North East Ambulance Service NHS Foundation Trust
Annual Report and Accounts 2018/19

North East Ambulance Service NHS Foundation Trust Annual Report and Accounts 2018/19

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 2018/19

(for the period 1 April 2018 to 31 March 2019)

Contents

Performance Report

Overview of performance

Chief Executive's statement

Our operating environment
2018/19 was our first full year of operating under the new ambulance response standards for 999. This has been a busy year for our front-line crews and Emergency Operations Centre colleagues, with 999 incident volumes being 2.55% higher than in the previous year.

I am really pleased that despite the increase in demand we met the target for the most life threatening emergencies (Category 1) and were the top performing ambulance trust nationally in this regard. We also achieved our Category 4 performance standard for the year.

Our Category 2 and Category 3 performance has been more challenging against the national response standards, and this will remain an area of significant focus within 2019/20.

Our ability to achieve the performance standards is set within the context of our independent demand and capacity review, which indicated that we required 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 were pleased to secure additional funding under a four year investment plan with our commissioners and have performed well against most of the performance trajectories and efficiency targets set within the plan. The additional funding, coupled with the new front-line rosters which we are in the process of implementing, will ultimately enable us to more effectively match capacity with demand. This should therefore enable us to meet all national performance standards once the plan has been fully delivered and all funding received.

Our Scheduled Care service performed very well during 2018/19 and we continued to embed the integration of Scheduled and Unscheduled Care services. We successfully took over one of the region's dialysis contracts in June 2018 at short notice and have delivered a high quality service with very positive patient feedback. From 1 April 2019 we will also be delivering the call answer and booking services for Scheduled Care in four additional Clinical Commissioning Group areas in the region. Integrating the booking service with the provision of transport will ensure an improved experience for patients, with the right vehicle provided to meet their individual needs.

In October 2018 we mobilised the new NHS111 and Integrated Urgent Care contract. Whilst we had previously provided the NHS111 service for the region, this newly-commissioned

service included an expanded Clinical Assessment Service, bringing together a range of clinicians with differing specialties such as advanced practitioners, GPs and pharmacists. The new service has been designed to ensure that most patients' issues can be dealt with on their first call, including a consultation with a clinician where this is required. The management team and Emergency Operations Centre colleagues worked extremely hard to seamlessly launch the new service on the go-live date without any disruption to patient services.

In order to accommodate more clinicians we opened a new base at Wynyard Business Park in Billingham. The base was named Winter House in memory of our former Chairman, Ashley Winter OBE, who passed away in April 2018 following a short battle with cancer.

We have seen an increase in NHS111 call demand of 3.43% compared to the previous year. At the commencement of the contract fewer clinicians transferred across to the Trust from the previous clinical assessment provider than we expected. This has impacted on a number of our performance measures which require clinician involvement. Clinical recruitment is continuing to be a significant area of focus for us in 2019/20.

We look forward to developing our NHS111 and Integrated Care Service further in 2019/20. On 1 April 2019 we will launch a new dental clinical assessment service in partnership with Dencall. We are also upgrading our system to enable a greater level of integration between 111 and 999. We will be the first trust in the country to achieve this level of integration, which will ultimately deliver a more seamless service to our patients.

2018/19 represented the first full year of the operation of our subsidiary, North East Ambulance Service Unified Solutions (NEASUS). NEASUS has developed as an organisation throughout the year and delivered some excellent service improvements which ultimately supports the Trust to be able to deploy the right number of high-quality and clean vehicles every day.

The financial environment has remained challenging during 2018/19 but we worked very hard to exceed our financial plan position and therefore access additional funding at the year-end, which increased our surplus position. We commenced the year with a challenging cost improvement plan target of £8.4 million. We over-achieved against this plan by 8%, a considerable achievement given the value of the target.

Quality

Whilst the operating environment remained demanding during 2018/19, we maintained a healthy position in respect of our quality indicators.

We were inspected by the Care Quality Commission in September and October 2018. This consisted of a well-led inspection and inspections of the Emergency Operations Centre and NHS111 services. We retained our 'good' rating overall for the Trust and for NHS111. The rating for the Emergency Operations Centre increased from 'requires improvement' to 'good', which is excellent recognition of the hard work of our managers and staff in developing our service since the last inspection in 2016.

The inspection outcome is testament to the care and professionalism that all of our staff dedicate to our patients and service. Our workforce is committed to providing the best possible patient care, often in incredibly difficult circumstances and I am pleased on their behalf that this has been recognised.

During 2018/19 we have continued to develop our quality improvement function and played an integral part in the national ambulance improvement initiative, Project A.

Our staff

We have continued to focus on making North East Ambulance Service a great place to work for our staff. This has included strengthening our organisational health and wellbeing focus for example through the development of a health and wellbeing strategy, the appointment of a mental health lead and the commencement of mental health first aid training.

Sickness rates have continued to show improvements against 2017/18 rates and our Friends and Family test scores show that by March 2019 92% of staff surveyed would recommend the Trust as a place to work.

In respect of the NHS staff survey results we achieved the top score in the ambulance sector in seven out of ten key themes / indicators. This included being the top scoring ambulance trust in respect of staff engagement and health and wellbeing.

We maintained a strong position in the Stonewall Index and also welcomed Yvonne Coghill, Director of the NHS Workforce Race Equality Standard, to deliver a keynote address to stakeholders, our staff and the Board of Directors. We have continued to demonstrate our strong commitment to equality and diversity, both in respect of our staff and our patients.

Our Board and Governance

There were a number of changes in Board composition during the year. We welcomed Peter Strachan as the Chairman of the Board of Directors and Council of Governors in May 2018. We said goodbye to Kyee Han, our part-time Medical Director, who left us in June 2018. On behalf of the Board I would like to thank Kyee for his contribution over the last eight years.

During 2019/20 we will be welcoming a new Director of Finance, Director of People and Development and a new Chief Executive when I leave the Trust at the end of May 2019. We are also planning the recruitment for an additional Non-Executive Director (given the increase in the number of Executive Directors) and two Associate Non-Executive Directors. You will be able to read more about these appointments in next year's annual report.

Looking ahead

This is my final foreword as Chief Executive of North East Ambulance Service before I leave the Trust on 31 May 2019. It has been a pleasure and a privilege to be Chief Executive of the Trust for the last four and a half years. I have loved working with such fantastic people, whom I know will continue to do what they have always done, which is to give the best service they can to patients. Whilst I am really sad to leave, I know the Trust has an extremely promising future, with compassion at its heart.

I would like to express my sincere thanks to our valued staff, NEASUS colleagues, our volunteers and partners for all their hard work and support.

Yvonne Ormston MBE
Chief Executive
24 May 2019

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 we 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).

Under our innovative Clinical Care and Transport business model our Unscheduled and Scheduled Care services work in partnership, 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 55 stations across the North East region.

We have delivered the NHS111 service across the region since 2013. 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 with the new NHS111 and Integrated Urgent Care (IUC) service going live in October 2018. The contract incorporates a new Clinical Assessment Service (CAS), bringing together a range of clinicians

with differing specialities such as advanced practitioners, GPs and pharmacists to help patients receive the most appropriate care for their needs.

We also provide out-of-hours services in North Tees and South Tyneside areas in conjunction with local partners.

In addition to our front line services, the Trust wholly owns its subsidiary North East Ambulance Service Unified Solutions (NEASUS). 2018/19 represents the first full year of operation for NEASUS which is a fleet services and fleet management company. NEASUS is contracted by the Trust to maintain, fit, service, clean and repair Trust vehicles.

About us – our strategy and key strategic priorities

We have continued to focus on our 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 priorities and underpinning sub-objectives. The following priorities were in place during 2018/19:

- ➢ **Organisational sustainability** – including achieving the financial plan; supporting the development of the Integrated Care System in the region; and implementing actions arising from the Carter Review and Ambulance Improvement Programme.
- ➢ **Improving Quality and Safety** – delivering the key milestones in the Quality Strategy; developing the Trust's quality improvement approach; and driving forward improvements against the Care Quality Commission's Fundamental Standards.
- ➢ **Workforce and Investors in People** – developing and delivering the workforce strategy; and strengthening organisational health and wellbeing.
- ➢ **Clinical Care and Transport** – delivering transformation in the Unscheduled Care system; and undertaking a full review of the Scheduled Care service.
- ➢ **NHS111 and Clinical Assessment Service** – mobilisation of the NHS111 and IUC contract; and the development of the North East Provider Alliance.
- ➢ **Communications and Engagement** – driving forwards improvements within both internal and external communications.

About us – key issues and risks

The 2018/19 financial year has been an important year for the continued transformation of our service delivery, including work to implement our demand and capacity review aimed at delivering the national ambulance performance standards within a four year timeframe.

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

- ➢ **Ambulance Response Programme (ARP)**. The new national ambulance performance standards (known as ARP) were introduced in Autumn 2017. During 2018/19 we began a programme of work to prepare for a major re-roster, to align our capacity with demand under the new performance standards. The re-roster will be implemented from July 2019 onwards. In addition to the re-roster, we have worked towards a programme of efficiencies agreed with our commissioners, including reducing the time crews take between handing over patients at hospital and being ready to accept the next call and reducing our staff abstraction time. Delivery of the national standards for Category 2 and Category 3 responses has been challenging as we work towards the re-roster and we are continuing to work hard to recruit to our new paramedic establishment.

- ➢ **NHS 111/ CAS**. We went live with the new service in October 2018. We have worked tirelessly to implement this new service which has involved extensive partnership working across the region to ensure we can deliver the best service to our patients and maximise opportunities for service improvement.

- ➢ **Funding.** 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 risk has been managed through an agreement with commissioners that we will deliver further efficiencies.

- ➢ **Changes to healthcare provision by Clinical Commissioning Groups (CCGs) and other providers**. During 2017/18 we have worked with a number of CCGs and Foundation Trusts (FTs) to support their plans for service reconfiguration. Notably we have worked with Sunderland / South Tyneside on their reconfigurations of stroke, paediatrics and obstetrics / gynaecology (phase one) changes and also on their considerations for phase two. We have responded to a proposed change to vascular services in the South, changes to urgent care in Sunderland and early considerations of changes in the south Integrated Care Partnership (ICP) area.

- ➢ **Integrated Care System (ICS).** We have also remained fully engaged in discussions regarding future configuration of the health economy within the North East and Cumbria through workshops on the ICS development and specific ICP footprints.

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 2018/19 and Department of Health Group Accounting Manual 2018/19.

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

2018/19 represented the first full year of operation for the revised national response standards. The introduction of the new response standards represented the first major overhaul of performance standards in the ambulance sector in more than forty years. The implementation of the standards was known as the Ambulance Response Programme (ARP).

The principle aims of ARP, as defined by NHS England, were:
  ➢ To prioritise the sickest patients, ensuring they receive the fastest response;
  ➢ To drive clinically and operationally effective behaviours, so the patient gets the response they need first time and in a clinically appropriate timeframe; and
  ➢ To put an end to unacceptably long waits by ensuring that resources are distributed more equitably amongst all patients.

The national standards are defined as:

Category	Headline description	Sub-description	Average response target	90th percentile response target
1	Life threatening	A time critical life threatening event requiring immediate intervention or resuscitation.	7 minutes	15 minutes
2	Emergency	Potentially serious conditions that may require rapid assessment and urgent on-scene intervention and/or urgent transport.	18 minutes	40 minutes
3	Urgent	An urgent problem (not immediately life threatening) that needs treatment to relieve suffering and transport or assessment and management at the scene with referral where needed within a clinically appropriate timeframe.	None	2 hours
4	Less urgent	An urgent problem (not immediately life threatening) that needs treatment to relieve suffering and transport or assessment and management at the scene with referral where needed within a clinically appropriate timeframe.	None	3 hours

(Source: NHS England Ambulance Response Programme Review)

There are a number of Ambulance Quality Indicators (AQIs) which were introduced as part of the ARP. The AQIs are discussed in more detail within the Quality Report.

The Trust receives a weekly balanced scorecard report which provides a RAG-rated overview of performance against the response standards, AQIs and long wait thresholds. This report contains information on the performance of all ambulance trusts, enabling benchmarking to be undertaken.

NHS England and Sheffield University conducted a review of ARP which concluded in May 2018. The review concluded that ARP had been successfully implemented across all trusts and made a number of observations and recommendations regarding further refinement of the standards and indicators.

Scheduled Care

There are no national targets against which our Scheduled Care 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). We began a programme of improvement for Scheduled Care in 2018 and have worked closely with our commissioners, staff and patients to understand what changes are required to ensure the service continues to run sustainably.

Emergency Operations Centre

There are new proposed national targets for NHS111 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 which are within an agreed set of measures we report to our commissioners.

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.
- Clinical Care Managers and Clinical Operations Managers review performance and staffing plans on a daily basis.
- Within the Emergency Operations Centre the Dispatch and Duty Managers review performance on a daily basis.
- The Deputy Chief Operating Officer holds weekly performance review meetings with her senior team.
- The Senior Management Team (SMT) reviews performance at its weekly meetings.
- The Executive Team also critically assess the previous week's performance as part of their weekly meeting.

- ➢ Each service holds monthly business 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 business meetings, 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 ten times each year and reviews the integrated performance report in detail at every meeting.
- ➢ 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 2018/19

Unscheduled Care

During 2018/19 we experienced a rise in incident volumes, with a 2.55% year-on-year increase. In March 2019 alone we experienced a 7% increase in 999 incident volumes compared to March 2018.

During 2018/19 we continued to perform well in respect of our Category 1 response target. Our year-end position was a mean of 6:10 minutes (against a target mean of 7 minutes) and a 90th centile of 10:36 (against a target of 15 minutes). We were the top performing ambulance trust in the country in respect of our C1 performance, providing the fastest response to those patients with the most life threatening conditions.

Our Category 2 and Category 3 responses were more challenging, with increased demand and acuity leading to longer response times. Work is being undertaken to further understand the factors driving the increase in acuity.

We achieved our Category 4 national response targets for the year, with 90th centile performance of 2 hours 54 minutes against the national standard of 3 hours.

Category	Trust year-end average (hh:mm:ss)	Trust year-end 90th centile (hh:mm:ss)	*National target average response target*	*National target 90th percentile response target*
1	00:06:10	00:10:35	*7 minutes*	*15 minutes*
2	00:21:33	00:45:18	*18 minutes*	*40 minutes*
3	-	02:55:50	*None*	*2 hours*
4	-	02:54:23	*None*	*3 hours*

We achieved our local see and treat target for the year (to treat more than 25% of patients in their homes without the need to convey them to hospital), achieving a rate of 25.21% at the year end. Reducing our conveyance rate (transporting patients to a hospital or other healthcare facility) has been more challenging. Our conveyance rate at the year-end was 69%, which was in line with the previous year. Benchmarking data evidences that we are the best performing ambulance trust in respect of conveying patients to alternative services other than A&E with 11% of the 69% conveyance rates being attributed to other services. This helps to reduce the pressures on A&E units across the region.
Reducing response times and conveyance rates will continue to be a focus for the Trust and we will work hard to achieve the improvement targets agreed with our local commissioners.

We have worked hard to reduce our average turnaround time during the year (the time between handover of a patient to a hospital to being available to respond to another call). Handover to clear times reduced from 21 minutes to 19 minutes, which was in line with the improvement trajectory agreed with commissioners.

Scheduled Care
Our Scheduled Care service continued to perform well against local contract targets. 93.2% of patients spent less than 60 minutes on the vehicles, exceeding our target of 90%. 85.8% of patients were collected within 60 minutes against a target of 85%. We did not achieve our on time arrival target of 80%, achieving 77.6%. This was predominantly due to early arrivals, rather than late arrivals, with 17.9% of patients arriving early.

Emergency Operations Centre
999 call demand saw a reduction of 1.68% compared to the previous year. Our 999 call answering performance (to answer calls within 5 seconds 95% of the time) has been challenging to achieve this year, with year-end performance being 92.33%. Despite not achieving the target, we were still the third best performing trust in the country in respect of call answering time.

In contrast to 999 calls we have seen an increase in NHS111 call demand of 3.43% compared to the previous year, which has impacted upon call answer performance, particularly in the final quarter of the year (when demand was at its highest). Year-end call answer performance was 88.28% against a target of 95%.

Under the new NHS111 and Integrated Urgent Care contract there are a number of different key performance indicators (KPIs) against which the Trust is measured. We have performed well in respect of call abandonment with 1.51% of calls abandoned in 30 seconds (compared to a threshold of 5%).

At the commencement of the contract fewer clinicians transferred across to the Trust from the previous clinical assessment provider than we expected. This has impacted on a number of our performance measures which require clinician involvement. The clinical vacancies resulted in reduced capacity in respect of clinical input into 111 calls, which has meant we did not achieve our clinician call-back, input and average time to clinical assessment targets for the year. Clinical recruitment is continuing to be a significant area of focus in 2019/20.

Financial performance 2018/19

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 embedding a wholly owned subsidiary company.

We started the year with a plan to attain our nationally derived target of a £0.7m deficit position. However, by the end of the year we moved to an adjusted financial performance surplus position of £1.302m, mostly achieved due to the receipt of Sustainability and Transformational Funding (STF) at the year end, and therefore not reflective of the underlying recurring financial position.   Our end of year cash balance was £11.7 million.

We made capital investments of £6.9m during the year, the largest proportion of which, £2.6m, was spent on the replacement of vehicles including front line ambulances, rapid response and Scheduled Care vehicles. We also made significant investments of £1.6m in the equipment for these vehicles including state of the art defibrillators. Investments worth £0.8m were also made to maintain and enhance our estate.

Our operating income for the year was £134.5 million. The majority of our income comes from the provision of our Unscheduled 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 2018/19 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.

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 NHS111 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 ahead of 2017/18. This was due to the provision of STF received from NHS England as previously noted, additional 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.

Our top three areas of spend are pay, transport costs and depreciation of our assets. These running costs continue to be tightly controlled however we have seen pressures in the following areas:-
- Pay;
- Establishment costs; and
- Transport costs.

Conversely we have seen significant spend reductions in the areas of:-
- Consultancy;
- Redundancy; and
- Legal fees.

Our cost improvement programme (CIP) is pivotal to achieving financial performance and our CIP plan for the year was £8.358million. We over-achieved our target by 8.1% reaching a total saving of £9.035m, including £6.653m of those savings recurrently. When also including balance to full year effect savings of £2.115m the recurrent savings amounted £8.768m, which was excellent delivery for 2018/19, which in turn has enabled NEAS to reduce our CIP target requirements for 2019/20 and beyond.

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 94% and 96% of its non-NHS invoices within 30 days by number and value respectively and similarly 94% and 92% on its NHS invoices within 30 days by number and value respectively.

During 2018/19 no interest was payable under the Late Payments of Commercial Debts (interest) Act 1998.

Environmental and sustainability matters

We aim to provide a superior patient experience with a reduced overall cost from both a financial and environmental perspective. We are now five financial years through a 7 year Carbon Management Plan (CMP). The CMP, endorsed by the Carbon Trust and our 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.

NEAS have seen success in rolling out the numerous carbon reduction projects over the course of our carbon management plan. These include high efficiency LED lighting at all ambulance stations, two wind turbines and solar panels at 24 Trust properties, including a 72kW system at Ashington Ambulance Station commissioned in early 2019.

A large part of the Trust's gas reduction has been due to the success of the renewable heating technology Air Source Heat Pump (ASHP). The first was installed at Hexham Ambulance station in 2015, and since then the Trust has invested in 12 further installations at ambulance stations; Peterlee, Coulby Newham, Fishburn, Alnwick, Belford, Berwick upon Tweed, Haltwhistle, Chester le Street, South Shields, Ryhope, Wideopen and Weardale over 3 financial years - 2016/17, 2017/18 and 2018/19. The number of ambulance stations now with renewable heating is over 22% of the NEAS property portfolio. Over a 20 year lifetime the cumulative savings and income for the Trust exceed £850k. The carbon emissions reductions at all thirteen properties are just over 136 tonnes which is a significant contributor to the Trust's CMP.

Since 2012/13 a cumulative total of over £350k has been saved in electricity and gas consumption which was achieved by rolling out the 'Invest to save' energy projects. This equates to over a 30% reduction in electricity and a 53% reduction in gas. Within the financial savings we also have a guaranteed income generated through both Feed in Tariff (FIT) and Renewable Heat Incentive (RHI) schemes for 20 years. The overall carbon savings have been outstanding, with over 1,200 tonnes saved from the 'Invest to save' energy projects from 2012/13 until March 2019. NEAS was recertified to both Carbon and Water Saver Standards which proves 3 years of savings through third party audit. As a result of

these achievements we were proud to be shortlisted in the energy category at the 2018 Sustainable Health & Social Care Awards and the 2019 NHS Sustainability Awards.

We are also working hard to reduce the diesel consumption and the consequent emissions of our fleet vehicles. After a collaborative project with the Energy Savings Trust and the Northern Ambulance Alliance in 2017 two electric vehicles have been added to the pool car fleet with more non-front line low / ultra-low emission vehicles in the pipeline for 2019. Increasing sustainable travel and reducing single occupancy car journeys is something that NEAS is keen to promote especially at our headquarters in Newcastle upon Tyne. In December 2018 the Trust launched a collaborative a 'Liftshare' car share campaign in conjunction with the NHS Business Services Authority which is located very close to our headquarters.

We are conscious of the pressure to reduce single use plastics (SUPs) and as a result we are in the process of eliminating disposable cutlery at the Trust's catering facility in our headquarters. The plan for 2019 is to identify other consumables that can be significantly reduced or eliminated across the Trust.

We 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. This now allows trusts to measure their progress against the United Nations Sustainable Development Goals. We scored 47% on the assessment in 2017 and have improved again in 2018 with a score of 52%. We are aiming to increase this to over 55% in 2019 with some dedicated work in the sustainable procurement and supply chain area.

NORTH EAST AMBULANCE SERVICE NHS FOUNDATION TRUST

Latest assessment score

52%

Module	Score
Corporate Approach	44.65%
Asset Management & Utilities	91.67%
Travel and Logistics	72.22%
Adaptation	33.33%
Capital Projects	49.12%
Green Space & Biodiversity	14.81%
Sustainable Care Models	20%
Our People	66.67%
Sustainable use of Resources	47.83%
Carbon / GHGs	71.3%
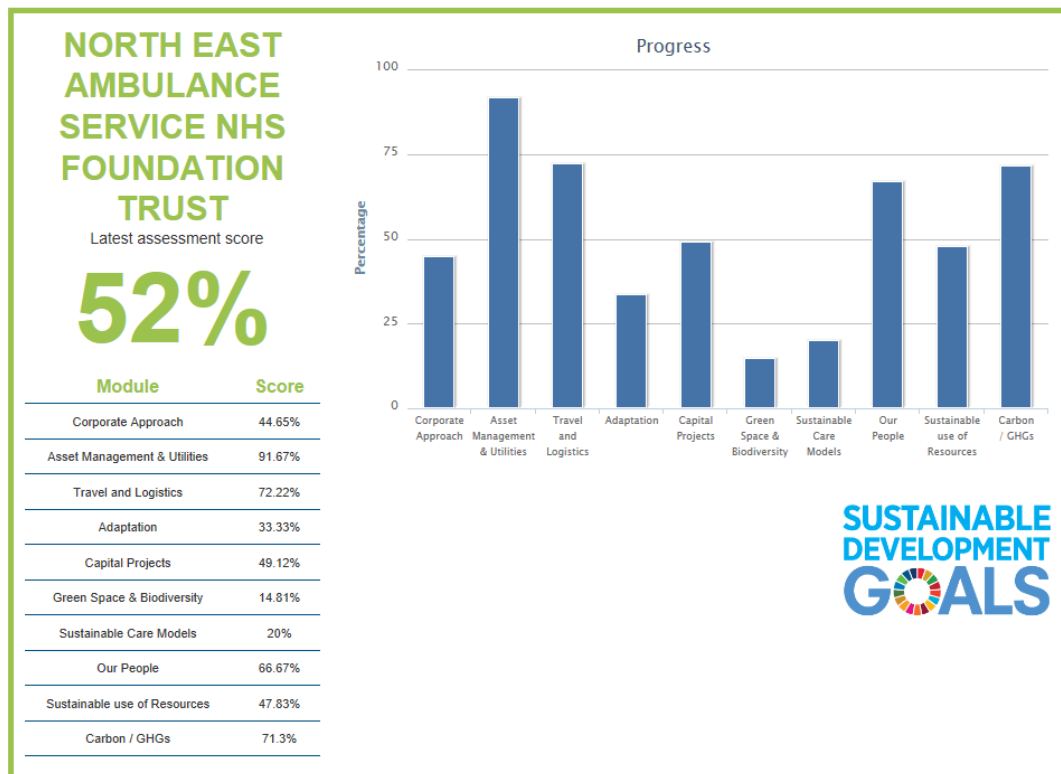
Emergency preparedness, resilience and response

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 Emergency Preparedness, Resilience and Response (EPRR) are the minimum standards which NHS organisations and providers of NHS funded care must meet, the purpose of these standards are to:

- Enable health agencies across the country to share a common approach to EPRR;
- Allow coordination of EPRR activities according to the organisation's size and scope;
- Provide a consistent and cohesive framework for EPRR activities; and
- Inform the organisation's annual EPRR work programme

The standards are reviewed and updated as lessons 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 2018 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 improvements from our August assessment:

Area	Compliance Rate (August 2018)	Compliance Rate (Year-end 2018/19)
EPRR Core Standards	95%	96%
HART	88%	94%
Marauding Terrorist Firearms Attack	86%	86%
Chemical, Biological, Radiological and Nuclear Defence	94%	94%
Mass Casualty	100%	100%
Command & Command	83%	83%
Joint Emergency Service Interoperability Principle	78%	83%
NHS 111	94%	94%
Scheduled Care	98%	98%

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.

