three domains of patient safety, clinical effectiveness and patient experience there are a number of ambitious development plans to improve the quality of care we provide patients. There are 16 plans covering the following areas:

Patient safety:

- Sign up to Safety
- Improving early recognition of sepsis
- Keeping vulnerable children, young people and adults at risk safe
- Frailty
- Infection prevention & control
- Pressure ulcer prevention
- Medicines governance

Clinical effectiveness:

- Clinical Ambulance Quality Indicators
- Cardiac arrest
- Learning from Deaths
- National Audits & Confidential Enquiries
- NICE guidance & Quality Standards
- Research & Development

Patient experience:

- Learning from complaints
- Longest waits
- End of Life care

We report progress with delivery of the Quality Strategy Implementation Plans through the Quality Governance Group and Quality Committee.

To support our Quality Improvement (QI) journey in 2017/18 we have visited leading organisations who have had great success in engaging the workforce in quality improvement. As a result of this work we have developed a model of quality improvement and aim to establish a Quality Improvement Hub in 2018/19. We want to start a QI movement in NEAS, where staff are engaged and empowered to make small and large scale changes to improve the quality of our services for patients, working as teams to achieve this. The QI Hub will equip frontline staff with the skills and methodology to support this work. We will embrace the Plan Do Study Act (PDSA) approach and use Institute for Healthcare Improvement (IHI) tools to progress this work.

Transforming our Services

We recognise that nationally there has been a call for a fundamental shift in the way urgent and emergency care services are provided to all ages, improving out of hospital services so that we can deliver more care at or closer to home and reduce unnecessary hospital attendances and admissions.

With this focus on urgent and emergency care services it has enabled us to look at the services we provide and those we are best placed to offer our patients. We have progressed on our transformational journey to develop our Clinical Care and Transport operational model which has enabled us to review and develop our scheduled (planned) and unscheduled (unplanned) services to better meet the needs of our patients in a more responsive way. We deliver a host of services from NHS 111 and 999, to providing a multi professional clinical advisory service, GP Out of Hours services, and have developed a number of specialist and advanced roles for paramedics, nurses and support staff to meet the needs of our patients.

We have developed a clinical skills framework outlining the educational and technical skills required for our workforce to ensure there is a focus on effective clinical assessment and appropriate care delivered by our 111 and clinical assessment service and those delivering care on scene.

We are improving our skill mix ratio of clinician to technical support staff in order to support advanced practice on scene, though there is more work to do over the coming year to progress this, with the support of our commissioners.

We have a key role to play in providing a range of services which include self-care advice to patients through to providing specialist critical care, such as our Hazardous Area Response Team (HART) and working in partnership with our colleagues in Great North Air Ambulance, the Police, Coastguard and Fire & Rescue Services.

We recognise that our staff are our most important asset and we are committed to invest in our people. We undertook an Investors in People (IIP) assessment which commenced in June 2017 and we achieved the 'developed' level status of the award. Feedback from the assessors further demonstrates our commitment to improve the care we provide patients:

*"The assessment has revealed a number of key strengths within the organisation...and that the business is **advanced** in respect of how it seeks to improve through using both internal and external sources, and understands the external context within which it operates. Leaders within the organisation look to the outside world and utilise external knowledge and thought leadership to improve the organisation. Furthermore people consistently understand and value the relationship between the organisation and the communities it serves, providing strong evidence of the patient-centric ethos of the organisation and its people."*

IIP report, October 2017

Clinical Effectiveness

Priority 1. To improve the early recognition of Sepsis

✓ **Achieved**

During 2017/18 we have been embedding the sepsis screening tool, which was launched in November 2016, based on the NICE guidance for sepsis published earlier that year.

In order to support staff recognising and delivering initial treatment for sepsis a module dedicated to sepsis was included in the Trust Statutory and Mandatory training throughout 2017/18 with attendance compliance of 95%, this equates to 1822 frontline staff. Our target was 95% of staff attending this module.

The sepsis care bundle is a number of actions to take when we suspect a patient has sepsis to provide the optimum care in the pre hospital setting. Whilst each action is important the impact on the clinical outcome of the patient is maximised when all care within the bundle is delivered.

A baseline audit in November 2016 started with a 7% compliance for the full sepsis care bundle. We have audited compliance with the sepsis care bundle throughout the year, with a target to achieve 40% compliance with the full care bundle. This target has been exceeded since July 2017.

The results of the sepsis care bundle audit are as follows:

Sepsis Care Full Bundle Audit	% compliance
Baseline (November 2016)	7%
April 2017	27.2%
July 2017	38.9%
September 2017	46.7%
February 2018	57%
March 2018	44%

We have continued to be a key partner in the regional work in sepsis, led by the Academic Healthcare Science Network.

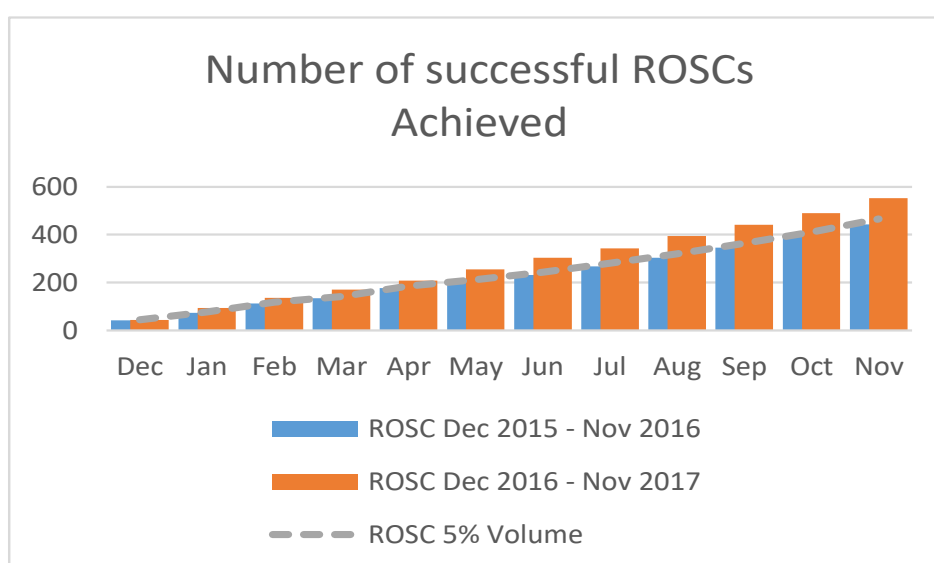
There has been significant progress made with early identification and initial treatment of sepsis there is further work to do, recognising the specific needs of children and in pregnancy with suspected sepsis and the screening and interventions required. For this reason it was agreed that we would retain this as one of our Quality Priorities in 2018/19.

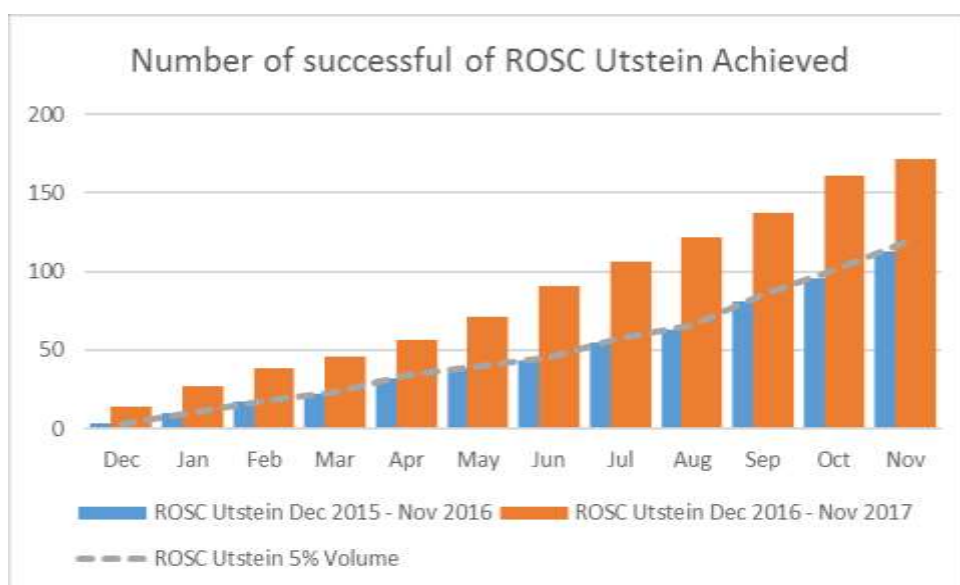
Priority 2. Cardiac Arrest

○ Partially achieved

During 2017/18 we have made progress in improving the survival of patients who have had a cardiac arrest, more patients have benefitted from positive outcomes. Our performance measure was to improve survival by 5% Return of Spontaneous Circulation, (ROSC) in witnessed and unwitnessed cardiac arrest, using Dec 2015 – Nov 2016 as a baseline. We have achieved 27.54% in ROSC in 2017/18 an improvement of 3%. For ROSC Utstein we achieved 53.6%, which was a reduction of 9.2%. However it should be noted that there has been a 24.6% volume increase for ROSC's and 52% increase for ROSC Utstein.

There are 9 more patients per month where we have achieved a ROSC in 2017/18 compared with the previous year.





In 2016/17 the trust replaced all existing defibrillators in Double Crew Ambulances (DCA's) with a new, enhanced Zoll Defibrillator. We have been embedding this technology throughout 2017/18.

The key benefits of the Zoll defibrillators are:

- crews receive instant feedback on the depth, speed and release from the chest whilst carrying out cardiopulmonary resuscitation (CPR), allowing instant change to the management of compressions, leading to improvements in survival to discharge rates;
- data can be sent from the defibrillator to the EPCR as well as to hospitals, allowing timely sharing of information as well as the ability to review data historically for both quality improvement and individual training and feedback.



In 2017/18 we have truly recognised the value that the Zoll defibrillators bring and we will be purchasing more in 2018/19, so they are available in or rapid response vehicles too.

We have reviewed the Resuscitation Academy's '10 steps' framework and have implemented a number of key actions, which includes areas such as education and skills training, equipment, deployment to a cardiac arrest and policies to underpin practice.

We have implemented the resuscitation checklists to support clinicians when managing cardiac arrest, with positive feedback from them and have reviewed the cardiac arrest data set to ensure any learning is identified to inform future training needs.

We acknowledge the progress we have made in improving the survival rates of patients who have a cardiac arrest, but feel there is more we can do. For this reason it was agreed to retain this as one of our Quality Priorities in 2018/19.

Paramedic Pathfinder

The Paramedic Pathfinder pilot was launched in September 2016 in Sunderland and is designed to enable the assessing clinician to confidently and accurately determine the suitability of an alternate care pathway, based on the clinical need of the patient. Paramedics have been trained to use a new clinical triage tool which helps them to make accurate face-to-face patient assessments and confidently choose the most appropriate place for treatment. This pilot is aimed at reducing the burden on Emergency Departments and ensuring that patients receive the right care, in the right place at the right time.

The pilot continued until May 2017 and it identified that 1157 patients were considered for alternative paramedic pathfinder pathways and of those 946 were successful (81.69%).

The model has continued in Sunderland and data up to January 2018 has shown that there are four main alternative referral pathways, which are:

- General Practitioner (GP) – 33.5%
- Recovery at Home service – 24.8%
- Urgent Care Centre – 15.3%
- Out of hours GP service – 11.3%

Of the referrals made to the top three service 74% were accepted. This demonstrates the value of the paramedic pathway model in safely referring patients into alternative services, when they would have otherwise attended the Emergency Department.

Paramedic Pathfinder continues in Sunderland and is being considered in other geographical areas following the successful evaluation in 2017/18.

Newly qualified paramedic preceptorship programme

We were delighted to implement the new career framework to support the skills development for our newly qualified paramedic workforce, to ensure progression from a band 5 to band 6 practitioner. To support this two year programme we have reviewed the clinical assessment and skills development required to support this higher level of practice, ensuring it meets the needs of our patients and is aligned to our the new clinical care and transport model.

Leading the way in research

Evidence based practice in pre hospital care is an emerging field and the trust is at the forefront in leading and undertaking research trials in the ambulance sector in England.

Involvement in research activity is a key building block to assist NEAS in ensuring that we provide the best care to the patients we serve. We are aware that current evidence suggest that there is an association between the engagement of individuals and healthcare organisations in research and improvements in the overall quality of care provided.

NEAS staff are active engaged members of study management and steering groups in research trials such as PASTA (Stroke Study), PRISM (Study), VAN and DFRID. We also have a number of staff undertaking Higher Education in Research.

In 2017/18 NEAS staff have authored or co-authored 6 peer reviewed publications.

Clinical Ambulance Quality Indicators – evidence based care

We recognise the importance of our national clinical ambulance quality indicators, to provide evidence based care to patients. We undertake a programme of audit of the following:

- Cardiac arrest – Return of Spontaneous Circulation (ROSC)
- Cardiac arrest – ROSC (Utstein)
- Cardiac arrest – survival to discharge
- Cardiac arrest – survival to discharge (Utstein)
- Stroke – FAST 60 minutes
- Stroke – care bundle
- ST elevation Myocardial infarction (STEMI) – PPCI within 150 minutes
- STEMI - care bundle
- Cardiac arrest (survival to discharge / UTSTEIN)

- Stroke care – care bundle and arrival at hyper acute stroke unit

In 2017/18 we have improved our performance in five of the eight (63%) clinical AQL's compared with the previous year.

Global Digital Exemplar programme

In 2017 NEAS was chosen as one of three ambulance services to join the Global Digital Exemplar programme in recognition of its track record of digital delivery. We have been at the forefront of developing technological solutions to support the advancement of urgent and emergency care over some years.

The programme has provided funding which NEAS will match with the aim of joining up and digitalising health systems to provide clinicians with more timely access to accurate information and support service change.

We have a number of projects to progress which include:

- improving access to shared local and national systems to better support patient care and allow for a seamless onward handover to other parts of the health system;
- improving information sharing internally around Trust-wide and personal performance to better empower and engage employees;
- developing a simulator which allows NEAS and other ambulance services to be able to model impacts of planned system changes;
- expanding the successful Pathfinder service, trialled in Sunderland, which allows clinicians to safely refer suitable patients to alternative services to A&E, and develop software which is adaptable for other ambulance services;
- improving technology within the electronic patient record systems to improve CPR feedback and better manage medicines;
- developing a better way of ambulance systems digitally passing patient information to hospital and urgent care systems;
- developing a way for frontline crews to seek advice from clinicians within the Emergency Operations Centre via video link, which could be further expanded to care homes and potentially the public; and
- developing an app for clinicians to be able to measure the impact their care has made on patients

Medicines Management

We have recruited a new Medicines Optimisation Team, with increased pharmacy advisor input and a newly formed Medicines Optimisation Group covering the following areas:

- Medicine policy and procedures oversight
- Management and audit of controlled drugs
- Antimicrobial stewardship
- Prescribing patterns of clinicians
- Use of Patient Group Directions
- Non-medical prescribing
- Medicines procurement
- Oversight of medication drug errors and learning
- Management of Central Advisory Service (CAS) alerts relating to medicines
- Review NICE guidance in relation to medicines and assess compliance or actions required
- Review of NHS protect guidance in relation to medicines and assess compliance or actions required

We recognise the need to develop a robust commissioning arrangement to enable the funding of drugs used by our paramedic workforce to be considered. This framework was approved in December 2017 and provides a means to enable paramedics to safely treat patients at home, without the need for onward conveyance to hospital.

We have begun planning for the change in legislation to enable paramedics to independently prescribe medicines, which will initially enable those in specialist roles to complete additional qualifications in preparation for this landmark change.

Patient Safety

Priority 4. Safeguarding referrals

○ Partially achieved

During 2017/18 we have looked at our safeguarding referrals to ensure they are appropriate and completed to a high standard. We have made a total of 13,053 safeguarding referrals in the year, with 10,524 regarding adults and 2,529 regarding children.

The most common type of referrals made relate to general welfare concerns for adults and neglect for children.

We have undertaken two types of safeguarding referral audit, one is a high level audit looking at essential information included in the referral in order for the relevant safeguarding local authority to progress with organising a safeguarding strategy meeting, if this was indicated. The other being a 'deep dive' audit looking critically at the information provided within the whole safeguarding referral. The results of the audits are identified below:

Safeguarding Audit results	Latest reported position	Target Improvement baseline
Appropriateness of referral	100%	100%
Accuracy of referral	Q2 - 55%	60%
Deep dive		
High level audit	Q3 - 85% Q4 - 87%	80%

The findings of the audits have been acted upon, ranging from individual feedback to reviewing referral processes and procedures. We have also developed a bespoke safeguarding training programme for our call handling team to ensure they are aware of their key role in recognising potential safeguarding issues as part of their clinical assessment process.

We have developed a safeguarding tool to support clinician's decision making, with the aim of including this safeguarding referral within the electronic Patient Care Record (ePCR) there has been a delay in implementation due to software development constraints. This will be resolved and the tool will be implemented in 2018/19.

We have also looked at the safeguarding referral process within the Trust and implemented direct referral routes, which are electronic, for staff in our Call Handling team and Clinical Assessment Service. This means individual staff members can complete the safeguarding referral themselves for onward referral to the relevant local authority service rather than having to convey the information to a member of the team in

the Logistics desk in the Emergency Operations Centre. This improves the accuracy of the information, reduces the time spent on making a referral and improves the timeliness of the onward referral.

We have reviewed our safeguarding policies to ensure they reflect best practice and have developed a draft chaperone policy, which will be ratified in 2018.

We have also ensured that we are compliant with national guidance on staff training on the PREVENT agenda, which is to stop people becoming terrorists or supporting terrorism.

We will continue with these improvements in safeguarding with developments outlined in the annual Safeguarding Forward Plan for 2018/19, which is approved at Board.

Patient Safety Incident reporting and learning

NEAS puts patient safety first. We want to continue to develop an open and honest culture and ensure we learn when things go wrong. We also want to ensure we learn from excellence and that best practice is shared in order to improve services.

Staff are encouraged to be open and honest and report incidents so that we may learn from them and improve patient safety. We believe this demonstrates integrity and professionalism and we have worked hard to ensure staff who are involved in an incident are treated fairly and consistently, looking at the root cause of the incident and supporting staff through this.

Our NHS staff survey highlighted that in 2014 only 40% of our staff felt that the care of patients and service users is the organisations top priority and in 2017 this has increased to 68%, which is very positive, though we want to achieve more. We have continued the programme 'Sign up to Safety' beyond the three year term as the underlying aim of this national campaign is to make the NHS the safest healthcare system in the world. The ambition was to reduce avoidable harm in the NHS over a three year period and save 6,000 lives as a result.

By continuing with this campaign NEAS has committed to listening to patients, carers and staff, learning from what they say when things go wrong and taking action to improve patient's safety, helping ensure patients get harm free care every time, everywhere.

The focus of the campaign over the next three years is to achieve the following by 2020:

- 80% of our staff to say patient safety is a top priority for the Trust
- Reduction in patient safety incidents, where moderate harm or above has reduced to 5% of overall incidents
- Increase near miss, low harm and no harm reporting
- Establish excellence reporting, to learn and share best practice

• Improving the reporting culture within the Trust

The Trust is actively taking steps to increase incident reporting. NEAS supports all staff, including all front line staff, support services and call handlers working within the Emergency Operations Centre (EOC) to report incidents and there has been a focus on increasing the reporting of incidents across the Trust.

NEAS uses a web based system reporting tool that allows staff to directly report incidents. The feedback to staff section is now a mandatory field with the aim of encouraging the reporting of incidents.

Following the introduction of the new organisational structure we have undertaken bespoke training for new managers to understand their role in managing incidents occurring in their area to ensure actions and shared learning takes place and in 2017/18 we have included in Incident reporting and duty of candour e-learning as part of Statutory and Mandatory training.

Our Clinical Operations Managers have structured meetings which they attend weekly to support discussion and exploration of managing incidents to ensure consistency and shared learning takes place. They have mechanisms to cascade this to their wider team.

We have developed service line dashboards which supports monthly review of incidents, including serious incidents and other data such as complaints, performance, workforce and finance to enable triangulation of information to highlight where targeted support may be required or identify where areas are managing well and recognise that achievement.

Through an increased awareness of patient safety incidents we aim to continuously encourage safe patient care. The NEAS staff survey 2017 results have captured this journey and demonstrate an

increase of 11%, from the previous year when staff were asked if my organisation treats staff who are involved in an error, near miss or incident fairly, and have maintained our position when staff were asked if they were confident their organisation would address their concerns, this places NEAS above the national ambulance average for both elements.

KF29 Percentage of staff reporting errors, near misses or incidents witnessed in the last month			
Financial Year	NEAS Performance	National Ambulance Average	Highest Trust Performance
2015	78%	79%	85%
2016	83%	81%	86%
2017	85%	82%	91%

KF30 Fairness and effectiveness of procedures for reporting errors, near misses and incidents (scale summary score)			
Financial Year	NEAS Performance	National Ambulance Average	Highest Trust Performance
2015	3.13	3.28	3.48
2016	3.42	3.46	3.62
2017	3.52	3.41	3.59

KF31 Staff confidence and security in reporting unsafe clinical practice (scale summary score)			
Financial Year	NEAS Performance	National Ambulance Average	Highest Trust Performance
2015	3.36	3.38	3.50
2016	3.61	3.46	3.62
2017	3.61	3.49	3.68

- **Learning from themes and trends to reduce potential for harm.**

NEAS fully embraces the Root Cause Analysis (RCA) process and actively encourages all staff involved in an incident to attend RCA. Operational staff are released to attend and other stakeholders are also invited to contribute. This open and inclusive approach contributes to the dissemination of learning across the Trust and overcomes the traditional barriers of communication. Those incidents recorded as moderate and above that have been declared as a Serious Incident (SI) follow the RCA process and are then subject to further review by the Serious Incident Review Group (SIRG). NEAS continues to work with a number of stakeholders to support joint learning from SIs declared by NEAS and by other organisations where NEAS was a part of the patient journey.

We have reviewed the process for clinical review, root cause analysis and the governance to support this. This has ensured additional senior clinical input to look at these cases.

NEAS is working closely with commissioners and meets monthly thus ensuring robust systems and processes are in place to comply with the Serious Incident Framework March 2015.

The learning posters and bulletins continue to be shared on a quarterly basis. Learning is shared from complaints and incidents as well as highlighting some of the key work that is being undertaken across the Trust and passing key messages to staff.

- **Work collaboratively to reduce incidence of pressure ulcers.**

The trust took part in a pilot, working collaboratively with City Hospital Sunderland to proactively identify those patients over 65 years who were at risk of developing a pressure ulcer. A short screening tool was used by paramedics when they were conveying the patient to the Emergency Department and if the patient was deemed at risk of developing a pressure ulcer, for example if they had fallen and been lying for a period of time or if they had a previous pressure ulcer then the paramedic would place a green wristband on the patient, with their consent. This would act as a visual prompt alongside the handover so that the nursing staff could proactively deliver the appropriate level of care.

An evaluation of this 3 month pilot, which was undertaken between October – December 2017 identified that:

112 paramedics had received training on the pressure ulcer pilot and their role in preventing pressure ulcers

130 patients were conveyed to the Emergency Department, who were deemed to be at risk of developing pressure ulcers by the paramedic

There was increased awareness to complete the pressure ulcer section of the electronic patient record was noted, with improved record keeping identified

Feedback from paramedics and Emergency Department and Assessment Unit staff indicated they felt this project would improve patient safety.

As a result of the pilot the evaluation report will be considered at the regional Director of Nursing forum in April 2018.

- **Infection Prevention and Control (IPC)**

As an NHS Trust we must comply with the Health and Social Care Act (2012) in relation to Infection Prevention and Control requirements.

We conduct monthly audits of staff hand hygiene practice, premises and vehicle cleanliness across all stations and sites where operational staff work. We have also undertaken audits on clinical practice, such as intravenous cannulation.

The IPC lead for NEAS undertakes additional audits and inspections to provide assurance that review local audit findings and work closely with operational teams to implement best practice.

As our vehicles can be seen as equivalent of a room in the Emergency department we have procedures in place to clean equipment and devices following a patient care episode and vehicles are subject to a six weekly clean and a full deep clean of vehicles is undertaken at least every twelve weeks.

Infection Prevention and Control updates are included as part of induction to the Trust and in the annual statutory and mandatory training.

Audit results for 2017/18 are as follows:

- Hand hygiene compliance 94%
- Bare below elbows compliance 97.5%
- Personal Protective Equipment compliance 86%
- Intravenous cannulation compliance 100%

We also work with our cleaning contract providers to ensure stations are clean, appropriate cleaning materials are available and staff ensure medical equipment is stored correctly.

Antimicrobial stewardship

Our Trust plays a part in ensuring good antimicrobial stewardship, with antibiotics used appropriately by our prescribing clinicians and those who can use Patient Group Directions. We work with colleagues

across the region to ensure our approach to antimicrobial prescribing is in line with best practice and this topic forms part of our new Medicines Optimisation Group agenda.

- **Developing our CARE application**

We recognise the vital role operational staff have in providing high quality care to ensure patient safety is maintained. One of our Clinical Care Managers along with the Informatics team have developed an electronic application titled 'Clinical Annual Record of Excellence' which enables paramedics to receive almost real time feedback on their clinical interventions on the care bundles linked to the national Ambulance Quality Indicators. This enables good practice to be noted and areas of improvement addressed in a timely way. The CARE app also includes a self-assessment framework to enable individual clinicians to identify where they may have training needs relating to clinical practice skills, which can be addressed at an individual level or results can be aggregated to inform the skills training programme at station, cluster, division or trust level.

The CARE app has been piloted in the South of our region from December 2017, with roll out planned throughout 2018.

- **Improving the care of patients with complex moving and handling need**

During 2017/18 we have worked hard to improve the care we provide patients with complex needs. We have worked with the Fire Service to provide support to our crews to ensure a more prompt response to patients when additional resource has been identified and have invested £xxx in the purchase of Manger Elk moving and handling equipment for all Double Crew Ambulances (DCA's) to ensure staff are able to assist patients off the floor.

- **Improving the care of patients who fall in nursing and residential care settings**

As part of the 2016/17 Urgent and Emergency Care (UEC) Vanguard, North East Ambulance Service (NEAS) was funded to deliver Falls and Initial Response Skills Training (FIRST). The funding enabled us to develop an innovative project to primarily improve the experience of older people in residential and care homes, ensure older people receive the best possible care, increase skills and confidence of care home staff and reduce overall pressure on healthcare services - especially colleagues in the acute and secondary care sector.

The results from the training, showed a positive impact from the training:

- The total number of 999 calls from the care homes reduced by 32%. Numerically this was 453 calls in 2016, down to 308 calls in 2017.
- The total number of A&E admissions from the care homes reduced by 25%.*
- Due to the reduced demand on 999 service there was a calculated saving of 25% over a two month period. The projected savings are estimated to be around £200,000 per annum which would see a ROI of around 178%.

*999 calls and A&E admissions from the care homes in February and March 2016, and February and March 2017 as a direct comparator.

As this approach was so successful we have provided further training into care homes across the North East region during 2017/18 and have also presented this work at the Enhancing Care in care Homes conferences across the North East & Cumbria.

A Senior Carer at a residential care home in Cullercoats, took part in the training and after concluded:

"We have regular training but this course was a great refresher - it was intense and detailed. More often than not, when an elderly person in a care home has a fall, at the moment the immediate reaction is to call 999. However, this may not always be the best option for the patient. It also puts an unnecessary strain on A&E departments and ambulance services.

Elderly patients, particularly those with dementia, can get disorientated when they leave their familiar surroundings. So if the fall can be treated at the care home, and it's in the best interest of the patient, we should encourage this to happen on a more regular basis.

It's all about giving the best care to our residents and also giving staff the confidence to deal with trips and falls themselves if appropriate."

Patient Experience

Priority 3. Longest waits

○ Partially achieved

In 2017/18 we have continued to be challenged, as have all ambulance trusts in meeting the national response times due to increased demand, staffing pressures, increased travel times and waits resulting from pressure across the health system.

We developed a process to undertake a high level clinical review of the clinical record of patients who had a long wait for an ambulance, using locally agreed thresholds. From April – October 2017 there were 11 near misses identified. There was no specific clinical themes identified on the near misses, however we did review processes in the Emergency Operations Centre.

We have developed an escalation plan, which highlights those patients experiencing waits and ensures these are passed to a clinician in the Clinical Assessment Service (CAS) for review. This process has also been adopted for those patients who have been referred into our service by a healthcare professional and classed as our 'urgent' work.

A pilot internally has been carried out to improve clinician input into the allocation of vehicles to support the efficient use of resources available and further enhance our Clinical Care and Transport model. This process has now been adopted.

Our Medical Director has been working with GP's across the region to develop further guidance regarding our clinical care and transport model to ensure we use the most appropriate member of staff, with the right skills and type of transport to meet the needs of the patient when transporting the patient to hospital.

Following the implementation of the Ambulance Response Programme (ARP) on 30th October 2017 and whilst this has ensured that those patients with life threatening emergencies are prioritised and responded to it has also meant that some patients continued to wait an unacceptable length of time for an ambulance response. The way in which performance is measured now means that those waiting a long time in each category of response are considered, enabling greater scrutiny across each element of response.

We reviewed the thresholds for delays and introduced these across all 4 categories of ambulance response.

As part of the ARP implementation plan a multi-disciplinary huddle would meet daily initially and then weekly to discuss any clinical issues with delays alongside operational issues. Any clinical issues resulting in delays are discussed by the Strategic Head of the Emergency Operations Centre and Head of Patient Safety and incidents are reported and investigated by operational managers.

In November 2017 the Lead Consultant paramedic reviewed the delays above the threshold for category 1 and category 2 cases and found no harms or near misses.

In December 2017 as a result of looking at delays affecting patients who have fallen a review of processes and management plans was undertaken.

We also undertook a deep dive review of a proportion of delays in the first week of January 2018, across all categories (C1-C4). Of the 116 cases reviewed there were no harms identified and 3 near misses.

In February and March 2018 there were 56 cases reviewed in total across all categories of response. No harms were identified, however one delay impacted negatively on patient experience for an end of life patient.

During 2017/18 we received 222 number of complaints relating to delays, which equates to 42% of overall complaints received. This compares with 358 in 2016/17 of which equates to 51%.

We recognise the impact on patients and their carers when delays occur and have reviewed our systems and processes to ensure where delays occur that we acknowledge the impact on patient experience but also focus on patient safety. We feel we need a more targeted approach to reviewing delays. This is why we have identified as a Quality Priority for 18/19 a focus on delays for those patients over 65 years, who fall and are uninjured.

We will also be undertaking further work to review delays in 2018/19 focussing on patients who are short of breath and are categorised as a C2 response. Our work through 2017/18 has identified those patients with breathing difficulties do not wait well, we are therefore looking at our systems and processes to ensure clinicians in the Emergency Operations Centre are sighted on these, alongside undertaking further clinical review where we have had to upgrade our response as a result of a patient deteriorating.

Introducing our Clinical Assessment Service (CAS) *6 support for healthcare professionals working in nursing homes

We recognise there are times when clinical staff working in nursing homes would benefit additional support in determining how best to care for their resident who may become unwell, though not sufficiently so as to require a 999 ambulance. Our *6 service enables healthcare professionals to contact a clinician in our Clinical Assessment Service to provide additional advice and guidance to ensure residents remain in their home with support from other services, when it is safe to do so. We have launched a pilot in the South Tyneside area, involving 10 care homes in February 2018 and will evaluate this.

Improving care for patients with palliative and end of life care needs

We are committed to improving the care for cancer, palliative and end of life care patients, relatives and their carers and in July 2016 we worked in partnership with an acute trust to engage the specialist knowledge and skills of their Macmillan End of Life Care Facilitator working on secondment with NEAS. During this time we developed a Palliative Care and End of Life Care Education Strategy to increase the knowledge and skills of our frontline teams in recognising and meeting the care needs of palliative and end of life care patients.

We were delighted that our dedicated end of life care transport service was recognised nationally, as a winner in the Nursing Times Award 'Enhancing Patient Dignity' in December 2017.

In order to build on this work and develop a Supportive, Palliative and End of Life Care Strategy with plans to make a real difference to patients we have been successful in bidding for funds to establish a specialist team in the trust, which will include a Macmillan nurse facilitator, an engagement officer with administration support. This team is one of only two in ambulance services across the country and recruitment to the team is underway in March 2018.

Improving Mental Health Care

Building on the work we have undertaken in 2016/17 to improve mental health care for patients accessing our services we supported a secondment of a senior mental health practitioner from Northumberland, Tyne & Wear Mental Health Trust to work with us in developing a Mental Health Clinical Strategy for the trust.

We have reviewed the national framework for mental health education for healthcare professionals and have a three year implementation plan for this.

We have also continued to review the mental health pathways within our clinical triage system NHS Pathways and worked with our colleagues delivering specialist mental health services to see how we can improve the care and experience for patients.

Care closer to home

As a trust which provides 999 / 111 and GP out of hours services we understand the importance of working with others to provide care closer to home for patients, when it is safe to do so.

We recognise how important providing prompt and appropriate services for patients, which not only met but exceeds their expectations.

We therefore ensure that we review and monitor our 'Hear and Treat' and 'See and Treat' rates and report them externally to the commissioners of our service. Not only does this provide a positive patient experience it reduces the use of other resources such as the Emergency Department, when this is not required.

Volume	2015/16	2016/17	2017/18
Hear and Treat	19,949	24,012	26,762
See and Treat	85,021	92,141	102,223
See, Treat and Convey	295,213	290,093	284,510
See and Convey to ED	245,820	236,841	236,293

From Oct 2017 – March 2018 our hear and treat rate is 6.81%

As you can see from the table above we have increased the number of cases of Hear and Treat and See and Treat, whilst reducing the conveyance to other services over the past three years.

In order to provide this level of service to patients we have:

- reviewed the training and clinical skills across our frontline workforce and mapped out the progression for a band 5 to band 6 paramedic role to further prepare them to deliver care at or closer to home;
- continued to embed our new Advanced Practitioner (AP) role with an increased scope of autonomous practice, for example in cardiac arrest response and trauma care response;
- further embedding our model of Clinical Care and Transport and outlining our scheduled and unscheduled care provision to more efficiently respond to patient need;
- working with a broader range of specialists in our Clinical Assessment Service / 999 service to improve patient care and experience

Direct bookings into GP surgeries

The Trust were winners of the national Bright Ideas in Healthcare 2017 – Primary and Community Care category for GP Direct Booking via NHS111

This project enabled our call handlers in the 111 service to arrange a GP appointment for a patient, whilst the patient remained on the call, when this was appropriate for their clinical condition disposition.

Patient and Practice Manager feed back was gained:

“When I rang 111, I thought I would be told to ring my own doctor so something like that so I was very surprised when the call handler told me they could book me an appointment. I think this is a brilliant idea and means we don’t have to wait on the phone for ages trying to get through to our surgery.” A patient.

“For the patient it is consistency of care that they are seen here and 111 are able to provide that service. It also takes the pressure away out of hours and A&E departments.” A practice manager.

This project has been rolled out to involve all GP practices across the region, with work continuing in the Sunderland area to complete the coverage of this service.

Feedback on our services

We have undertaken a large independent patient survey in 2017, verified by IPSOS Mori to gain feedback on the services we provide. This involved 6,593 patients and an overview of the results is provided:

ECS (Emergency Care Service):

- Postal survey • 2,108 ECS questionnaires returned • 29th August - 23rd October 2017 • Boost with 'urgent' ECS patients to compare with 'emergency'.

93% either 'extremely likely' or 'likely' to recommend the service.

Top 5 reasons for advocacy:

- Staff are helpful/attentive/caring/considerate/friendly
- Service is good/excellent
- Staff were reassuring/inspired confidence/made me feel safe
- Fast/quick/prompt service
- Staff are professional/competent/skilful

PTS (Patient Transport Service):

- Data collected in 'real time' from patients using PTS service using tablets • 3,400 responses from between 1st August 2016 and 31st July 2017.

95% either 'extremely likely' or 'likely' to recommend the service.

Top 5 reasons for advocacy:

- Service is good/excellent
- Staff were helpful/attentive/caring/considerate/friendly
- Staff are professional/competent/skilful
- Staff were friendly/pleasant
- Service is essential, important & necessary

NHS 111:

- Data collected by NEAS via postal and text surveys • 1,085 responses from between 1st August 2016 and 31st July 2017.

88% either 'extremely likely' or 'likely' to recommend the service.

Top 5 reasons for advocacy:

- Staff were helpful/attentive/caring/considerate
- Good or helpful/clear advice/communication
- Fast/prompt/quick service
- Was given prompt/immediate attention/treatment/diagnosis
- Good out of hours service (weekends/when GP is closed/24 hours)

Complaints

The financial year 2017/18 recorded 526 complaints, 0.033% of the overall activity. 352 complaints were upheld or partially upheld. The Trust received notification that, during 2017/18, 7 complaints were referred to the Parliamentary and Health Service Ombudsman.

This financial year the Trust has again seen a reduction in the overall number of complaints received compared to last financial year, 526 against 618 in 2016/17, a reduction of 14.8%. In addition to the reduction in total complaints received, appreciations have a slight decrease throughout 2017/18.

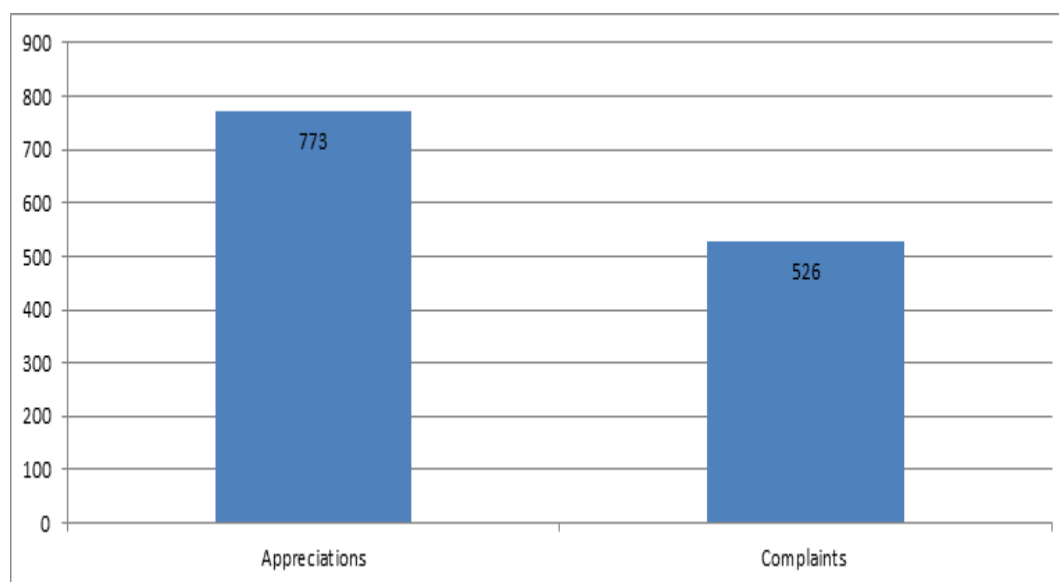
Complaints	2015/16	2016/17	2017/18
Total Complaints	674	618	526
Complaints per 1,000 Calls (999 & 111) & PTS Journeys	0.36	0.33	0.03
Total upheld complaints	344	377	279
Total part upheld complaints	82	62	73

In line with legislation, 99.2% of the complaints received during 2017/18 have been acknowledged within 3 working days.