## 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 2018/19 grading sessions indicated we are excelling for four objectives, achieving in eleven objectives and developing in three objectives. We are working with our procurement team, complaints and appreciations team and our recruitment team to improve the three areas that have been assessed as 'developing'.

We have continued to undertake targeted initiatives with Black, Asian and Minority Ethnic (BAME) people through a range of community events and our BAME Community Ambassadors project. We have developed a specific BAME recruitment event with 6 regional trusts, which will be held in early 2019/20.

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 inform the annual review of our Equality Strategy work plan.
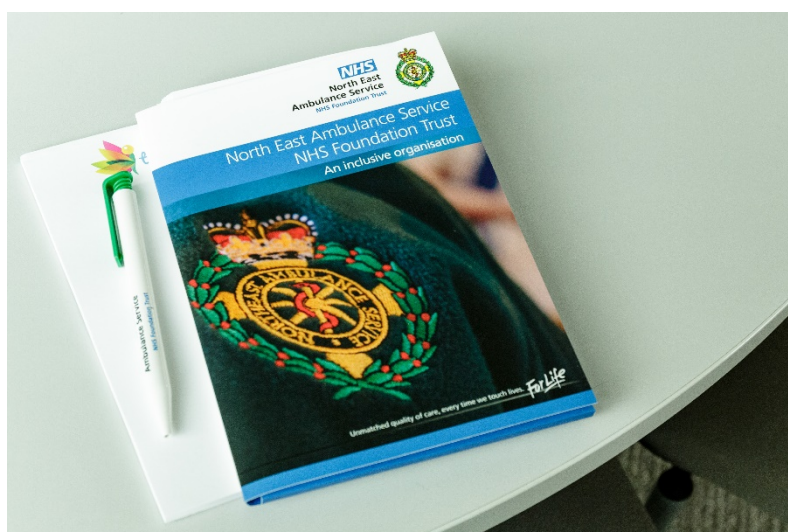
We continue to use the Job Centre Plus Disability Confident Scheme and we have been assessed as a 'Disability Confident Employer'.

We continue to work towards making our services more accessible to patients. We have developed a Learning Disability Zone to make services more accessible to people living with learning disabilities and we

worked with Hartlepool Young Inspectors to develop a Learning Zone for young people and schools. We have fully implemented our Communications Support Guide to assist front line staff to communicate with people with specific needs and we have given all frontline staff direct access to the interpreting service Language Line.

In 2018/19 we have reviewed a number of policies and guidance to staff including our Equality Code of Practice, Dementia Guidance, Equality Analysis Assessment policies and we have made small changes to our Trans-Inclusion policy and Family Friendly policy following feedback from Stonewall.

In 2019 we retained our status as a Stonewall top 100 employer, ranked at 58th. We are the top performing ambulance service nationally and the top ranked emergency service in the North East. We will continue to develop areas where improvements are needed to make services and our workplace accessible and inclusive.

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 policy was fully reviewed and refreshed during 2018/19. 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.

There is a Board-approved 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.

Yvonne Ormston MBE
Chief Executive
24 May 2019

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, Peter Strachan, leads the Board of Directors and ensures its effectiveness. The Trust's Chair also chairs the Council of Governors.

➢ Our Chief Executive, Yvonne Ormston MBE, 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 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 role 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 Chair, are considered to be independent.

The role 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 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 six voting Executive Directors who are employed by the Trust on permanent contracts with a six month notice period.

Board composition

The Trust's Chairman, Peter Strachan, joined the Trust on 29 May 2018. Prior to this Catherine Young, the Trust's Deputy Chair and Senior Independent Director was the Trust's Acting Chair.

In June 2018 the Trust's part-time Medical Director Kyee Han retired from the role. The Trust's remaining Medical Director increased his time commitment from three days to four days accordingly to provide additional Medical Director cover. The Board records its sincere thanks to Kyee for his contribution over the last eight years.

The Council of Governors approved the re-appointment of Non-Executive Directors Carolyn Peacock and Helen Suddes, who commenced their second three-year term in November 2018.

Further changes will occur during Quarter 1 of 2019/20 when Yvonne Ormston, Chief Executive, leaves to take up a Chief Executive position at an acute trust at the end of May 2019. Lynne Hodgson, Director of Finance and Resources, will retire in May 2019. The Board of Directors records its sincere thanks to both Yvonne and Lynne for their significant contributions to the Trust.

At the year-end the Trust was planning the recruitment of a new Executive Director post, Executive Director of People and Development. As a consequence the Non-Executive arm of the Board will also be increased with one more voting Non-Executive Director position. The Board of Directors is also seeking to recruit two Associate Non-Executive Directors to support succession planning and talent management. The outcome of these recruitment processes will be reported in next year's Annual Report.

Name and position	Background (Skills, experience and expertise)	Board of Directors (out of 9 meetings held)	Audit (out of 4 meetings held)	Nomination and Remuneration (out of 6 meetings held)	Council of Governors
Executive Directors					
Yvonne Ormston, Chief Executive **(From 1st October 2014 – 31st May 2019)**	• 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. • Director of North East Ambulance Service Unified Solutions (NEASUS)	9	N/A	5/5	1/4
Lynne Hodgson, Director of Finance & Resources **(From 1st June 2016 – 12th May 2019)**	• 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,	9	3	N/A	3/4

Name and position	Background (Skills, experience and expertise)	Board of Directors (out of 9 meetings held)	Audit (out of 4 meetings held)	Nomination and Remuneration (out of 6 meetings held)	Council of Governors
	Procurement, IT and Support Services, therefore giving a rounded knowledge of operations within the NHS.				
Paul Liversidge, Chief Operating Officer **(From July 2006 – present)**	• 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 room staff and emergency planning. • 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.	8	N/A	N/A	2/4
Joanne Baxter, Director of Quality and Safety, RGN **(From August 2013 – present)**	• Executive nurse, with over 32 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	0/4

Name and position	Background (Skills, experience and expertise)	Board of Directors (out of 9 meetings held)	Audit (out of 4 meetings held)	Nomination and Remuneration (out of 6 meetings held)	Council of Governors
Caroline Thurlbeck Director of Strategy, Transformation and Workforce **(From August 2015 to present)**	• Over 28 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
Kyee Han, Medical Director, MBBS, FRCS, FCEM **(From January 2010 to June 2018)**	• Consultant in Accident and Emergency Medicine. • Honorary Clinical Senior Lecturer.	1	N/A	N/A	N/A
Dr Mathew Beattie **(From July 2017 – present)**	• 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	N/A	N/A	2/4
• **Non-Executive Directors**					
Peter Strachan, Chairman **(From 29th May 2018 – present)**	• A career in the railway industry, latterly as chairman of UK Rail and managing director of the Caledonian	7/7	N/A	4/4	4/4

Name and position	Background (Skills, experience and expertise)	Board of Directors (out of 9 meetings held)	Audit (out of 4 meetings held)	Nomination and Remuneration (out of 6 meetings held)	Council of Governors
	Sleeper for Serco PLC. • Served in senior roles with Network Rail and the Department for Transport. • Director of North East Ambulance Service Unified Solutions (NEASUS)				
Catherine Young, Non-Executive Director and Acting Chair from 1st February 2018 **Deputy Chair and Senior Independent Director (effective from 1st November 2017)** **(Re-appointed on 1st February 2018 for her second 3-year term)**	• Fellow of the Institute of Chartered Accountants in England & Wales (ICAEW). • Worked in practice and in business, at both PLC and SME level, and holds a position as a commissioner Port of Blyth. • Catherine is also a member of the ICAEW Northern Regional Strategy Board. • Director of Companies Limited by Guarantee (not for proflt) Energising CLG (1) Limited to Energising CLG (34) Limited inclusive delivering lighting projects in the schools sector • Independent.	9	N/A	6/6	4/6
Douglas Taylor, Non-Executive Director and Chair of the Audit Committee **(Re-appointed on 1st February 2018 for his second 3-year term)**	• Chartered CIPFA accountant. • Worked in the public sector for over 50 years and is a former Director of Finance in a Development Corporation and Chief Executive of a Newcastle based regional housing	9	4	6/6	3/4

Name and position	Background (Skills, experience and expertise)	Board of Directors (out of 9 meetings held)	Audit (out of 4 meetings held)	Nomination and Remuneration (out of 6 meetings held)	Council of Governors
	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.				
Carolyn Peacock, Non-Executive Director **(Reappointed on 1st November 2018 for her second 3 year term)**	• Significant senior experience with a 32 year career at Northumbria Police, achieving the position of Assistant Chief Constable. • 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.	8	4	5/6	3/5
Helen Suddes, Non-Executive Director **(Reappointed on 1st November 2018 for her second 3 year term)**	• 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.	8	N/A	5/6	2/4

Name and position	Background (Skills, experience and expertise)	Board of Directors (out of 9 meetings held)	Audit (out of 4 meetings held)	Nomination and Remuneration (out of 6 meetings held)	Council of Governors
John Marshall, Non-Executive Director **(Appointed on 1st November 2017 for a 3 year term – 1st term)**	• 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. • Director of North East Ambulance Service Unified Solutions (NEASUS) • Independent.	9	N/A	6/6	3/4
Dr Gerry Morrow, Non-Executive Director **(Appointed on 1st November 2017 for a 3 year term – 1st term)**	• 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.	8	4	5/6	2/4

Name and position	Background (Skills, experience and expertise)	Board of Directors (out of 9 meetings held)	Audit (out of 4 meetings held)	Nomination and Remuneration (out of 6 meetings held)	Council of Governors
	• Independent.				

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. 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 review of its own effectiveness in July 2018 using an electronic survey. The results were then discussed collectively and summarised, including agreeing a number of actions.

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.

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 the Group Audit Committee in that it covers both the Trust and its subsidiary, NEASUS.

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 2018/19 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, the subsidiary audit, quality report work and the 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;
- Approved the revised Anti-Fraud, Bribery and Corruption Policy;
- Approved the revised Engagement of the External Auditor to Supply Non-Audit Services Policy
- Sought assurances regarding the processes and controls in place to appropriately investigate and act upon Freedom to Speak Up concerns;
- Received updates on cyber security;
- Received external assurances on matters including financial systems and the outsourced pension arrangements;
- 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 2017/18 year-end audits. Audit Committee members completed a comprehensive survey and the results were reported to the Committee in July 2018. A similar process will be initiated in June 2019 to review the effectiveness of both functions for 2018/19.

The Council of Governors appointed Mazars LLP as the Trust's external auditors from 1 September 2016, under a four year contract. Mazars LLP's fee for the audit of the accounts, assurance work on the Quality Report and the Charitable Fund independent examination for 2018/19 was £41,000 (excluding VAT).

Mazars LLP also undertake the audit of the Trust's subsidiary, NEASUS, and a fee of £9,500 (excluding VAT) was charged for 2018/19.

During the year no non-audit services were provided (with the exception of the external assurance work on the Quality Report, the audit of the subsidiary company and the independent review of the Charitable Fund accounts). These services are excluded from the National Audit Office's 70% threshold for non-audit services work.

The Internal Audit function for the Trust and NEASUS is provided by the NHS Audit Consortium AuditOne.

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. When appointed, the Director of People and Development will provide the professional advice to the Committee following the retirement of the Head of HR in 2019/20.

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 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. 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.

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.

During 2018/19 the Governor Nomination and Remuneration Committee, and ultimately the Council of Governors, led the recruitment and appointment process for the Chairman. The Governors also approved the re-appointment of two Non-Executive Directors, Carolyn Peacock and Helen Suddes.

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.

The Lead Governor, Michael Glickman, held regular meetings with the Chairman to discuss Governor-related news and issues during the year.

Governor elections were held during 2018/19 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 three private Council meetings (to approve the appointment of the Chairman, receive assurance regarding the performance appraisals of the Chairman and Non-Executive Directors and approve the re-appointment of two Non-Executive Directors).

Region or organisation	Governor name	Term of appointment	Council of Governors meetings (max 7)
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 *Left the Council effective from 1 November 2018*	5 of 5
	Violet Rook	3 years from 1 November 2016 to 31 October 2019	3 of 7
	Derek Bramley	3 years from 1 November 2016 to 31 October 2019	7 of 7
	Mark Glencorse	3 years from 1 November 2018 to 31 October 2021	0 of 1
	VACANCY		
	VACANCY		
South of Tyne Region	George Smith	3 years from 1 November 2013 Re-elected 1 November 2016 to 31 October 2019	3 of 7
	Michael Glickman (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 7
	Bill Laing	3 years from 1 November 2016 to 31 October 2019	4 of 7
	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	5 of 7
	Christopher Bradshaw	3 years from 1 November 2018 to 31 October 2020 *Left the Council effective from 14 January 2019*	1 of 1
	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	7 of 7
	Ricky Clayton	2 years from 1 November 2011 Re-elected 1 November 2013 to 31 October 2016 Re-elected 1 November 2016 to	5 of 7

Region or organisation	Governor name	Term of appointment	Council of Governors meetings (max 7)
		31 October 2019	
	Alex Murray	3 years from 1 November 2016 to 31 October 2019	6 of 7
	Geraldine Granath	3 years from 1 November 2016 to 31 October 2019	7 of 7
	Andrew Eales	3 years from 1 November 2017 to 31 October 2020	7 of 7
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	7 of 7
	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	4 of 7
	Janet Baker	3 years from 1 November 2018 to 31 October 2021	1 of 2
	VACANCY		
	VACANCY		
North East Ambulance Service (Staff Governors)	Ken Powell (Unscheduled Care)	3 years from 1 November 2016 to 31 October 2019	0 of 7
	Chris Black (Support Services)	3 years from 1 November 2014 to 31 October 2017 Re-elected 1 November 2017 to 31 October 2020	2 of 7
	James McCormack (Scheduled Care)	3 years from 1 November 2018 to 31 October 2021	1 of 2
	VACANCY – Emergency Operations Centre		
Voluntary Organisations' Network North East (Stakeholder Governor)	VACANCY		
Local Authority Governors	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 31 October 2020	4 of 7
	Councillor Oskar Avery	3 years from 9 May 2017 to 31 May 2020	5 of 7
	Councillor Joyce Welsh	3 year from 9 May 2017 to 31 May 2020 *Left the Council effective from 5 March 2019*	0 of 7
	VACANCY		
	Councillor Andrew	3 years from 9 May 2017 to 31	

Region or organisation	Governor name	Term of appointment	Council of Governors meetings (max 7)
	Scott	May 2020	3 of 7
Tees, Esk and Wear Valleys NHS Foundation Trust	Jennifer Illingworth	3 years from 3 January 2018 to 2 January 2021	4 of 7
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	4 of 7
Clinical Commissioning Group	VACANCY		
Acute Trust Representative	VACANCY		
Local Resilience Forum Representative	Alison Slater	3 years from 1 November 2017 to 31 October 2020	2 of 7

The Board and Governor relationship

Our Board of Directors recognises the importance of receiving and reacting to views of our Council of Governors.

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' strategic plans. Other topics included:

- Updates from the Board committee Non-Executive Director Chairs on the work of each of the main committees;
- Updates on the Trust's compliance with the Care Quality Commission standards and inspection preparation;
- An in-depth guide to understanding performance reporting;
- An overview of the psychological support available for staff;
- An insight into the work of the Trust's Charitable Funds and the campaign to encourage communities to approach the Charitable Fund for contribution towards the purchase and installation of community public access defibrillators;
- An update on service improvements in relation to the community resuscitation team and Community First Responders;
- An insight into the Trust's partnership working and engagement in the Integrated Care System for the North East and Cumbria;
- Training on how to enact the role of holding Non-Executive Directors to account; and
- Training and guidance on how to engage with members and the public.

The Board of Directors are well represented at the Council of Governors meetings throughout the year.

In addition, Board Members and Governors come together on a monthly basis to participate in the Trust's Quality Walkround programme (where staff views and feedback are sought). This is an opportunity for Governors to engage with Directors outside of the formal meeting environment.

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

Public constituency	
At 1st April 2018	9,357
New members	42
Members leaving	-270
At 31st March 2019	9,129

Public/ Staff	Constituency	Number of members
Staff	Unscheduled Care	1,247
	Scheduled Care	407
	Emergency Operations Centre	601
	Support Services	285

The following tables illustrate our membership profile. Please note that the figures do not necessarily total 9,129 members in all tables, as this is dependent upon the data disclosed at the point of registering.

Public Constituency	Number of members
Age 0-16*	0
Age 17 - 21	24
Age 22+	**8,347**
22 – 29	789
30 - 39	783
40 – 49	1,138
50 – 59	1,743
60 - 74	2,346
75 +	1,548

Not stated	758
Total	**9,129**

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

Gender (Public Constituency)	Number of members
Female	4,805
Male	4,274

Public Constituency	Number of members
White	8,468
Black or Black British	33
Asian or Asian British	236
Mixed	101
Other	43

Public Constituency	Number of members
AB	2,147
C1	2,580
C2	2,064
DE	2,328

Effectiveness of membership engagement

We held our annual members' meeting at Wallsend Town Hall in September 2018, along with our Annual General Meeting. The event attracted a range of stakeholders including Governors, staff, members, the public and representatives from partner organisations.

We provided a look back at the highlights and challenges during 2018/19 as well as exploring the role of the ambulance service in collaborative system working. We welcomed guest speaker Alan Foster, Chief Executive Lead for the North East and Cumbria Integrated Care System, to talk about the Integrated Care System and the importance of collaboration.

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. During 2018/19 we refreshed the toolkit and provided Governors with additional support to assist in membership recruitment and engagement.

Governors accompany our staff to various community events throughout the year to engage with members and the wider public. In 2018/19 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 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

The Board reviewed its detailed assessment against the joint CQC and NHS Improvement Well-Led Framework in June 2018 and determined that there were no material changes to make at this time. This formed part of the Board's preparation for the annual CQC Well-Led inspection.

The Board is scheduled to re-review the self-assessment early in 2019/20, ensuring that it remains a dynamic and up-to-date reflection of the Trust's position in respect of the well-led principles.

Further information on the Trust's governance processes and structures can be found within the Annual Governance Statement section of this 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 2018/19, 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. A number of actions have been taken to support the improvement in performance against the AQIs and ultimately the quality of the service delivered to patients. These include:

- 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, through greater engagement with the clinical audit and effectiveness team and use of the bespoke CARE application;

- Ensuring statutory and mandatory training includes a refresher on STEMI and stroke to promote good practice; and

- Undertaking a detailed audit of pre hospital stroke care, with an action plan to reduce crew time on scene prior to conveying the patient to hospital.

Further information on the targets agreed with local commissioners, for example Commissioning for Quality and Innovation (CQUIN) targets, is available within the Quality Report's *Statements of Assurance from the Board* section.

Care Quality Commission inspection

The Trust was subject to an announced Well Led Inspection by the CQC in October 2018 and the outcome was as follows:

Ratings for the whole trust

Safe	Effective	Caring	Responsive	Well-led	Overall
Good →← Jan 2019	Good →← Jan 2019	Good →← Jan 2019	Good →← Jan 2019	Good →← Jan 2019	Good →← Jan 2019

The rating for well-led is based on our inspection at trust level, taking into account what we found in individual services. Ratings for other key questions are from combining ratings for services and using our professional judgement.

In addition, as part of its regulatory regime, NEAS was also subject to an Unannounced Inspection during September 2018. The two core services inspected were the Emergency Operations Centre and our NHS111 Service. The outcome of this inspection was as follows:

Ratings for ambulance services

	Safe	Effective	Caring	Responsive	Well-led	Overall
Emergency and urgent care	Good Nov 2016	Requires improvement Nov 2016	Good Nov 2016	Good Nov 2016	Good Nov 2016	Good Nov 2016
Patient transport services	Good Nov 2016	Good Nov 2016	Good Nov 2016	Good Nov 2016	Good Nov 2016	Good Nov 2016
Emergency operations centre	Requires improvement →← Jan 2019	Good →← Jan 2019	Good →← Jan 2019	Good →← Jan 2019	Good ↑ Jan 2019	Good ↑ Jan 2019
Resilience	Good Nov 2016	Good Nov 2016	Good Nov 2016	Good Nov 2016	Good Nov 2016	Good Nov 2016
Overall	Good →← Jan 2019	Good →← Jan 2019	Good →← Jan 2019	Good →← Jan 2019	Good →← Jan 2019	Good →← Jan 2019

The Emergency Operations Centre had significantly improved from the 2016 CQC inspection by being awarded with a 'Good' rating within the Well Led Domain and subsequently a 'Good' rating overall.

The NHS111 service retained its previous rating (2016) of 'Good' overall and 'Good' within each of the five domains.

The CQC inspection identified evidence of outstanding practice within the Emergency Operations Centre. This included the Trust's end of life and falls services. Further information on the inspection findings can be located within the Quality Report.

CQC issued the Trust with two Requirement Notices:
- Regulation 12 Health and Social Care Act 2014 – Safe Care and Treatment
- Regulation 18 Health and Social Care Act 2014 – Staffing

A number of actions have been identified which we must take in order to comply with our legal obligations. Further details on the 'must-do' actions are included in the Quality Report.

The Trust has developed an improvement action plan in response to the areas identified by the CQC and this will be closely monitored by the CQC for completion and close out.

Following on from a Trustwide and individual core service line Self-Assessment exercise, we have developed individual 'Route Map to Outstanding' action plans to continuously improve patient safety, clinical effectiveness and experience.

New services and developments

➢ *NHS111 and Integrated Urgent Care service*

As previously outlined we launched the NHS111 and Integrated Urgent Care service in October 2018. Whilst we had previously provided the NHS111 service for the region, this newly-commissioned service included an expanded Clinical Assessment Service, bringing together a range of clinicians with differing specialties such as advanced practitioners, GPs and pharmacists. The new service has been designed to ensure that most patients' issues can be dealt with on their first call, including a consultation with a clinician where this is required.

In order to accommodate more clinicians we opened a new base at Wynyard Business Park in Billingham. The base was named Winter House in memory of our former Chairman, Ashley Winter OBE, who passed away in April 2018 following a short battle with cancer. Winter House was opened by Dr Stephen Cronin, High Sheriff of the County Palatine of Durham, before a group of invited guests, including Ash's family.

➢ *Specialist service for terminally ill patients*

In September 2018 we launched a specialist service in partnership with Macmillan Cancer Support which aims to ensure the wishes of terminally ill patients are respected. Macmillan has invested £350,000 funding over a three-year period, to enable us to recruit three new roles: a Macmillan nurse facilitator, a Macmillan engagement officer and an administrative support role for the new Macmillan Supportive, Palliative and End of Life Service.

Working from within the Emergency Operations Centre, the dedicated Macmillan team will be tasked with equipping ambulance staff with the specialist skills necessary to support terminally ill patients, and the people around them, whether that be on an emergency 999 call, a NHS111 call or as part of a scheduled ambulance transport service.

They will also work with other healthcare and social care providers throughout the North East to ensure patients' care plans are fed into the system so their wishes can be respected throughout the process.

As well as providing better patient care, it is hoped this service will mean more patients can continue to be cared for at home and prevent unnecessary admissions to hospital. The new service expands on the work already undertaken to improve end of life services for North East patients, which has included a successful end of life transport scheme, allowing healthcare professionals to arrange transportation for patients to be able to die in a place of their choosing.

➢ *South of Tyne dialysis contract*

We had previously provided dialysis transport services in South of Tyne prior to the contract being taken over by a new provider in January 2018. Following some contract delivery challenges, we were asked to take over the contract again at short notice and mobilised the service very quickly in June 2018. We have continued to strive to deliver a high quality service since mobilisation, supported through

valuable feedback from our patient advocates. The initial contract was in line with our core contract timeframes, i.e. patient collection within one hour of their booked ready time. We now aspire to provide a service which is aligned to the National Institute of Clinical Excellence (NICE) guidance of pick-up within thirty minutes, 95% of the time.

➢ *New falls services*

In partnership with Newcastle and Gateshead CCG, Gateshead Health NHS FT and Newcastle community teams we developed a holistic care package and rapid response service for patients who fall. The new service, which is a first for the North East but has already been a success in Lancashire and Bristol, consists of a multi-disciplinary team in which paramedics and occupational therapists work together to provide a timely response and deliver care to older patients who have fallen, thereby reducing the need for a hospital admission.

We have also expanded the scope of our Community First Responders (CFRs) to enable these valued volunteers to support non-injury falls patients. Specialist falls training was rolled out to CFRs in ten areas following the commencement of the trial in September 2018. The scheme is designed to give patients who have fallen without injury an early response and help to protect more specialist front-line resources for seriously ill patients.

The Trust's Charitable Fund provided the funding to purchase the twelve CFR falls kit required to enable to expansion of scope to be implemented. One of the core initiatives of the Charitable Fund is to support our volunteer services. You can find out more about our Charitable Fund on our website at the following link: https://www.neas.nhs.uk/get-involved/making-a-donation.aspx.