88.7% of the complaints received were responded to within the timeframe initially agreed compared to 93.2% 2016/17. When we have been unable to achieve a response the complainants have been contacted by the Patient Experience Team and new dates agreed. This deterioration in response time has partly been due to the organisational restructure and appointment of new managers in post, who have required support to undertake the complaints investigation process. In 2018/19 we are committed to improve our response to complaints

The average number for days to respond to complaints stands at 25 days compared to 19 days last year.

The Trust receives appreciations for the service and in 2017/18 we received 773 appreciations.



The analysis conducted by NEAS's Experience, Complaints, Litigation, Incidents, Patient Advice and Liaison Services (ECLIPS) Group has highlighted that the top 3 causes for complaints were:

Top 3 Cause of Complaints	2015/16	2016/17	2017/18*
Timeliness of Response	49%	51%	42%
Quality of Care	30%	23%	42%
Staff Attitude	13%	16%	20%

Note: Cause of complaint is given as a proportion of total complaints

*April 17 – Mar 18

The management of complaints received by the Trust has seen a number of changes which have allowed the ECLIPS Group, and the Trust as a result, to better triangulate and understand data relating to complaints:

- On receipt, all complaints continue to be rated in line with the National Patient Safety Agency (NPSA) risk rating matrix. Harm to the patient is thus more rapidly identified and a proportionate investigation initiated
- The Patient Experience Team have had specific training in recognising safeguarding concerns within complaints and referring this to our Safeguarding leads
- The Patient Experience Team continues to be proactive in organising local resolution meetings to address complainants' concerns and involving other agencies, care providers and trusts in the process
- Dedicated complaints investigation training has been provided to new managers following the organisational restructure to support them in this important element of the role
- Embedding of the Complaints Handling Policy, with bimonthly reporting of compliance at the Quality Committee
- The links with our local Patient Advice and Liaison Services (PALS) team have continued to develop which have supported the overall patient experience.

Lessons learned

The Trust has taken the following actions based on learning from complaints:

- Urgent ring back Standard Operating Procedure within Emergency Operations Centre has been reviewed and updated;
- THRIVE training (Threat Harm Risk Investigative Vulnerability Engagement) has been delivered to the Emergency Operations Centre (EOC);
- As a result of reported complaints and incidents linked with 111 triage, we have increased the number of clinicians in the Emergency Operations Centre to attempt to cope with the surge in demand. This will increase levels of 'hear and treat' and ensure only those patients who require an ambulance disposition are managed in this way;
- As a result of reported complaints and incidents linked with 999 Triage, call scripts have been initiated for the support of patients in making decisions about waiting for transport during periods of high demand. This was supported by the clinical hub;
- To try and tackle demand, a team of Accident and Emergency consultants have been working with the EOC and provide additional support to those patients out of hours. They work between the hours of 1600 and 2200 in the evening and at weekends;
- Developed a communications support guide using NHS easy read images to assist staff when communicating with patient encountering communications difficulties;

- A new process was developed to ensure that the batch trace on each service line (emergency care, patient transport and 111) is now matched to all the other service lines;
- Secondment of a Mental Health Lead ensured NEAS has a 3 year Trust strategy, training and education plan and a sustainable model in relation to the management and support of patients with mental ill health and enabled NEAS to continue to improve the support provided to patients and staff on an ongoing basis;
- Improved complaints handling awareness for managers via essential management training;
- A new “Complaints Handling Policy” has been developed which is much shorter and streamlined than the old one, clearly sets out what the intent and objectives behind the policy are and how we plan to achieve them. The new policy, which was implemented in June 2017, is supported by a single, clear and user–friendly procedure which has substituted the numerous procedures in force in the past;
- Proactive cooperation between the Trust and the Patient Advisory and Liaison Service (PALS);

Duty of Candour

On 1 April 2013, a contractual Duty of Candour was introduced for all NHS Trusts to report to patients or their next of kin where it is identified that moderate or serious harm has resulted from care provided by the Trust. This duty became regulatory on 27 November 2014 and was included within the Health and Social Care Act 2008 (Regulated Activities) as Regulation 20.

The Trust has robust systems and processes to comply with the obligations required under Duty of Candour. These include the use of the Ulysses Safeguard system for recording and managing all incidents falling within the category. Once identified the individual case is assigned to a dedicated person who will review and ensure that the duty is fulfilled. In the event that the case is classified as a Serious Incident, the Trust has a number of specialist Family Liaison Officers (FLOs). In these cases the FLO will act as a single point of contact for the patient or family, offering additional support and guidance.

In 2017/18 we have trained a further 20 members of staff to undertake FLO duties and they have undergone a five day education programme to prepare them for this important role. During 2017/2018 we have supported NHS Resolution to showcase the FLO role and presented at 2 national events in Manchester and Newcastle. We have also worked with other Trusts to share our experience and processes to share best practice.

We have sought feedback from managers in relation to enacting the Duty of Candour requirements and have undertaken initial training of our frontline clinical managers during 2017/18 to support new managers coming into post. We recognise there is further work to undertake in 2018/19 to provide additional support and coaching to further improve our being open approach with patients and their carers.

Reporting and compliance with Duty of Candour is conducted via the Trust’s governance structure and ultimately up into the Trust Board of Directors via the quality dashboard. Overall compliance during 2017/2018 is positive.

Annex 1: Feedback from our stakeholders

We continue to hold a quarterly Heathwatch Ambulance Forum to link with local groups, and link with Councils and other agencies through Overview and Scrutiny Committees. There is a range of other regional fora and groups to obtain feedback and input from our stakeholders.

We provide a range of involvement opportunities for patients and our governors and encourage governor participation in quality walkabouts and other activities in their local communities.

We have attended a range of events across the region over the last 12 months including Newcastle, Durham and Sunderland Prides, Melas, Agricultural shows, Sunderland Air Show, community events and school visits to ensure we can reach out to the community and promote ourselves as an employer and service provider.

Quality Report 2017/18 consultation

In line with NHS England's quality report guidance, we have asked for comments on our draft Quality Report.

We conducted an online survey to capture feedback on our draft 2018/19 Quality Priorities between 26 February and 20 March 2018 which was circulated to a wide group of stakeholders through internal employee bulletins, direct mail outs and social media. In total 183 responses were captured with the greatest proportion of responses received from NEAS employees (46%) members of the public (23%) and external organisations (20%). Overall the survey responses showed a positive view of the draft quality priorities which identified that cardiac arrest was the highest response (50.42%), followed by sepsis (44.92%), delays focussed on falls (37.07%) and then mental health (29.09%).

We sent our Quality Report consultation to a range of stakeholders including NHS commissioners and providers, North East MPs and all North East local authorities and Healthwatch groups.

Of the 607 emails sent to stakeholders, 594 were delivered and 13 bounced back. Our consultation email was opened by 152 stakeholder groups (25.6%) and read by 482 people (i.e. some groups like Healthwatch and OSC shared with their wider membership in consulting on our Quality Report). We have received a formal response from:

South Tyneside Overview and Scrutiny Committee	30 April 2018
Newcastle City Council Overview and Scrutiny Committee - response	9 May 2018
Durham Overview and Scrutiny Committee - attended	9 May 2018
Sunderland Council Health & Well being Committee	11 May 2018
Durham County Council Adults Wellbeing and Health overview and scrutiny Committee	16 May 2018
Northumberland County Council Health and Wellbeing Overview and Scrutiny Committee	18 May 2018
North East Joint Healthcare Scrutiny Committee	18 May 2018
Lead North East Commissioner – DDES	18 May 2018
Healthwatch Newcastle, Gateshead and North Tyneside	18 May 2018
Healthwatch Northumberland	18 May 2018

Response to stakeholders following consultation

We would like to thank all of our stakeholders for taking the time to feedback their views on our draft Quality Report. Although we cannot address all questions raised, the following points highlight how our final report has been changed to address some of the main comments raised.

Comment	NEAS Response
There are too many patients who have fallen and waiting too long for an ambulance	We have focused our work on reviewing ambulance delays to improve the care of patients who fall and are not injured. This is reflected in the quality priority regarding delays
The report would flow better if it started with 17/18 priorities and performance, then achievements and then 18/19 priorities	The report content headings and format is determined by NHS England / NHS Improvement, therefore we are unable to change this
I would expect to see something regarding the reduction in waiting times and handover	We have detailed operational plans to improve ambulance response and delays experienced due to handover at hospital. We are working with commissioners and other stakeholders on this and whilst it is not identified as a quality priority for 2018/19 there will be continued focus on this working with stakeholders across the urgent and emergency care network
Long waits for ambulances is a concern and these need to be addressed	The Trust is working with Commissioners following the production of a report looking at capacity and demand to meet the new national Ambulance Response Programme performance standards.
The initial draft report outlined compliance with the Sepsis Care bundle was 67%, target set for 2017/18 was 40%	This figure was inaccurate in the draft Quality Report. To ensure transparency the sepsis care bundle results are outlined for each audit completed throughout the year. We were unable to complete audits in quarter 3 due to resource constraints. We have exceeded the 40% target since September 2017.
It is difficult to determine from the report which performance indicators the ROSC data refers to as it is not labelled and doesn't have supporting narrative	Additional information has been added to the report
The commissioners wish to see data relating to ROSC where the arrest was bystander witnessed and initial rhythm was ventricular fibrillation or ventricular tachycardia	Additional information has been added to the report
Performance data relating to Stroke FAST indicators is not included	Additional information regarding this has been added to the report
Commissioners would like to see priorities which relate to 111 and patient transport services included in local priorities for improvement	The quality priorities relating to sepsis, cardiac arrest, long waits and mental health involve all aspects of our service e.g. 111/ 999 call handlers will receive updates on sepsis, alongside operational crews.
The quality report does not outline Northumberland's performance within the wider North East area affected by geographical distances and remoteness	It is not possible to provide local level performance data within the Quality Report however we do provide this information to Commissioners of the service. ARP data has been shared since April 2018.



South Tyneside Council

Debra Stephen
Deputy Director of Quality and Safety
North East Ambulance Service NHS Foundation
Trust
Bernicia House
Goldcrest Way
Newburn Riverside
Newcastle upon Tyne
NE15 8NY

Date: Monday, 30 April 2018
Our: NEAS QA
Ref: comments/PB/18
Your:
Ref:

Dear Debra

Quality Report 17/18

Thank you for giving us the opportunity to include comments in your 17/18 Quality Report.

We would wish to make the following comments:

We would endorse the priorities set for 18/19, particularly in relation to the response for older people that have suffered a fall. We have all seen the stories of older people who have had to endure long waits for an ambulance whilst in distress and anything that can be done to avoid such instances would be greatly welcome.


As you will be aware, our key concerns around ambulance transport are around the ability of NEAS meet the challenges set by the South Tyneside and Sunderland Healthcare Group's proposed changes to Maternity and Emergency Paediatric Care. We have yet to be convinced that the service will be able to adequately respond to emergency situations where urgent transfers are required from South Tyneside District General Hospital to Sunderland.

Royal Hospital. This will require further work by NEAS to assure that the ambulance service will be able to manage the longer distances and increased job cycles arising from the service changes and the new service standards. This is particularly essential for maternity services as it is vital for this service to be 100% reliable and timely.

We appreciate the difficulties you face with increased workload, budget pressures and the need to keep developing your service to meet the demands of the changing service pathways arising from STP's.

I hope you find these comments helpful.

Yours sincerely



Cllr Rob Dix

Chair

South Tyneside Council Overview and Scrutiny Coordinating and Call-in Committee

Ms D. Stephen
Deputy Director of Quality and Safety (Lead Nurse)
North East Ambulance Service NHS Foundation Trust
Bernicia House
Goldcrest Way
Newburn Riverside
Newcastle upon Tyne
NE15 8NY

11 May 2018

Dear Debra

**North East Ambulance Service NHS Foundation Trust Quality Account 2017/18
Response of Health and Wellbeing Scrutiny Committee, Sunderland City Council**

Sunderland City Council's Health and Wellbeing Scrutiny Committee are pleased to be able to comment on this year's North East Ambulance Service Quality Report 2017/18. The report provides a detailed overview of the quality of care and key priorities for the year ahead. The Health and Wellbeing Scrutiny Committee continues to foster constructive relationships with key health partners including the North East Ambulance Service while ensuring challenge, voicing the concerns of the public and acknowledging good practice and improvements to service delivery.

The Health and Wellbeing Scrutiny Committee is pleased to acknowledge the progress that has been made by the trust following the Care Quality Commission (CQC) inspection in 2016. The committee is particularly pleased to see improvements in recruiting staff, dispatch resilience and strengthening of clinical leadership across the organisation.

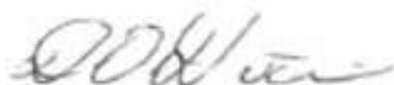
The Health and Wellbeing Scrutiny Committee has also received a detailed presentation on the new national ambulance response programme (ARP) and progress since introduction, the benchmarking of performance across England and winter pressures faced by the ambulance service. Members of the Committee were pleased to acknowledge the Trust's high performance for C1 category responses but also recognised the work to be done in respect of categories C2 and C3. The actions for improvement are a positive move to address the performance issues highlighted. The Health and Wellbeing Scrutiny Committee will continue to monitor this performance with the Trust and will look to invite Trust representatives to a future meeting of the Committee in 2018/19.

The Joint Health Scrutiny Committee established between Sunderland and South Tyneside Local Authorities continues to work with the NHS Trust and partners on its ambitious programme of reform 'The Path to Excellence'. There is a critical role for the North East Ambulance Service throughout the options identified in the Path to Excellence, and their performance is almost entirely dependent on the resources at their disposal. The Joint Health Scrutiny Committee will continue to monitor, represent and voice the concerns of the public throughout this programme.

The Health and Wellbeing Scrutiny Committee are also pleased to highlight the collaborative work that has been undertaken with City Hospitals in Sunderland, and in particular the work around reducing the incidence of pressure ulcers. It is very often through key partners working together that the best results and improvements are achieved. Members of the Committee would encourage more collaborative working in the future, wherever practicable.

Sunderland City Council's Scrutiny function values its relationship with the North East Ambulance Service and will continue to challenge and engage with the Trust over key issues and priorities for the city. The Health and Wellbeing Scrutiny Committee are therefore satisfied in endorsing this quality report for 2017/18.

Yours sincerely



Councillor Darryl Dixon
Chair of the Health and Wellbeing Scrutiny Committee

This matter is being dealt with by:

Nigel Cummings, Scrutiny Officer, Sunderland City Council, Civic Centre, Burdon Road, Sunderland, SR2 7DN. Tel: (0191) 561 1006; Email: nigel.cummings@sunderland.gov.uk

Contact: Cllr John Robinson
Direct Tel: 03000 268140
e-mail:
Your ref:
Our ref:



Yvonne Ormston,
Chief Executive,
North East Ambulance Service,
Bernicia House,
Goldcrest Way,
Newburn Riverside,
Newcastle upon Tyne.
NE15 8NY

16 May 2018

Dear Ms Ormston,

**North East Ambulance Service NHS Foundation Trust – Quality Accounts
2017/18**

Following consideration by members of Durham County Council’s Adults Wellbeing and Health Overview and Scrutiny Committee on 9 May 2018, please find attached the Committee’s response to your draft Quality Accounts for 2017/18.

The response provides commentary on the Trust’s performance for 2017/18 as well as the identified priorities for 2018/19.

I would like to thank the Trust for providing the opportunity for continued engagement of the Adults Wellbeing and Health Overview and Scrutiny Committee in the aforementioned process.

Yours sincerely,

A handwritten signature in black ink, appearing to be "John Robinson", with a horizontal line extending to the right.

Cllr John Robinson
Chair of the Adults, Wellbeing and Health Overview and Scrutiny Committee

DURHAM COUNTY COUNCIL ADULTS WELLBEING AND HEALTH OVERVIEW AND SCRUTINY
COMMITTEE

COMMENTS ON NORTH EAST AMBULANCE SERVICE NHS FOUNDATION TRUST QUALITY ACCOUNT
FOR 2017/18

The Committee welcomes North East Ambulance Service (NEAS) NHS Foundation Trust's Quality Account and the opportunity to provide comment on it. The Committee are mindful of their statutory health scrutiny role and the need to demonstrate a robust mechanism for providing assurance to the residents of County Durham that health service provision is efficient and effective. The quality account process provides the Committee with one such mechanism.

The Committee has engaged with the Trust on a number of issues during the course of 2016/17 including the post implementation progress in respect of Durham Dales, Easington and Sedgfield CCG'S A&E Ambulance Service Review and Urgent Care Review; the National Ambulance Response programme; NEAS performance across County Durham; the impact upon NEAS on the Sunderland and South Tyneside NHS Partnership Path to Excellence programme and its progress against the 2017/18 Quality Account priorities.

The Committee considers that the Quality Account is clearly set out and acknowledges up front that performance during 2017/18 has again been challenging, set against a context of a considerable increase in demand for the service both regionally and nationally.

In commenting upon the Quality Account, the Committee:-

- Welcomes the steps taken by the Trust in the early identification of sepsis amongst its patients, noting that performance in terms of compliance with Sepsis Care Bundle performance is above target. The Committee would suggest that this target should be further stretched for 2018/19;
- Supports the work to undertake regular audits of ambulance waits to determine whether the patient came to any harm whilst noting that average job cycle times have almost doubled from 52 minutes in 2006 to 1 hour 43 minutes in 2018;
- Acknowledges that the development and implementation of a safeguarding tool to support clinicians' decision making has been delayed, although members are pleased that the appropriateness of safeguarding referral is 100% across the Trust and that the accuracy of referral is improving within the Trust as a result of shared learning via staff training.

The Committee continue to be concerned at the Trust performance across County Durham in comparison to Trust wide performance and have asked for regular updates back to the Committee as the new National Ambulance Response programme targets are embedded across the organisation. The previously identified issue of the increase in the duration of job cycle times coupled with the increase in the number of patients with complex health needs and conditions being seen by NEAS staff is noted as a potential contributing factor to this.

The Committee would also take the opportunity to reiterate their concerns regarding the potential impact upon NEAS response times of any service change proposals arising from NHS Sustainability and Transformation Plans which could impact upon acute hospital services across the region and seek assurances that NEAS will ensure its continued input into such plans.

The Committee consider that from the information received from the Trust, the identified priorities for 2018/19 are clearly expressed and will contribute to improvements in the healthcare system generally.