➢ *Dental out-of-hours telephony service*

We have partnered with Dencall to deliver a new dental out-of-hours telephony service which is due to launch on 1 April 2019. The new service which offers help and advice to patients who are suffering with dental problems in the evening, through the night and at weekends is the first service of its kind in the UK.

The service will cover Northumberland, Tyne and Wear, Durham & Darlington, Teesside and North Cumbria. Patients with dental concerns can ring 111, and, where appropriate, will be put in touch with specialists in the out-of-hours team at Dencall. The telephone-based service is for patients suffering with dental problems who need urgent help. Dental nurses will be on hand to assess patients with concerns. The nurses will be supported by dentists.

Dencall will provide the specialist staff, using our offices, systems and software. Dencall, together with NHS111 health advisers will have access to appointments in the new Unscheduled Dental Hubs which are open from 9am-5pm, Mondays to Fridays. It will help us to provide a more comprehensive service for people contacting NHS 111 in the region.

➢ *Scheduled Care booking service*

We secured the contract for the Scheduled Care booking service for four CCG areas within the region. This means that from 1 April 2019 we will answer calls and manage bookings in Sunderland/Wearside, Gateshead, North Tyneside and South Tyneside. We already provided the booking service in Northumberland and Newcastle. Integrating the booking service with the provision of transport will ensure an improved experience for patients, with the right vehicle provided to meet their individual needs.

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 2018/19, a small selection of which are outlined in further detail within this section.

➢ *Abstraction reporting*

As part of additional funding for our Unscheduled Care service, we were tasked with reducing our abstraction level from 33% to 31% during 2018/19. An improvement event was held to start this work with the aim of ensuring our reporting was identifying abstractions correctly. This also coincided with the roll out of a new version of our Global Rostering System which has introduced new reporting functionality. By March 2019 the abstraction rate had reduced to 29.5%, which is a significant improvement.

➢ *Complex moving and handling vehicle capacity*

Building on work undertaken in early 2018, we have followed up the initial improvement work with a business case to secure funding for vehicles and staffing to respond to complex moving and handling cases. We are now recruiting employees to work on the support vehicles 24/7 as a secondment opportunity for 12 months during which a full evaluation of the model will take place to secure a permanent solution. As well as the

support vehicles we have also invested in the conversion of six Scheduled Care vehicles resulting in increased bariatric capacity.

➢ *Clinical Annual Review of Excellence (CARE)*

The Clinical Annual Review of Excellence (CARE) project was rolled out to all clinical managers (CCMs) to have access by April 2018. This initial phase was for testing of the system for functionality. CARE was enabled to be used for capture of operational employee one-to-ones. CARE was also used for CCMs to record details of station walk rounds. In May 2018 these were mapped against the CQC's key lines of enquiry to look at areas for improvement. It also provided links to other areas of the Trust's compliance and other areas for information. This saw an unexpected rise in the amount of recorded one-to-ones and infection prevention and control audits.

All employees were able to access CARE at an individual level and this was to highlight excellence in practice and highlight areas for improvement. In October 2018 a bespoke e-learning package was created to assist staff in getting the best from the system. Employees have been using CARE including some colleagues using it to back up their progression through a portfolio of evidence built up through CARE.

CARE received an award for Team of the Year at the 2018 Trust staff awards as well as recognition and an award at the AACE Ambulance Leadership Forum in March 2019. In March 2019 CARE was also represented at the IHI/BMJ International Health Conference with a poster in the Quality section. A bespoke video was also produced to help in the next stage of engagement.

➢ *Project A – #ProjectA*

We have been supporting a national project, Project A, with the Quality Improvement (QI) Manager being involved as part of small design team working with NHS Horizons through to the official project launch in June 2018 in London. This initial 12 month programme of work aimed to give frontline ambulance staff a greater role in the innovation, service design and problem solving.

Our frontline employees have been involved at every event, with the QI manager working up to one day a week with NHS Horizons since July 2018. During the summer, over 600 ideas were shared via the ideas platform and tweet chats as part of phase 1 of the project from ambulance colleagues across the country.   Twelve of those ideas were selected for a two day virtual 'innovation burst' where 198 staff collaborated to test and prototype them.   Project A has now been focusing on working on 3 key ideas on falls, collaboration and mental health. NEAS has implemented a new falls framework as a result and work on the other areas will continue into 2019/20.

➢ *Unscheduled Care Transformation Project*

Over the past 12 months we have been working toward implementing our Unscheduled Care Transformation project which has seen us gain funding to increase our staffing establishment. We have been working with employees and trade union colleagues to design and agree new rotas across the majority of our stations to meet current and future demand. The new rotas are now agreed and will be implemented, along with additional vehicle capacity, throughout 2019.

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 frontline employees to assist with patients with specific communication needs;

- Our Learning Disability web zone has helped improve the information available in an accessible format about our services and how to use them;

- A Young Persons' web zone was developed to provide further advice and guidance to young people about our services and provide teachers and community organisations with resources;

- We reviewed our training to Operations Centre Health Advisors on talking to people with learning disabilities and young people; and

- We have added extra padding to seats on Scheduled Care vehicles to help with comfort issues.
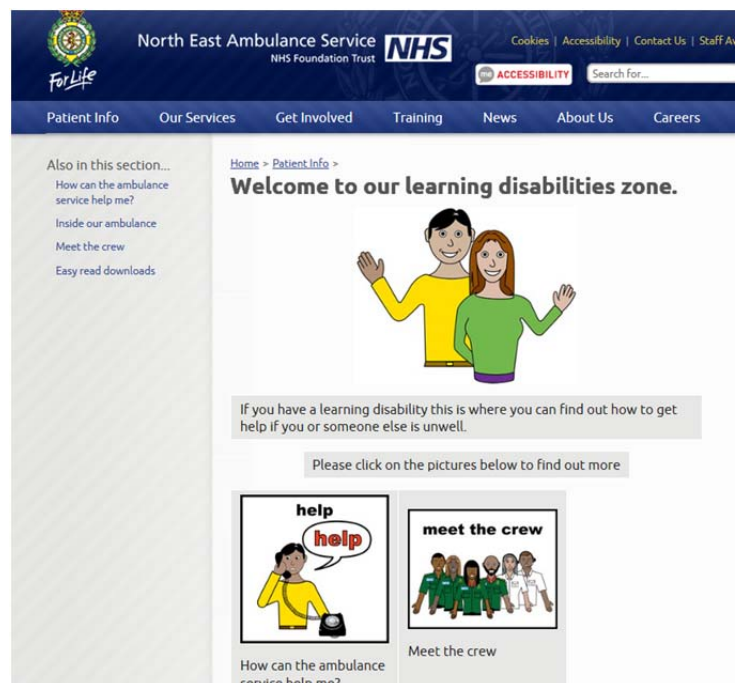
Seeking feedback from our staff on how to enhance the services we provide to our patients is also something which we feel is very important. A key example of this is the way in which

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:

- Launching new training offerings including Leadership Essentials and a newly revised Management Essentials programme;
- Full implementation of a revised appraisal process and paperwork for all staff.;
- Increased opportunities for engagement between managers and the Executive team, with two full-day strategic engagement events held during the year;
- Development of a health and wellbeing strategic plan for the Trust; and
- Increased opportunities for staff to become involved in service improvement initiatives.

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.

Over the last 12 months we have continued to enhance information available to patients and carers. Some of our developments include:

- A NHS111 leaflet in twelve community languages;
- An 'our services' leaflet providing information on all of our services;
- A Black, Asian and Minority Ethnic (BAME) ambassadors role - we recruited ambassadors to help us to disseminate key messages about our services to BAME communities;
- A learning disability web zone and a young persons' web zone improving information about how and when to use our services to these groups of people;
- We continue to work with commissioners, regional and national partners and NHS England to explore how we can meet the Accessible Information Standard; and
- We continue to 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 family 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 acknowledge that a culture of openness is at the basis of our drive to improve 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 to ensure that the patient is fully informed of how they have come to suffer harm as a result of their contact with our service.

The Trust has undergone a period of transformation to ensure that the values of openness, personalised approach and care for the patient and timeliness become embedded. 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 Ulysses Safeguard system underwent major updates last year and the process continued during this financial year and lessons learned continue to be regularly input in the system and are a predominant feature of the monthly Experience, Complaints, Litigation, Incidents and PALs (ECLIPs) Group through which they are shared with the various Service Lines.

The financial year 2018/19 recorded 489 complaints, 0.02% of the overall activity. 283 complaints were upheld or partially upheld. The Trust received notification that, during 2018/19, 8 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 the last financial year, 489 against 526 in 2017/18, a reduction of 7%. In addition to the reduction in total complaints received, appreciations have had a slight increase throughout 2018/19.

	2018-2019
Total Complaints	489
Total 999, 111 , Urgent Calls, Calls Answered & PTS Journeys	1,688,814
Complaints as a % Total 999, 111 , Urgent Calls & PTS Journeys (Patients + Escorts)	0.02%
Total number of Upheld Complaints	193
Total number of Part Upheld Complaints	90

In the financial year 2018/19 we received 489 complaints compared to the 526 received last financial year, a reduction of 7%. However there has been a 3% increase in the overall number of "elements" that may have contributed to a service user feeling the need to complain, from 628 last year to 650 in 2018/19.

Cause of Complaint	**2018 – 2019**
Timeliness of Response	176

Quality of Care	277
Staff Attitude	135

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.

We have engaged with partners in the North East and Cumbria in respect of the Integrated Care System (ICS) and the supporting Integrated Care Partnerships (ICPs). This included featuring the lead Chief Executive of the ICS, Alan Foster, as the keynote speaker at our Annual General Meeting in September 2018.

We have contributed to a number of different consultations on service reconfiguration during the year. This has included the Path to Excellence healthcare transformation project in Sunderland and South Tyneside.

We have met regularly with local authority overview and scrutiny committees, discussing our performance against the national response standards and our Quality Report.

To build community relationships and partnerships, we attended more than 120 events during the year to raise awareness of our services and how people should use them, to promote employment, volunteering and foundation trust membership opportunities, and to collect information on patient experience.

We linked with stakeholders, schools, the Resuscitation Council and the British Heart Foundation in October 2018 to once again train pupils in 29 schools with lifesaving skills as part of Restart a Heart Day. Each year our call handlers support approximately 2,200 people to perform cardiopulmonary resuscitation (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 the rest of their lives. Teaching the next generation the skills will hopefully give them the confidence to help if such a situation arises.

We have also worked closely with school children in Hartlepool on the Junior Inspectors programme. This work is part of a long-running partnership between the Trust and the West View project, a voluntary funded youth organisation based in Hartlepool, and Hartlepool Healthwatch. During the project more than 200 young people had the chance to learn about the local ambulance service and how to save a life. A group of 12 children presented a series of recommendations to the Board of Directors on how the

service could enhance its approach to young people. This included everything from encouraging the service not to use big words when speaking with children to involving young people in planning and delivering the service.

In October 2018 we hosted Yvonne Coghill, Director of Workforce Race Equality for NHS England, to explore how the region could improve its response to race equality. Over 100 people from across the NHS, public, private and community sector and our Board attended the event. Yvonne provided a key note speech on race equality to the mixed audience before sharing her thoughts on how organisations and individuals could help make organisations more inclusive of race equality and welcoming to BAME people. She provided an overview of our performance compared to that of the rest of the region, sector and the nation and then explored how we could work together to raise our performance on some of the areas the region was weak.

We have worked with a range of stakeholders across the region to set up a vehicle redesign group. We are in the early days of this group but we hope to be able to change the local specification to better meet the needs of people with a wide variety of different requirements.

We continue to reach out to deaf and disabled groups in the region to ensure they are aware of the various options to use our services including text and British Sign Language relay services, ensuring people have a good understanding of the various tools that are in place to assist people with specific needs.

On Valentines Day we launched a campaign to support communities with funding for new community public access defibrillators. In conjunction with our Charitable Fund we offered £500 funding and support to community groups in sixty target areas of the North East where we identified that the provision of a defibrillator could make a difference in the community. Getting a defibrillator to patients earlier could mean that more people survive a cardiac arrest and we are passionate about using the kind donations of the public, patients, staff and local businesses to help local communities save lives. The campaign has generated a lot of interest and we look forward to continuing to work with communities on this initiative in 2019/20.

Yvonne Ormston MBE
Chief Executive
24 May 2019

Annual statement on remuneration

The Board's Nomination and Remuneration Committee met six times during 2018/19 to fulfil its appointment and remuneration role.

The Committee's main work areas and achievements in relation to remuneration and Director performance during the year included:

- Developing and approving a revised Remuneration Policy for Very Senior Managers;
- Reviewing and considering the impact of NHS Improvement's requirements in relation to Very Senior Manager pay;
- Re-basing the Executive Director salaries during the year with reference to the NHS Improvement Pay Framework. The re-basing exercise was undertaken with due regard to benchmarking data and the Pay Framework, with clear evidence that for a number of positions the remuneration awarded at the Trust had not kept pace with the sector or region;
- Reviewing and approving plans to restructure Executive Director positions and portfolios;
- Approving the annual uplift for eligible Executive Directors and the Chief Executive;
- Reviewing the performance of the Executive Directors for 2017/18; and
- Reviewing the performance of the Chief Executive for 2017/18.

In relation to the appointment role, the Committee agreed the process for the recruitment of a Group Director of Finance. The Committee ratified the appointment of Kevin Scollay to the role of Group Director of Finance. Kevin will commence in post in June 2019 following the retirement of Lynne Hodgson, Director of Finance and Resources in May 2019.

The Committee also agreed the process for the recruitment of the Director of People and Development with recruitment ongoing at the year-end.

In addition, the Committee discussed in detail the process for the recruitment of the Chief Executive position and approved the proposals for interim cover. At the year-end the recruitment for the post had commenced and the Committee had agreed that Paul Liversidge, Chief Operating Officer, would become Acting Chief Executive until the successful candidate could commence in post.

Peter Strachan
Chairman
24 May 2019

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. The incoming Director of People and Development will provide the professional HR advice to the Committee following the retirement of the Head of HR in early 2019/20.

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 basic earnings greater than £150,000 which is our Chief Executive, paid at a basic salary of £153,575. 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 provide assurance that salaries remain appropriate.	No prescribed maximum limit, however salaries over £150,000 are subject to external opinion	Annual appraisal of performance against agreed personal and corporate objectives.
TAXABLE BENEFITS		Directors are given a car allowance / lease car Depending on job role, some Directors are in receipt of a phone allowance. Non-Executive Directors do not receive any benefits.	No prescribed maximum limit	Not applicable
PENSION		Via the NHS Pension Scheme	Standard NHS Pension Scheme	Not applicable

COMPONENT OF PAY	LINK TO STRATEGIC OBJECTIVES	HOW THE TRUST OPERATES THIS IN PRACTICE	MAXIMUM LIMIT	PERFORMANCE MEASURES
BONUS		The Trust has no annual bonus arrangements in place. 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.	Exceptional performance, as defined by the Remuneration Committee
EARN-BACK			Where salary levels are pitched in excess of £150,000	Annual appraisal of performance against agreed personal and corporate 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	-	-

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
		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	-	-

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.

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 six meetings of the Committee during 2018/19 and Board Member attendance can be seen in the table within the Directors' Report.

During the year the Head of HR 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 £4,493 (£3,337 2017/18). The total number of Governors claiming was 10. 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 23 Governors and ended with 24 Governors in post.

Directors' expenses for the reporting period were £2,532 (£11,051 2017/18). The total number of Directors claiming was 7 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 2018 - 31 March 2019					
	Salary	Taxable Benefits	Annual Performance Related Bonus	Long Term Performance Related Bonus	All Pension Related Benefits	Total Remuneration
	(bands of £5,000)	(nearest £100)	(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	0	195-200
Lynne Hodgson - Director of Finance and Resources	125-130	0	0	0	0	150-155
Paul Liversidge - Chief Operating Officer	110-115	0	0	0	45.0–47.5	185-190
Joanne Baxter - Director of Quality and Safety	110-115	0	0	0	60.0-62.5	190-195
Caroline Thurlbeck - Director of Strategy, Transformation & Workforce	105-110	0	0	0	115-117.5	240-245
Kyee Han - Medical Director (to 30/06/18) Note 1	15-20	0	0	0	0	15-20
Dr Mathew Beattie - Medical Director Note 4	155-160	0	0	0	62.5-65.0	235-240
Peter Strachan - Chairman (from 29/05/18)	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	15-20	0	0	0	0	15-20
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	10-15	0	0	0	0	10-15
Dr Gerry Morrow - Non Executive Director	10-15	0	0	0	0	10-15

Note 1 - Kyee Han's pay includes all employer on-costs and pension contributions.

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 - 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	2018/19	2017/18
Income associated with Medical Director position (from 1 July 2017)	139,681	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	17,725	60,232
TOTAL	**157,406**	**181,045**

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)	(bands of £5,000)	(bands of £5,000)	(bands of £2,500)	(bands of £5,000)
					Note 2	
	£'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 and 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 (to 30/06/18) Note 1	60-65	0	0	0	0	60-65
Dr Mathew Beattie - Medical Director (from 01/07/17) Note 4	175-180	0	0	0	0	175-180
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		5-10
Dr Gerry Morrow - Non Executive Director (from 01/11/17)	5-10	0	0	0	0	5-10

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 2019 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2019 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2019	Cash Equivalent Transfer Value at 31 March 2018	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	01/04/18 - 31/03/19	0.0-2.5	2.5-5.0	60-65	185-190	1,416	1,268	126	
Paul Liversidge – Chief Operating Officer	01/04/18 - 31/03/19	2.5-5.0	7.5-10.0	45-50	135-140	1,063	912	137	
Lynne Hodgson - Director of Finance and Resources	01/04/18 - 31/03/19	0.5-2.5	0.0-2.5	50-55	145-150	1,125	1,012	96	
Caroline Thurlbeck - Director of Strategy, Transformation and Workforce	01/04/18 - 31/03/19	5-7.5	10.0-12.5	35-40	95-100	757	579	164	
Joanne Baxter - Director of Quality and Safety	01/04/18 - 31/03/19	2.5-5	7.5-10.0	30-35	100-105	686	550	122	
Mathew Beattie - Medical Director (from 01/07/17)	01/04/18 - 31/03/19	2.5-5	2.5-5.0	25-30	65-70	502	395	90	

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	01/04/17 - 31/03/18	0-2.5	5-7.5	55-60	175-180	1,231	1120	78	
Paul Liversidge - Director of Operations	01/04/17 - 31/03/18	0-2.5	2.5-5	40-45	125-130	885	815	48	
Lynne Hodgson - Director of Finance and Resources	01/04/17 - 31/03/18	2.5-5.0	7.5-10.0	45-50	145-150	982	864	92	
Caroline Thurlbeck - Director of Strategy, Transformation and Workforce	01/04/17 - 31/03/18	0-2.5	0-2.5	30-35	80-85	562	504	41	
Joanne Baxter - Director of Quality and Safety (Executive Nurse)	01/04/17 - 31/03/18	0-2.5	7.5-10.0	30-35	90-95	534	496	20	
Mathew Beattie - Medical Director (from 01/07/17)	01/07/17 - 31/03/18	0-2.5	0-2.5	20-25	60-65	383	377	0	

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 organisations workforce. The banded remuneration of the highest paid director in North East Ambulance Service NHS Foundation Trust was £159k. This was 8 times the median remuneration of the workforce which was £20,448. Total remuneration includes, salary and non-consolidated performance related pay. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

	2018/19	2017/18
Band of highest paid Director's total remuneration (£'000)	155-160	180-185
Median total (£)	20,448	19,852
Remuneration ratio	8	9

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 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.

Pensions and retirement benefit

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 2018/19 was £9,101,000. 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 MBE

Chief Executive

24 May 2019

Staff Report

Looking after our staff is one of our three strategic aims, as outlined in our 2015-2020 Strategic Plan. The corporate priorities and underlying objectives support the delivery of the Trust's strategic aims. One of the Trust's six corporate priorities for 2018/19 centred on workforce.

As part of the workforce corporate priority we developed a number of sub-objectives and milestones. At a headline level they included the development and delivery of the Trust's workforce strategy and the strengthening of organisational health and wellbeing. 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.

Workforce headlines – recruitment and retention

We have continued to work hard to recruit and retain high calibre staff, both in relation to the front line and supporting functions. The Trust's monthly turnover rates was only breached for 1 month (June 1.34%), the other 11 months were all below the Trust's monthly target rate of 1.25%.

96% of staff were in post at year-end compared to the establishment. That said, recruitment does remain a risk for the Trust, particularly for clinical roles within the Emergency Operations Centre and Unscheduled Care. Plans were in place at the year-end to identify new opportunities to increase recruitment, including the development of a social media campaign and the expansion of apprenticeships.

Workforce headlines – staff engagement and wellbeing

Sickness rates have continued to show improvements against 2017/18 rates resulting from enhanced focus and support offered through revised operational processes and changes in management approaches to sickness. This resulted in a sickness absence rate of 6.44% for the year ended 31 March 2019.

The Friends and Family Test scores in relation to recommending the Trust as a place to work have increased from 67% in March 2018 to 92% in March 2019. This demonstrates the positive focus on workforce is translating into greater contentment within the workplace.

Further evidence of this can be seen through the NHS staff survey results. We achieved the top score in the ambulance sector in seven out of ten key themes / indicators. This included being the top scoring ambulance trust in respect of staff engagement and health and wellbeing.

During 2018/19 we delivered our Investors in People action plan, following our accreditation at the 'developed' level in summer 2017. In 2018/19 Investors in People held an interim review and provided us with positive assurance that our plans to achieve the next stage of the accreditation were on track.

We have also strengthened our organisational health and wellbeing focus during 2018/19. This has included the development of a health and wellbeing strategy, the appointment of a mental health lead and the commencement of mental health first aid training.

Workforce headlines – Freedom to Speak Up
We continued to promote Freedom to Speak Up and the role of the Freedom to Speak Up Guardian to staff across the Trust during 2018/19. During the year the Guardian received three concerns, a decrease compared to the eight concerns received in 2017/18.

It is recognised that Freedom to Speak Up is only one mechanism for raising concerns within the Trust. Staff survey evidence indicates that 72% of staff would feel secure in raising concerns about unsafe clinical practice. This is the top result within the ambulance sector. In addition, 61% of staff stated that they felt confident that the Trust would address their concern, which is again the top result in the sector.

The Trust is also a high reporter of incidents, which again provides assurance that staff feel confident in reporting issues through the formal incident reporting channels.

The concerns mainly centred around staff behaviour with limited linkages to patient safety. 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.

The Workforce Committee and Board of Directors have been appraised of Freedom to Speak Up activity during the year. The Guardian has provided briefings on emerging National Guardian's Office publications and best practice and there is a plan in line to address areas where there is scope for further improvement in Freedom to Speak Up processes.

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 2018/19	Other 2018/19	Total 2018/19	Permanent staff 2017/18	Other 2017/18	Total 2017/18
Ambulance staff	2,075	1	**2,076**	*1,992*	*-*	*1,992*
Medical and dental	4	-	**4**	*4*	*1*	*5*
Administration and estates	322	9	**332**	*337*	*6*	*343*
Healthcare assistants and support staff	81	4	**84**	*65*	*-*	*65*
Nursing, midwifery and health visiting staff	38	9	**47**	*25*	*-*	*25*
Scientific, therapeutic and technical staff	1	0	**1**	*-*	*-*	*-*
Other	2	-	**2**	*2*	*-*	*2*
Total average numbers	**2,521**	**23**	**2,547**	**2,425**	**7**	**2,432**

*Please note that due to rounding differences some of the above figures do not exactly cast to the totals shown.

As at 31 March 2019 the gender split of the Trust's workforce was as follows (this table is not subject to audit):

Staff Group	Assignment Category	Male 2018/19	Female 2018/19	Male 2017/18	Female 2017/18
Directors	Full time	1	4	*1*	*4*
	Part time	5	3	*5*	*3*
Other Senior Managers (Agenda for Change Bands 8a to 8d)	Full time	28	20	*23*	*22*
	Part time	3	5	*1*	*4*
Employees	Full time	1,212	834	*1,307*	*749*
	Part time	267	406	*270*	*410*

An analysis of our staff costs for the year is shown in the following table (subject to audit):

Staff group	Permanent staff 2018/19 £000	Other 2018/19 £000	Total 2018/19 £000	Permanent staff 2017/18 £000	Other 2017/18 £000	Total 2017/18 £000
Salaries and wages	78,391	110	**78,501**	73,099	238	**73,337**
Social security costs	7,348	-	**7,348**	6,922	-	**6,922**
Apprenticeship levy	358	-	**358**	344	-	**344**
Pension cost – employer's contribution to NHS pensions	9,101	-	**9,101**	8,630	-	**8,630**
Termination benefits	199	-	**199**	889	-	**899**
Temporary staff – agency / contract staff	-	750	**750**	-	120	**120**
TOTAL GROSS STAFF COSTS	**95,397**	**860**	**96,257**	**89,884**	**358**	**90,242**
Recovery from Department of Health group bodies in respect of staff cost netted off expenditure	(213)	-	(213)	(237)	-	(237)
TOTAL STAFF COSTS	**95,184**	**860**	**96,044**	**89,647**	**358**	**90,005**

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 as such have been an area of significant focus over the last few years. This resulted in a reduced sickness absence rate of 6.44% for the year ended 31 March 2019.