Finally, in order to ensure that it continues to provide a robust Health scrutiny function and assurances in this respect to the residents of County Durham, the Committee will continue to receive and consider performance overview information. As in previous years, the Committee would request a six monthly progress report on delivery of 2018/19 priorities and performance targets in November 2018.

Ms D Stephen

Deputy Director of Quality and Safety (Lead Nurse)

North East Ambulance Service NHS Foundation Trust

Berriola House

Goldcrest Way

Newburn Riverside

Newcastle upon Tyne

NE15 8NY

9 May 2018

Our Reference: WT/KC18

Dear Debra,

**North East Ambulance Service NHS Foundation Trust Quality Account 2017/18
Response of Health Scrutiny Committee, Newcastle City Council**

As Chair of the Health Scrutiny Committee, I welcome the opportunity to comment on your draft Quality Account for 2017/18. The committee discussed this at their meeting on 12 April 2018 and this letter provides a summary of the committee's response, which should be read in conjunction with comments made by the North East Joint Health Scrutiny Committee.

In respect of progress against the 2017/18 priorities we make the following comments:

- We know that the trust continues to be under significant pressure - high demand, increased acuity of patients and financial constraints – creating a position where targets for red 1 and red 2 calls are not being met.

We do acknowledge this is a national issue and note that, although targets are not met, the trust performs well against the national average in relation to responding to life threatening conditions.

However, we obviously remain concerned that targets are not being achieved, particularly the response to category 2 calls, and will monitor the position through the joint committee over the coming year.

- We note that the trust is exploring a number of alternative models in dealing with long waits by patients who need help in the event of a fall, but not necessarily an ambulance response into hospital. We recommend that discussions take place with alarm service providers who may also be able to assist, reducing the impact of low level calls.
- We welcome the ongoing focus on Sepsis, a significant life-threatening condition.

If you need this information in another format or language, please contact the writer.

- We welcome the continued increase in community defibrillators, which are mapped by the trust and the 'army' of community first responders trained by the trust who can provide help in an emergency until an ambulance can arrive. As discussed at the meeting, we would like more information on successful use of this equipment.
- We discussed the level of appropriate safeguarding referrals at 55% and the difficulty the trust has in determining cases where there is a genuine safeguarding concern, rather than a welfare concern; and noted the significant effect that inappropriate referrals can have on other services. Whilst we agree that the trust should always err on the side of caution, there may be an opportunity to discuss this further with local authorities to reach agreement on how this process can be best managed.
- We note that over the last three years there has been a steady increase in the percentage of staff reported errors, near misses or incidents witnessed; taking the trust above the national average. We understand that the trust welcomes the increase as a result of steps it has taken to encourage and support the reporting of incidents, but it is still an area of concern for us.
- Although not a quality priority, we are pleased to note the trust's focus on staff wellbeing and hope that the increase in paramedic numbers will further help to reduce sickness as a result of stress.

In respect of the 2018/19 priorities we make the following comment:

- We welcome the inclusion of a specific priority on mental health, which will include training for all frontline staff and development of a screening tool for paramedics. We have a particular interest in mental health services and understand the consequences of not providing the right care at the right time. So we will be particularly interested in understanding the impact this priority has had next year.

Overall we found the Quality Account document to be clear and informative and we recognise all priorities for 2018/19 as been of high importance to local residents.

Finally, I would like to thank the trust for engaging with us whenever requested to do so and hope that this will continue.

Yours sincerely



Cllr Wendy Taylor
Chair, Health Scrutiny Committee

If you need this information in another format or language, please contact the writer.

Debra Stephen, Deputy Director of Quality
and Safety

By email: debra.stephen@neas.nhs.uk

Your ref:

Our ref: MDB/OSC/QA/18/2

Enquiries to: Mike Bird

Email: Mike.Bird01@northumberland.gov.uk

Tel direct: (01670) 622616

Date: 18 May 2018

Dear Ms Stephen

**NORTH EAST AMBULANCE SERVICE NHS FOUNDATION TRUST ANNUAL PLAN AND
QUALITY ACCOUNT 2017/18**

**Statement from Northumberland County Council's Health and Wellbeing Overview and
Scrutiny Committee**

The Health and Wellbeing Overview and Scrutiny Committee welcomes the opportunity to submit a commentary for inclusion in your Annual Plan and Quality Account for 2017/18 as presented to the committee in draft, and about our ongoing engagement with the Trust over the past year. We have continued to receive information from the Trust, with participation of Trust personnel at many of our committee's bimonthly meetings. Members of the committee have also engaged including consideration at their meetings including presentations about ambulance and hospital interface.

At our 20 March 2018 meeting we received a presentation on your draft Quality Account for 2017/18 and your priorities for 2018/19. At that meeting we also received presentations from Northumbria, Newcastle Hospitals and Northumberland, Tyne and Wear NHS Foundation Trusts on their own quality accounts; hearing four presentations in one meeting from the four Trusts we believe this provides a good joined up picture of the many NHS services in Northumberland. Members responded favourably to the information you presented, with reference to the highly valued staff and clinical support provided.

Following your presentation of the draft Annual Quality Account 2017/18, the following key issues were raised by members:

- the impact of the new standards on the reporting of statistics was acknowledged
- how Northumberland's performance within the wider North East area was affected by geographical distances and remoteness factors - we note with disappointment that the draft of the report, like the presentation, includes no separate analysis of this issue
- concerns about call volumes increasing when there were other options than calling 999



Dalit Lally, Chief Executive
County Hall, Morpeth, Northumberland, NE61 2EF
T: 0345 800 8400
www.northumberland.gov.uk



- a request for some comparisons in future on response times to be organised with other similar geographically big, sparsely populated counties?
- how less than 1 - 2% of calls involved First Responders, and noted how the change in focus was on the clinical needs of the patient
- A welcoming of how the 111 service had received investment and a broader range of clinicians were now being used to provide advice, including options such as self care, and now the CCG would continue to monitor whether the improvements to the 111 service were sustained
- members were pleased to note that NHS Pathways categorised calls and that the whole call process was audited including how calls were reviewed and handled
- the receipt of statistics regarding 'near miss' cases (in which a patient was not harmed but potentially could have been resulting from a delay) would be appreciated
- members welcomed work to continue to recruit more staff including apprentices
- how additional vehicles, including more double crewed ambulances, would be of benefit
- regarding emotive issues such as whether there could be targets for cardiac arrest cases, members noted the Trust's focus instead on how many more lives were saved through interventions
- replying to concerns about waiting times/delays in the handover process, the use of a Hospital Ambulance Liaison Officer (HALO) and a new Clinical Operations Manager to manage handovers at NSECH and Durham was welcomed
- members noted how handover delays had been a big focus over the past year, and how the CCG was working with all relevant providers to take this forward
- members welcomed that a mutual aid approach about cooperation with the Borders Ambulance Service was underpinned by policies and procedures.

From the information you have provided to the committee over the past year, including the presentation about your draft 2017/18 Quality Account and the full version of the document we received on 25 April, we believe the document is a fair and accurate representation of the services provided by the Trust and reflects the priorities of the community. Members also support your priorities for improvement planned for 2018/19, but also request that you note and consider the various points that they have raised in relation to your work going forward, as detailed above. If possible it would be appreciated if some of the additional information requested could be provided. Members will continue to keep monitoring ambulance performance levels and will welcome receiving any further updates from you.

We acknowledge that the service has been challenged with meeting the national response times due to increased demand, staffing pressures, increased travel times and waits, but would strongly stress that the service addresses these challenges through what means you can given the need to meet the needs of our communities in light of the size and sparsely populated nature of Northumberland.

We also would be very grateful if I could get in contact with you again soon to discuss possible agenda items for the Health and Wellbeing Overview and Scrutiny Committee to consider about the Trust's services during the next council year from 2 May 2017 onwards. If I can be of any further assistance about the committee's response, please do not hesitate to contact me.

Yours sincerely,



Mike Bird
Senior Democratic Services Officer
Democratic Services

On behalf of Councillor Jeff Watson
Chair, Northumberland County Council Health and Wellbeing Overview and Scrutiny
Committee

Healthwatch Newcastle, Healthwatch Gateshead and Healthwatch North Tyneside's statement for North East Ambulance Service NHS Foundation Trust's Quality Account 2017/18

We were pleased to read North East Ambulance Service (NEAS) NHS Foundation Trust's Quality Account 2017/2018 and to learn more about some of its successes and challenges over the past year.

Firstly we welcome this concise, clearly written and accessible Quality Account.

It is of concern that nationally none of the ambulance trusts in England has achieved the national targets in ambulance response times for 'Red 1', 'Red 2' and '19 minute response' calls. It is also concerning that NEAS response times have worsened for 'Red 2' and '19 minute response' calls.

However, we understand that these targets have now been replaced with a new set of performance standards through the national Ambulance Response Programme (ARP). In reference to these targets, we are pleased to see that NEAS is the highest performing Trust for the new Category 1 - mean response time (7 minute target), but we would like to see improvements for Category 3, where the Trust is the lowest performing Trust and Category 2 and 4, where targets have not been met.

Results on 2017-18 priorities

Priority 1 - To improve the early recognition of Sepsis

We are pleased to see good progress in this area this year, with a huge increase in the use of the sepsis care bundle from 7% (Nov 2016 baseline) to 67%. Results of the sepsis care bundle audit also show good progress.

We support this as a priority for 2017-18 - focussing particularly on the needs of children and pregnant women with suspected sepsis, and we hope to see an increase in staff attending sepsis training.

Priority 2 - Cardiac arrest

Good progress has been made in improving the survival rates of patients who have cardiac arrest, and we agree with the rationale for carrying this priority over into 2018-19. Enhanced Zoll Defibrillators appear to have been a really useful tool for your ambulance crew so we are pleased to see that NEAS will be purchasing more this year.



Priority 3-Longest Waits

We appreciated the challenges that NEAS has faced regarding those patients who have the longest wait for an ambulance and the impact that the implementation of the Ambulance Response Programme (ARP) has had upon them. However, we are pleased to note that the ARP does allow for those waiting the longest in all four categories to be identified and monitored. But we are concerning to read that there have been even a small number of near misses and we are therefore pleased to note that this priority continues into next year, with the focus on patients who have a had fall.

Priority 4-Safeguarding referrals

We note that you have made progress in your work to ensure safeguarding referrals are appropriate and completed to a high target, achieving two of the three targets set and almost achieving the target relating to accuracy of referrals. We are also pleased to note the development of a bespoke safeguarding training programme for the call handling team and a streamlined referral system.

2018-19 priorities:

Overall, we are supportive of the priorities selected for 2018-19. Regarding the early recognition of sepsis, we would that this year you are able to achieve your target to have 95% of staff attending the mandatory training for this. We support the continuation of the priorities relating to cardiac arrest and longest waits and we are particularly pleased to see the inclusion of a priority relating to the care of patients with mental health needs. We are aware that this is an area of concern to many people and it is reassuring to see that the trust is taking positive steps to enhance the skills and knowledge of staff.

We hope that that the Trust has a successful year ahead, as ever, we offer to work in partnership with you to help achieve your goals.

Councillor Ray Martin-Wells
Chair, North East Joint Health Scrutiny Committee
C/o Civic Centre
Hartlepool
TS24 8AY



Mark Cotton
North East Ambulance Service NHS Foundation Trust
Bernicia House
Goldcrest Way
Newburn Riverside
Newcastle upon Tyne
NE15 8NY

18th May 2018

Dear Mark,

The North East Joint Health Scrutiny Committee has prepared the following statement for inclusion within the Quality Account 2017/18 for the North East Ambulance Service (NEAS).

Members of the Committee were supportive of the 2018/19 priorities and made the following comments on the outcomes for 2017/18:-

Ambulance Response Standards

The Regional Committee were informed of the new national categories for ambulance response times. Members were informed that the new targets did, however, require the Trust to reconfigure its fleet and staff, and the Committee requested an update on this, as it progressed.

The Chair of the Regional Committee commented that while the response to the new categories required the 'conveying' responder, single responders in cars were often very quick to get to patients and could start treating any casualty before the ambulance arrived. The NEAS representative commented that the response would be based on what the patient needed. A first responder may be able to start CPR or similar treatment but the measure would require the attendance of the most appropriate vehicle to convey the patient.

The Chair acknowledged the issue and commented that it would be wrong to be unfair to NEAS on the statistics when they were getting responders there within the timescales. The Chair indicated that he would wish to see single responders maintained by NEAS and would wish to know if any policy decision was taken on removing them in the future.

The NEAS representative commented that there was no intention to stop sending a particular response. Managers and commissioners knew what the demand was and what was needed to address patient needs. If there was a gap then NEAS would look to what was needed to fill that. The service was receiving 42 extra paramedics but at this time there was no certainty that would be enough. More may be needed or how and when they worked may need to change to meet the demands the service now faced. The NEAS representative referred to the Carter Review of Community Hospital Services in Liverpool and the efficiencies that had come out of that review. The review had now moved on to Ambulance services and that may bring forward new ideas on service provision. There were, however, different service models across the country, for example, in the Midlands every two man crew included one paramedic; NEAS did not have that in this region, and if that was something that was needed there would be significant costs associated with that.

The Chair acknowledged the issue and commented that it would be wrong to be unfair to NEAS on the statistics when they were getting responders there within the timescales. The Chair indicated that he would wish to see single responders maintained by NEAS and would wish to know if any policy decision was taken on removing them in the future.

Members questioned if third party providers were being used on category 3 and 4 calls. It was confirmed that much depended on assessing a call properly in the first place but there was no intention to use third parties for category 3 and 4 calls.

Recruitment of Paramedics

A Member questioned the progress regarding the recruitment of paramedics and questioned whether the 111 services had improved to the point that NEAS was confident that the right respondents were being sent to calls. Members were informed that the NEAS 111 service was one of the top performing 111 services in the country and frequently dealt with calls for other service areas when they had reached capacity. The 111 service was working well. The only time the service had struggled with performance measures was during the winter pressure period in December when all trusts were at capacity.

In terms of paramedic recruitment, the Trust had recruited a number of international paramedics who were now embedded within the service. There were currently around 40 vacancies for paramedics, though it was expected that these posts would be filled by the end of the year as sufficient trainee paramedics currently studying at Teesside University had been signed up. While there was competition from other areas for trainee paramedics, NEAS had improved its offer to new staff with opportunities to work in other disciplines and career progression.

A Member questioned if there was any assessment of what was leading to the increased numbers of calls to the service and how calls were being filtered. It was confirmed that there was a high level of triage of calls; was an ambulance and a paramedic required or could the issue be resolved by an appointment at an urgent care centre or with their own GP. Campaigns had been undertaken to educate the public who to call in an emergency or urgent care situation but the publicity tended to lead to more calls.

Members were informed that the ability to make appointments directly with GPs was improving and the vast majority of GPs had joined the scheme. Members were informed that the Trust had received a national award for this scheme.

Safeguarding Referrals

Members were informed that the trust had been working on improving the quality of its safeguarding referrals and it was partially on track to achieving its aims. NEAS would be looking towards enhancing the audit process, improving training and developing a pool of safeguarding champions. The Committee suggested that mental health issues should replace the safeguarding priority going forward. Members were also significantly concerned at the situation around long waits among the public that needed to be addressed.

Members of the Committee welcome the information that is shared with them on a regular basis and hope this engagement continues throughout the 2018/19 Municipal Year.

Yours sincerely



Cllr Ray Martin-Weils
Chair, North East Joint Health Scrutiny Committee

18th May 2018

Ms Yvonne Ormston
Chief Executive
North East Ambulance Service NHS Foundation Trust
Bernicia House
Goldcrest Way
Newburn Riverside
Newcastle upon Tyne
NE15 8NY

**Re: North East Ambulance Service NHS Foundation Trust (NEAS) Quality
Account 2017/18.**

Statement on behalf of the lead North East Commissioner NHS Durham, Darlington and Sedgefield (DDES) CCG and associate commissioners - NHS North Durham CCG, NHS Hartlepool and Stockton on Tees CCG, NHS Northumberland CCG, NHS Sunderland CCG, NHS South Tyneside CCG, NHS Darlington CCG, NHS Newcastle Gateshead CCG, NHS North Tyneside CCG, NHS South Tees CCG for the North East Ambulance Service NHS Foundation Trust (NEAS) Quality Report 2017/18.

The CCGs welcome the opportunity to submit a statement on the annual quality report for North East Ambulance Service NHS Foundation Trust (NEAS).

The CCGs [the commissioner] can confirm, to the best of their ability, that the information provided within the annual quality report is an accurate and fair reflection of the Trust's performance for 2017/18. The CCGs would like to provide the following statement:

As commissioners we have remained sighted on the Trust's priorities for improving the quality of its services for its patients, and have continued to provide robust challenge and scrutiny through the Clinical Quality Review Group (CQRG) meetings.

We feel that the report provides clarity of the achievements of the Trust throughout 2017/18 and acknowledge that of the four priorities for 2017/18 outlined in the report the Trust has achieved one and partially achieved three of the priorities.

The report also outlines the Trust objectives for 2018/19. However, the CCGs feel it would have been beneficial if a summary of the priorities for 2017/18 and 2018/19 had been presented together to enable review of achievements and priorities at a glance.

The CCGs would like to commend the Trust on their achievements across 2017/18 particularly for the successful introduction of the Ambulance Response Programme (ARP). Although the data period is limited (October 2017 – 31st January 2018), the Trust has demonstrated good progress with implementation and performance for responding to category 1 life threatening conditions to date; however they remain the lowest performing ambulance trust for category 3 response times which is disappointing. Deteriorating response times remain a concern for commissioners and further improvements to the other response categories are required during 2018/19.

Commissioners look forward to working with the Trust across 2018/19 to implement improvements to demand and capacity; workforce and patient pathways to assist with the required improvements.

Commissioners also note the partial achievement of the priority focused on 'longest waits' and the associated actions which have been taken to improve the situation for patients experiencing long waits for an ambulance. The introduction of multidisciplinary huddles is a positive step and welcomed by commissioners; however, long patient waits continue to present patient safety risks and therefore remain a concern for commissioners. It is noted that the Trust is taking action to improve key areas in relation to serious patient safety incidents reported by the Trust. The situation will continue to be monitored via the CQRG to ensure the agreed actions deliver the expected outcomes.

The CCGs would like to congratulate the Trust on being awarded the national Nursing Times dignity in care award in 2017 for the development of the dedicated End of Life Care transport service.

The strengthening of the leadership team with the introduction of the new clinical management structure is also welcomed by commissioners.

Commissioners acknowledge the work undertaken by the Trust in implementation of the Paramedic Pathfinder pilot in Sunderland which successfully redirected patients into alternative pathways and look forward to the evaluation of this work to understand the potential impact to other geographical areas.

The work undertaken during 2017/18 to improve screening of patients for sepsis has been beneficial to patients and commissioners acknowledge that the Trust has exceeded their target for implementation of the care bundle of 40% with a current compliance rate of 67%. The commissioners note that this work will be developed further during 2018/19.

The progress in improving the survival rates of patient who have suffered a cardiac arrest is noted along with the associated actions. However, it is difficult to determine from the report which performance indicators the ROSC data refers to as it is not labelled and doesn't have any supporting narrative. The commissioners would expect to see data relating to ROSC where the arrest was bystander witnessed and the initial rhythm was ventricular fibrillation or ventricular tachycardia.

It is also noted that the report does not contain any performance data relating to Stroke FAST indicators.

Improvements to safeguarding referrals is welcomed by the commissioners particularly the work to improve the accuracy of the referral and commissioners would like to see a continued improvement in the accuracy of the referrals.

The CCGs note that the local priorities for improvement in 2018/19 have been set and reflect the need to improve some areas already initiated during 2017/18 and indeed will continue to build on the work already started during 2017/18.

Commissioners consider that they are appropriate areas to target for continued improvement. However, it is noted that these priorities relate to 999 crews

responding and commissioners would also like to see other priorities which relate to 111 and patient transport services.

The CCGs will continue to work with NEAS through the CQRG to understand the quality issues within the Trust and work collaboratively towards implementing improvement.

The CCGs are in receipt of a draft of the quality report from NEAS and there will be changes to the draft as further information about year-end position in relation to the quality indicators becomes available and we would encourage the Trust to update this information. Subject to these changes the CCGs feel that this is a fair and accurate reflection of the position within NEAS.

The CCGs look forward to continuing to work in partnership with North East Ambulance Services NHS Foundation Trust during 2018/19 to ensure the quality of services the Trust provides for the local population continues to improve.

Yours sincerely



Gillian Findley, Director of Nursing
Durham Dales, Easington & Sedgefield CCG

Healthwatch Northumberland
Adapt (North East)
Burn Lane
Hexham
Northumberland
NE46 3HN
Tel 03332 408 468
Fax 01434 605251
Email info@healthwatchnorthumberland.co.uk
Web www.healthwatchnorthumberland.co.uk



Debra Stephen
Deputy Director of Quality and Safety
North East Ambulance Service NHS Foundation Trust
Ambulance Headquarters
Bernicia House
Goldcrest Way
Newburn Riverside
Newcastle upon Tyne
NE15 8NY

18 May 2017

Dear Debra

Draft Quality Report 2017/2018

We welcome the opportunity to respond to the draft quality report of North East Ambulance Service and would like to congratulate the Trust on some good results. Healthwatch Northumberland is looking forward to our continued working in collaboration with the Trust.

We have identified below areas where we believe the Trust has performed well -

- Continued success of the End of Life Care initiative and the national recognition it achieved at the Nursing Times awards.
- The positive and multiple approaches to ensuring patient safety and safeguarding and embedding it in the NEAS culture
- Emphasis on 'longest waits' and the work with care homes to address how falls are dealt with.
- Complaints overall have reduced in number (but see comment below) and welcome the actions taken to learn from complaints and the implementation of a shorter and more streamlined complaints process.
- Sustained improvement in the staff survey response rate.



Overall we found the Quality Report document to rich and detailed. It could be made easier to read with a different balance between data tables and narrative.

The area which Healthwatch Northumberland has most concern is that of the Patient Transport Service (PTS). We note that the family and friends test shows an improving trend in terms of recommendation and an appreciation of the care received. This reflects the sentiments expressed to Healthwatch Northumberland by people who receive the service.

However we continue to receive feedback from people who have been declined support through PTS and have to appeal against the decision. We are disappointed that the revised eligibility criteria (mentioned in last year's report) have not been implemented and would hope this is done early in 2018/19.

We also note that while complaints overall have decreased, there is a rising trend in the quality of care and staff attitude as cause of complaints and would like to see some work done and reported on this. The Patient Advice and Liaison Service (PALS) is rightly mentioned as a resource about overall patient experience. We would suggest that the Healthwatch function (across all of the Trust's area) could be usefully incorporated into this process.

We would like to see a summation of the actions taken to address ambulance handover times. Waiting times are a concern to patients and while actions are mentioned in several places, a summary would highlight what has been done and offer reassurance.

The four priorities identified for 2018/9 (sepsis, cardiac arrest, long waits, safeguarding) are a continuation/development of those identified last year. This underlines the need for continuity to make lasting improvements and the plans to improve performance appear positive and achievable.

We look forward to working with NEAS in the coming year and continuing to build on the positive working relationship we have established.

Yours sincerely



Derry Nugent
Project Coordinator



Annex 2: Statement of directors' responsibilities for the Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year.

NHS Improvement has issued guidance to NHS foundation trust boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that NHS foundation trust boards should put in place to support the data quality for the preparation of the quality report.

In preparing the Quality Report, directors are required to take steps to satisfy themselves that:

- the content of the Quality Report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2017/18 and supporting guidance;
- the content of the Quality Report is not inconsistent with internal and external sources of information including:
 - board minutes and papers for the period April 2017 to May 2018;
 - papers relating to Quality reported to the board over the period April 2017 to May 2018;
 - feedback from commissioners dated 18th May 2018;
 - feedback from governors dated 23 April 2018;
 - feedback from local Healthwatch organisations dated 18 & 21st May 2018;
 - feedback from Overview and Scrutiny Committees dated 30 April 2018, 9 May 2018, 11 May 2018, 18 May 2018;
 - the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009 dated May 2018;
 - the latest national staff survey 2017;
 - the Head of Internal Audit's annual opinion over the trust's control environment dated 14 May 2018;
 - CQC inspection report dated November 2016.
- the Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered;
- the performance information reported in the Quality Report is reliable and accurate;
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice;
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review; and
- the Quality Report has been prepared in accordance with NHS Improvement's annual reporting manual and supporting guidance (which incorporates the Quality Accounts regulations) as well as the standards to support data quality for the preparation of the Quality Report

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the Quality Report.

By order of the Board



Catherine Young

Acting Chair

24 May 2018



Yvonne Ormston

Chief Executive

Independent auditor's limited assurance report to the Council of Governors of North East Ambulance Service NHS Foundation Trust on the Quality Report

We have been engaged by the council of governors of North East Ambulance Service NHS Foundation Trust to perform an independent assurance engagement in respect of North East Ambulance Service NHS Foundation Trust's Quality Report for the year ended 31 March 2018 (the 'Quality Report') and certain performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2018 subject to limited assurance consist of the national priority indicators as mandated by NHS Improvement:

- Category 1 (mean response times)
- Category 2 (mean response times)

We refer to these national priority indicators collectively as the 'indicators'.

Respective responsibilities of the directors and auditors

The directors are responsible for the content and the preparation of the Quality Report in accordance with the criteria set out in the NHS Foundation Trust Annual Reporting Manual issued by NHS Improvement.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in NHS Improvement's Detailed Requirements for External Assurance on Quality Reports for Foundation Trusts 2017/18; and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and supporting guidance and the six dimensions of data quality set out in the Detailed requirements for external assurance on Quality Reports 2017/18.

We read the Quality Report and consider whether it addresses the content requirements of the NHS Foundation Trust Annual Reporting Manual and supporting guidance, and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Report and consider whether it is materially inconsistent with:

- board minutes for the period April 2017 to 24 May 2018;
- papers relating to Quality Reported to the board over the period April 2017 to 24 May 2018;
- feedback from commissioners, dated 18 May 2018;
- feedback from governors, dated 23 April 2018;
- feedback from local Healthwatch organisations, dated May 2018;
- feedback from the Overview and Scrutiny Committee dated May 2018;

- the trust's 2017/18 complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009;
- the latest national patient survey;
- the latest national staff survey;
- Care Quality Commission inspection, dated 1 November 2016;
- the Head of Internal Audit's annual opinion over the trust's control environment, covering the period 1 April 2017 to 31 March 2018; and
- any other information included in our review.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively, the 'documents'). Our responsibilities do not extend to any other information.

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts. We apply International Standard on Quality Control (UK) 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

This report, including the conclusion, has been prepared solely for the Council of Governors of North East Ambulance Service NHS Foundation Trust as a body, in reporting North East Ambulance Service NHS Foundation Trust's quality agenda, performance and activities.

We permit the disclosure of this report within the annual report for the year ended 31 March 2018, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and North East Ambulance Service NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board ('ISAE 3000').

Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators;
- making enquiries of management;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content requirements of the NHS Foundation Trust Annual Reporting Manual to the categories reported in the Quality Report; and
- reading the documents.

A limited assurance engagement is smaller in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques that can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the Quality Report in the context of the criteria set out in the NHS Foundation Trust Annual Reporting Manual and supporting guidance.

The scope of our assurance work has not included governance over quality or non-mandated indicators, which have been determined locally by North East Ambulance Service NHS Foundation Trust.

Conclusion

Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2018:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual and supporting guidance
- the Quality Report is not consistent in all material respects with the sources specified in NHS Improvement's Detailed Requirements for External Assurance on Quality Reports for Foundation Trusts 2017/18; and
- the indicators in the Quality Report subject to limited assurance have not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and supporting guidance.



Cameron Waddell

For and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Salvus House

Aykley Heads

Durham

DH1 5TS

25 May 2018

Annex 4: Abbreviations

AED	Automated External Defibrillator
AP	Advanced Practitioner
ARA	Ambulance Resource Assistant
ARP	Ambulance Response Programme
ACQIs	Ambulance Clinical Quality Indicators
AQIs	Ambulance Quality Indicators
BAME	Black, Asian & Minority Ethnic
CARe	Care and Referral
CQC	Care Quality Commission
CCG	Clinical Commissioning Group
CPR	Cardiopulmonary Resuscitation
CQUIN	The Commissioning for Quality and Innovation payments framework
DBS	The Disclosure and Barring Service
DoS	Directory of Services
ECIP	Emergency Care Improvement Programme
ECCM	Emergency Clinical Care Manager
ED	Emergency Department
EMR	Emergency Medical Responder
EOC	Emergency Operations Centre
EoLC	End of life care
ESR	Electronic Staff Record
EPRF	Electronic Patient Report Form
FOT	Forecast Outturn
FTE	Full Time Equivalent
HALO	Hospital Ambulance Liaison Officer
HENE	Health Education North East.
HSE	Health and Safety Executive
ICaT	Integrated Care and Transport
LGBT	Lesbian, Gay, Bisexual and Transgender
NCA	National Clinical Audit
NEAS	North East Ambulance Service NHS Foundation Trust
NHS	National Health Service
NRLS	National Reporting and Learning System
PALS	Patient Advice and Liaison Service
PbR	Payment by Results
PHKiT	Pre-Hospital Knowledge in Trauma
QGG	Quality Governance Group
RCA	Route Cause Analysis
SPN	Special Patient Note
UEC	Urgent & Emergency Care

Annex 5: Glossary of Terms

Term	Definition
Accessible Information Standard	The Accessible Information Standard aims to make sure that disabled people have access to information that they can understand and any communication support they might need. All organisations must follow this standard in full by 31st July 2016.
Advanced Practitioner (AP)	An Advanced Practitioner provides advanced primary care skills. May be a paramedic or a nurse with advanced skills.
Ambulance Quality Indicators	These are the Ambulance sector's national quality indicators.
Ambulance Response Programme (ARP)	NHS England is conducting a programme of work that is exploring strategies to help ambulance services reduce operational inefficiencies whilst remaining focused on the need to maintain a very rapid response to the most seriously ill patients and improve the quality of care for patients, their relatives and carers.
Care bundle	A care bundle is a group of between three and five specific procedures that staff must follow for every single patient. The procedures will have a better outcome for the patient if done together within a certain time limit, rather than separately.
Care Quality Commission (CQC)	The independent regulator of all health and social-care services in England. The commission makes sure that the care provided by hospitals, dentists, ambulances, care homes and services in people's own homes and elsewhere meets government standards of quality and safety.
Category A8	A life-threatening 999 call that must be responded to within eight minutes for 75% of these cases.
Category A19	If a category A patient needs transport, this should arrive, 95% of the time, within 19 minutes of the request for transport being made.
Category 1	For those patients that require an immediate response to a life threatening condition and where this requires resuscitation or emergency intervention from the ambulance service. This requires a 7 minute response, and 90 th percentile is measured.
Category 2	For those with symptoms linked to a serious condition, for example stroke or chest pain, that may require rapid assessment and / or urgent transport. This requires an 18 minute response, and 90 percentile is measured.
Category 3	Is for those urgent problems that require treatment and transport to an acute care provider. This requires a 2 hour response (90 th percentile)
Category 4	Is for those that are not urgent and require transportation to a hospital ward or clinic within a given time window. This requires a 3 hour response (90 th percentile)
Clinical Commissioning Groups (CCGs)	Clinical Commissioning Groups are NHS organisations set up by the Health and Social Care Act 2012 to organise the delivery of NHS services in England.
Clinical audit	A clinical audit mainly involves checking whether best practice is being followed and making improvements if there are problems with the way care is being provided. A good clinical audit will find (or confirm) problems and lead to changes that improve patient care.
Clinical effectiveness	Clinical effectiveness means understanding success rates from different treatments for different conditions. Methods of assessing this will include death or survival rates, complication rates and measures of clinical

	improvement. This will be supported by giving staff the opportunity to put forward ways of providing better and safer services for patients and their families as well as identifying best practice that can be shared and spread across the organisation. Just as important is the patient's view of how effective their care has been and we will measure this through patient reported outcomes measures (PROMs).
Commissioning for Quality and Innovation (CQUIN) payment framework	The Commissioning for Quality and Innovation payment framework means that a part of our income depends on us meeting goals for improving quality.
Contact centre	The first point of contact for 999, 111 and Patient Transport Services patients who need frontline medical care or transport.
Core services	Our core services are accident and emergency, NHS 111, Community First Responders, the patient transport service and emergency planning.
Disclosure and Barring Service	The Disclosure and Barring Service (DBS) helps employers make safer recruitment decisions and prevent unsuitable people from working with vulnerable groups, including children. It replaces the Criminal Records Bureau (CRB) and Independent Safeguarding Authority (ISA)
Directory of Services (DoS)	Once we have decided on the appropriate type of service for the patient – so that we can direct them to a service which is available to treat them – we use a system linked to a directory of services. This directory contains details of the services available, their opening times and what conditions and symptoms they can manage, within an area local to the patient.
End-of-life patients	Patients approaching the end of their life.
Enhanced Clinical Assessment and Referral (CARE)	Enhanced CARE is the name of our training provided to core paramedics to enable them to deliver a higher level of care than a traditionally trained paramedic. This includes using additional skills, patient pathways and in excess of 30 additional drugs.
Electronic Staff Record (ESR) system	Electronic staff record system used in the Trust to hold personnel related information.
Enforcement action	Action taken against us by the Care Quality Commission if we do not follow regulations or meet defined standards.
Electronic Patient Report Form (EPRF)	The Electronic Patient Report Form uses laptops to replace paper patient report forms. Ambulance staff attending calls can now download information on the way, access patients' medical histories, enter information in 'real time' and send information electronically to the accident and emergency department they are taking the patient to and to the patient's GP practice.
Foundation Trust Boards	These make sure that trusts are effective, run efficiently, manage resources well and answer to the public.
Governors	Foundation Trust members have elected a council of governors. The council is made up of 21 public governors and four staff governors, plus nine appointed governors.
Governor Task and Finish Group	A group set up to identify which priority areas and risks should be included in a specific document, such as the annual plan or quality account.
Handover and turnaround process	Handover is the point when all the patient's details have been passed, face-to-face, from the ambulance staff to staff at the hospital, the patient is moved from the ambulance trolley or chair into the treatment centre trolley or waiting area and responsibility for the patient has transferred from the ambulance service to the hospital. Turnaround is the period of time from an ambulance arriving at hospital to an ambulance leaving hospital.
Health Act 2009	An Act relating to the NHS Constitution, healthcare, controlling the promotion and sale of tobacco products, and the investigation of complaints about privately arranged or funded adult social care.
Hear and Treat	A triage system designed to assess patients over the phone and to provide

	other options in terms of care, where appropriate, for members of the public who call 999.
Health Education North East	Health Education North East supports Health Education England to ensure local workforce requirements are met and there is a competent, compassionate and caring workforce to provide excellent quality health and patient care.
Lamp (The)	This has is a bespoke Microsoft SharePoint site which has been developed for us in our Contact Centre as a communication tool, sharing information, learning and news updates.
Major trauma	Major trauma means multiple, serious injuries that could result in death or serious disability. These might include serious head injuries, severe gunshot wounds or road-traffic accidents.
Monitor	The independent regulator of NHS Foundation Trusts.
National Ambulance Quality Indicators (AQIs)	Measures of the quality of ambulance services in England, including targets for response times, rates when calls are abandoned, rates for patients contacting us again after initial care, time taken to answer calls, time to patients being treated, calls for ambulances dealt with by advice over the phone or managed without transport to A&E, and ambulance emergency journeys.
National clinical audit	National clinical audit is designed to improve the outcome for patients across a wide range of medical, surgical and mental health conditions. It involves all healthcare professionals across England and Wales in assessing their clinical practice against standards and supporting and encouraging improvement in the quality of treatment and care.
National confidential enquiries	Investigations into the quality of care received by patients to assist in maintaining and improving standards.
NHS (Quality Accounts) Regulations 2010	Set out the detail of how providers of NHS services should publish annual reports – quality accounts – on the quality of their services. In particular, they set out the information that must be included in the accounts, as well as general content, the form the account should take, when the accounts should be published, and arrangements for review and assurance. The regulations also set out exemptions for small providers and primary care and community services.
NHS Foundation Trust Annual Reporting Manual 2014/15	Sets out the guidance on the legal requirements for NHS Foundation Trusts' annual report and accounts.
Pathways	A system developed by the NHS which is used to identify the best service for a patient and how quickly the patient needs to be treated, based on their symptoms. This may mean the patient answering a few more questions than previously. All questions need to be answered as we use them to make sure patients are directed to the right service for their needs. Types of service may include an ambulance response, advice to contact the patient's own GP or an out-of-hours service, visit the local minor injury unit or walk-in centre or self-care at home.
Patient Advice and Liaison Service (PALS)	The Patient Advice and Liaison Service offers confidential advice, support and information on health-related matters. They provide a point of contact for patients, their families and their carers.
Patient experience	This includes the quality of caring. A patient's experience includes how personal care feels, and the compassion, dignity and respect with which they are treated. It can only be improved by analysing and understanding how satisfied patients are, which is assessed by patient reported experience measures (PREMS).
Patient safety	Makes sure the environment the patient is being treated in is safe and clean. This then reduces harm from things that could have been avoided, such as mistakes in giving drugs or rates of infections. Patient safety is supported by the National Patient Safety Agency's 'seven steps to patient safety'.

Quality Committee	This committee gives the Board an independent review of, and assurances about, all aspects of quality, specifically clinical effectiveness, patient experience and patient safety, and monitors whether the Board keeps to the standards of quality and safety set out in the registration requirements of the Care Quality Commission.
Quality dashboard	An easy-to-read, often single-page report showing the current status and historical trends of our quality measures of performance.
Quality Governance Group	This is a core management group which has the primary purpose of operationalising the Trust's Quality Strategy and managing all aspects of safety, excellence and experience. The QGG directs the programmes and performance of the quality working groups that report to it.
Quality Strategy	Describes the Trust's responsibilities, approach, governance and systems to enable and promote quality across the Trust whilst carrying out business and planned service improvements.
Red 1 Call	Red 1 calls are the most time critical and cover cardiac arrest patients who are not breathing and do not have a pulse, and other severe conditions such as airway obstruction.
Red 2 Call	Red 2 calls are serious but less immediately time critical and cover conditions such as stroke and fits.
Red 1 Performance	The number of Category A (Red 1) calls resulting in an emergency response arriving at the scene of the incident within 8 minutes.
Red 2 Performance	The number of Category A (Red 2) calls resulting in an emergency response arriving at the scene of the incident within 8 minutes.
Red 19 Performance	The number of Category A (Red 1) and Category A (Red 2) calls resulting in an ambulance arriving at the scene of the incident within 19 minutes.
Relevant Health Services	Services provided by the Trust – Emergency Care, Patient Transport and 111.
Research Ethics Committee	This committee helps to make sure that any risks of taking part in a research project are kept to a minimum and explained in full. Their approval is a major form of reassurance for people who are considering taking part. All research involving NHS patients has to have this approval before it can start.
SharePoint	SharePoint is a software package that can be used to create websites. This can then be used as a secure place to store, organise, share and access information.
See and Treat	A face-to-face assessment by a paramedic that results in a patient being given care somewhere other than an A&E department.
Special reviews or investigations	Special reports on how particular areas of health and social care are regulated.
Ulysses Safeguarding system	The Incident reporting system used by NEAS
Urgent and Emergency Care Vanguard	The NHS Vanguard Programme was launched in 2015 to help speed up innovation and improvement across the NHS by providing additional funding for specific projects. The North East made a successful application to become a regional vanguard site to improve Urgent and Emergency Care.