Almost 30% of absences relate to mental health issues. This has reduced from almost 50% in the previous year. There has been a significant amount of focus on mental health and wellbeing during 2018/19. The Trust took part in Mental Health Awareness Week in May 2018 with a number of sessions on mindfulness, sleep, exercise and healthy eating, as well as health checks available for staff. The Trust has also continued to support the Mind Blue Light Champions work on mental health. A mental health lead for the Trust was appointed in Quarter 4 of 2018/19 and we have worked alongside nine other ambulance trusts and NHS Improvement to strengthen health and wellbeing.

The following table shows the total days lost to sickness, the average full time equivalent staff figures for 2018 and the average sick days per full time equivalent staff members. The figures have been obtained through calculations undertaken by NHS Digital and the

Department of Health and Social Care on behalf of providers. The figures shown refer to the calendar year (1 January 2018 to 31 December 2018 rather than the financial year).

	2018	2017
Average full time equivalent staff	2,457	2,357
Total days lost (per Cabinet Office definitions	34,078	35,104
Average sick days per full time equivalent staff member	13.87	14.9

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

We continue to use the Job Centre Plus Disability Confident Scheme and we have been assessed as a 'Disability Confident Employer'. We continue to take actions to support disabled people into work and stay in work.

We have undertaken a full equality analysis assessment of our recruitment process and make a number of reasonable adjustments throughout the process to support people with various needs.

Our Equality, Diversity and Human Rights Policy provides details of our service and employment aims for all protected groups including disabled people and our Equality Code of practice supports and compliments this.

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.

In early 2019 we launched our new disability employee network, Able. The group is in its infancy but hopes to develop and grow to support the Trust to understand the needs of disabled employees and help the organisation to improve services for disabled patients.

The Trust has not included its full equality report as part of the Annual Report, but further details on our approach to equality and diversity can be found at our website: https://www.neas.nhs.uk/about-us/equality-and-diversity.aspx

Staff engagement

Communicating to a geographically diverse workforce is a challenge and ambulance trusts have some of the lowest levels of engagement across the NHS. However, we have made great strides in staff engagement to become the top-rated ambulance service in England for promoting a safety culture; promoting health and wellbeing for staff; and for morale and staff engagement.

Among the key findings in the survey were staff who looked forward to coming to work rose by almost a quarter; the number of people who were enthusiastic about their job rose by 23%; those who would recommend the Trust as a place to work rose by 17%; and there was an increase by almost a quarter for those staff who felt secure about raising concerns about unsafe clinical practice.

In all, 49% of staff responded to the survey which covered 10 main themes: equality, diversity and inclusion; health and wellbeing; immediate managers; morale; quality of appraisals; quality of care; safe environment – bullying and harassment; safe environment – violence; safety culture; and staff engagement.

We have continued to build on the positive improvement in employee satisfaction in our digital communications project to build and implement a new intranet based on Microsoft SharePoint, which is due to roll out in 2019/20.

Our internal communications was shortlisted again for a regional award from the North East Chartered Institute of Public Relations.

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 within our Emergency Operations Centre.

We hold an annual Educational Awards ceremony where all employees who have had an academic achievement are recognised for their hard work and achievement. In addition, our annual staff awards recognised more than 170 employees across the Trust.

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. Consultation on key service changes takes place to ensure the impact on our workforce is properly

addressed. A recent example would be the proposed changes to our Unscheduled Care shift patterns where we have worked closely with both local and regional Trade Union officers to develop a set of principles around which to build our rotas, and then communicated and consulted on these with Unscheduled Care colleagues.

A separate trade union recognition agreement is in place for our subsidiary NEASUS.

Health and safety
Health and safety remains a top priority for the Trust with a dedicated Strategic Health and Safety Committee with appropriate representation from across the Trust. There have been a number of positive developments during 2018/19, which include:
- Additional investment in patient safety through the purchase of specialist equipment for the safe transportation of children on board our ambulances;
- Investment in health and safety management and risk assessment training for over eighty operational managers;
- The recruitment of an additional advisor into the health and safety team; and
- A full review and update of the Trust's health and safety policy and associated procedures.

In addition, we became the first trust in the country to trial body-worn video cameras to prevent, reduce and record incidents of violence and aggression.

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 supported the Trust's focussed recruitment work over the last year, undertaking a significant number of pre-employment medicals / screenings. In addition the service has supported managers to appropriately address sickness absence, providing advice and support in respect of referrals.

The service provides annual health surveillance for both NEASUS and HART staff, including hand arm vibration screening. This programme supports those staff who may be at risk of specific conditions or injuries due to the nature of the work undertaken.

The Occupational Health service continued to play a pivotal role in the annual flu vaccination campaign. The team held clinics, attended emergency departments to vaccinate crews and also attended corporate induction and training sessions. 53.1% of our front line staff were vaccinated during the campaign and the planning for the 2019/20 campaign has already commenced.

Fraud and corruption
Local Counter Fraud Specialist Services (LCFS) were provided to the Trust via contract arrangements with AuditOne. There were some changes in personnel during 2018/19 with the appointment of a new Local Counter Fraud Specialist.

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 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.

Trade union facility time disclosures
In accordance with the requirements of the Trade Union Facility Time Publication Requirements Regulations 2017 and the guidance issued by the Cabinet Office, the following disclosures outline our trade union facility time arrangements for 2018/19.

Table 1 – Relevant Union Officials
Total number of employees who were relevant union officials during the relevant period

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
33	2787

Table 2 – Percentage of time spent on facility time
How many employees who were relevant union officials employed during the relevant period spent a) 0%, b) 1-50% c) 51 – 99% or d) 100% of their working hours on facility time

Percentage of time	Number of Employees
0%	14
1 – 50%	17
51 – 99%	1
100%	1

Table 3 – Percentage of pay bill spent on facility time
Percentage of total pay bill spent on paying employees who were relevant union officials for facility time during the relevant period

Provide the total cost of facility time	£106,060.81
Provide the total paybill	£96,257,000
Provide the percentage of the pay bill spent on facility time, calculated as: **(total cost of facility time ÷ total pay bill) x 100**	0.11%

Table 4 – Paid Trade Union activities

As a percentage of total paid facility time hours, how many hours were spent by employees who were relevant union officials during the relevant period on paid trade union activities.

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: **(total hours spent on paid trade union activities by relevant trade union officials during the relevant period ÷ total paid facility time hours) x 100**	Negligible as most activities are carried out in own time.

Staff survey results 2018

Statement of approach

NEAS listen to our colleagues in order to ensure a good working environment and we do this with the use of the NHS Staff Survey. We are a very diverse organisation in terms of our staff groups and the staff survey allows us to look at how our staff are feeling overall as well as our individual areas.

Reports are generated at Directorate and Department level so that we can highlight concerns and put action plans in place. Communication around these action plans is vital so that our employees know that we are continuously aiming to improve their working life.

Summary of performance

The following tables provide an overview of our survey performance over the last three years in compassion to our national benchmarking group, namely other ambulance trusts.

Our response rates for the staff survey over the last three years are shown in the table below:

Year	NEAS Response Rate	Best rate (National)	Average rate (National)
2016	49%	60%	37%
2017	54%	61%	42%
2018	49%	65%	49%

We aimed to achieve a higher response rate in the 2018 survey and trialled different methods to encourage staff to complete the survey. This included only issuing the survey in an electronic format rather a paper-based format. We are planning to start preparation for the 2019 survey mid-April in the hope that we can fully engage with the staff to achieve a higher return.

The survey results have been themed nationally into ten indicators, and the following tables demonstrate our performance compared to historic scores and the rest of the sector.

1) Equality, diversity and inclusion			
Year	Score	Best Score (National)	Average Score (National)
2016	8.5	9.1	8.5
2017	8.6	8.8	8.3
2018	8.6	8.7	8.4

There has been a slight increase for equality and diversity from 2016 – 2017 and this year we have achieved the same score.

2) Health and wellbeing			
Year	Score	Best Score (National)	Average Score (National)
2016	4.9	5.2	4.8
2017	5.1	5.2	5.1
2018	**5.3**	5.3	5.0

We are consistently achieving a higher score in this area which put us as the best scoring ambulance trust at a national level at 5.3.

3) Immediate managers			
Year	Score	Best Score (National)	Average Score (National)
2016	6.6	6.8	5.8
2017	6.5	6.9	5.8
2018	6.6	6.9	6.2

2017 saw a dip of 0.1 in 2017 and we have brought that back in the 2018 results to 6.6 which is behind the best performing trust by 0.3.

4) Morale			
Year	**Score**	**Best Score (National)**	**Average Score (National)**
2016	No Data	No Data	No Data
2017	No Data	No Data	No Data
2018	**5.8**	5.8	5.7

We achieved the top score in respect of morale in comparison to the rest of the sector.

5) Quality of appraisals			
Year	**Score**	**Best Score (National)**	**Average Score (National)**
2016	4.9	4.9	4.5
2017	4.8	5.1	4.4
2018	**5.3**	5.3	4.6

In 2017 our score decreased to 4.8. During the course of last year we carried out an appraisal review and amended the paperwork and guidance to support our managers in carrying out an effective appraisal. As part of the policy implementation we trained all of our mangers as part of the Management Essentials programme in Appraisal Skills and we have seen an increase in score to achieve the top score for this at a national level.

6) Quality of care			
Year	**Score**	**Best Score (National)**	**Average Score (National)**
2016	7.6	7.7	7.3
2017	7.7	7.7	7.2
2018	**7.8**	7.8	7.4

Since 2016 we have consistently achieved the top score amongst ambulance trusts for the quality of care that we provide.

7) Safe environment – bullying and harassment			
Year	**Score**	**Best Score (National)**	**Average Score (National)**
2016	7.5	8.1	7.1
2017	7.6	7.6	7.1
2018	**7.6**	7.6	7.3

In 2017 we increased our score in respect of bullying and harassment to 7.6. Remaining the same this year we are still the top performance ambulance trust for this indicator.

8) Safe environment - violence			
Year	**Score**	**Best Score (National)**	**Average Score (National)**
2016	8.7	9.0	8.8
2017	8.8	9.0	8.8
2018	8.9	9.0	8.8

We have consistently increased our scores since 2016 by 0.1 year on year which takes us just under the best performing ambulance trust.

9) Safety culture			
Year	**Score**	**Best Score (National)**	**Average Score (National)**
2016	6.1	6.3	5.9
2017	6.3	6.4	5.9
2018	**6.5**	6.5	6.2

We have increased our score by 0.3 since 2016. We are currently the best performing ambulance trust in respect of our safety culture and environment.

10) Staff engagement			
Year	Score	Best Score (National)	Average Score (National)
2016	6.3	6.4	6.0
2017	6.4	6.4	6.1
2018	**6.5**	6.5	6.2

Again, we improved our score from the prior years and retained our position as the top performing ambulance trust.

Whilst the results are on the whole very positive we strive to identify ways in which we can continue to improve on our results and make the Trust a better place to work for our staff. Staff survey champions in each directorate have discussed the more detailed results with their teams and developed action plans to demonstrate our ongoing commitment to improvement.

Some of our key areas of focus following the detailed analysis include:
- Continuing to implement the health and well-being strategy to improve wellness at work;
- Further reducing incidents of harassment, bullying and abuse;
- Continuing to encourage employees to report incidents, accidents and near misses;
- Continuing to improve communication between senior managers and all staff;
- Harnessing staff ideas for service improvement;
- Involving staff increasingly in decision-making or change that affects their work and providing regular feedback and
- Increasing flexible working opportunities.

The Organisational Development Group is responsible for monitoring progress against the Trust's staff survey action plan. This Group reports into the Workforce Committee and ultimately the Board of Directors.

Expenditure on consultancy
The Trust spent £19,974 on consultancy services during 2018/19.

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.

We confirm the following:
- There have been no off-payroll engagements as of 31 March 2019 for more than £245 per day and lasting longer than six months.
- There have been no new off-payroll engagements or any that reached six months duration between 1 April 2018 and 31 March 2019 for more than £245 per day and that lasted longer than six months.
- There have been no off-payroll engagements of Board Members and/or senior officials with significant financial responsibility between 1 April 2018 and 31 March 2019, as illustrated by the following table:

	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)

The following table demonstrates a significant reduction in the number of exit packages agreed in 2018/19 compared to the previous year. In 2017/18 the Trust was in the midst of an organisational restructure, which increased the number and associated cost of exit packages.

EXIT PACKAGE COST BAND	NUMBER OF COMPULSORY REDUNDANCIES 2018/19	NUMBER OF OTHER DEPARTURES AGREED 2018/19	TOTAL NUMBER OF EXIT PACKAGES BY COST BAND 2018/19	NUMBER OF COMPULSORY REDUNDANCIES 2017/18	NUMBER OF OTHER DEPARTURES AGREED 2017/18	TOTAL NUMBER OF EXIT PACKAGES BY COST BAND 2017/18
<£10,000		5	5	-	3	3
£10,000 - £25,000		1	1	3	2	5
£10,000 - £25,000						-
£25,001 - £50,000				6		6
£50,001 – £100,000	1		1	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	6	7	1,247	49	1,296

The following table discloses the number of non-compulsory departures which attracted an exit package in the year, and the values of the associated payments by individual type.

	AGREEMENTS – NUMBER 2018/19	TOTAL VALUE OF AGREEMENTS 2018/19 £000	AGREEMENTS – NUMBER 2017/18	TOTAL VALUE OF AGREEMENTS 2017/18 £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	6	52	1	5,000
Total	**6**	**52**	**5**	**49,337**
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	-	-	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	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. This statement should also describe how any disagreements between the Council of Governors and the Board of Directors will be resolved. 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.	Directors' Report – The Board and Governor Relationship section
A.1.2	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. It should also set out the number of meetings of the Board and those committees and individual attendance by directors. This requirement is also contained in paragraph 7.46 as part of the remuneration report requirements. The disclosure	Directors' Report – Board Composition section and table of Board Members

Code ref.	Summary of requirement	Section reference
	relating to the remuneration committee should only be made once.	
A.5.3	The annual report should identify the members of the Council of Governors, including a description of the constituency or 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.	Directors' Report – Council of Governors section and table of Governors
FT ARM	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 Directors' Report – Council of Governors 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 – Board Composition 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. 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 Composition section Directors' Report – Board of Directors section
FT ARM	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. Directors' Report – Board Composition section and table shows appointment length
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 – Nomination and Remuneration section Remuneration Report – Nomination and Remuneration Committee
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.	Not applicable – open advertising was used for all vacant Board positions.

Code ref.	Summary of requirement	Section reference
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.	Directors' Report – Board Composition table Directors' Report – Declaration of Interests section
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:	Directors' Report –

Code ref.	Summary of requirement	Section reference
	(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.	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 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.	Not applicable for 2018/19 – see Directors' Report – Audit Committee section
C.3.9	A separate section of the annual report should describe the work of the audit committee in discharging its responsibilities. The report should include: • 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	Directors' Report – Foundation Trust

Code ref.	Summary of requirement	Section reference
	available to members on the NHS foundation trust's website and in the annual report.	Membership section
FT ARM	The annual report should include: • 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
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 and individual trust annual reports, 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 benchmarking information, 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.

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 2019. 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	2018/19 scores				2017/18 scores			
		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Financial sustainability	Capital service capacity	1	1	1	1	1	1	1	1
	Liquidity	1	1	1	1	1	1	1	1
Financial efficiency	I&E margin	1	2	2	1	2	2	2	1
Financial controls	Distance from financial plan	1	1	1	1	1	1	1	1

Area	Metric	2018/19 scores				2017/18 scores			
	Agency spend	2	1	1	1	1	1	1	1
Overall scoring		**1**	**1**	**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 and Social Care 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 and Social Care 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;
- confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS Foundation Trust's performance, business model and strategy; 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 MBE
Chief Executive
24 May 2019

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 2019 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 Plan which is monitored by the Executive Risk Management Group. Professional support is provided by the Head of Risk and Regulatory Services.

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.

The Trust regularly makes available opportunities for managers to attend essential management training, which incorporates risk management elements.

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. Furthermore investigation training courses for investigating officers were delivered during the year.

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 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 Risk 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 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 2019 and an internal self-assessment indicated that the Trust had improved its risk maturity to 'risk enabled' level. The Board continues to support the overall aim of maintaining 'risk enabled'.

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 2018/2019 provided good assurance. Furthermore the Trust has delivered the annual risk management plan to schedule.

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.

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.

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. The Board 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 is supported by a number of sub groups covering key areas such as patient safety, health and safety, patient experience and safeguarding.

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 Data Protection Toolkit which is visible and auditable to regulating bodies. As of the 31st March 2019 the Trust has provided 81/100 mandatory evidence items towards compliance with the Data Security and Protection Toolkit. An improvement plan has been developed and submitted to NHS Digital to meet the 19/100 mandatory evidence items by 31/09/2019. Our current status is "Standards NOT met" however NHS Digital has agreed to change the status to "Standards not fully met (Plan Agreed)" once they have worked through the improvement plan. In addition an audit of the toolkit was undertaken on 05/03/2019 by AuditOne and the trust has adjusted the Toolkit evidence in line with audit observations and recommendations with no further action being identified.

The Trust was audited by internal auditors against the steps taken by the Trust to comply with GDPR and have been provided assurance that '' Governance, risk management and control arrangements provide reasonable assurance that the risks identified are managed effectively''. An action plan is in progress around 9 Medium Risks and 2 Low risks related to design on the control framework and compliance with the control framework.

The Trust also receives assurance on the controls over its finance and procurement system by way of an ISAE3402 report. In previous years a type 2 report has been provided which gave assurance over the effectiveness of the controls in place. However, this year, due to the service provider moving from one system to another, type 1 reports were provided for the legacy and new systems instead. A type 1 audit tests the controls at a point in time so

provides less assurance overall. Subsequently the Trust must place additional reliance on its own controls to ensure the integrity of the services and information provided.

Area	Controls Tested	Assurance
Management Structure	Controls to Manage Delivery of the Service to NEP.	Service was delivered throughout the period.
Service Level Management	Controls to ensure service is managed to the agreed service levels.	Service levels provided in line with the SLA
Information Security Management	Approved security policies and procedures are in place for the protection of assets.	These were noted in the type 1 audit. Oracle ISO/IEC 27001:2003 certification held. No security issues notified.
Access to Programs and Data	Access to application, operating system and the data base is restricted to authorised individuals.	No issues noted in the type 1 report. The Trust operates its own controls including segregation of duties, restricting individual access.
Supplier Headers	Controls on the creation and maintenance of supplier headers	No issues raised on the type 1 report. The Trust checks all new supplier header information independently for those it requests to be set up.
Change Management	Changes to in-scope systems are authorise, tested approved and documented prior to implementation.	No issues raised in the type 1 report nor have any been identified by the Trust.
ESR Transfer	ESR data is transferred securely, completely and accurately and in a timely manner.	No issues raised in the type 1 report. In addition the Trust reconciles the payroll files on a monthly basis.
BACS Transfer	Bacs is processed in a complete, timely and accurate manner.	No issues raised in the type 1 report. In addition the Trust checks all BACS processing documents and reconciles the

Area	Controls Tested	Assurance
		payments to the bank accounts.
Computer Operations	Assurance that network and infrastructure are monitored to provide service availability and meet agreed service levels	No issues raised in the type 1 report. Provider has Oracle Public Cloud Services SOC1 and SOC2 Type 2 Reports plus Bridge Letters. The Trust also has its own Business Continuity Plan.

The highest scoring risks throughout the year which were reflected on the Board Assurance Framework during 2018/19 are outlined below, along with a brief summary of the mitigating actions taken:

Risk Description	Key Mitigating Actions
Organisational sustainability is compromised by the Trust's ability to meet its financial plan and / or contractual commitments, including an inability to meet the challenging cost improvement target. 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 links to the corporate priority of organisational sustainability (including achieving the financial plan; delivering the Ambulance Improvement Programme; and supporting the development of the Integrated Care System).*	- The Trust secured a four-year funding deal with its Commissioners, which provides a level of stability in relation to the core funding. - Delivery of the performance trajectories as outlined within the 4 year plan. - Successful mobilisation of the NHS111 / Integrated Urgent Care contract. - Effective management of the financial resources to exceed the agreed control total, make a small adjusted performance surplus and maintain a healthy liquidity ratio. - Participation in the Northern Ambulance Alliance to achieve collective efficiencies in a number of areas. - Expansion of the Trust's service offering to incorporate dental clinical assessment services and additional patient transport booking services. The new services will launch on 1 April 2019.

Risk Description	Key Mitigating Actions
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 *This links to the corporate priority of improving quality and safety (including: delivering the Quality Strategy milestones; developing Quality Improvement; and driving forward improvements against the CQC fundamental standards).*	• Continued partnership working across the region to deliver a joined-up and timely service for patients. This included further development of collaborative falls services. • Expanding the remit of some of the Trust's community first responders to enable these valued volunteers to support patients with non-injury falls. This frees up clinical staff to be able to support patients with injuries or medical needs. • The Trust has expanded its ability to undertake clinical audits of its patient data on a temporary basis with the aim of making enhancements to the quality of care provided to patients. • The Trust has continued to develop its Quality Improvement initiative and has been recognised nationally for its contribution to improvement projects such as NHS Horizon's Project A. • An independent review of the Trust's serious incidents demonstrated that there is a robust reporting and investigation process in place. • The Trust has continued to perform well in relation to the Ambulance Quality Indicators (AQIs). • The Trust retained its overall 'good' rating in the 2018 Care Quality Commission inspection, and the Emergency Operations Centre improved its rating from 'requires improvement' to 'good'. This provides positive assurance regarding the quality of care and services provided.
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 organisational culture, ultimately impacting upon the desirability of the Trust in respect of employment, investment and sustainability.	• The Trust performed strongly in the NHS staff survey, scoring top in the ambulance sector in 7 out of the 10 key themes. • The Trust received positive assurance from Investors in People (IIP) regarding the progress made since being awarded the first IIP level in 2017. • Retaining a high rating on the Stonewall Index, including the top rated emergency service or health provider in the North East and the top rated ambulance trust nationally. • A significant amount of work has been

Risk Description	Key Mitigating Actions
This links to the corporate priority of workforce and Investors in People (including development and delivery of the workforce strategy and strengthening organisational health and wellbeing).	undertaken to promote equality and diversity within the Trust. • Continuing to roll out the Compass Leadership programme to managers within the Trust. • There has been a strong focus on health and wellbeing. This includes active promotion of mental health awareness.
Inability to implement a front line delivery model that enables the Trust to deliver an integrated, responsive quality service, resulting in poor performance, care which is not appropriately tailored to patient needs and potential damage to our reputation. *This links to the corporate priority of Clinical Care and Transport (including Unscheduled Care Service transformation and the Scheduled Care review).*	• The integrated Clinical Care and Transport service delivery model has continued to be embedded throughout the Trust. • The Trust has continued to deliver a responsive service to patients with the most life threatening conditions. • As outlined previously, the Trust has expanded the remit of community first responders to support the provision of a responsive service to non-injury falls patients. • The Scheduled Care review is underway with the project team analysing key areas such as appointment times, key locations and eligibility criteria. • The rota review has commenced to align rotas more closely with expected demand. This resulted from the demand and capacity review and is a necessary step in enabling the Trust to achieve the performance trajectories outlined in the four-year funding plan.
Inability to deliver an effective and efficient NHS111 and Clinical Assessment Service impacting on the sustainability of the Trust and its ability to win new business and negative impacts on reputation and recruitment. *This links to the corporate priority of NHS111 and Clinical Assessment Service (including mobilisation of NHS111 and the Integrated Urgent Care service and the development of the North*	• The NHS111 and Integrated Urgent Care contract was successfully launched in October 2018. • Work continues to recruit to clinical vacancies. • A mental health lead has been appointed to support further clinical pathway development. • The Trust has participated in the NHS England pharmacist rotation programme, placing pharmacists into the Clinical Assessment Service. • Emergency Department Consultants have been positioned in the Clinical Assessment Service. This has increased the range of clinical skills available. The Trust will be delivering out of hours dental triage via NHS111 from April 2019.

Risk Description	Key Mitigating Actions
East Provider Alliance).	
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. *This links the corporate priority of Communications and Engagement (including driving improvements in internal and external communications).*	• A new Communications and Engagement Strategy was approved by the Board in 2018/19. • A project is underway to redevelop the intranet and facilitate more effective internal communications through the use of Sharepoint. • Staff Friends and Family test scores remain strong. • The Trust has maintained a good profile at regional and national meetings, including those relating to the North East and Cumbria Integrated Care System.

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
Under the Trust's four year plan to achieve the national performance trajectories the Trust's anticipated changing skill mix ratio will require additional paramedic recruitment. There remains a shortage of paramedics nationally and the anticipated changes to educational	A number of initiatives are in place, including: • Overseas recruitment. • Continuing to develop close links with local education providers. • The Trust is exploring internal career progression / apprenticeship options as well as the potential for further diploma courses in partnership with local education providers. • Development of new roles/rotational models

Risk Description	Planned actions
entry levels for paramedics will present a number of challenges in terms of future supply / recruitment. There is a risk that the Trust will not be able to recruit the required number of paramedics and will therefore not have a sufficient skill mix to achieve the agreed performance targets under the four year plan. **In addition, there is a risk that the Trust is unable to recruit to a number of clinical roles within the Emergency Operations Centre, including GP and paramedic / nurse advanced practitioner roles. This would reduce the availability of staffing for ambulance revalidation and NHS111 clinical triage.**	in conjunction with other secondary and primary care providers. • Social media campaign/ongoing recruitment. • Career development programme in place in conjunction rather than in competition with primary care with the aim of reducing the risk of paramedics leaving the Trust to work in primary care. • Supporting paramedics from the EU with documentation to remain in the UK where appropriate. • Targeted recruitment is being undertaken regarding other clinical roles. • The Trust is utilising agencies / locums to cover essential shifts and provide clinical triage. • The Trust is attending GP forums to promote GP vacancies.
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. A four year plan has been agreed with Commissioners – this requires the Trust to deliver a number of efficiencies each year in order to achieve the performance trajectories outlined in the plan. It also requires the successful implementation of rota changes in order to more effectively match capacity with demand. There is a risk that the Trust will not meet the agreed performance trajectories if the efficiencies and rota changes	• An Unscheduled Care Transformation Project Group has been established to oversee the delivery of the objectives outlined in the four year plan. This project reports into the Transformation Board, chaired by the Chief Executive. • The rota review has been undertaken collaboratively with staff at each station across the region. Management, trade union representatives and staff were working together at the year end to resolve a small number of issues at particular stations, but the rota review was expected to be completed in line with agreed timescales. • There is regular reporting to Commissioners on the progress made in respect of the contract investment and associated efficiencies

Risk Description	Planned actions
are not delivered.	
The Trust's cost improvement programme target for 2019/20 is significant – £6.255 million. Around 30% of this cost improvement target relates to schemes which have not been identified and therefore is high risk. This reflects the already efficient nature of the Trust as a combined provider of urgent and emergency care services, but does present a financial risk for 2019/20 and future years.	• 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.

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. 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. There is a clear escalation process to ensure high level risks are reported on the Organisational Risk Register.

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. All cost improvement schemes undergo a full quality impact assessment prior to approval.

All new or revised policies are only approved once an equality analysis assessment has been satisfactorily completed.

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 Group; (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 Group, 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 which provides access to expert professional opinion from specialist medical advisers and clinicians and reports to the Quality Committee. The Trust has also agreed the introduction of an Assistant Medical Director to strengthen clinical capacity at senior level.

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.

Developing Workforce Safeguards
The Trust is committed to ensuring that our patients receive the highest quality of care through ensuring that our staffing processes are safe, sustainable and effective.

The Trust has considered the recommendations made in the Developing Workforce Safeguards guidance and developed an internal action plan to ensure we achieve compliance with all areas of the standards. This action plan has been considered by the Trust Board and implementation will be monitored by the Senior Management Team, with oversight by the Executive Team and Trust Board.

Internally a corporate workforce plan is developed, supported by recruitment and training plans. These are reviewed on a regular basis by board committees and the Trust Board. This medium to long term strategic plan ensures we review what is required of the workforce and how this is delivered through strong partnership working with the local HEI's to ensure a robust pipeline of skilled practitioners.

Any changes to the workforce establishments, introduction of new roles/working practices or changes to current roles are considered by the Director of Quality and Safety (Executive Nurse) and the Medical Director to consider the Quality Impact Assessment undertaken by the service, prior to approving or rejecting the changes.

Systems are in place to monitor staffing levels in the Emergency Operations Centre and across Unscheduled and Scheduled Care and there is currently an ongoing project to review and revise our emergency care shift patterns and rotas to ensure correct deployment of resources across the 24 hour period.

Short term strategies are in place to respond to day to day challenges with workforce, with demand and capacity modeling across the services to establish where hot spot areas may be. A clear escalation process is in place, with daily calls to review safe staffing and other operational issues, which is led by the Strategic Manager on call. The trust is currently reviewing staff rotas across all of our services to ensure they best meet the demand profile of each service. Where staffing pressures cannot be addressed with internal trust employed resources we have the ability to draw on third party providers to optimize patient and staff safety. Regular updates are provided to relevant Board Committees and the Trust Board for appropriate assurance.

Safer staffing reports have been received by the Trust Board for the Operations Division and further reports are being developed for all other services. In 2018/19 there has been significant work undertaken to review the staffing model in place in the Emergency Operations Centre.

In line with workforce safeguard requirements the Trust Board will receive a 6 monthly staffing review paper and annual staffing report for each clinical service, which will commence from April 2019.

CQC Compliance

The Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission. In 2018 the Trust was inspected by the CQC and retained its overall rating of 'good'. 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.

Register of Interests

The Foundation Trust has published an up-to-date register of interests for decision-making staff within the past twelve months, as required by the *Managing Conflicts of Interest in the NHS* guidance.

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.

Carbon Reduction

The Foundation Trust has undertaken risk assessments and has a sustainable development management plan in place which takes account of UK climate projections 2018. (UKCP18).

The Trust ensures that its obligations under the climate change act and the adaptation reporting requirements are complied with.

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 Quality 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 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 Quality 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 2018/19 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 one of the lowest reference cost and cost per incident of

the English Ambulance Trusts which provides substantial assurance on its economical use of resources.

Information governance

During the year two incidents were reported via the DSP Toolkit. (One incident to the ICO and one incident to both the ICO and DHSC/NHS England.

Annual Quality Account

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 issues 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 Governance Group, 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 ensuring they have a positive impact on patients. 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 Accountable 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 information provided in 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 Group 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. 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 2018/19, 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 Audit Opinion concluded that on the basis of work carried out in accordance with the Tactical Internal Plan 2018/19 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;
- CQC Inspection report
- Internal Audit reports on arrangements within key Trust functions;
- Monthly performance reports covering all Directorates in the form of an Integrated Quality 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 MBE
Chief Executive

24th May 2019

QUALITY REPORT 2018/19

Contents

Part 1: Statement of Quality from our Chief Executive

I am pleased to introduce our Quality Report for 2018/19 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 2019/20.

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.

2018/19 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.

We have embedded the national Ambulance Response Programme (ARP) performance targets. These ensure that our response for **all** categories of patients is based on clinical need for all patients requiring an emergency ambulance response, not just those experiencing life threatening conditions. I am so proud that we continue to lead the way nationally in responding quickly to those patients who have life threatening conditions, although we recognise that for those patients who do not have an immediate need for an ambulance we are not consistently meeting the required standard. This is because ambulance demand has increased by more than a third in the last 10 years, which has outweighed available resources.

We have been delighted that our commissioners have invested more than £6.5 million over the next 4 years to recruit 100 more paramedics in order that we can reach the national response targets to further improve the service to patients. We have a robust workforce plan, which requires us working closely with our local universities to support the training of paramedics alongside our local training of support staff, and of course a plan to increase the number of vehicles in our fleet. The recruitment and training of extra staff and new vehicles will mean that the performance against the national response standards will improve as the extra staff join the frontline after recruitment and training.

We have also reviewed when our peak demands for our service is and have undergone extensive work with our staff to look at our staffing rotas to ensure our workforce meets this demand profile. Our new rota system will be fully operational in the autumn of 2019. We are working together with our teams to ensure we are as efficient as we can be in our systems and processes in order to release time to care for patients.

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. I am heartened by patients who take the time to tell us what an excellent service they have experienced, both young and old, and for those patients and families who tell us when their experience could be improved, in order that we can learn from this too.

What is clear is that we have had many achievements.

Our staff survey results once again have been excellent this year. We are leading the way in the ambulance sector in many areas of the staff survey, but particularly in staff engagement and patient safety. We recognise when staff feel engaged they deliver high quality care and our results tell us that staff feel able to raise patient safety concerns and know we will act on them to improve patient care. We have also implemented the Learning from Deaths reviews, to improve clinical practice and patient safety. Although not a requirement for Ambulance trusts we felt it was important to undertake this work.

We have begun our 'Just Culture' journey in 2018/19, recognising the impact on staff who are involved in a patient safety incident and how best we support and learn from our staff to ensure improvements are embedded into systems, rather than focus on individual learning. This programme is one of our quality priorities in 2019/20.

We continue to be 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 have also built on the work we started in 2017/18, when we achieved Investors in People accreditation.

We remain confident in the care that we provide 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 consistently 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 continued to embed our clinical care and transport model, ensuring we provide the right level of care for patients, embedding our educational and competency based education so that we have a workforce able to hear and treat or see and treat patients in their own home, where it is safe to do so.

We recognise the skills our paramedic workforce have and are pleased these are recognised within the NHS 10 year plan. We are also delighted that NEAS are seen as leaders in the Urgent and Emergency Care system, providing a regional service in pre hospital care and are recognised as being key partners across the Integrated Care System.

We were successful in being awarded a new 5 year contract to deliver the 111 service for our region and this came into effect in October 2018. I truly believe that we provide one of the best 111 services in the country. The 111 service provides a gateway to more than 3,000 alternative places for care and treatment, reserving valuable ambulance and Emergency Departments for those who need them most. We have built on our innovative work in 2018/19 by expanding our Clinical Assessment Service to include pharmacists as part of our multi-disciplinary team, by working with our acute Trust's across the region to deliver this. We have also worked in partnership with Dencall to ensure patients calling with acute and chronic dental problems are able to seamlessly access a dental practitioner who can assess, provide self-care advice or directly book into dental services across the region, and this service starts in April 2019. We recognise that we can do more to care for patients who access our services with a mental health need and have created a Mental Health Lead post, the first for the trust, to work across our organisation and with our mental health trusts and voluntary sector to build on the pathways of care in place which our staff can access for patients. We have developed a Mental Health plan and will consult with key stakeholders in the spring of 2019 to develop this further.

We have begun our programme of work having achieved 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 are committed to clinical leadership at all levels across the organisation and have been embedding this to support patient safety, clinical effectiveness and to improve patient experience, wherever possible. This has been recognised in our recent CQC well led inspection report where we maintained a rating of 'Good' overall as well as achieving this for our Emergency Operations Centre and 111 service.

We have developed and published our Quality Improvement Strategy which will support staff at all levels to make a difference, day in and day out, ensuring we maximise our resources well. In line with the delivery of our quality strategy this year we have also developed and published our Dementia Strategy and Falls Framework, based on national best practice.

This quality report for 2018/19 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.

Y. A. Ormston

Yvonne Ormston MBE
Chief Executive
North East Ambulance Service NHS Foundation Trust
24 May 2019

About our Quality Report

Our Quality Report is produced annually for the public, to outline the quality of healthcare services we provide. It demonstrates how we continually strive to improve the quality of our services by providing a range of information regarding patient safety, patient experience and clinical effectiveness, what has been achieved in 2018/19 and our quality priorities for 2019/20.

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

We are pleased to outline the progress we have made in delivering the quality priorities in 2018/19, which demonstrates the trusts commitment to continuously striving to improve patient safety, patient experience and clinical effectiveness. We have also identified the quality priorities for 2019/20.

Monitoring the progress made against each quality priority is through our Quality Governance Framework and is reported to the Quality Governance Group and Quality Committee.

Our Mission at North East Ambulance service is to provide safe, effective and responsive care for all and our 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 Campaign
- Improving early recognition of sepsis
- Keeping vulnerable children, young people and adults safe
- Frailty
- Improving Infection prevention & control
- Pressure ulcer prevention
- Improving Medicines governance and reducing errors

Clinical effectiveness:

- Improve delivery of our Clinical Ambulance Quality Indicators
- Improve outcomes for patients suffering cardiac arrest
- Introducing Learning from Deaths
- National Audits & Confidential Enquiries
- Ensure compliance with NICE guidance & Quality Standards
- Improve our Research & Development

Patient experience:

- Ensure Learning from complaints
- Improve patient experience of those experiencing ambulance delays
- Improve End of Life care by working collaboratively with Macmillan Cancer Trust

Quality Priorities for improvement 2018/19

We are delighted with the progress made in delivering the quality priorities identified in 2018/19 and an update on each quality priority is provided below:

Clinical Effectiveness	**Priority 1 – Early recognition and treatment of sepsis** ✓**Partially Achieved**

We recognise that 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.

We wanted 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.

Our achievements

- We have continued to provide Sepsis training for our operational crews with an advanced session for unscheduled care staff and an awareness session for our scheduled care staff (Patient Transport Service). They have been provided within our Statutory and Mandatory training programme for 2018/19.

Sepsis training	
Unscheduled care	92%
Scheduled care	91%

Whilst we strived to achieve 95% of staff receiving sepsis training we have trained 1,628 staff to ensure they have the knowledge that sepsis is considered when caring for patients, whatever the setting.

- **Determine the sensitivity and specificity of the adult sepsis recognition tool**

We had planned to work with clinicians at one of the acute trusts to look at patients who were admitted to Intensive Care with sepsis and had been conveyed by ambulance. This would enable us to review how we had used the pre hospital adult sepsis tool. This work was not progressed by both organisations as it was higher priority to implement the updated National Early Warning Score 2. This will be considered as a formal research project going forward.

- **Develop a paediatric and a maternity sepsis recognition tool**

There are a number of sepsis recognition tools available and following internal review and discussion with our acute trust partners across the region we have implemented two Sepsis Trust tools. They have been loaded into our electronic patient care record system and are already being used by staff.

The paediatric tools are age related and when a crew member inputs the patient's details the correct tool is selected for that age range.

It is acknowledged that whilst cases of sepsis in children and pregnant women are uncommon our staff now have the tools to support their clinical assessment skills. We have been able to include the use of these tools in the training for 2018/19.

- **Audit our compliance with the National Early Warning Score (NEWS)**

The NEWS score is derived from the scores given when taking the observations of patients e.g. pulse, temperature, blood pressure, conscious level, oxygen levels. The more abnormal the result then the higher the NEWS score, the more unwell the patient is.

In 2018 we successfully implemented NEWS 2, which was an update to the original NEWS scoring system. This involved updating our electronic Patient Care Record and informatics process for auditing practice as well as updating our clinical workforce.

We have established a process of monthly audit of compliance with completion of a NEWS score and as a result of this work we have identified a standard approach to recording of this.
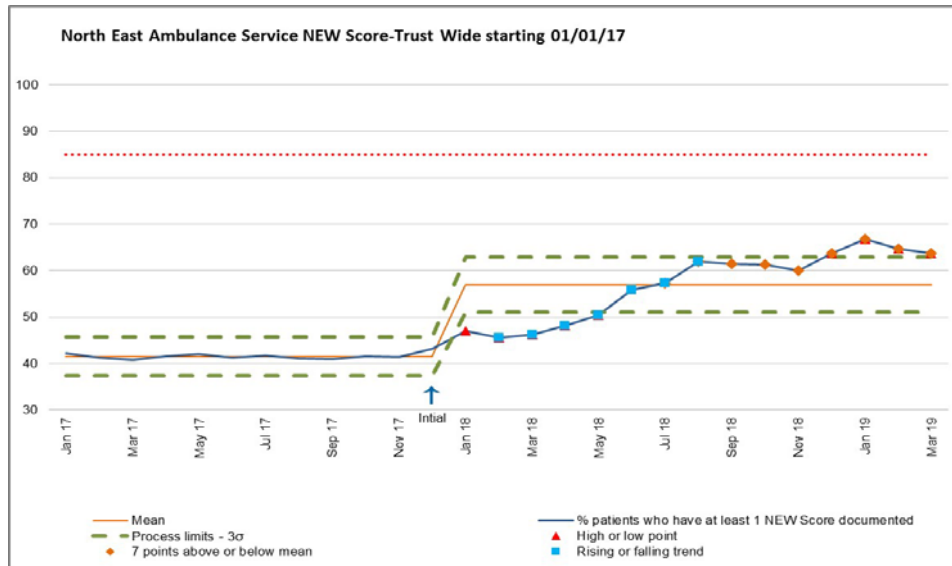
We recognise that compliance with recording of NEWS scores has improved from 42% compliance in 2017 to 60 – 65% compliance in Jan – March 2019. Work will continue to ensure further improvements are made. This will be monitored by the Clinical Effectiveness Group.

- **Take part in the national sepsis audit**

The Trust has taken part in the national sepsis audit, though the standards measured within this audit are not in line with the regional approach to sepsis recognition and pre alerts to emergency departments.

The results of the national audit and the local audit results are presented to enable comparison with 2017/ 18 results.

It can be seen that we have made real progress in the care we provide patients with sepsis and we will continue to audit practice both nationally and locally. This will include auditing our newly implemented paediatric and maternity sepsis tool.

Sepsis Audit results		
2016/17 Baseline – no target	2017/18 Target 40%	2018/19 Target 80%
7% (local audit)	44% - 57% (local audit)	Q1 – 84% (local audit)
		Q1 – 76% (national audit)
		Q2 – 80% (local audit)
		Q2 – 73.9% (national audit)
		Q3 – 79% (local audit)
		Q3 – 73.3% (national audit)
		Q4 – 85.2% (local audit)
		Q4 – 77.7% (national audit)

We will continue to audit practice and in 2019/20 this will include auditing the maternity and paediatric sepsis screening tools.

We believe over a three year programme focusing on sepsis has shown demonstrable improvement and this work will continue, being led by the Medical Directorate and progress reported through our governance structures.

Clinical Effectiveness	**Priority 2 – Cardiac Arrest**	✓ **Achieved**

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.

We wanted to build on the work to improve the support provided to clinicians on resuscitation and therefore improve the quality and outcomes for the patient.

Our achievements

- **Cardiac Arrest Strategy developed and approved**

The strategy will drive a range of improvements to ensure the care we provide patients. This includes the Resuscitation Academy's '10 steps' actions to support the delivery of the strategy.

THE CHAIN OF SURVIVAL

CALL FOR HELP · EARLY CPR · EARLY AED · EARLY RESPONSE EMS · QUALITY ADVANCED CARE
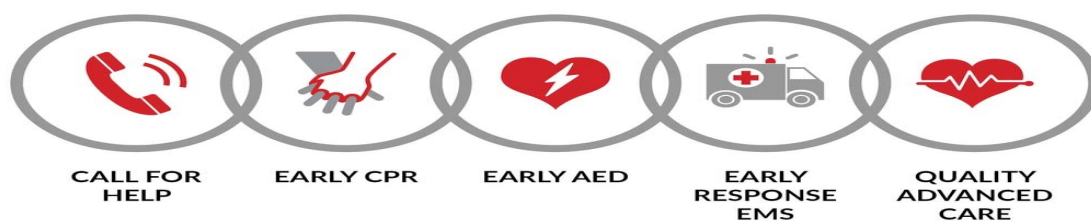
- **Investing in medical equipment**

We have rolled out 50 the new Zoll defibrillators to all of our Rapid Response Vehicles so that all frontline vehicles have this state of the art technology, which provides real time feedback on cardiac compression technique to ensure it is effective. We have also ensured all staff have access to the resuscitation check / prompt card as feedback has identified how useful this is for them.

- **Learning from Deaths**

As an ambulance service we recognise the importance of reviewing the care we provide patients to ensure we identify any learning to improve practice. Whilst not currently a requirement for ambulance trusts to formally implement a process for doing so we have implemented this work, led by our Medical Director and Lead Consultant Paramedic.

Our clinical audit and effectiveness team review all patient deaths which have occurred within the last 24 hours in line with our Learning from Deaths Policy, using a Structured Judgement Review approach. An initial review (stage 1) is undertaken and where a further review is required a stage 2 review will be completed by the Learning from Deaths group.

There have been 56 stage 1 reviews completed between April 2018 – February 2019 and of those 18 required no further action.

There have been 38 stage 2 reviews completed and of those 3 cases were reported as a clinical incident and subsequently investigated through that process.

As a result of this work a number of audits of practice have occurred to look at clinical practice:

- STEMI cardiac arrests
- Drug overdose
- Paediatric

The Medical Directorate have used the findings to reinforce good practice in issues relating to:

- Post-Return of Spontaneous Circulation airway management
- Transporting patients in cardiac arrest
- Recognition of Life Extinct criteria
- Hypothermic cardiac arrest

The other actions taken as a result of this work includes:

- Updating the training in relation to Advanced Life Support, such as emphasis on the use of 3 way tap for administering medications in paediatric resuscitation
- Birth to puberty resuscitation day to emphasise drug administration in paediatric patients
- Reviewing how to ensure feedback to frontline staff, clinical development and support is provided
- Scoping the development of a mortality register and how this can be added to our Incident reporting management system (Ulysses)

- **We have increased the number of Community Public Access Defibrillators (CPADS) available on our system by 145 in 2018/19.**

The table below identifies the number of CPADS known to NEAS across our regional footprint by Clinical commissioning Group area:

CCG area	New CDPADs 18/19 (145)	Total CPADS (553)
Darlington	2	4
DDES	26	111
Hartlepool & Stockton	10	39
Newcastle & Gateshead	12	35
North Durham	10	27
North Tyneside	4	16
Northumberland	53	228
South Tees	23	50
Sunderland	5	19
South Tyneside	0	3
Yorkshire	0	1

During 2018/19 there are 145 more CPADS across our regional footprint and we have completed detailed analysis to understand where CPADS are required. This has involved reviewing where cardiac arrests are occurring across our region, whether CPADs are available in that locality alongside the risks or likelihood of a cardiac arrest occurring, such as areas which a high footfall e.g. sporting venues, to considering the health / illness / age profiles in particular areas. We have a dedicated social media campaign to inform public and private organisations down to postcode where we believe CPADS should be located.

Our NEAS charitable trust fund has offered £500 to part fund the purchase of CPAD's with the aim of ensuring early defibrillation for those people in cardiac arrest with a shockable rhythm.
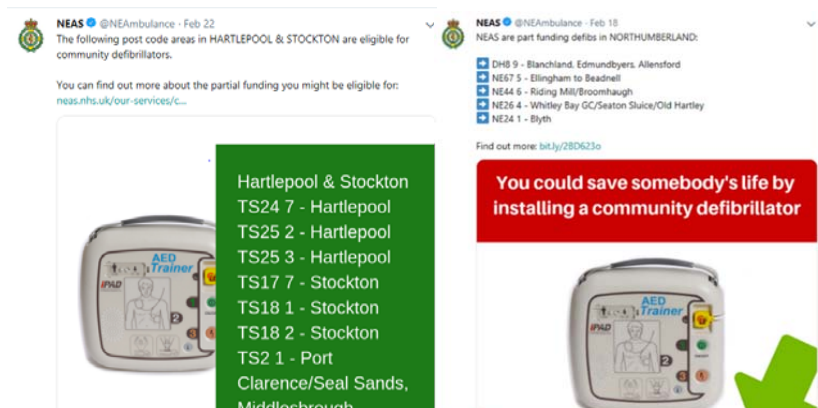
The Medical Directorate leads the way in ensuring the care we provide is clinically effective.

- **Research and Development –** *we will lead the way for research and development in the ambulance sector*

We have developed and approved a Research Strategy for the Trust and are seen as a leader of paramedic research across the country.

We support our clinicians to undertake research and in 2018/19 Dr Graham McClelland completed his PhD for his research into stroke care. Although stroke care is changing due to developments in hospital treatment and re-organisation of specialist services, there is little research focused on pre-hospital stoke care and even less led by paramedics.

Graham was the first paramedic to receive a Stroke Association post graduate fellowship, with additional support from NEAS and the NEAS charitable trust funds committee to undergo his PhD at the Institute of Neuroscience and Newcastle University, developing a tool to help paramedics identify stroke mimic conditions. Graham's research involved linking NEAS data on nearly 6000 suspected stroke patients to hospital diagnosis to establish the rate, characteristics and causes of stroke mimics. Although the evaluation found the tool didn't make enough of a difference to justify being used at the moment the research has already led on to further studies.

Dr Graham McClelland, Research Fellow

- **Medicines governance - –** *we will have safe and robust governance arrangements for medicines and will maximise the use of medicines to treat patients promptly*

Access to medications

We have included additional medications that paramedics can administer to patients such as intravenous paracetamol for pain in those patients who can't take this orally and ondansetron an anti - sickness medication to ensure we provide clinically effective care.

- **Extending the role of paramedics – non medical prescribing**

All paramedics are already able to safely supply and administer a range of medicines to patients under Section 17 of the Human Medicines Regulation 2012.

Although advanced practitioners within NEAS already use a larger number of medications under Patient Group Directions (PGD's), adding the ability to prescribe will mean they are able to provide an increased range of drugs to patients in a safe and timely way without having to request a prescription from a doctor.

We have developed a Non – Medical Prescribing policy and are working with local Health Education Providers to ensure the specialist course which staff need to complete before being allowed to prescribe and the governance around has been explored.

Dan Haworth, Consultant Paramedic says *'The changes in legislation are an exciting development for paramedics, and will increase the ability for advanced paramedics to complete a full episode of care'*

- **NICE guidance –** *we will implement NICE guidance wherever possible and when investment is required to do so we will be open and transparent with our Commissioners*

We have a programme in place to review NICE guidance to assess the relevance to our Trust and a recent review of compliance on the following guidance has identified that we are fully complaint with:

CG 102 – Bacterial meningitis and meningococcal septicaemia were fully compliant

CG 123 – Common mental health conditions – fully compliant

CG 161 – Falls – partially compliant with actions ongoing to address the remaining issues

Urgent Care Pathway Development Project

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%).

Following on from the success of the Paramedic Pathfinder pilot the Urgent Care Pathway Development Project has commenced to map out urgent care pathways, such as GP's, out of hours providers, minor injury unit, treatment centres and pharmacies across three more clinical commissioning group areas. There are four paramedics to support the delivery of the project.