Your feedback

We welcome feedback on this report. You can provide your comments and suggestions in writing to the following email address: Email: publicrelations@neas.nhs.uk . Or visit the NHS Choices website at:

<http://www.nhs.uk/Services/Trusts/Overview/DefaultView.aspx?id=29237>

Support is available to access this 'Quality Account' in a range of other formats on request including large print, Braille, audio, and other languages.

Your feedback and further information

If you would like to know more about our Quality Report or plans, please visit our website www.neas.nhs.uk or contact:

Joanne Baxter, Director of Quality and Safety

North East Ambulance Service NHS Foundation Trust

Email: joanne.baxter@neas.nhs.uk / Tel: 0191 430 2000

Independent auditor's report to the Council of Governors of North East Ambulance Service NHS Foundation Trust

Opinion

We have audited the financial statements of North East Ambulance Service NHS Foundation Trust ('the Trust') and North East Ambulance Service NHS Foundation Trust Group ('the Group') for the year ended 31 March 2018. The financial statements comprise the Statement of Comprehensive Income (Trust and Group), the Statement of Financial Position (Trust and Group), the Statement of Changes in Taxpayers' Equity (Trust and Group), the Statement of Cash Flows (Trust and Group), and notes to the financial statements, including the summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the Government Financial Reporting Manual 2017/18 as contained in the Department of Health and Social Care Group Accounting Manual 2017/18, and the Accounts Direction issued under section 25(2) of Schedule 7 of the National Health Service Act 2006.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's and of the Group's affairs as at 31 March 2018 and of the Trust's and of the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2017/18; and
- have been properly prepared in accordance with the requirements of the National Health Service Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Use of the audit report

This report is made solely to the Council of Governors of North East Ambulance Service NHS Foundation Trust as a body in accordance with Schedule 10(4) of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust as a body for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Accounting Officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's or Group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the

efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	Our response and key observations
<p>Revenue recognition (Group and Trust)</p> <p>Auditing standards include a rebuttable presumption that there is a significant risk in relation to the timing of income recognition, and in relation to judgements made by management as to when income has been earned. The pressure to manage income to deliver forecast performance in a challenging economic environment increases the risk of fraudulent financial reporting leading to material misstatement and means that we are unable to rebut the presumption.</p>	<p>Our approach involved a range of substantive procedures including:</p> <ul style="list-style-type: none"> • testing of income around the year-end to ensure transactions were recognised in the correct financial year; • testing material year-end receivables to ensure revenue is recognised in the correct financial year; • reviewing intra-NHS reconciliations and data matches; • reviewing management oversight of material accounting estimates and changes to accounting policies; • Substantively testing material accounting estimates; and • testing of adjustment journals selected using specific risk characteristics. <p>Observations and conclusions</p> <p>Our work provided the assurance we sought in respect of this key audit matter.</p>
<p>Property Valuations (Trust)</p> <p>Land and buildings are the Trust's highest value assets. Management engage the District Valuer, as an expert, to assist in determining the fair value of property to be included in the financial statements. There is considered to be high estimation uncertainty associated with land and building valuations. Changes in the value of property may impact on the Statement of Comprehensive Income depending on the circumstances and the specific accounting requirements of the Group Accounting Manual</p>	<p>We liaised with management to update our understanding on the approach taken by the Trust in its valuation of land and buildings. We:</p> <ul style="list-style-type: none"> • reviewed the scope and terms of the engagement with District Valuer; and • sample tested how management used the District Valuer report to value land and buildings in the financial statements. <p>We wrote to District Valuer to obtain information on the methodology and their procedures to ensure objectivity and quality. We tested a sample of valuation movements to gain assurance that the accounting treatment is appropriate. We also considered evidence of regional valuation trends to challenge the valuation movement.</p> <p>Observations and conclusions</p> <p>Our work provided the assurance we sought in respect of this key audit matter.</p>
<p>Accounting for NEASUS (Group and Trust)</p> <p>NEASUS traded from the 1 March 2018. NEAS will be required to prepare group accounts which consolidate its interest in NEASUS for the first time in 2017/18. There are significant, and potentially complex, transactions and balances between group entities which create a risk of material misstatement in the Trust and Group statements.</p>	<p>Our approach involved a range of procedures including:</p> <ul style="list-style-type: none"> • reviewing the Trust's arrangements to prepare group accounts including testing the consolidation of component entities; and • tested the treatment of material assets and liabilities recognised in the Group and Trust accounts. <p>Observations and conclusions</p> <p>Our procedures identified a number of presentation and disclosure errors that have been amended by management. These related to:</p> <ul style="list-style-type: none"> • The Trust Statement of Comprehensive Income; and • Note 14 (property, plant and equipment). <p>These amendments did not impact upon Trust's or Group's financial position or performance for the year.</p> <p>We also identified, and reported, a significant control deficiency in respect of the maintenance of accounting records for the Trust and NEASUS which led to difficulties in identifying which body individual transactions related to.</p> <p>Based on the amendments made we obtained sufficient assurance in respect of this key audit matter.</p>

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements on the financial statements and our audit. Materiality is used so we can plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free from material misstatement. The level of materiality we set is based on our assessment of the magnitude of misstatements that individually or in aggregate, could reasonably be expected to have influence on the economic decisions the users of the financial statements may take based on the information included in the financial statements.

Based on our professional judgement, we determined materiality for North East Ambulance Service NHS Foundation Trust for the financial statements as a whole as follows:

Overall materiality	£1.884m Group and £1.884m for the Trust
Basis for determining materiality	1.5% of operating expenses
Rationale for benchmark applied	Operating expenses of continuing operations was chosen as the appropriate benchmark for overall materiality as this is a key measure of financial performance for users of the financial statements

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £0.057 million, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

An overview of the scope of our audit

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Accounting Officer and the overall presentation of the financial statements. The risks of material misstatement that had the greatest effect on our audit, including the allocation of our resources and effort, are discussed in the "Key audit matters" section of this report. In addition we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Code of Audit Practice

In our opinion:

- the parts of the Remuneration and Staff Report subject to audit have been properly prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2017/18; and
- the other information published together with the audited financial statements in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Annual Governance Statement	
<p>We are required to report to you if, in our opinion:</p> <ul style="list-style-type: none"> the Annual Governance Statement does not comply with the NHS Foundation Trust Annual Reporting Manual 2017/18 ; or the Annual Governance Statement is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements. 	<p>We have nothing to report in respect of these matters.</p>
Reports to the regulator and in the public interest	
<p>We are required to report to you if:</p> <ul style="list-style-type: none"> we refer a matter to the regulator under Schedule 10(6) of the National Health Service Act 2006 because we have a reason to believe that the Trust, or a director or officer of the Trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency; or we issue a report in the public interest under Schedule 10(3) of the National Health Service Act 2006. 	<p>We have nothing to report in respect of these matters.</p>
Use of resources	
<p>We are required to report to you if the Trust has not put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.</p>	<p>We have nothing to report in respect of this matter.</p>
Other information	
<p>We are required to read the other information and report to you if the other information is:</p> <ul style="list-style-type: none"> materially inconsistent with the audited financial statements or our knowledge obtained in the course of performing our audit; or otherwise appears to be materially misstated. <p>We are also required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the directors' statement that they consider the Annual Report is fair, balanced and understandable and whether the Annual Report appropriately discloses those matters that we communicated to the audit committee which we consider should have been disclosed.</p>	<p>We have not identified any such material inconsistencies or misstatements.</p>

Responsibilities of the Accounting Officer

As explained more fully in the Statement of the Chief Executive's Responsibilities as the Accounting Officer, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Accounting Officer is required to comply with the Department of Health and Social Care Group Accounting Manual and prepare the financial statements on a going concern basis, unless the Trust is informed of the intention for dissolution without transfer of services or function to another entity. The Accounting Officer is responsible for assessing each year whether or not it is appropriate for the Trust to prepare its accounts on the going concern basis and disclosing, as applicable, matters related to going concern.

The Chief Executive as Accounting Officer is also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the Trust's use of resources, to ensure proper

stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are also required under Schedule 10(1) of the National Health Service Act 2006 to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice prepared by the Comptroller and Auditor General (C&AG), having regard to the guidance on the specified criterion issued by the C&AG in November 2017, as to whether the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The C&AG determined this criterion as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2018.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary.

Certificate

We certify that we have completed the audit of the financial statements of North East Ambulance Service NHS Foundation Trust and North East Ambulance Service NHS Foundation Trust Group in accordance with the requirements of chapter 5 of part 2 of the National Health Service Act 2006 and the Code of Audit Practice.



Cameron Waddell

For and on behalf of Mazars LLP

Salvus House

Aykley Heads

Durham

DH1 5TS

25 May 2018

Foreword to the accounts

North East Ambulance Service NHS Foundation Trust

These accounts, for the year ended 31 March 2018, have been prepared by North East Ambulance Service NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

Signed 

Name Yvonne Ormston
Job title Chief Executive
Date 24th May, 2018

Statements of Comprehensive Income

		Group		Trust	
		2017/18	2016/17	2017/18	2016/17
	Note	£000	£000	£000	£000
Operating income from patient care activities	3	119,517	115,221	119,517	115,221
Other operating income	3	5,758	6,560	6,055	6,560
Operating expenses	5, 7	(125,612)	(119,562)	(125,605)	(119,562)
Operating surplus/(deficit) from continuing operations		(337)	2,219	(33)	2,219
Finance income	10	85	45	96	45
Finance expenses	11	(140)	(184)	(141)	(184)
PDC dividends payable		(959)	(962)	(959)	(962)
Net finance costs		(1,014)	(1,101)	(1,004)	(1,101)
Other gains / (losses)	12	795	55	795	55
Surplus / (deficit) for the year from continuing operations		(556)	1,173	(242)	1,173
Surplus / (deficit) for the year		(556)	1,173	(242)	1,173
Other comprehensive income					
Will not be reclassified to income and expenditure:					
Revaluations	15	1,226	296	1,226	296
Total comprehensive income for the period		670	1,469	984	1,469
Surplus/ (deficit) for the period attributable to:					
North East Ambulance Service NHS Foundation Trust		(556)	1,173		
TOTAL		(556)	1,173		
Total comprehensive income for the period attributable to:					
North East Ambulance Service NHS Foundation Trust		670	1,469		
TOTAL		670	1,469		

Statements of Financial Position

		Group		Trust	
	Note	31 March 2018 £000	31 March 2017 £000	31 March 2018 £000	31 March 2017 £000
Non-current assets					
Intangible assets	13	753	930	753	930
Property, plant and equipment	14	42,275	40,924	40,477	40,924
Loan to subsidiary	16	-	-	3,408	-
Total non-current assets		43,028	41,854	44,638	41,854
Current assets					
Inventories	17	851	965	538	965
Trade and other receivables	18	6,383	7,028	6,420	7,028
Loan to subsidiary	16	-	-	534	-
Non-current assets for sale and assets in disposal	19	73	521	73	521
Cash and cash equivalents	20	10,324	9,902	9,811	9,902
Total current assets		17,631	18,416	17,376	18,416
Current liabilities					
Trade and other payables	21	(8,013)	(7,897)	(8,800)	(7,897)
Borrowings	23	(501)	(318)	(536)	(318)
Provisions	25	(2,609)	(1,970)	(2,609)	(1,970)
Other liabilities	22	(189)	(911)	(189)	(911)
Total current liabilities		(11,312)	(11,096)	(12,134)	(11,096)
Total assets less current liabilities		49,347	49,174	49,880	49,174
Non-current liabilities					
Trade and other payables	21	(332)	(322)	(332)	(322)
Borrowings	23	(2,878)	(3,577)	(3,096)	(3,577)
Provisions	25	(2,988)	(2,881)	(2,988)	(2,881)
Total non-current liabilities		(6,198)	(6,780)	(6,416)	(6,780)
Total assets employed		43,149	42,394	43,464	42,394
Financed by					
Public dividend capital		34,702	34,617	34,702	34,617
Revaluation reserve		6,021	5,183	6,021	5,183
Income and expenditure reserve		2,426	2,594	2,741	2,594
Total taxpayers' equity		43,149	42,394	43,464	42,394

The notes on pages 192 to 220 form part of these accounts.

Y. A. Ormston

Yvonne Ormston
Chief Executive
24th May, 2018

Statements of Changes in Equity for the year ended 31 March 2018

Group	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2017 - brought forward	34,617	5,183	2,594	42,394
Surplus/(deficit) for the year	-	-	(556)	(556)
Revaluations	-	1,226	-	1,226
Transfer to retained earnings on disposal of assets	-	(76)	76	-
Public dividend capital received	85	-	-	85
Other reserve movements	-	(312)	312	-
Taxpayers' and others' equity at 31 March 2018	34,702	6,021	2,426	43,149

Trust	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2017 - brought forward	34,617	5,183	2,594	42,394
Surplus/(deficit) for the year	-	-	(241)	(241)
Revaluations	-	1,226	-	1,226
Transfer to retained earnings on disposal of assets	-	(76)	76	-
Public dividend capital repaid	85	-	-	85
Other reserve movements	-	(312)	312	-
Taxpayers' and others' equity at 31 March 2018	34,702	6,021	2,741	43,464

Statements of Changes in Equity for the year ended 31 March 2017

Group and Trust	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2016 - brought forward	34,617	5,217	1,091	40,925
Surplus/(deficit) for the year	-	-	1,173	1,173
Revaluations	-	296	-	296
Transfer to retained earnings on disposal of assets	-	(72)	72	-
Other reserve movements	-	(258)	258	-
Taxpayers' and others' equity at 31 March 2017	34,617	5,183	2,594	42,394

Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the trust, is payable to the Department of Health as the public dividend capital dividend.

Revaluation Reserve

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential

Income and expenditure reserve

The balance of this reserve is the accumulated surpluses and deficits of the trust.

Statements of Cash Flows

	Note	Group		Trust	
		2017/18 £000	2016/17 £000	2017/18 £000	2016/17 £000
Cash flows from operating activities					
Operating surplus / (deficit)		(337)	2,219	(33)	2,219
Non-cash income and expense:					
Depreciation and amortisation	5	5,732	5,903	5,723	5,903
Net impairments	6	916	443	916	443
(Increase)/decrease in receivables and other assets		674	(3,862)	147	(3,862)
(Increase)/decrease in inventories		114	(264)	106	(264)
Increase/(decrease) in payables and other liabilities		(881)	364	(391)	364
Increase/(decrease) in provisions		738	1,068	738	1,068
Other movements in operating cash flows		-	-	(163)	-
Net cash flows from / (used in) operating activities		6,956	5,871	7,043	5,871
Cash flows from investing activities					
Interest received		85	45	85	45
Purchase of intangible assets		(80)	(910)	(80)	(910)
Purchase of PPE and investment property		(6,336)	(5,485)	(6,336)	(5,485)
Sales of PPE and investment property		1,370	114	1,370	114
Net cash flows from / (used in) investing activities		(4,961)	(6,236)	(4,961)	(6,236)
Cash flows from financing activities					
Public dividend capital received		85	-	85	-
Loan drawdown by subsidiary		-	-	(600)	-
Capital element of finance lease rental payments		(517)	(496)	(517)	(496)
Interest paid on finance lease liabilities		(153)	(157)	(153)	(157)
PDC dividend (paid) / refunded		(988)	(1,016)	(988)	(1,016)
Net cash flows from / (used in) financing activities		(1,573)	(1,669)	(2,173)	(1,669)
Increase / (decrease) in cash and cash equivalents		422	(2,034)	(91)	(2,034)
Cash and cash equivalents at 1 April - b/f		9,902	11,936	9,902	11,936
Prior period adjustments		-	-	-	-
Cash and cash equivalents at 1 April - restated		9,902	11,936	9,902	11,936
Cash and cash equivalents at 31 March	20	10,324	9,902	9,811	9,902

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2017/18 issued by the Department of Health. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to accounts.

Note 1.1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

Note 1.1.2 Going concern

These accounts have been prepared on a going concern basis following a financial assessment by the Trust's management team. The assessment was based on a previous surplus position and an organisation with sufficient cash resources to meet future liabilities as they fall due during the next year. The Trust's Board of Directors has not applied to the Secretary of State for the dissolution of the Trust without the transfer of services to another entity.

Note 1.2 Critical judgements in applying accounting policies

The main judgements, apart from those involving estimations (see 1.2.1), that management has made in the process of applying the trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

- VAT is recoverable on the purchase of vehicles that were not brought into use by the Trust and subsequently sold to the subsidiary company, NEASUS.
- On set up of the subsidiary company, assets were transferred at a value above net book value. This will be adjusted when there is a requirement for the next loan drawdown from the Trust to offset this difference. The value of this transaction will be £302k

Note 1.2.1 Sources of Estimation and Uncertainty

The key sources of estimation relate to the values recorded as provisions and the revaluation of the Trust's assets. Further information on these values are included within the relevant notes to the accounts.

Note 1.3 Consolidation

Other subsidiaries

North East Ambulance Service Unified Solutions is a wholly owned subsidiary of the Foundation trust. Subsidiary entities are those over which the trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines. The capital and reserves attributable to minority interests are included as a separate item in the Statement of Financial Position.

Where subsidiaries' accounting policies are not aligned with those of the trust (including where they report under UK FRS 102) then amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains/losses are eliminated in full on consolidation.

Note 1.4 Income

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the trust is contracts with commissioners in respect of health care services. At the year end, the trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete.

Where income is received for a specific activity which is to be delivered in a subsequent financial year, that income is deferred.

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

Note 1.5 Expenditure on employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. The scheme are not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. There, the schemes are accounted for as though they are defined contribution schemes.

Employer's pension cost contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

Note 1.6 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

Note 1.7 Property, plant and equipment

Note 1.7.1 Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably
- the item has cost of at least £5,000, or
- collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, eg, plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

Valuation

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

All assets are measured subsequently at fair value.

Land and buildings used for the Trust's services or for administrative purposes are stated in the Statement of Financial Position at their revalued amounts, being the fair value at the date of revaluation less any impairment, subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost
- Finance Leases – Leasehold Interest Valuation method

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'held for sale' ceases to be depreciated upon the reclassification. Assets in the course of construction are not depreciated until the asset is brought into use.

Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains. Further details are disclosed within note 6.

De-recognition

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale must be highly probable ie:

- management are committed to a plan to sell the asset
- an active programme has begun to find a buyer and complete the sale
- the asset is being actively marketed at a reasonable price
- the sale is expected to be completed within 12 months of the date of classification as 'held for sale' and
- the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated Assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

Useful economic Lives of Property, Plant and Equipment

Useful economic lives reflect the total life of an asset and not the remaining life of an asset. The range of useful economic lives are shown in the table below:

	Min life Years	Max life Years
Land	1	104
Buildings, excluding dwellings	1	104
Plant & machinery	5	15
Transport equipment	4	10
Information technology	5	5
Furniture & fittings	5	15

Finance-leased assets (including land) are depreciated over the shorter of the useful economic life or the lease term, unless the trust expects to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets above.

Note 1.8 Intangible assets**Note 1.8.1 Recognition**

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the trust and where the cost of the asset can be measured reliably.

Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use
- the trust intends to complete the asset and sell or use it
- the trust has the ability to sell or use the asset
- how the intangible asset will generate probable future economic or service delivery benefits, eg, the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the trust to complete the development and sell or use the asset and
- the trust can measure reliably the expenses attributable to the asset during development.

Software

Software which is integral to the operation of hardware, eg an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, eg application software, is capitalised as an intangible asset.

Note 1.8.2 Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 of IFRS 5.

Intangible assets held for sale are measured at the lower of their carrying amount or "fair value less costs to sell".

Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

Note 1.8.3 Useful economic life of intangible assets

Useful economic lives reflect the total life of an asset and not the remaining life of an asset. The range of useful economic lives are shown in the table below:

	Min life Years	Max life Years
Software licences	1	5
Licences & trademarks	1	5

Note 1.9 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the first in, first out (FIFO) method.

Note 1.10 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of [the entity]'s cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.11 Financial instruments and financial liabilities**Recognition**

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described below.

All other financial assets and financial liabilities are recognised when the trust becomes a party to the contractual provisions of the instrument.

De-recognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Classification and measurement

Financial assets are categorised as fair value through income and expenditure, loans and receivables or "available-for-sale financial assets".

Financial liabilities are classified as "fair value through income and expenditure" or as "other financial liabilities".

Financial assets and financial liabilities at "fair value through income and expenditure"

Financial assets and financial liabilities at "fair value through income and expenditure" are financial assets or financial liabilities held for trading. A financial asset or financial liability is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Derivatives which are embedded in other contracts but which are not "closely-related" to those contracts are separated-out from those contracts and measured in this category. Assets and liabilities in this category are classified as current assets and current liabilities.

These financial assets and financial liabilities are recognised initially at fair value, with transaction costs expensed in the income and expenditure account. Subsequent movements in the fair value are recognised as gains or losses in the Statement of Comprehensive Income.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market.

The trust's loans and receivables comprise: cash and cash equivalents, NHS receivables, accrued income and "other receivables".

Loans and receivables are recognised initially at fair value, net of transactions costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

Other financial liabilities

All other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to finance costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

Impairment of financial assets

At the Statement of Financial Position date, the trust assesses whether any financial assets, other than those held at "fair value through income and expenditure" are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced through the use of a bad debt provision.

Note 1.12 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

Note 1.12.1 The trust as lessee

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for an item of property plant and equipment.

The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability, is de-recognised when the liability is discharged, cancelled or expires.

Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

Note 1.12.2 The trust as lessor

Finance leases

Amounts due from lessees under finance leases are recorded as receivables at the amount of the trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the trust's net investment outstanding in respect of the leases.

Operating leases

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Note 1.13 Provisions

The trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury.

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the trust is disclosed at note 25.3 but is not recognised in the trust's accounts.

Non-clinical risk pooling

The trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any "excesses" payable in respect of particular claims are charged to operating expenses when the liability arises.

Note 1.14 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 26, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

Note 1.15 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for

- (i) donated assets (including lottery funded assets),
- (ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility,
- (iii) any PDC dividend balance receivable or payable, and
- (iv) Opening and closing accrued income for Sustainability and Transformation Incentive Funding (STF)

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

Note 1.16 Value added tax

Most of the activities of the trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

Note 1.17 Corporation tax

The Trust has determined that the wholly owned subsidiary did not generate any Corporation tax liabilities.

Note 1.17 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's *FReM*.

Note 1.18 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the trust not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

However the losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

Note 1.19 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2017/18.

Note 1.20 Standards, amendments and interpretations in issue but not yet effective or adopted

The following two standards are not yet effective but no material impact to the accounts is expected

IFRS 15 - Revenue from Contracts with Customers

IFRS 9 - Financial Instruments

Note 2 Operating Segments

NEAS has not identified any operating segments as all services relate to the delivery of healthcare. In addition, segmental reporting is not currently provided to the chief operating decision maker, the Trust Board.

Statutory reporting of the Trust's financial position is provided to NHS Improvement monthly and the Board and Finance Committee receive information consistent to evaluate our current financial performance against the measure within these returns.

The key measures within the NHS Improvement returns look at the in year financial performance against plan and also the ability to service debts as well as the Trust's liquidity. There is also a measure of spend on agency staff.

After combining these measures the Trust has achieved the highest rating for a Foundation Trust in 2017-18.

Note 3 Operating income from patient care activities

Note 3.1 Income from patient care activities (by nature)	2017/18	2016/17
	£000	£000
A & E income	75,671	76,261
Patient transport services income	24,314	22,947
Other income	19,532	16,013
Total income from activities	119,517	115,221

Note 3.2 Income from patient care activities (by source)

	2017/18	2016/17
Income from patient care activities received from:	£000	£000
NHS England	635	238
Clinical commissioning groups	116,251	112,945
Department of Health and Social Care	-	1
Other NHS providers	1,751	1,056
NHS other	5	28
Local authorities	88	182
NHS injury scheme	322	357
Non NHS: other	465	414
Total income from activities	119,517	115,221

All income relates to continuing operations

As income for the Trust does not materially differ from those of the group then the information has not been included in the above table

Note 4 Other operating income	2017/18	2016/17
	£000	£000
Research and development	231	268
Education and training	1,547	1,644
Non-patient care services to other bodies	765	678
Sustainability and transformation fund income	2,350	3,652
Rental revenue from operating leases	88	81
Other income	777	237
Total other operating income	5,758	6,560

All income related to continuing operations

Note 4.1 Income from activities arising from commissioner requested services

Commissioner requested services are defined in the provider license and are services that Commissioners believe would need to be protected in the event of provider failure.

With A&E income classified as a Commissioner Requested Service this gives a total of £75.7m in 2017/18 and £76.3m in 2016/17). All other income is non-Commissioner Requested Services.

Note 5.1 Operating expenses

	2017/18	2016/17
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	-	7
Purchase of healthcare from non-NHS and non-DHSC bodies	5,721	5,568
Staff and executive directors costs	87,786	84,168
Remuneration of non-executive directors	135	145
Supplies and services - clinical (excluding drugs costs)	1,471	1,566
Supplies and services - general	1,439	1,927
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	354	306
Consultancy costs	165	24
Establishment	4,418	3,566
Premises	1,602	1,914
Transport (including patient travel)	9,381	9,097
Depreciation on property, plant and equipment	5,468	5,674
Amortisation on intangible assets	264	229
Net impairments	916	443
Increase/(decrease) in provision for impairment of receivables	(105)	154
Change in provisions discount rate(s)	40	287
Audit fees payable to the external auditor		
audit services- statutory audit	42	42
other auditor remuneration (external auditor only)	7	7
Internal audit costs	82	82
Clinical negligence	605	563
Legal fees	368	30
Insurance	59	57
Research and development	198	220
Education and training	2,552	1,070
Rentals under operating leases	721	769
Early retirements	58	23
Redundancy	889	736
Car parking & security	-	4
Hospitality	9	7
Losses, ex gratia & special payments	629	279
Other services, eg external payroll	338	586
Other	-	12
Total	125,612	119,562

As expenditure for the Trust does not materially differ from those of the group then the information has not been included in the above table. The main movements would be £239k increase in transport costs and a £237k reduction in staff costs.

All expenditure related to continuing operations

Note 5.2 Other auditor remuneration

Other auditor remuneration payments made to the external auditor in 2017/18 £7K (2016/17 £7K) were in regard to the audit of the Quality Report.

Note 5.3 Limitation on auditor's liability

There is no limitation on auditor's liability for external audit work carried out for the financial years 2017/18 or 2016/17.

Note 6 Impairment of assets

	2017/18	2016/17
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Over specification of assets	-	88
Changes in market price	916	355
Total net impairments charged to operating surplus / deficit	916	443
Impairments charged to the revaluation reserve	-	-
Total net impairments	916	443

The impairment above is made up of the following
A Building Impairment £359k.
Building Revaluation Impairment £882k.
Finance Lease Revaluation Impairment £1k.
Building Revaluation Impairment Reversal -£307k.
Finance Lease Revaluation Impairment Reversal -£19k
Giving a total net Impairment of £916k

Note 7 Employee benefits

	2017/18	2016/17
	Total	Total
	£000	£000
Salaries and wages	73,337	69,806
Social security costs	6,922	6,455
Apprenticeship levy	344	-
Employer's contributions to NHS pensions	8,630	8,032
Termination benefits	889	859
Temporary staff (including agency)	120	79
Total gross staff costs	90,242	85,231
Recoveries in respect of seconded staff	(237)	(134)
Total staff costs	90,005	85,097
Of which		
Costs capitalised as part of assets	52	-

Note 7.1 Retirements due to ill-health

During 2017/18 there were two early retirements from the trust agreed on the grounds of ill-health at a cost of £174K and non in 2016/17.

The cost of ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

Note 8 Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2018, is based on valuation data as 31 March 2017, updated to 31 March 2018 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and employee and employer representatives as deemed appropriate.

(c) The National Employment Savings Scheme (NEST)

This is a defined contribution pension scheme that was created as part of the government's workplace pensions reforms under the Pensions Act 2008. From 1st August 2013 this scheme was introduced in the foundation trust with those employees that qualified under the scheme auto-enrolled onto the NEST pension scheme. Employees are able to opt out of the scheme after auto-enrolment has taken place. There is also employee to take a break from their contributions if required.

Note 9 Operating leases**Note 9.1 North East Ambulance Service NHS Foundation Trust as a lessor**

This note discloses income generated in operating lease agreements where North East Ambulance Service NHS Foundation Trust is the lessor.

Revenue is received from customers who share the use of the Trust's radio mast sites.

	2017/18 £000	2016/17 £000
Operating lease revenue		
Minimum lease receipts	88	81
Total	88	81

The Trust has an additional operating lease arrangement with its subsidiary to provide accommodation to deliver its fleet services. This is not recognised in the group figure above, but is agreed at £11k per month. This lease is for 5 years

	31 March 2018 £000	31 March 2017 £000
Future minimum lease receipts due:		
- not later than one year;	85	82
- later than one year and not later than five years;	341	312
- later than five years.	6	11
Total	432	405

Note 9.2 North East Ambulance Service NHS Foundation Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where North East Ambulance Service NHS Foundation Trust is the lessee.

North East Ambulance Service NHS Foundation Trust has 3 main operating lease liabilities, namely Land, Buildings and Vehicles. Land & Buildings include Ambulance stations and office buildings. Vehicle leasing excludes Emergency Care vehicles which are purchased outright.

The future lease payments for land relate to the seven Finance Leases which are disclosed in Note 24.

Contingent rent relates to Land & Buildings only and reflects increases in rent that were unknown at the inception of the lease, it also includes finance lease rental increases.

There were no sub-lets of lease arrangements in 2017-18 or 2016-17

	2017/18 £000	2016/17 £000
Operating lease expense		
Minimum lease payments	669	717
Contingent rents	52	52
Total	721	769

	31 March 2018 £000	31 March 2017 £000
Future minimum lease payments due:		
- not later than one year;	678	706
- later than one year and not later than five years;	902	897
- later than five years.	569	683
Total	2,149	2,286

Note 10 Finance income

Finance income represents interest received on assets and investments in the period.

	2017/18	2016/17
	£000	£000
Interest on bank accounts	85	45
Total	85	45

Note 11.1 Finance expenditure

Finance expenditure represents interest and other charges involved in the borrowing of money.

	2017/18	2016/17
	£000	£000
Interest expense:		
Finance leases	132	143
Total interest expense	132	143
Unwinding of discount on provisions	8	41
Total finance costs	140	184

Note 11.2 The late payment of commercial debts (interest) Act 1998

No payments were made in 2017/18 or 2016/17 for late payment of commercial debt

Note 12 Gains/losses on disposal/derecognition of non-current assets

	2017/18	2016/17
	£000	£000
Gains on disposal of assets	795	55
Total gains on disposal of assets	795	55

During the year a significant asset, which was held for sale as at 31 Mar 2017, was disposed of, this realised sale proceeds of £1,150k and contributes the majority of the profit on disposal recognised in the year.

Note 13.1 Intangible assets for Group and Trust - 2017/18

	Software licences £000
Valuation / gross cost at 1 April 2017 - brought forward	1,596
Additions	87
Valuation / gross cost at 31 March 2018	1,683
Amortisation at 1 April 2017 - brought forward	666
Provided during the year	264
Amortisation at 31 March 2018	930
Net book value at 31 March 2018	753
Net book value at 1 April 2017	930

Note 13.2 Intangible assets for Group and Trust - 2016/17

	Software licences £000
Valuation / gross cost at 1 April 2016 - as previously stated	697
Valuation / gross cost at 1 April 2016 - restated	697
Transfers by absorption	-
Additions	910
Disposals / derecognition	(11)
Valuation / gross cost at 31 March 2017	1,596
Amortisation at 1 April 2016	448
Provided during the year	229
Disposals / derecognition	(11)
Amortisation at 31 March 2017	666
Net book value at 31 March 2017	930
Net book value at 1 April 2016	249

Note 14.1 Property, plant and equipment - 2017/18

Group	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Total £000
Valuation/gross cost at 1 April 2017 - brought forward	3,141	18,177	1,595	9,652	31,298	7,322	71,185
Additions	-	1,348	4,031	934	-	323	6,636
Impairments	-	(378)	-	-	-	-	(378)
Revaluations	2	48	-	-	-	-	50
Reclassifications	-	26	(3,692)	-	3,452	214	-
Transfers to/ from assets held for sale	(39)	(53)	-	-	-	-	(92)
Disposals / derecognition	-	-	-	(901)	(2,139)	(362)	(3,402)
Valuation/gross cost at 31 March 2018	3,104	19,168	1,934	9,685	32,611	7,497	73,999
Accumulated depreciation at 1 April 2017 - brought forward	-	1,616	-	5,193	17,874	5,578	30,261
Provided during the year	-	892	-	867	3,071	638	5,468
Impairments	-	864	-	-	-	-	864
Reversals of impairments	-	(326)	-	-	-	-	(326)
Revaluations	-	(1,176)	-	-	-	-	(1,176)
Transfers to / from assets held for sale	-	(1)	-	-	-	-	(1)
Disposals / derecognition	-	-	-	(901)	(2,103)	(362)	(3,366)
Accumulated depreciation at 31 March 2018	-	1,869	-	5,159	18,842	5,854	31,724
Net book value at 31 March 2018	3,104	17,299	1,934	4,526	13,769	1,643	42,275
Net book value at 1 April 2017	3,141	16,561	1,595	4,459	13,424	1,744	40,924

Note 14.2 Property, plant and equipment for Group and Trust- 2016/17

	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Total £000
Valuation / gross cost at 1 April 2016	3,161	18,284	1,898	8,644	30,227	6,490	68,704
Transfers by absorption	-	-	-	-	-	-	-
Additions	-	-	4,653	3,038	-	-	7,691
Revaluations	-	(798)	-	-	-	-	(798)
Reclassifications	-	720	(4,956)	-	3,348	888	-
Transfers to / from assets held for sale	(20)	(29)	-	-	-	-	(49)
Disposals / derecognition	-	-	-	(2,030)	(2,277)	(56)	(4,363)
Valuation/gross cost at 31 March 2017	3,141	18,177	1,595	9,652	31,298	7,322	71,185
Accumulated depreciation at 1 April 2016	-	1,352	-	6,375	16,866	4,950	29,543
Transfers by absorption	-	-	-	-	-	-	-
Provided during the year	-	916	-	820	3,266	672	5,674
Impairments	-	561	-	-	-	-	561
Reversals of impairments	-	(118)	-	-	-	-	(118)
Revaluations	-	(1,094)	-	-	-	-	(1,094)
Transfers to/ from assets held for sale	-	(1)	-	-	-	-	(1)
Disposals/ derecognition	-	-	-	(2,002)	(2,258)	(44)	(4,304)
Accumulated depreciation at 31 March 2017	-	1,616	-	5,193	17,874	5,578	30,261
Net book value at 31 March 2017	3,141	16,561	1,595	4,459	13,424	1,744	40,924

Note 14.3 Property, plant and equipment financing - 2017/18

Group	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Total
	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2018							
Owned - purchased	3,104	16,051	1,934	2,516	13,769	1,643	39,017
Finance leased	-	1,248	-	2,010	-	-	3,258
NBV total at 31 March 2018	3,104	17,299	1,934	4,526	13,769	1,643	42,275

Note 14.4 Property, plant and equipment financing for Group and Trust- 2016/17

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Total
	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2017							
Owned - purchased	3,141	15,338	1,595	2,066	13,424	1,744	37,308
Finance leased	-	1,223	-	2,393	-	-	3,616
NBV total at 31 March 2017	3,141	16,561	1,595	4,459	13,424	1,744	40,924

Note 14.5 Property, plant and equipment - 2017/18

Trust	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Total £000
Valuation/gross cost at 1 April 2017 - brought forward	3,141	18,177	1,595	9,652	31,298	7,322	71,185
Additions	-	1,348	4,027	934	254	323	6,886
Impairments	-	(378)	-	-	-	-	(378)
Revaluations	2	48	-	-	-	-	50
Reclassifications	-	26	(3,438)	-	3,198	214	-
Transfers to/ from assets held for sale	(39)	(53)	-	-	-	-	(92)
Disposals / derecognition	-	-	(1,807)	(1,528)	(2,194)	(362)	(5,891)
Valuation/gross cost at 31 March 2018	3,104	19,168	377	9,058	32,556	7,497	71,760
Accumulated depreciation at 1 April 2017 - brought forward	-	1,616	-	5,193	17,874	5,578	30,261
Provided during the year	-	892	-	858	3,071	638	5,459
Impairments	-	864	-	-	-	-	864
Reversals of impairments	-	(326)	-	-	-	-	(326)
Revaluations	-	(1,176)	-	-	-	-	(1,176)
Reclassifications	-	-	-	-	-	-	-
Transfers to / from assets held for sale	-	(1)	-	-	-	-	(1)
Disposals / derecognition	-	-	-	(1,279)	(2,158)	(362)	(3,799)
Accumulated depreciation at 31 March 2018	-	1,869	-	4,772	18,787	5,854	31,282
Net book value at 31 March 2018	3,104	17,299	377	4,286	13,769	1,643	40,478
Net book value at 1 April 2017	3,141	16,561	1,595	4,459	13,424	1,744	40,924

Note 14.6 Property, plant and equipment financing - 2017/18

Trust	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Total £000
Net book value at 31 March 2018							
Owned - purchased	3,104	16,051	377	2,276	13,515	1,643	36,966
Finance leased	-	1,248	-	2,010	254	-	3,512
NBV total at 31 March 2018	3,104	17,299	377	4,286	13,769	1,643	40,478

Note 15 Revaluations of property, plant and equipment

Property assets including Land and Buildings were revalued as at 31 March 2018. The Valuation Office Agency (VOA) was commissioned to undertake a full desk top property valuation with an effective date of 31 March 2018 for the Trust's owned property assets (as they were also valued by the VOA in March 2017).