Ambulance services are now a key provider of urgent as well as emergency care, and our workforce, pathways and clinical support are adapting to meet these challenges. Many of the patients who call 999 for an ambulance can be managed safely and effectively within a community or non-Emergency Department setting.

Patient Experience	Priority 3 – Longest Waits for patients who fall	✓ Achieved

There have been significant pressures on ambulance trusts and the wider urgent and emergency care system, which has led to 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.

Our achievements

- **Use of real time performance information**

We have developed a dashboard of metrics which enables those working outside our Emergency Operations Centre, one of which highlights where patients have been waiting a long time. This enables

those not involved in day to day operational management to have access to this information and provide support where necessary.

- **Development of a specialist dispatch desk**

We have developed a specialist dispatch desk to focus on dispatching our resources more efficiently and effectively. This includes how we respond to patients who have fallen and enables us to more easily ask the relevant team, either within NEAS or in other organisations to respond.

- **Engaging with stakeholders**

We have led 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. From this we have been able to progress with a number of pilots to see if they improve the care we provide patients who have fallen.

- **Use of Alternative Response Teams**

We have undertaken three projects to look at how we can improve the experience for patients over 65 years who experience a fall, without obvious injury. The reason why we have concentrated on that area is for those patients who fall with an injury our clinical assessment will mean these patients are likely to need an ambulance to take them to hospital or a centre with x ray facilities.

- **Community telecare providers with a response service**

We started a pilot in November 2017 working with North Tyneside Council to enable the telecare provider in that area to respond to patients who have contacted the ambulance service haven fallen and following a clinical triage it is deemed safe for the alternative response team to attend.

When with the patient if there are any concerns then prompt access to a dispatch clinician is available to provide support or advice on how best to care for the patient.

Since the pilot began we have had no complaints or patient safety incidents and they have been able to be on scene on average 20 minutes after they were notified of the patient.
They have attended 213 calls in one year (40% of the activity) and 80% of those did not require any further ambulance involvement. Where concerns regarding falls were evident then this team can refer onto the Falls Service for further assessment.

We now also have teams operating in the following localities:
County Durham
Newcastle
Gateshead
Sunderland

- **Falls rapid response service - Paramedic and Occupational Therapy response team**

Falls Rapid Response Team members

In the Newcastle / Gateshead CCG area we are piloting a multi-disciplinary approach to responding to falls in that area by providing a paramedic in a rapid response vehicle, with specialist moving and handling equipment, working alongside an occupational therapist to attend patients who have fallen without sustaining an obvious injury.

This pilot commenced in September 2018 and the team attend approximately 80 – 90 calls per month, with 65% of those patients not being conveyed to hospital, the trust average is 25%.

The paramedic is able to look at the physical needs of the patient and the occupational therapist is able to assess for and ensure provision of equipment whilst also ensuring services are wrapped round to support the patient at home.

- **Community First Responders (CFRs)**

We recognise the value of our Community First Responders, particularly in the rural areas of our region to ensure support is provided to patients by them, where it is safe to do so.

As such we have reviewed and invested in the operational and clinical management of CFR's so that we can support and maximise the positive impact they can have on patient experience and patient care.

We have trained 16 of our CFR's to attend to calls where a patient has fallen and is not injured and invested in additional training and equipment, provided by NEAS charitable funds, to ensure we provide a safe service to patients.

Since November 2018 they have responded to 18 incidents and 55% of the patients have been able to remain at home.

Community First Responders operational management team

- **End of Life Care –** *we will provide a responsive and patient focused service for those patients at the end of their life*

We are delighted to be only one of two ambulance trusts who have a specialist end of life care team, supported by MacMillan and our team was fully recruited by September 2018.

Over the past year the team have been visible across acute and community providers to ensure the service has been promoted and they have undertaken a large piece of work to review the information held by NEAS when a patient has a 'Do not attempt resuscitation' order in place. This ensures that we can inform our staff responding to patients to ensure we offer the appropriate care and treatment in line with their wishes.

As a result of this work we were able to feedback to GP practices if we had not received any information relating to this. We have also looked at how we are using our dedicated end of life transport service and have created a specialist dispatch desk to ensure we can respond to requests to transport patients at the end of their life to their preferred place of care in a comfortable and timely way.

- **Responding to concerns / complaints –** *we will respond to complaints in a timely and responsive way and clearly evidence actions we have taken to improve patient experience*

Community pharmacy referral scheme (CPRS)

The Community Pharmacy Referral scheme, which was an NHS England pilot launched in the North East in December 2017 which has been extended. The service allows NHS 111 health advisors to refer patients to their nearest community pharmacist for help with minor illnesses.

With more than 380 pharmacies across the region on board, more than 8,000 patients have so far been referred to the service. Of those seen, only 11% have been referred to a GP for an urgent in hour's appointment and another 11% referred to out of hours support.

The Trust won a national award for 'Health Initiative of the Year' category in the Chemist & Druggist awards in 2018.

Patients are very satisfied with this service as they are able to be seen very quickly and are often able to have their issue dealt with there and then by the pharmacist.

It helps us to deliver care closer to home and benefits the wider health economy by freeing up capacity within primary care for other patients who require that service.

Vehicle redesign group

We are aware, through feedback, that being transported in one of vehicles either as a planned journey or in an emergency may be an uncomfortable experience so we have therefore invited

patients and carers to provide us with feedback on the design and comfort of our vehicles.

We have had feedback from people with disabilities and dementia with the aim of trying to improve their experience. One area we have addressed is comfort for those people travelling in our scheduled care

132

services by providing additional cushion support in the seats of our new vehicles and another area is looking at how we can have equipment shielded from patients, wherever possible.

Developing a Dementia Strategy for the Trust

We have reviewed the national ambulance guidance on dementia and developed our Dementia Strategy 2018 – 2021 following consultation with key stakeholders across our region. We have 5 key aims within the strategy:

1. Deliver person centred care that supports the patient living with dementia
2. Develop a skilled and effective workforce able to champion compassionate person-centred care and recognise the early signs of dementia
3. Modernise our approaches to communicating by seeking and acting on feedback from people living with dementia and their carers to improve the quality of service we provide
4. To maintain and build on our commitment to be a dementia friendly organisation with environments and processes that cause no avoidable harm to patients living with dementia and results in the best possible experience
5. Develop effective partnerships with local agencies (police, fire, health, social care, third sector) to improve care and outcomes

As a result we have a comprehensive plan to improve the care we provide for patients and their carers, educate clinical staff and raise awareness through our Dementia Friends commitment across the trust.

Providing a high quality patient transport service for dialysis patients

The National Renal Services Framework highlights how important it is to provide an effective transport service for patients receiving dialysis treatment and The National Kidney Foundation found that transport was as fundamental to the person's experience as the clinical care they receive. Many patients are unable to drive or take public transport after receiving dialysis treatment due to the effects this has on their health therefore are reliant on scheduled care services to receive this life saving treatment.

Our Patient Transport Service provides transport for the South of Tyne dialysis patients. This contract for South of Tyne dialysis patients' core contact timeframes is for patients to be collected within 1 hour of their 'booked ready' time. However, we wanted to exceed this and our aspiration is to provide a service for our dialysis patients more aligned to NICE guidance, which is for patients to be picked up within 30 minutes of the arranged time. The information below shows our performance for the South of Tyne dialysis patients against our target of 30 minutes from 'booked ready' since we became the provider of the service in June 2018:

Renal Dialysis Transport - pick up within 30 minutes of 'booked ready' time (June 18 - Jan 19)
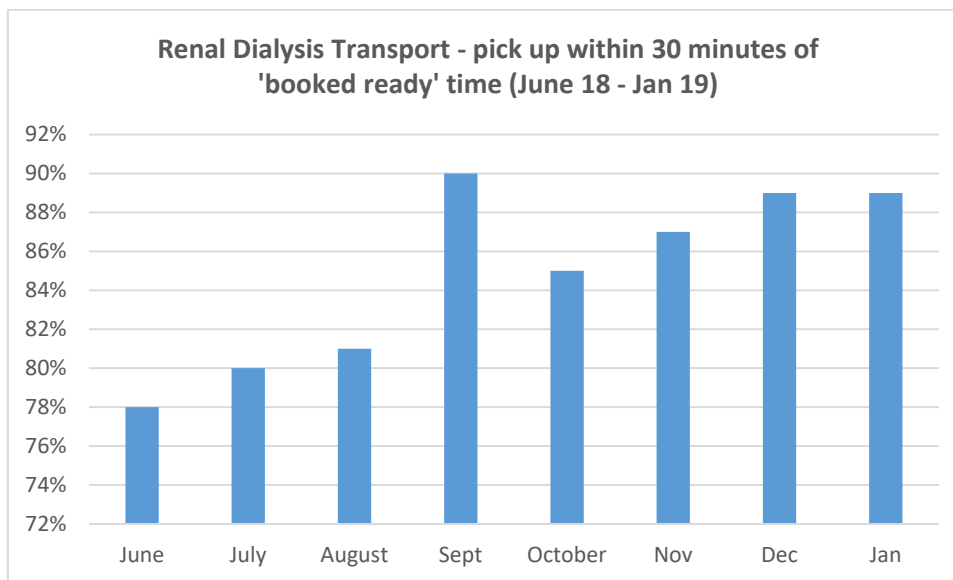
We are demonstrating a continuous improvement in the transport experience we are offering patients and we want 95% of our patients picked up within 30 minutes of booked ready time. By January 2019 99.5% of patients were being picked up within 60 minutes of the arranged time (which is our contracted service).

Mr Norman Harding is a dialysis patient and attends Sunderland Royal Hospital, he is one of the Patient Advocates for South of Tyne dialysis patients and we work closely with him to improve the service we provide.

Norman acknowledges that, following being asked to take the contract over at short notice, it would be expected there may be teething problems and we again started to meet regularly to eliminate the problems and says "*we are now with a provider who does listen to patient concerns*"

Norman explains how if you don't do dialysis you would not realise how important transport is to patients. He told us that "a *good transport system is essential because patients do spend a lot of time in the hospital*" adding that "*patients do not want to be sat around waiting for transport*". Norman added we are reaching the transport time goals and said "*without the transport, which is vital, some patients wouldn't come to hospital and would have to rely on relatives, who work, for transport which also impacts on their lives as well*".

Patient Safety	Priority 4 – Improving the care of patients with mental health needs, through improving staff knowledge and skills ✓ **Partially achieved**

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.

We wanted 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.

Our achievements

- We have built on the work started in 2017/18 to scope out what NEAS has in place and needs to develop to ensure patients presenting to the service with a mental illness receive the care appropriate to their needs at that time. We have worked with colleagues in Northumberland Tyne & Wear NHS Foundation Trust and Tees, Esk & Wear Valleys NHS Foundation Trust to look at how we develop pathways and services which are patient focused.

- We have invested in a Mental Health Lead role in the organisation – a first for the Trust. They will commence in post in June 2019.

- We have developed a Mental Health Strategic Improvement Plan, which outlines 4 key strategic themes identified within this document which heavily rely on partnership working:

  - Theme 1 - Development of mental health pathways.
  - Theme 2 - Mental health triage.
  - Theme 3- MH support within the NEAS EOC Clinical Hub.
  - Theme 4 - Access to medical notes and associated Care Plans for patients known to mental health services

- We have introduced a mental health 4 hour education session for our scheduled and unscheduled care staff, with 91.51% of staff attending this session in 2018/19, slightly less than our 95% target. We have recognised the need to engage external experts to deliver the sessions and will invest in this for 2019/20.

- We have developed a mental health screening tool for use by frontline paramedics to support them in assessing and referring on to other services. This is in draft and will be reviewed by our Mental Health Lead to consider how it can be best used.

- We have developed an informatics dashboard to enable us to understand when patients with mental health needs access our service, in what location and with what mental health issues. This work will assist in understanding which patient pathways we need to focus on and help inform how we work with services across our regional footprint to help meet the needs of patients with mental health issues. We want to build our relationships with charities such as the Samaritans, who could provide support to patients accessing our services.

Mental Health Dashboard

NHS North East Ambulance Service NHS Foundation Trust

Total Calls

Total Incidents

Calls by CCG - Mar-2019 — 126

CCG	Calls
NHS Darlington CCG	1
NHS Durham Dales Easington And Sedgefield CCG	11
NHS Hartlepool And Stockton-on-tees CCG	12
NHS Newcastle Gateshead CCG	29
NHS North Durham CCG	7
NHS North Tyneside CCG	15
NHS Northumberland CCG	18
NHS South Tees CCG	8
NHS South Tyneside CCG	10
NHS Sunderland CCG	15

Incidents by CCG - Mar-2019 — 24

CCG	Incidents
NHS Darlington CCG	1
NHS Durham Dales Easington And Sedgefield CCG	4
NHS Hartlepool And Stockton-on-tees CCG	3
NHS Newcastle Gateshead CCG	4
NHS North Durham CCG	3
NHS North Tyneside CCG	2
NHS Northumberland CCG	2
NHS South Tees CCG	1
NHS South Tyneside CCG	3
NHS Sunderland CCG	1

Quality strategy 18/19 priorities	Patient Safety

Sign up to Safety – *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 our service*

We have continued our commitment to the Sign up to Safety Campaign with a focus on listening and supporting staff. We have engaged with staff across the trust to feedback to us on how easy our incident reporting system is and as a result of that we are;

- Reviewing the training and materials we use for clinical and non-clinical staff ✓

- Looking at the Ulysses system and how it is configured to make more user friendly ✓

- Reviewing our incident management policy so it is more user friendly ✓

- Making clinical review group, where we review all patient safety incidents which are deemed as causing moderate harm or above, something that clinicians are keen to attend as it focuses on making systems safe, not on individuals ✓

In our staff survey in 2018 it identified that:

- 72% of staff would feel secure raising concerns about unsafe clinical practice.

- 62% say they are confident that their concerns would be addressed

- 73% feel the organisation acts on concerns raised by patients / service users.

Safety culture

When looking at our staff survey response in relation to our safety culture we are the
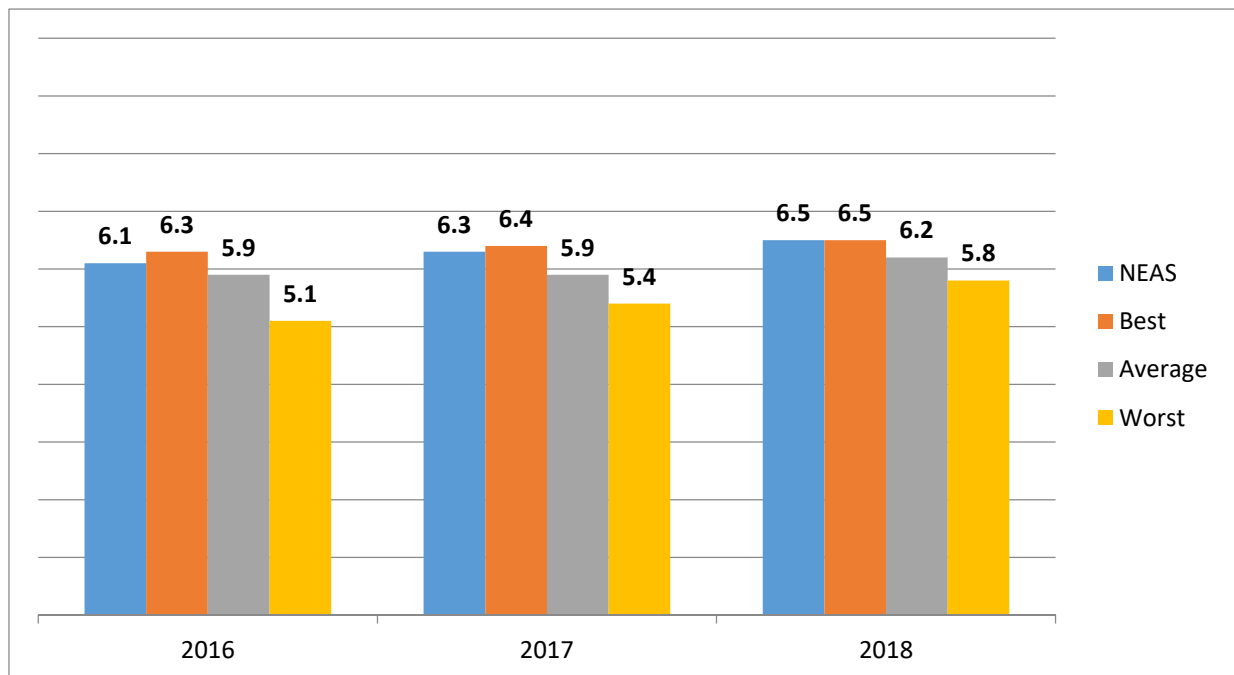
The safety culture theme considers fair treatment of those who are involved in an error near miss or incident, whether or not the trust takes action to ensure that these are not repeated, secure in raising concerns and does the organisation act on these concerns raised.

All of the questions in this section have improved significantly since the 2017 survey. The overall theme score for the Trust has also shown some positive movement.

Excellence reporting

We have implemented excellence reporting in 2018, where we encourage staff across the organisation to recognise good practice they see and would like to be acknowledged.

Since the 'soft launch' in September 2018 we have reported 148 number of excellence reports up to March 2019. We ask people to categorise these into the following areas:

- Going the extra mile
- Attention to detail
- Team work / peer support

- Innovation and growth

- Communication

- Knowledge

We will ensure that reporting which identifies good practice relating to patient safety is shared widely and that excellence reporting informs our staff reward and recognition annual event.

Caring for patients who are frequent callers

There are times when patients call NEAS on a frequent basis and the trust has established a Frequent Caller team to assist in the management of those patients from an ambulance perspective.

There is a national definition for frequent callers to the ambulance service and this is: 5 calls or more to 999 in a month period or 12 or more calls in a rolling 3 month period.

A review of the frequent callers to the 111 service has informed the threshold for that service to be 8 calls per month, as analysis of this identified a clear and appropriate need for frequent calls to the 111 service.

The Frequent Caller team currently includes 2 paramedics and they manage approximately 60 patients each.

The following chart identifies the significant reduction in 999 calls following intervention of the Frequent Caller team.

Number of calls to 999 by frequent callers known to the team
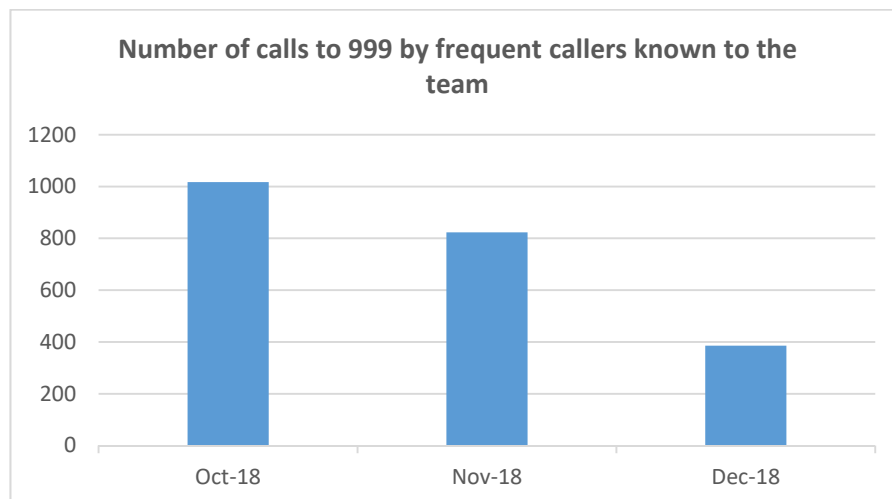
A process is now in place to contact all GPs once a frequent caller is identified and request a copy of the summary care record for the individual patient. Each Frequent Caller is then flagged using special patient notes to notify health advisors and clinicians that the patient is a frequent caller. This will enable the appropriate pathway of care for the individual patient, which is predetermined by the Frequent Caller Paramedics using the summary care record information.

Each identified patient is now being case managed on an individual basis following discussions with the GP and the Frequent Caller Team.

For the 3 month period October-December the team has attended 19 external multi-disciplinary team meetings and 1 home visit regarding individual frequent callers.

The team has monthly meetings with 7 hospital trusts to manage individual frequent callers who call NEAS and attend emergency departments. In October the crews spent 100 hours on scene with the

patients, in November this increased to 138 hours, however in December this dropped to 79 hours on scene.

The team work with the NEAS Volunteer Development Team and Community Paramedics to pilot a befriending scheme for socially isolated patients and with other teams such as Positive Lives, which works with patients who often present at emergency departments with a need which cannot be treated medically, such as anxiety, unemployment, homelessness or depression and aims to change the way they are supported.

The Named Professional for Safeguarding Children is working closely with the team to identify frequent callers who are aged under 18 and applying a different threshold of 3 calls in a month or 7 calls in 3 months. No other services are currently undertaking this work and it is hoped that once complete this could shape national guidance.

This change in emphasis in viewing those patients who call frequently as having unmet needs and working in partnership with primary care, social care and mental health teams has enabled us to care for patients safely and release time and resources to respond to emergency calls.

Implementing the CARE platform

We have developed an application which has been developed by a frontline paramedic working with our informatics team to enable staff to providing direct care to patients to receive almost real time feedback on the quality of care they have provided, such as compliance with bundles of care e.g. sepsis bundle, stroke or heart attack. This enables prompt reflection and learning and recognition when care has been delivered in line with best practice standards.
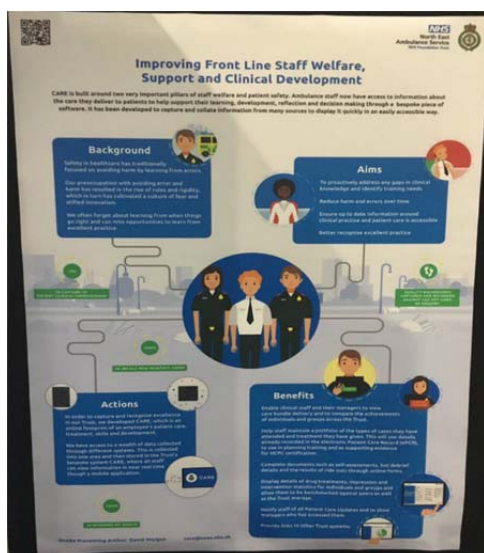
The CARE platform also enables individual practitioners to self-assess themselves in terms of skill development or learning needs, documenting any reflective practice and being aware of how they are working in line with their peers, such as time taken to handover a patient to being ready for another job or how they are using medicines compared to their peers.

The CARE app can be used at individual practitioner level and data can be aggregated to station, cluster, divisional and trust wide to support such things are training needs analysis and education development to informing policies and procedures, alongside identifying where excellent practice occurs and how that best practice can be shared.

The CARE app was presented at the International Patient Safety Awards in Glasgow in March 2019 and received very positive feedback.

Medicines Management

We have developed a Medicines Optimisation Strategy 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.

- **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.

We have developed a new Infection Prevention and Control audit app, which has included a review of the audit tools to ensure they are fit for purpose, in line with best practice for the ambulance sector and can be used for a broader group of staff such as our Hazardous Area Response Team and Advanced Practitioners.

Audit results for 2018/19 are as follows:

- Hand hygiene compliance – 81% (84% in 2017/18)

  There is work underway to increase the focus on hand hygiene in 2019/20, including a specific improvement project titled 'gloves off'.

- Bare below elbows compliance – 98% (94% in 2017/18)

- Aseptic non touch technique (Intravenous cannulation) – 92% (100% in 2017/18)

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.

Safeguarding

Our safeguarding team is a specialist resource to lead and shape how NEAS ensures Safeguarding is everyone's business from Board to frontline staff.

We have a strategic safeguarding group, chaired by our Director of Quality & Safety (Executive Nurse) with all of the Designated Nurses across our region. This group provides assurance to our commissioners that we have the correct policies and procedures in place to keep vulnerable adults and children safe.

We have undertaken a piece of work to look at how staff are applying the Mental Capacity Act policy into practice, through audit and engagement and as a result we have an updated policy, mental capacity act assessment record and a bespoke training programme. This focuses on the challenges we have when caring for patients who may lack capacity, have fluctuating capacity or make unwise decisions but have capacity to do so.

We have undertaken audits to look at the quality of safeguarding referrals we send to Local Authority Safeguarding teams and have updated our referral forms so that it is explicit whether the referral is relating to safeguarding concerns or is a general welfare concern.

We have delivered safeguarding training tailored specifically to our scheduled care managers to raise the profile of safeguarding issues which our Patient Transport Service staff may see when caring for patients attending hospital appointments or going to day care facilities.

We look at any learning from national and local reports on serious case reviews, safeguarding adult reviews and domestic homicide reviews and ensure our training is updated to reflect learning for us as a trust.

Quality Priorities for improvement 2019/20

Following discussion with the Board of Directors, the Council of Governors, patient representatives, and clinicians, the following priorities for 2019/20 have been agreed. We have also given consideration to the feedback received from patients, staff and the public.

Presentations have been provided at a range of internal and external stakeholder meetings with the opportunity to comment on the priority topics and an on line survey has been conducted to gain feedback more broadly.

Patient Safety	Priority – Continue to develop a Just and Restorative Culture to improve patient safety

Why is this a priority?

Patient safety is the avoidance of unintended or unexpected harm to people during the provision of healthcare. It is one of three core components of quality in healthcare alongside clinical effectiveness and patient experience

The NHS Long Term Plan is designed in part to address well-known pressures on the healthcare system that impact on patient safety and evidence from across other industries and countries tells us that punishing people when they make mistakes will not mean they make fewer mistakes. It is wrong to believe that if people simply try hard enough, they will not make any errors. Blaming people for error does not improve safety. We should instead focus on changing systems and processes to make it easier for people to do their jobs safely.