These valuations are based upon fair values applying Depreciated Replacement Cost (DRC) for Specialised Assets and Existing Use Values (EUV) for Non-Specialised Assets. Finance lease assets were valued on a Leasehold Interest Valuation method as at 31 March 2018. The revaluation undertaken by the VOA includes two leased properties with no designated end dates (namely Lanchester Road & TVJI) as in previous years.

No compensation has been received from third parties for assets impaired, lost or given up, that is included in the trust's surplus/deficit.

As a result of this revaluation exercise there was an upward revaluation of £1,226k which is included in the revaluation reserve balance as at 31 March 2018.

Note 16 Investments in Subsidiary Undertakings

	2018	2017
	£	£
Shares in Subsidiary Undertakings	100	-
Loans to Subsidiary Undertakings	3,941,291	-
	3,941,391	-

The shares in the subsidiary company North East Ambulance Service Unified Solutions Limited comprises a 100% holding in the share capital consisting of 100 ordinary £1 shares.

The principal activity of North East Ambulance Service Unified Solutions Limited is to provide fleet repairs and maintenance services.

The loan relates to the transfer of assets to the subsidiary and also for initial liquidity purposes and is for a term of 8 years. This is split between current £534k and non-current £3,408k.

Note 17 Inventories

	Group		Trust	
	31 March 2018 £000	31 March 2017 £000	31 March 2018 £000	31 March 2017 £000
Consumables	693	829	380	829
Energy	158	136	158	136
Total inventories	851	965	538	965

Inventories recognised in expenses for the year were £4,097k (2016/17: £3,870k). Write-down of inventories recognised as expenses for the year were £0k (2016/17: £0k).

Note 18 Trade receivables and other receivables

	Group		Trust	
	2018 £000	2017 £000	2018 £000	2017 £000
Current				
Trade receivables	3,041	2,368	3,510	2,368
Accrued income	1,395	2,627	1,395	2,627
Provision for impaired receivables	(126)	(271)	(126)	(271)
Prepayments	1,259	1,537	1,205	1,537
Interest receivable	-	-	11	-
PDC dividend receivable	41	12	41	12
VAT receivable	568	133	179	133
Other receivables	205	622	205	622
Total current trade and other receivables	6,383	7,028	6,420	7,028

Note 18.1 Provision for impairment of receivables

	Group		Trust	
	2017/18	2016/17	2017/18	2016/17
	£000	£000	£000	£000
At 1 April as previously stated	271	117	271	117
Increase in provision	40	188	40	188
Amounts utilised	(40)	-	(40)	-
Unused amounts reversed	(145)	(34)	(145)	(34)
At 31 March	126	271	126	271

Note 18.2 Credit quality of financial assets

	Group		Trust	
	31 March	31 March	31 March	31 March
	2018	2017	2018	2017
Group	Trade and other receivables	Trade and other receivables	Trade and other receivables	Trade and other receivables
	£000	£000	£000	£000
Ageing of impaired financial assets				
0 - 30 days	6	1	6	1
30-60 Days	-	-	-	-
60-90 days	-	-	-	-
90- 180 days	13	2	13	2
Over 180 days	107	268	107	268
Total	126	271	126	271

Ageing of non-impaired financial assets past their due date

0 - 30 days	61	35	61	35
30-60 Days	135	227	135	227
60-90 days	51	53	51	53
90- 180 days	48	8	48	8
Over 180 days	198	710	198	710
Total	493	1,033	493	1,033

Note 19 Non-current assets held for sale and assets in disposal groups

	Group		Trust	
	2017/18	2016/17	2017/18	2016/17
	£000	£000	£000	£000
NBV of non-current assets for sale and assets in disposal groups at 1 April	521	473	521	473
Assets classified as available for sale in the year	91	48	91	48
Assets sold in year	(539)	-	(539)	-
NBV of non-current assets for sale and assets in disposal groups at 31 March	73	521	73	521

Building assets have been sold in the year at 3 sites which were surplus to requirements. There is 1 site remaining as at 31st March 2018.

Note 20 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	Group		Trust	
	2017/18	2016/17	2017/18	2016/17
	£000	£000	£000	£000
At 1 April	9,902	11,936	9,902	11,936
At start of period for new FTs	-	-	-	-
Transfers by absorption	-	-	-	-
Net change in year	422	(2,034)	(91)	(2,034)
At 31 March	10,324	9,902	9,811	9,902
Broken down into:				
Cash at commercial banks and in hand	1	1	1	1
Cash with the Government Banking Service	10,323	9,901	9,810	9,901
Total cash and cash equivalents as in SoFP	10,324	9,902	9,811	9,902
Total cash and cash equivalents as in SoCF	10,324	9,902	9,811	9,902

Note 21 Trade and other payables

	Group		Trust	
	31 March	31 March	31 March	31 March
	2018	2017	2018	2017
	£000	£000	£000	£000
Current				
Trade payables	1,378	2,366	2,165	2,366
Capital payables	419	133	419	133
Accruals	4,347	3,677	4,347	3,677
Social security costs	1,057	980	1,057	980
Other taxes payable	772	683	772	683
Other payables	40	58	40	58
Total current trade and other payables	8,013	7,897	8,800	7,897
Non-current				
Capital payables	332	322	332	322
Total non-current trade and other payables	332	322	332	322

Note 22 Other liabilities

	Group		Trust	
	2018	2017	2018	2017
	£000	£000	£000	£000
Current				
Deferred income	189	415	189	415
Deferred grants	-	496	-	496
Total other current liabilities	189	911	189	911

Note 23 Borrowings

	Group		Trust	
	2018	2017	2018	2017
	£000	£000	£000	£000
Current				
Obligations under finance leases	501	318	536	318
Total current borrowings	501	318	536	318
Non-current				
Obligations under finance leases	2,878	3,577	3,096	3,577
Total non-current borrowings	2,878	3,577	3,096	3,577

Details of the nature of the finance leases are disclosed in Note 24

Note 24 Finance leases**Foundation Trust as a lessee**

Obligations under finance leases where the trust is the lessee.

The rental for the land element of the Trust's 7 building finance leases are included within the operating lease note 9.1 as well as contingent rent which reflects increases in rent that were unknown at the inception of the lease.

The net lease liabilities are the future capital repayments due excluding the interest payable

The net lease liability values for the Group are split between Buildings £1.419m and Medical Equipment £1.960m

	Group		Trust	
	31 March	31 March	31 March	31 March
	2018	2017	2018	2017
	£000	£000	£000	£000
Gross lease liabilities	3,956	4,612	4,246	4,612
of which liabilities are due:				
- not later than one year;	610	414	655	414
- later than one year and not later than five years;	2,443	2,517	2,609	2,517
- later than five years.	903	1,681	982	1,681
Finance charges allocated to future periods	(577)	(717)	(614)	(717)
Net lease liabilities	3,379	3,895	3,632	3,895
of which payable:				
- not later than one year;	501	318	536	318
- later than one year and not later than five years;	2,133	1,999	2,275	1,999
- later than five years.	745	1,578	821	1,578

The Trust has recognised new leased vehicles in the period which have come from NEASUS on 1st March 2018 at a value of £254k

Note 25.1 Provisions for liabilities and charges analysis

Group and Trust	Pensions - early departure costs	Legal claims	Re- structuring	Redundancy	Other	Total
	£000	£000	£000	£000	£000	£000
At 1 April 2017	771	173	141	736	3,030	4,851
Change in the discount rate	6	-	-	-	34	40
Arising during the year	58	160	-	720	1,041	1,979
Utilised during the year	(85)	(67)	(55)	(476)	(142)	(825)
Reversed unused	-	(69)	(86)	-	(301)	(456)
Unwinding of discount	2	-	-	-	6	8
At 31 March 2018	752	197	-	980	3,668	5,597
Expected timing of cash flows:						
- not later than one year;	84	197	-	980	1,348	2,609
- later than one year and not later than five years;	325	-	-	-	563	888
- later than five years.	343	-	-	-	1,757	2,100
Total	752	197	-	980	3,668	5,597

Legal claims are those recorded through the NHS Resolution for Employer's liability claims.

The 'other' class of provisions includes Injury Benefit provisions to ex-employees, Banked/Frozen Leave, security costs, coroner costs.

The pensions - early departures and injury benefits provision balances are calculated by using an estimate of life expectancy based on the Office of National Statistics Life Tables. The future payments for early retirements and injury benefits are also discounted to take into account the time value of money using HM Treasury's recommended discount rate. This was amended from 0.24% to 0.10% during the year.

Note 25.2 Clinical negligence liabilities

At 31 March 2018, £700k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of North East Ambulance Service NHS Foundation Trust (31 March 2017: £225k).

Note 26 Contingent assets and liabilities

	Group		Trust	
	31 March 2018 £000	31 March 2017 £000	31 March 2018 £000	31 March 2017 £000
Value of contingent liabilities				
NHS Resolution legal claims	(116)	(116)	(116)	(116)
Gross value of contingent liabilities	(116)	(116)	(116)	(116)
Amounts recoverable against liabilities	-	-	-	-
Net value of contingent liabilities	(116)	(116)	(116)	(116)

Each employers liability claim is given a probability of the claim being successful, the remaining percentage is multiplied by the total liability to give the contingent element. The Foundation Trust's maximum exposure per claim is limited to a £10k excess, the remainder is the liability of NHS Resolution. The 'legal claims' total of £197k given in Note 25.1. is the corresponding provision element of these same claims. The Foundation Trust is likely to settle these liabilities within 12 months.

Contingent assets for 2017/18 are £nil (2016/17 £nil)

Note 27 Contractual capital commitments

	Group		Trust	
	31 March 2018 £000	31 March 2017 £000	31 March 2018 £000	31 March 2017 £000
Property, plant and equipment	899	3,866	645	3,866
Total	899	3,866	645	3,866

Note 28 Financial instruments

Note 28.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the year in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the Trust has with Clinical Commissioning Groups (CCG's) and the way those CCG's are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the Board of Directors. Trust treasury activity is subject to review by the Trust's internal auditors.

Currency risk

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

Interest rate risk

The Trust borrows from government for capital expenditure. The borrowings are for 1 – 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. The Trust therefore has low exposure to interest rate fluctuations.

Credit risk

Because the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2018 are in receivables from customers, as disclosed in the trade and other receivables note. The increase in the provision for the impairment of receivables is documented in Note 18.2.

Liquidity risk

The Trust's operating costs are incurred under contracts with CCG's, which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure from funds obtained within its prudential borrowing limit. The Trust is not, therefore, exposed to significant liquidity risks.

Note 28.2 Financial assets

Group	Group		Trust	
	Loans and receivables	Total book value	Loans and receivables	Total book value
	£000	£000	£000	£000
Assets as per SoFP as at 31 March 2018				
Trade and other receivables excluding non financial assets	4,641	4,641	9,063	9,063
Cash and cash equivalents	10,324	10,324	9,811	9,811
Total at 31 March 2018	14,965	14,965	18,874	18,874

Group	Group		Trust	
	Loans and receivables	Total book value	Loans and receivables	Total book value
	£000	£000	£000	£000
Assets as per SoFP as at 31 March 2017				
Trade and other receivables excluding non financial assets	5,617	5,617	5,617	5,617
Cash and cash equivalents	9,902	9,902	9,902	9,902
Total at 31 March 2017	15,519	15,519	15,519	15,519

Note 28.3 Financial liabilities

Group	Group		Trust	
	Other financial liabilities	Total book value	Other financial liabilities	Total book value
	£000	£000	£000	£000
Liabilities as per SoFP as at 31 March 2018				
Obligations under finance leases	3,379	3,379	3,633	3,633
Trade and other payables excluding non financial liabilities	6,184	6,184	6,971	6,971
Total at 31 March 2018	9,563	9,563	10,604	10,604

Group	Group		Trust	
	Other financial liabilities	Total book value	Other financial liabilities	Total book value
	£000	£000	£000	£000
Liabilities as per SoFP as at 31 March 2017				
Obligations under finance leases	3,895	3,895	3,895	3,895
liabilities	6,234	6,234	6,234	6,234
Total at 31 March 2017	10,129	10,129	10,129	10,129

Book value is a reasonable approximation of fair value.

Note 28.4 Maturity of financial liabilities

	Group		Trust	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
	£000	£000	£000	£000
In one year or less	6,685	6,553	7,509	6,553
In more than one year but not more than two years	551	529	584	529
In more than two years but not more than five years	1,582	1,586	1,690	1,586
In more than five years	745	1,461	821	1,461
Total	9,563	10,129	10,604	10,129

Note 29 Losses and special payments

Group and trust	2017/18		2016/17	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Theft	5	1	-	-
Cash losses, other causes	497	124	503	87
Stores losses	193	54	241	87
Other	-	-	5	1
Total losses	695	179	749	175
Special payments				
Ex-gratia payments	11	78	29	260
Special severance payments	1	5	2	12
Total special payments	12	83	31	272
Total losses and special payments	707	262	780	447

Note 30 Related parties

The Department of Health and Social Care is a related party as it is the parent department for the Group. Transactions have taken place with other public bodies, with material transactions taking place with HMRC during the year.

The Foundation Trust also has its own registered charity. The Foundation Trust board is also charged with governance of the Charity.

The North East Ambulance Service Trust Fund is registered with the Charity Commission, Charity number 1078575. The balance of funds as at 31st March 2018 is £191k (31 March 2017 £166k). The Trust Fund accounts are not consolidated into the Foundation Trust accounts due to the immaterial value of these funds. As at 31st March 2018, there is £25k owed from the Trust to the Charity.

The Director of Finance has declared an interest in one of the Trusts suppliers. The value of the transactions between the supplier and the Trust are £232k, however the Director has no influence over the payments.

The shares in the subsidiary company North East Ambulance Service Unified Solutions Limited comprise a 100% holding in the share capital consisting of 100 ordinary £1 shares. This wholly owned subsidiary has had material transactions with the Trust during the year, in particular in reference to the loan and sale of vehicles and other assets.

Note 31 Prior period adjustments

There have been no prior period adjustments

Note 32 Events after the reporting date

There were no events after the reporting date

Note 33 Public Dividend Capital

The Trust is required to pay a dividend to the Department of Health equal to 3.5% of the average of opening and closing net relevant assets for the year. As set out in the Foundation Trust Annual Reporting Manual, the calculation of the dividend excludes the average cash held with the Government Banking Service.

The accrued income for Sustainability and Transformation funding is excluded from the opening and closing reserve positions

	2017/18
	£000
Opening Capital and Reserves (Total Assets Employed)	39,440
Closing Capital and Reserves (Total Assets Employed)	41,651
Average net assets	40,546 (A)
Average cash balance held in Government Banking Service Accounts	13,175 (B)
 Average relevant net assets	 27,371 (A-B)
 Dividend (3.5% of average relevant net assets)	 <u>959</u>

The forecast Dividend payment as notified to the Department of Health was £1m. Therefore there is a receivable due to be paid to the Trust of £41k which will be deducted from the September 2018 dividend payment.

The above calculation is based on pre-audited accounts and is not adjusted for results in the audited accounts.

Glossary of Terms

ABBREVIATION	DEFINITION	ABBREVIATION	DEFINITION
AACE	Association of Ambulance Chief Executives	HSE	Health and Safety Executive
A&E	Accident and Emergency	ICAEW	Institute of Chartered Accountants of England and Wales
AQI	Ambulance Quality Indicator	ICaT	Integrated Care and Transport
ARA	Ambulance Resource Assistant	KPI	Key Performance Indicator
ARP	Ambulance Response Programme	ICT	Information and Communications Technology
ASHP	Air Source Heat Pump	LCFS	Local Counter Fraud Specialist
BAF	Board Assurance Framework	LED	Light Emitting Diode
BAME	Black, Asian and Minority Ethnic	LGBT	Lesbian, Gay, Bisexual and Transgender
CARE	Clinical Annual Record of Excellence	MSK	Musculoskeletal
CAS	Clinical Assessment Service	NEAS / Trust	North East Ambulance Service NHS Foundation Trust
CCG	Clinical Commissioning Group	NEASUS	North East Ambulance Service Unified Solutions
CETV	Cash Equivalent Transfer Value	NHSLA	NHS Litigation Authority
CIP	Cost Improvement Programme	NPSA	National Patient Safety Agency
CIPFA	Chartered Institute of Public Finance Accountants	OOH	Out of Hours
CMP	Carbon Management Plan	PTS	Patient Transport Service
CPR	Cardio Pulmonary Resuscitation	RAF	Risk Assessment Framework
CQC	Care Quality Commission	RCA	Root Cause Analysis
CQUIN	Commissioning for Quality and Innovation	SDU	Sustainable Development Unit
ECCM	Emergency Care Clinical Manager	SEQOHS	Safe, Effective, Quality Occupational Health Service

ABBREVIATION	DEFINITION	ABBREVIATION	DEFINITION
ECLIPS	Experience, Complaints, Litigation, Incidents and PALs Group	SI	Serious Incident
EMR	Emergency Medical Response	SIRG	Serious Incident Review Group
EOC	Emergency Operations Centre	STEMI	Segment Elevation Myocardial Infarction
EPCR	Electronic Patient Care Record	STP	Sustainability and Transformation Plan
EPRR	Emergency Preparedness Resilience and Response	UEC	Urgent and Emergency Care
FRS	Fire and Rescue Service		
FTE	Full Time Equivalent		
GP	General Practitioner		
HART	Hazardous Area Response Team		
HR	Human Resources		

ARABIC

الدعم متوفر للوصول إلى المستند "حساب الجودة" بعدة لغات عند الطلب. هاتف: 0191 430 2099، بريد إلكتروني: publicrelations@neas.nhs.uk، فاكس: 0191 430 2086

BENGALI

অনুসন্ধানক্রমে ভাষার সহায়তায় এই নথিটির জন্যঃ টিহ ০৪ ০১৯১-৪৩০ ২০৯৯ | ই-টমই ০৪
publicrelations@neas.nhs.uk, ফ্যাক্সঃ ০১৯১-৪৩০ ২০৮৬ |

CZECH

Podpora pro přístup k tomuto 'Účtu kvality' je k dispozici v celé řadě jazyků na požádání. Tel: 0191 430 2099, E-mail: publicrelations@neas.nhs.uk, Fax: 0191 430 2086

MANDARIN

依您的要求，我们可以各种语言提供您此份「质量报告」传单，请洽Tel: 0191 430 2099, Email: publicrelations@neas.nhs.uk, Fax: 0191 430 2086

POLISH

Dokument pod tytułem 'Rejestr jakości' jest dostępny w różnych językach - aby go otrzymać należy zadzwonić na numer: 0191 430 2099, wysłać telefaks na numer 0191 430 2086, lub wysłać email na adres: publicrelations@neas.nhs.uk

North East Ambulance Service NHS Foundation Trust
Ambulance Headquarters
Bernicia House
Goldcrest Way
Newburn Riverside Business Park
Newburn
Newcastle Upon Tyne
NE15 8NY

Tel: 0191 430 2000
Website: www.neas.nhs.uk