Where people are deliberately malicious or willfully negligent, individuals do need to be accountable and action should be taken to protect patients and wider society. The safety response is separate from any sanction against the individual however and should focus on how to improve systems and processes to reduce the chances of these rare individuals harming patients.

We recognise that staff reporting patient safety incidents is the most important factor in enabling the organisation to understand where improvements can be made. We have made great progress in supporting staff to report incidents and improve our safety culture and this is evidenced in the annual staff survey. The next step for us is to embrace the recently published NHS Improvement 'Just culture' framework to continue this journey to improving patient safety.

We know that things do go wrong whilst caring for patients and whilst our primary concern is to keep patients safe we also have a duty to recognise the impact of making an honest mistake can have on our staff. There has been a lot of research which has identified such staff as the 'second victim'. By understanding that our staff are the key to making our systems safer we need them to be part of the system solution, rather than fear blame and retribution as individuals.

Aims

The aim of this priority is to begin the work to ensure a just culture is developed within the organisation. A just culture will balance an open and honest reporting environment with a quality orientated learning culture, focused on ensuring safe systems are in place.

This will require a change in emphasis from focusing on errors and outcomes to system design and understanding how people behave at work (human factors). In order to do this we need to provide a supportive environment that enables openness and honesty and encourages responsibility and accountability with the clear aim of improving patient safety.

Initiatives

Introduce a program of initiatives to promote and embed just culture principles across the organisation; including

- Sign up to safety event – to encourage staff to share their experiences of patient safety
- To improve the ease of incident reporting for busy front line staff
- To learn when things go well – embed excellence reporting
- To change our investigation processes and policies so they are system focused
- To encourage front line staff to participate in the clinical review process
- To look at our HR functions and how we reduce the burden of investigations
- To understand more fully human factors and how they impact on patient safety
- To have 'Just culture champions' across all of our service lines
- To invest in our Just culture staff engagement and educational events
- To show staff we care when things go wrong – recognising the 'second victim' and providing support
- To participate in local and national 'Just Culture' groups ensuring we have the resources & materials available to support our initiatives
- To deliver human factors training to clinical managers

How will we know if we have achieved this priority?

- Staff survey – staff feeling they have been treated fairly
- Staff survey – increasing safety culture
- Staff time lost to patient care (investigations / hearings / sickness / absence)
- Increased patient safety incident reporting
- Increase numbers of staff attending clinical review and investigation analysis
- Openness of staff to recount their experiences to others after involvement in incidents
- Increase human factors training across the organisation
- Change in investigation approach / investigation templates
- Evidence of system changes as a result of patient safety incident investigation
- Evidence of learning from excellence

Board Sponsor

Director of Quality and Safety

Implementation Lead

Head of Patient Safety and Patient Experience

Reporting to

Quality Governance Group & Quality Committee

Patient Experience / Patient Safety / Clinical Effectiveness	Priority – To develop our mental health implementation plan, working in partnership with others to improve the experience and care provided to patients with mental health needs accessing our services

Why is this a priority?

The NHS Long Term Plan clearly outlines the need to ensure people with mental health needs are able to access care and support, which is in parity with the care provided for people with physical health needs. As an ambulance trust we have recognised the need to ensure we work with key partners to improve mental health care within the emergency and urgent care arena and as such are engaged in the Integrated Care System transformation across our regional footprint.

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.

We will work collaboratively with our two regional mental health trusts to improve urgent and emergency care pathways and transport for people suffering mental health crisis.

Aims

The aim of this priority is to develop and implement year 1 of our Mental Health Strategy to improve the care of patients with mental health needs.

Initiatives

- Deliver year 2 of our 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 three year implementation plan to support delivery of our Mental Health Strategy

- Further refine the mental health screening tool for paramedics to support clinical decision making and referral on to appropriate services and pilot this

- To review the safeguarding referral process, where mental health is identified as a concern

- To work with NHS and third sector partners to look at how we care for patients where they are considering suicide

How will we know if we have achieved this priority?

- 95% compliance with Mental Health training for frontline staff in 2019/2020

- Mental Health Strategy implementation plan developed and year 1 delivered

- Mental Health Screening tool piloted and evaluated

- Solution identified to reduce safeguarding referrals where a mental health concern is identified

- Evidence of partnership working, with a focus on suicide

Board Sponsor

Medical Director

Implementation Lead

Mental Health Lead

Reporting to

Quality Governance Group & Quality Committee

Why is this a Priority?

The NHS Long Term Plan sets out the NHS's priorities for care quality and outcomes improvement for the decade ahead. Whilst it recognises that deaths from cardiovascular disease have halved since 1990 there remains unexplained variation and opportunities for further medical advance.

Within the field of Emergency and Urgent Care it is acknowledged 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

- Purchasing Community Public Access Defibrillators, through our NEAS Trust Fund to place in areas we feel would benefit most, based on our local intelligence

- Use smart technologies to notify the public to a nearby cardiac arrest

- Implement high performance CPR by running workshops and incorporating into the yearly training

- Establish a cardiac arrest registry to identify further areas for improvement

- Consolidate telephone CPR training and rapid dispatch for all cardiac arrests

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 (detailed information on page 60)

- There will be an increased number of specialist defibrillators being used across the Trust.

- There will be an increase in patients receiving a public response to a cardiac arrest

- From the cardiac registry any areas for improvement will be highlighted

- EOC staff will be assisted through the QI process to ensure rapid dispatch to all cardiac arrests

- CPADs in place to support early defibrillation

- All findings and action plans to be monitored regularly through Quality Governance Group and Clinical Effectiveness Group.

Board Sponsor:

Medical Director

Implementation Lead

Lead Consultant Paramedic

Reporting to

Quality Governance Group & Quality Committee

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 2018/19 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 (Unscheduled care), Patient Transport Services (Scheduled care), NHS111, including our Clinical Assessment Service 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 2018/19 represents 99.4% of the total income generated from the provision of relevant health services by NEAS for 2018/19.

2.   During 2018/19, 64 national clinical audits and clinical outcome review programmes that 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 and enquiries that NEAS was eligible to participate in during 2018/19 are shown below.

2.3   The national clinical audits NEAS participated in, and for which data collection was completed during 2018/19, 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
Ambulance Clinical Quality Indicators (ACQIs)		
STEMI	✓	493 (Apr – Feb)
Stroke	✓	4736 (Apr – Feb)
Cardiac Arrest (OHCAO)	✓	1072
Post- ROSC	✓	177
Sepsis	✓	552
Myocardial Ischaemia National Audit	✓	Feasibility testing – live data

| Project (MINAP) | | submission 19/20 |
| Sentinel Stroke National Audit Project (SSNAP) | ✓ | Feasibility testing – live data submission 19/20 |

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. Reporting of ACQI changed from April 2018 to quarterly submissions instead of monthly submissions to accommodate the additional audits introduced.

2.5/2.6 The reports of the 64 national audits and clinical outcomes programmes were reviewed by NEAS in 2018/19 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 2019/20.

- 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.

- From April 2018/19 the submission of the cardiac arrest and post-ROSC ACQI is now submitted as part of the Out-of-Hospital Cardiac Arrest Outcomes registry (OHCAO) to optimise national learning in cardiac arrest epidemiology.

2.7/2.8 The reports of eight local clinical audits were reviewed by NEAS in 2018/19 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
(Senior) Health Advisor – NHS Pathways	5540	Individual feedback. Monthly summary reported at clinical effectiveness group highlighting good practice and areas for improvement on an individual and organizational level.
Clinical Advisors – NHS Pathways	1106	Individual feedback. Monthly summary reported at clinical effectiveness group highlighting good practice and areas for improvement

		on an individual and organisational level.
Safer care closer to home (Re-contact audit)	1216	Further specific condition related audits to examine current clinical practice.
Ambulance delays (C2/C1 upgrades, stroke delays and significant breaches)	550 105 (C2-C1 upgrades) 279 (Stroke delays) 166 (Significant breaches)	Assurances in current telephone triage. Feedback provided to NHS Pathways. Local guidance has demonstrated reductions in on scene times.
STEMI Cardiac arrest	50	Small sample requires further monitoring.
Drug overdose cardiac arrest	35	Awaiting updated JRCALC guidelines before local guidelines are developed.
Paediatric cardiac arrest	56	Changes to EAT 2019/20 cycle. Emphasis on drug administration on local resuscitation course.
Data quality	100	Education through Statutory and Mandatory on importance of accurate documentation and administration

- 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 2018/19 recruited during that period to participate in research approved by a research ethics committee was 155.

4. The Commissioning for Quality and Innovation (CQUIN) payment framework is designed to support the cultural shift to put quality at the heart of the NHS. Local CQUIN schemes contain goals for quality and innovation that have been agreed between the Trust and our Commissioners across the region.

No proportion of NEAS's income in 2018/19 was conditional on achieving quality improvement and innovation goals agreed between NEAS and its Commissioners through the provision of relevant health services, through the Commissioning for Quality and Innovation (CQUIN) payment framework. This is because Commissioners agreed to reinvest any unachieved schemes.

The CQUIN schemes for 2018/19 are:

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

The following proposals were agreed by commissioners for re-investment, where CQUIN funding had not been achieved:

- · Rollout of Urgent Care Pathways Team – formerly known as Paramedic Pathfinder scheme. This project will seek to identify key clinical pathways across the region, to ensure patients receive care right place, right time, right care. This project commenced in September 2018 and will run for 12 months into 2019/20.
- · Clinical (SDG/DX code) outcome mapping – funding has been made available to look at data available, such as HES data, RAIDR data and disposition code mapping to review pathways, patient outcomes and potential revised delivery models for mobile treatment.

The CQUIN value for 2018/19 was 2.5% of the trust's core contract value which is £2.681 million and in 2017/18 the CQUIN value was 2.5% of the trust's core contract value which is £2.545 million

The CQUIN value for 2019/20 will be 1.25% of the trust's core contract value which is £1.379 million.

The national ambulance indicators will include:

- Improving the uptake of the flu vaccinations for frontline staff

- Access to patient information (digital information) at scene – in line with the Digital Strategy

- A locally defined indicator – discussions are underway with Commissioners regarding this.

Further details of the agreed goals for 2019/20 are available electronically at:

- https://www.england.nhs.uk/wp-content/uploads/2019/03/CQUIN-Guidance-1920-080319.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 2018/19.

5.2 The Trust has not participated in any special reviews or investigations by the Care Quality Commission during the reporting period.

6. NEAS did not submit (and is not required to submit) records during 2018/19 to the Secondary Uses service for inclusion in the Hospital Episode Statistics which are included in the latest published data.

7. NEAS has submitted the new Data Protection Toolkit Assessment with overall score of 81/100 mandatory evidence items provided and 18/40 assertions confirmed. An improvement plan to meet and comply with the other 19 mandatory evidence requirement is submitted to NHS Digital, this work is scheduled to be completed by September 2019.

8. NEAS was not subject to the Payment by Results clinical coding audit during 2018/19 by the Audit Commission.

9. NEAS will be taking the following actions to improve data quality:

- An introduction of a new governance structure will be introduced from April 2019. This will see a wider roll out to all directorates to take accountability for data quality and changes made to all core systems in the Trust.

- Information Assets Owners and Administrators will undergo additional training that outlines their role in the new governance process.
- An upgrade to the Global Rostering System (GRS) has taken place meaning this system can interface with the Electronic Staff Record (ESR) and ensure we have a single record for members of staff. This will be a significant improvement to data quality and remove duplication.
- A new combined 999 and 111 CLERIC system is being rolled out in April 2019. This includes many updates to improve processes in the Emergency Operations Centre and Clinical Assessment Service Suite which is expected to improve data quality.

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 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. We are therefore able to provide a full year of ARP performance data within this quality report, but unable to provide comparative data prior to October 2017 as the response indicators have changed significantly.

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 ARP targets are shown in the tables below:

Category 1 - Mean Response Time (7 Minute Target)				
Financial Year	NEAS Performance	National Average	Highest Trust Performance	Lowest Trust Performance
2018/19 *(mm:ss)* *Mean response time*	06:10	07:21	06:10	10:35
2018/19 (mm:ss) 90th percentile	10:36	12:48	10:36	20:06

Category 2 - Mean Response Time (18 Minute Target)				
Financial Year	NEAS Performance	National Average	Highest Trust Performance	Lowest Trust Performance
2018/19 *(mm:ss)* *Mean response time*	21:33	21:50	12:12	30:55
2018/19 (hr:mm:ss) 90th percentile	00:45:18	00:44:59	00:22:11	01:05:11

Category 3 - 90th Percentile Response Time (2 Hour Target)				
Financial Year	NEAS Performance	National Average	Highest Trust Performance	Lowest Trust Performance
2018/19 *(hr:mm:ss)*	02:55:50	02:26:00	01:16:09	03:24:52

Category 4 - 90th Percentile Response Time (3 Hour Target)				
Financial Year	NEAS Performance	National Average	Highest Trust Performance	Lowest Trust Performance
2018/19 *(hr:mm:ss)*	02:54:23	03:09:04	02:00:32	04:34:51

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 NHS England 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 implementing the recommendation of the Demand and Capacity Review undertaken by Operational Research in Health (ORH).

Key actions include:

- redesigning shift rotas to ensure we align these to better meet the demand for our services;

- developing our fleet model to support new guidance and shift patterns;

- working with our acute trusts to further improve the process for patient handover at hospitals, following 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;

- rolling out 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 historic national targets were:

- 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

These targets were updated in November 2017 taking effect from January 2018 for:

- mean time from call for help to catheter insertion for angiography (hours: Minutes)
- 90th Centile time from call for help to catheter insertion for angiography (hours: Minutes)
- for FAST positive patients or provisionally diagnosis of stroke mean average time from call to hospital arrival
- for FAST positive patients or provisionally diagnosis of stroke 90th centile time from call to hospital arrival

Historic Targets

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
2016/17	84.52%	79.45%	91.46%	63.01%
2017/18*	90.66%	76.56%	91.29%	64.95%

*March 2018 to January 2018

2018 Updated Targets

Mean and 90th Centile time from call to angiography (Hours: Minutes)				
Financial Year	NEAS Performance	National Average	Highest Trust Performance	Lowest Trust Performance
Mean Nov 2018**	2:07	2:13	1:53	2:27
90th Centile Nov 2018**	2:59	3:00	2:39	3:24

**November 2018 latest available, YTD position not published nationally

Historic Targets

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
2016/17	97.74%	97.64%	99.68%	95.10%
2017/18*	98.66%	97.13%	99.62%	94.34%

* March 2018 to January 2018

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
2016/17	56.39%	53.62%	67.44%	36.94%

	47.67%	54.19%	65.54%	37.30%
2017/18*				

* March 2018 to January 2018

2018 Updated Targets

Mean and 90th Centile time, for FAST or early diagnosis stroke patients, from call to hospital arrival (Hours: Minutes)				
Financial Year	NEAS Performance	National Average	Highest Trust Performance	Lowest Trust Performance
Mean Nov 2018**	1:11	1:14	1:08	1:30
90th Centile Nov 2018**	1:41	1:50	1:40	2:24

**November 2018 latest available, YTD position not available nationally

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, through greater engagement with the clinical audit and effectiveness team and use of the CARE app

- Ensuring statutory and mandatory training includes a refresher on STEMI and stroke to promote good practice

- Undertaking a detailed audit of pre hospital stroke care, with an action plan to reduce crew time on scene prior to conveying the patient to hospital

Patient Safety Data

NEAS continues to work hard to improve and maintain an open and honest culture, encouraging staff to report adverse events and providing support for those staff involved in incidents.

In 2018-19 a further increase of 1.5% in patient safety incident reporting was seen. All data regardless of harm level is analysed to identify themes and trends, and where possible implement measures to prevent future occurrences.

In the period 2018-19 incidents rated no harm, low harm or near miss, constituted 98.6% of all incidents, following investigation and closure. Incidents rated as severe or death totalled 19 for the year, showing a decrease of 8 cases when compared to 2017/18. However predominantly this type of incident was recorded in the first 6 months of the year and therefore the NRLS data covering April 2018 - September 2018 shows a higher average percentage.

Each incident which is deemed moderate harm or above is reviewed at the Clinical Review Group, which enables a multi-disciplinary discussion to take place, and where it is identified that incidents are likely to meet the Serious Incident framework definition these are discussed with the Medical Director or Director of Quality & Safety (Executive Nurse) and when confirmed then 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.

All notifiable patient safety incidents where moderate harm or over related has occurred and this relates to care provided by NEAS a full investigation is undertaken to determine root causes and we proactively review our systems, processes, training and human factors to determine the most appropriate actions to improve patient safety.

In 2018 work was undertaken to review the harm levels reported, it was identified that a number of incidents are reported internally that are related to other organisations. NEAS ensures that these incidents are forwarded to the relevant organisation to enable them to investigate.

Patient Safety Incident Reporting						
Indicator	NEAS Performance			National Average	Highest Reporting Trust	Lowest Reporting Trust
	2017/18	2018/19	April – September 2018			
Number of Patient Safety Incidents	2008	2035	854	613	1065	85
Number of Patient Safety Incidents that resulted in severe harm or death	27	19	15	7	19	0
Percentage of Patient Safety Incidents that resulted in severe harm or death	1.34%	0.93%	1.75%	1.03%	1.78%	0%

Data Source: Quality Dashboard, National Reporting and Learning System (NRLS). Latest benchmark data available only up to September 2018

Serious Incidents		
2016/17	2017/18	2018/19
31	29	12

Data Source: Ulysses Safeguard system

A number of the incidents reported during 2018/19 remain under investigation and therefore the harm level is yet to be finally determined.

There has been a considerable reduction in Serious Incidents reported by the Trust in 2018/19 and this relates primarily to the internal review of the National Reporting and Learning System reporting definitions and how we apply them. It was apparent that NEAS were reporting Serious Incidents when a patient had sadly died, however the death was not directly attributable to the patient safety incident reported.

The Serious Incident Review Group, which is chaired by the Chief Executive and has the Medical Director and Executive Nurse on this group alongside other Executives and Senior Clinical Managers now makes the decision regarding the level of harm the patient safety incident caused to the patient, which can be different to the patient outcome.

In order to gain external assurance that we are reviewing Serious Incident cases appropriately, that investigation findings are appropriate and action plans are robust we commissioned an external Medical Examiner to review the Serious Incidents cases reported in 2017/18. The Medical Examiner is a Critical Care Consultant working in an acute trust in the region and their findings were consistent with the Trusts. We have commissioned the Medical Examiner to work with NEAS in 2019/20 to review our SI's and Learning from Deaths process, to continue to provide external assurance.

We regularly share with our regulators, Care Quality Commission, investigation reports and actions plans for Serious Incidents and other patient safety incident investigations for oversight and challenge, alongside the formal process of CCG review of Serious Incident reports and action plan development and monitoring.

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.

Listening, learning, acting

As a result of investigating and learning from incidents we have implemented the following:

- Proposed improvements to NHS Pathways in relation to assessment of a baby who falls, which has been adopted nationally
- Developed a dementia strategy for the organisation, with implementation plan
- Developed and implemented guidance on National Early Warning Score recording, implemented NEWS 2 and embedded a process of monthly audits to drive improvements
- Introduced specific training on use of tail lifts and specialist moving and handling equipment
- Produced quarterly learning posters to share learning across our geographical footprint
- Purchased infant safety straps to ensure babies are transported safely in the ambulance
- Provided specialist education and support for staff when they deal with complex cases where patients lack mental capacity
- Undertook medical device equipment evaluation, for example intraosseous needles, to ensure our clinical staff have access to the correct equipment
- Introduced RESPOND training in the Emergency Operations Centre to assist staff to deal with situations involving patients in mental health crisis

In addition, improvement actions have been implemented following all Serious Incidents which include providing individual level feedback and training to system wide process changes. Key actions implemented during 2018/19 include:

- feeding back nationally to NHS Pathways, which is the provider of our clinical assessment and triage tool to review specific questions / prompts within the system as a result of learning from serious incidents
- instrumental in changing pathways or processes nationally relating to patients with meningitis symptoms, patients who have taken an overdose and patients who require interpreting services
- instrumental in prompting national review of patients with suicidal intent where they have ingested medication, to ensure a clinician reviews the case to determine the most appropriate ambulance response

Complaints

The financial year 2018/19 recorded 489 complaints, 0.02% of the overall activity. 283 complaints were upheld or partially upheld. The Trust received notification that, during 2018/19, 8 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, 489 against 526 in 2017/18, a reduction of 7 %. In addition to the reduction in total complaints received, appreciations have had a slight increase throughout 2018/19.

Complaints	2016/17	2017/18	2018/19
Total Complaints	618	526	489
Complaints as a proportion of call volumes (999 & 111 & PTS)	0.04%	0.03%	0.03%
Total upheld complaints	377	279	193
Total part upheld complaints	62	73	90

In line with legislation, 98.2% of the complaints received during 2018/19 have been acknowledged within 3 working days.

90.7% of the complaints received were responded to within the timeframe initially agreed compared to 88.7% 2016/17, an increase on last year. In 2019/20 we are committed to improving our response to complaints

The average number for days to respond to complaints stands at 28 days compared to 25 days last year.

The Trust receives appreciations for the service and in 2018/19 we received 883 appreciations.
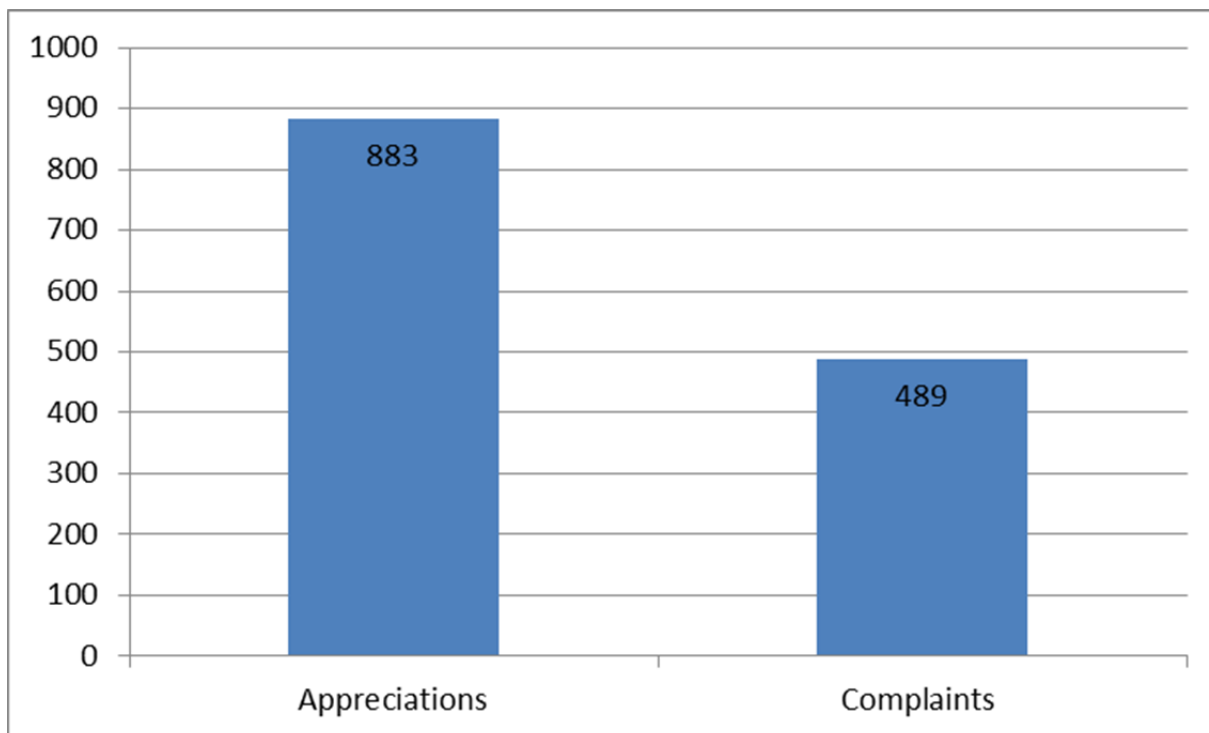
The analysis conducted by NEAS's Experience, Complaints, Litigation, Incidents, Patient Advice and Liaison Services (ECLIPS) Group has highlighted that the top 3 causes for complaints were:

Top 3 Cause of Complaints	2016/17	2017/18	2018/19
Timeliness of Response	51%	42%	36%
Quality of Care	23%	42%	56%
Staff Attitude	16%	20%	27%

Note: Cause of complaint is given as a proportion of total complaints

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 continues to be proactive in organising local resolution meetings to address complainants' concerns and involving other agencies, care providers and trusts in the process

- 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:

- Proactive cooperation between the Trust and the Patient Advisory and Liaison Service (PALS);

- PCU provided to all crews regarding the Elhers Danlos Syndrome and symptoms to be aware of when attending patients

- Engagement in the regional group to review how we manage patients with fractured neck of femur

- 12 month pilot scheme for Falls patient who are on the floor and requiring assistance, in partnership Newcastle & Gateshead Clinical Commissioning Group

- Standard Operating Procedure developed to support clinicians when contacting and reassessing patients, to ensure a consistent approach is taken

- Procedure to be amended to ensure that when a call is made to establish whether the patient's condition has changed, and there is a NEAS resource/medical professional on scene, the Health Advisor/Clinician speaks to the crew/medical professional prior to deciding not to continue with the assessment

- A review will be carried out of the times the dedicated Palliative Care crews operate.

- Standard Operating Procedure required ensuring escalation of delays is communicated to the Duty manager.

- Introduced calls scripts following introduction of ARP as a result of complaints

Quality Improvement Strategy

In 2018/19 we have developed and approved our Quality Improvement strategy for the trust, which is aligned to the overarching Quality Strategy.

We have a newly created QI lead post in the trust and are committed to starting 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 a team to achieve this.

We will develop a virtual QI Hub and 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.

Ambulance Service: #ProjectA

NEAS had been asked to support a national project with the QI manager being involved as part of small design team working with NHS Horizons through the April to June 2018 up to the official ProjectA was launch in June 2018 in London. This initial 12 month programme of work aimed to give frontline ambulance staff a greater role in the innovation, service design and problem solving.

NEAS frontline employees have been involved at present at every event, with the QI manager taking up one day a week to work more with NHS horizons since July 2018. Over the summer 608 ideas were shared via the ideas platform and tweet chats as part of phase 1 of the project. Read more about phase 1.

We categorised the 608 ideas as per the diagram below:
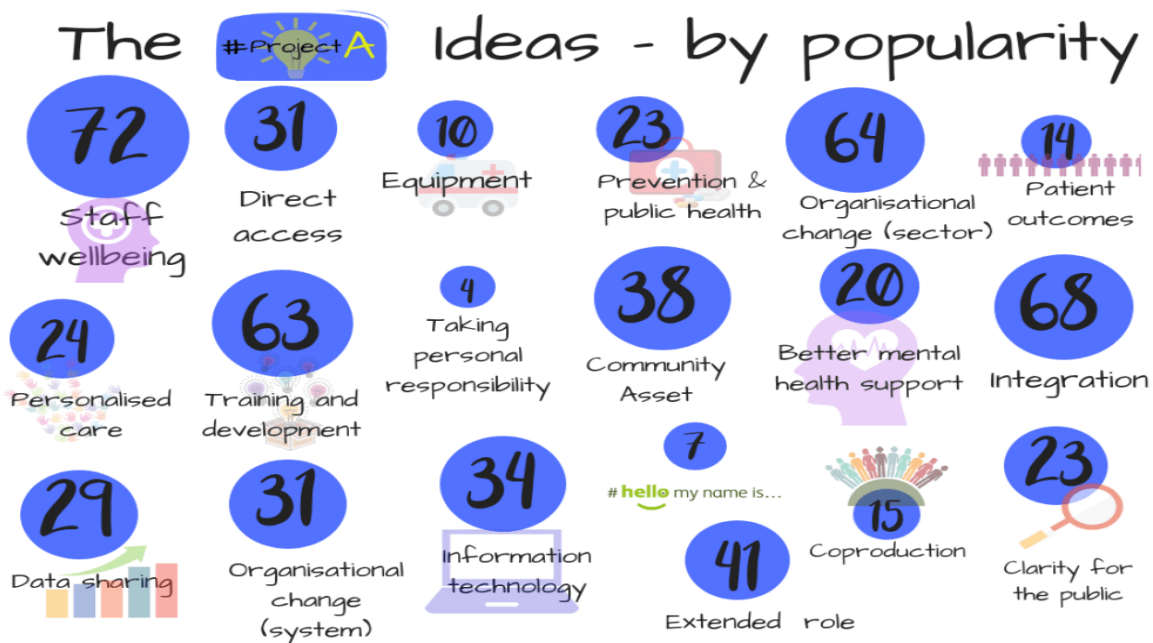
The #ProjectA Ideas - by popularity

- 72 Staff wellbeing
- 31 Direct access
- 10 Equipment
- 23 Prevention & public health
- 64 Organisational change (sector)
- 14 Patient outcomes
- 24 Personalised care
- 63 Training and development
- 4 Taking personal responsibility
- 38 Community Asset
- 20 Better mental health support
- 68 Integration
- 29 Data sharing
- 31 Organisational change (system)
- 34 Information technology
- 7 #hello my name is…
- 41 Extended role
- 15 Coproduction
- 23 Clarity for the public

Twelve of those ideas were selected for a two day virtual 'innovation burst' where 198 staff collaborated to test and prototype them.

What's next?

Six specific activities emerged from the innovation burst for further work and progression:

1. **Action on falls**: The aim is to develop and implement a falls response framework that will be relevant to every ambulance service and that will lead to better, more appropriate services for people who fall, less conveyance and/or help stop people from falling in the first place or falling again.

2. **Action on mental health and emotional distress**: To create an actionable "knowledge bank" for use by frontline ambulance staff and share and test approaches to supporting people in mental health crisis and emotional distress.

3. **Action on partnership: people, families and the wider community:** To co-produce a campaign that focusses on how to access and use services. It will be a two-way partnership, created in the spirit of community engagement, co-creation and activism, using multiple communication channels including social media.

4. **Action on staff wellbeing**: Develop a virtual collaborative that looks to support ongoing work within the Human Resource Directors' Group (HRDs) and Strategic Partnership Forum (trust and union representatives) with a focus on implementing clinical supervision across all ambulance services.

5. **A directory of ideas for improvement**: Share the 70 ideas with the most potential for implementation from the #ProjectA ideas platform and create a series of challenges to help make trusts introduce them.

6. **Virtual collaboration:** Build the capability of the ambulance workforce to collaborate virtually; reducing time away from work and abstraction; increasing opportunities for sharing, learning and speeding up change.

Transforming our Services

We recognise that across the STP footprint NEAS is unique in providing a regional service which links into all urgent and emergency care services. We recognise as key partners 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 and embed 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, providing a multi professional clinical advisory service and 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 are embedding our 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 increasing our workforce in line with the £10 million investment over a 4 year period to recruit 100 more paramedics which will see our skill mix on the road change from a 50:50 (qualified / unqualified) ratio to a 60/40 (qualified / unqualified), excluding Rapid Response Vehicle staff and Intermediate tier transport.

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 Service, 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. We continue to build on this work and await our reassessment in 2019/20.

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; with the introduction of our new intranet site Siren

- development of our 999 software simulator, Apollo to model the impacts of planned service 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

- embedding the CARE app for clinicians to be able to measure the impact their care has made on patients

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 Scheduled Care (formerly PTS), 111 and Unscheduled Care (formerly ECS) to 'see and treat' patients.

We undertake monthly analysis of Friends and Family Test data and share it with service line managers, employees and the Board.

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	1726	1678	97.2%
2018/19	1825	1791	98.1%

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	1493	1430	95.8%
2018/19	944	902	95.6%

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	1015	891	87.8%
2018/19	1120	977	87.2%

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.

Engagement

We have undertaken a significant amount of patient engagement over the last 12 months. We attended 182 community events including four Pride events, two Mela events, agricultural shows, school visits, defibrillator awareness, recruitment fairs and local community group talks.

We have worked in partnership with patients on the design and development of a number of projects to assist frontline employees to improve their support to patients and improve access to our services.

- Working with Hartlepool Young inspectors we developed a young persons' web zone on our website to help schools, community centres and young people to access information on our services, understand when to use them, discourage prank/hoax calls, reviewed our training to employees on communicating with young people staff and we developed resources which schools and community associations can use when talking about our services, www.neas.nhs.uk/get-involved/learning-zone.aspx

- Working with Guidepost and a number of local learning disability groups, Deaflink and South Tyneside Regional Equality Forum we developed our Communications Support Guide. The guide supports front line crews to communicate with people with a variety of communications needs and provides useful information, easy read pictures, access to language line, basic British Sign Language signs and the ability to triage people in over 40 languages without the need for a telephone, www.neas.nhs.uk/patient-info/communications-support.aspx

- Working with a number of learning disability groups we developed our learning disability web zone. The zone provides advice and guidance on using our services to people with learning disabilities using NHS Easy read images, www.neas.nhs.uk/patient-info/learning-disability-zone.aspx

- Working with schools, community organisations and NHS organisations across the region we participated in the national 'Restart a Heart' campaign. In October 2018 we engaged 29 schools and organisations in valuable training and awareness raising on CPR, www.neas.nhs.uk/get-involved/restart-a-heart.aspx

- During the early part of 2019 we have set up a vehicle re-design group and involved a range of stakeholders who support people with specific needs. The group explored how we can change the local vehicle specifications and they have identified a number of changes they would like us to consider. We will be working with the group throughout 2019 to review our local specification and agree a new one.

NHS Staff Survey

HAVE YOUR SAY!
NHS Staff Survey 2018

The 2018 Staff Survey was completed by 1204 employees which is 49% of the workforce. Overall this year's staff survey results are really positive, with lots of areas 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.

The results have been categorised differently this year with the use of 'themes' rather than key findings. There are ten themes overall and NEAS have reached the top spot in seven out of the ten categories. Further information on the staff survey is available is section 3 of the report.

The engagement score for 2018 has increased from 6.45 in 2017 to 6.55 in 2018. Staff engagement is measured across three themes:

- Advocacy – Staff recommendation of the trust as a place to work or receive treatment
- Motivation – Staff motivation at work
- Involvement – Staff ability to contribute towards improvement at work

We are delighted that this year we are achieving staff engagement scores in line with other large teaching trusts, and the only ambulance service to do so.

Overall staff engagement score (out of 10)			
Sub category	2017	2018	Ambulance Sector Score
Advocacy	6.68	6.68	6.17
Motivation	6.96	7.06	6.55
Involvement	5.74	5.74	5.50
Overall engagement	6.45	6.55	6.08

The Trust is committed to improve staff engagement, and so the quality of its services by:
- a commitment to achieve the highest levels of Investors in People accreditation;

- embedding of the values-based behaviours' framework into recruitment, appraisal, reward and recognition processes;

- implementation and evaluation of the 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

Freedom to Speak Up

In response to the Gosport Independent Panel Report, the Government committed to legislation requiring all NHS trusts and NHS Foundation Trusts in England to report annually on staff who speak up (including whistleblowers).

In order to demonstrate that NEAS is committed to supporting staff who do speak up when they have concerns regarding quality of care, patient safety or bullying and harassment within the trust, which has not been dealt with locally through the line management structure we have provided the following information:

- There is a Freedom to Speak Up policy in place

- We have specific literature, posters and information within ambulance station packs, on the intranet and these are highlighted within the induction programme for all new staff to the organisation

- There is a Freedom to Speak Up Guardian along with Executive and Non-Executive Leads.

- There are a number of Freedom to Speak Up Champions across the Trust.

- Staff are encouraged to routinely raise any matters of concern with their line manager.

- If this is not appropriate or staff do not feel their concerns have been appropriately addressed, then they can raise their concerns with the Freedom to Speak up Guardian, Executive Lead, Non-Executive Lead or with the Chief Executive.

- Confidentiality is maintained wherever possible, in line with the policy.

- Investigations are thorough and independent

- Feedback is provided to the individual by their choice of medium e.g. a meeting, in writing via email or letter

There have been 3 cases in 2018/19 which is a decrease of 5 cases compared to 2017/18. Whilst the case volume is low, we note that Freedom to Speak Up is only one of a number of mechanisms for staff to report concerns. Staff survey evidence indicates that 72% of staff would feel secure in raising concerns about unsafe clinical practice. This is the top result within the ambulance sector. In addition, 61% of staff stated that they felt confident that the Trust would address their concern, which is again the top result in the sector. The Trust is also a high reporter of incidents, which again provides assurance that staff feel confident in reporting issues through the formal incident reporting channels.

Part 3: Overview of quality of care in 2018/19

The information provided in Part 3 is a presentation of the information that has been monitored throughout 2018/19 by the Trust Board, Council of Governors, Quality Committee and Quality Governance Group, which includes a regular review of progress against the agreed Quality Priorities set for 2019/20.

The majority of this report represents information from across the organisation that has been reported and monitored in a variety of forums. 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 an Unannounced and Well Led Inspection by the Care Quailty Commission (CQC).

The unannounced core service inspection took place on the 18th, 19th and 20th September 2018 and the two core services inspected were the Emergency Operations Centre and our NHS111 service.

The announced Well Led Inspection took place on the 16th, 17th and 18th October 2018.

Ratings for the whole trust

Safe	Effective	Caring	Responsive	Well-led	Overall
Good →← Jan 2019	Good →← Jan 2019	Good →← Jan 2019	Good →← Jan 2019	Good →← Jan 2019	Good →← Jan 2019

The rating for well-led is based on our inspection at trust level, taking into account what we found in individual services. Ratings for other key questions are from combining ratings for services and using our professional judgement.

Ratings for ambulance services

	Safe	Effective	Caring	Responsive	Well-led	Overall
Emergency and urgent care	Good Nov 2016	Requires improvement Nov 2016	Good Nov 2016	Good Nov 2016	Good Nov 2016	Good Nov 2016
Patient transport services	Good Nov 2016	Good Nov 2016	Good Nov 2016	Good Nov 2016	Good Nov 2016	Good Nov 2016
Emergency operations centre	Requires improvement →← Jan 2019	Good →← Jan 2019	Good →← Jan 2019	Good →← Jan 2019	Good ↑ Jan 2019	Good ↑ Jan 2019
Resilience	Good Nov 2016	Good Nov 2016	Good Nov 2016	Good Nov 2016	Good Nov 2016	Good Nov 2016
Overall	Good →← Jan 2019	Good →← Jan 2019	Good →← Jan 2019	Good →← Jan 2019	Good →← Jan 2019	Good →← Jan 2019

Overall ratings are from combining ratings for services. Our decisions on overall ratings take into account the relative size of services. We use our professional judgement to reach fair and balanced ratings.

The CQC inspection team found evidence of Outstanding Practice within the EoC:-

- NEAS were awarded the most innovating NHS education provider award as part of the Bright Ideas in Healthcare Award for their falls training.

- The trust won the 'enhancing patient dignity' category for its end of life services in the Nursing Times Awards 2017. The end of life service provided a responsive and timely patient transport across the north-east region for patients with palliative/end of life care needs, enabling them to be cared for and die in the place of their choice.

NHS111 Service

The NHS111 service has retained its previous rating (2016) of 'Good' overall and 'Good' within each of the Domains

Ratings	
Overall rating for this location	Good 🟢
Are services safe?	Good 🟢
Are services effective?	Good 🟢
Are services caring?	Good 🟢
Are services responsive?	Good 🟢
Are services well-led?	Good 🟢

Although not formally recognised as areas of outstanding practice, the CQC highlighted the following areas within the NHS111 report:-

- The service was able to book appointments directly for patients, for example, with some GP practices, urgent care centres and extended hours hubs. The service had won a national award in 2017 'Bright Ideas in Healthcare' for their work on the GP Direct Booking via NHS 111 system.

- The service was able to refer urgent repeat prescriptions to pharmacies, meaning patients did not have to wait for a consultation with an out of hours GP for this to be arranged.

- The service took part in a pilot which allowed NHS111 Health Advisors to refer callers with minor ailments to a local pharmacy. This has recently been launched nationally across other NHS111 services.

- The service was involved in a pharmacist development programme, where pharmacists worked as part of the multidisciplinary team as an expert resource, including handling medicines-related enquiries and issues, undertaking clinical assessment and treatment of minor ailments and prescribing where appropriate, prescribing for repeat prescription requests and providing self-care advice.

The CQC also found:

- Staff were caring and provided compassionate care. Accurate, timely and clear information was provided to patients and callers about their condition and followed the clinical pathways.

- Staff understood the patients' personal, cultural, social and religious needs. They displayed an understanding and non-judgemental attitude to all patients.

- Managers across the trust promoted a positive culture that supported and valued staff, creating a sense of common purpose based on shared values.

- NEAS staff understood how to protect patients from abuse and the trust worked well with other agencies to do so.

- NEAS used a demand forecasting tool to identify which resources would be required on which shifts to meet demand.

- Managers monitored the effectiveness of care and treatment and used the findings to improve them. They compared local results with those of other services to learn from them.

- NEAS had performed above average against other NHS ambulance trusts in five of the seven measures on the new Ambulance Response Programme

However, NEAS has been issued with two Requirement Notices:-

- Regulation 12 HSCA 2014 – Safe Care and Treatment
- Regulation 18 HSCA 2014 – Staffing.

A number of actions have been identified that we **<u>MUST</u>** take in order to comply with our legal obligations.

Regulation 12 – Safe Care and Treatment

- NEAS **MUST** have a system in place to reduce the levels of overdue patient safety incidents requiring review and the levels of incidents identified to have been caused by human error and to share any individual and organisational learning swiftly *(Emergency Operations Centre)*.

- NEAS **MUST** improve systems to ensure that the service can deliver local and national performance targets *(NHS111 service)*.

Regulation 18 – Staffing

- NEAS **MUST** have effective systems in place to achieve the 95% target for staff appraisal compliance *(Emergency Operations Centre)*.

- NEAS **MUST** ensure that sufficient clinical advisors are available to meet patient demand *(NHS 111 Service)*.

A number of actions have also been identified that we **SHOULD** take in order to comply with minor breaches (but did not justify regulatory action).

- NEAS **should** identify measures to reduce the noise levels in Russell House *(Emergency Operations Centre and NHS 111 Service)*.

- NEAS **should** take steps to give all staff (health advisors) the opportunity to attend regular team meetings; to provide support and opportunities to share learning *(NHS 111 Service)*.

- NEAS **should** develop a system to monitor that staff have been made aware of and understand interim Pathways updates *(NHS 111 Service)*.

- NEAS **should** hold shift/team meetings with Call Taking staff *(Emergency Operations Centre)*.

- NEAS **should** have a system in place to achieve mandatory and safeguarding training targets *(Emergency Operations Centre)*.

The Trust has developed an improvement action plan in response to the areas identified by the CQC and this will be closely monitored by the CQC for completion and close out.

Following on from a Trustwide and individual core service line Self-Assessment exercise, we have developed individual 'Route Map to Outstanding' Action Plans to continuously improve patient safety, clinical effectiveness and experience.

The Trust Board will soon commence a Self-Assessment exercise to determine where our strengths and development needs are in light of the Well Led inspection process. We are confident that we have strengthened our clinical leadership capacity and capability to support strong leadership across all levels of the organisation.

NHS Staff Survey 2018 Results Summary

NEAS participate in the NHS Staff Survey every year completing a full staff census (2469 employees) In previous years have NEAS have sent the survey to some staff groups using the paper format via the internal mailing system. In 2017 it was decided that an online survey would be implemented. Which means all staff would receive their survey in their NEAS email address.

Response Rates

Year	Sample size	Returned	Percentage
2016	2374	1149	49%
2017	2440	1327	54%
2018	2469	1204	49%

The 2018 themes and summary scores

Themes can be considered as summary scores for groups of questions which, when taken together, give more information about a particular area. Themes are presented either as percentage scores or as scale scores (on a scale of 0 to 10). Individual question scores are expressed as percentages.

There are ten grouped Themes within this report, which are:

- Equality, diversity and inclusion
- Health and wellbeing
- Immediate managers
- Morale
- Quality of appraisals
- Quality of care
- Safe Environment - Bullying and harassment
- Safe Environment - Violence
- Safety culture
- Staff engagement

Question scores are presented beneath the Themes they feed into. Please note that it's not always possible to directly compare question scores to the Themes, as there are specific rules in the Theme calculations which act to limit the respondent base (e.g. a respondent must have answered a majority of the questions that compose the Theme to be included in its calculation). The question scores do however provide a good indication of the strengths and weaknesses within the area addressed by the Theme.

Theme – Equality and Diversity
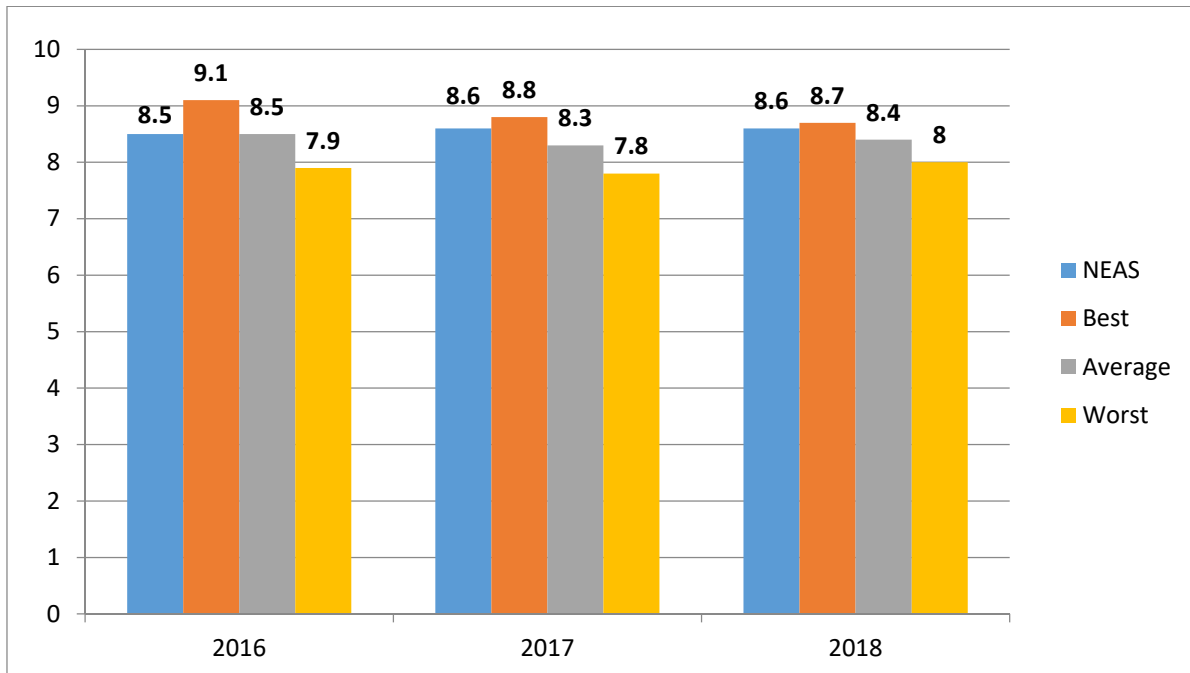
The overall score for this theme has improved slightly since the 2017 survey and is significantly higher than the sector.

This theme considers the organisation acting fairly with career progression, discrimination at work from colleague / manager or members of the public and adequate adjustments to ensure our employees are able to carry out their work.

Theme – Health and Wellbeing
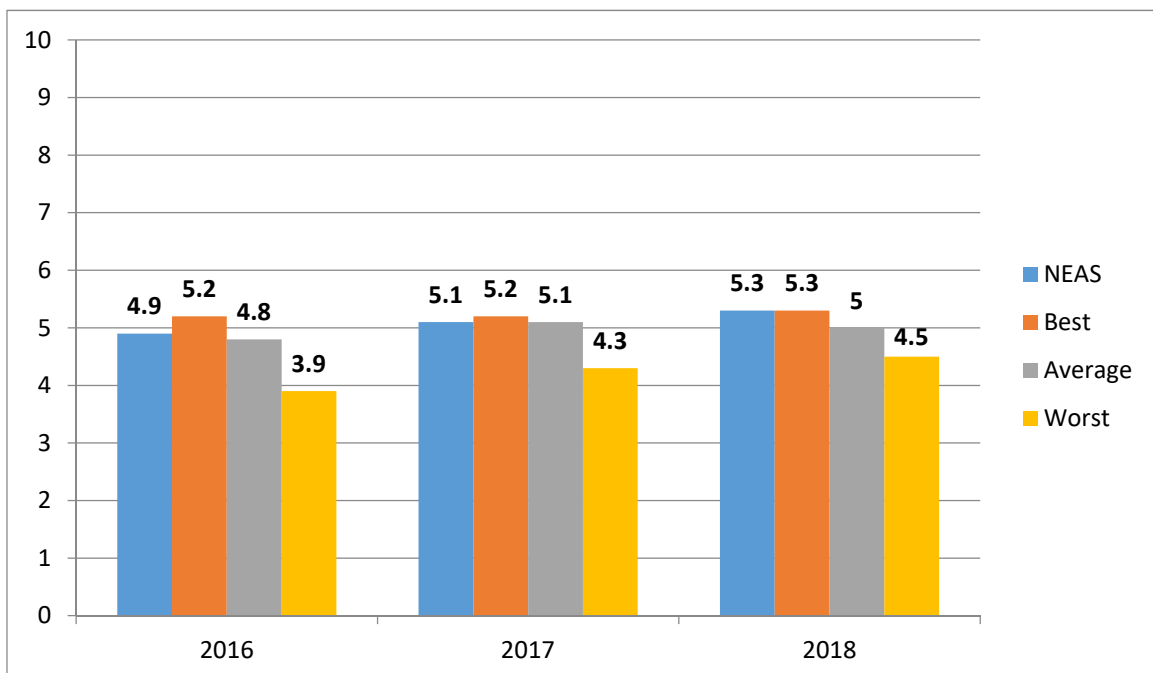
The overall score for this theme is significantly higher than the average across other Ambulance Trusts in the UK. 90% of staff responded positively that the organisation takes positive action on health and wellbeing

Health and wellbeing considers flexible working opportunities, positive action, employees feeling not well enough to perform duties, MSK and work related stress.

Theme – Immediate Managers
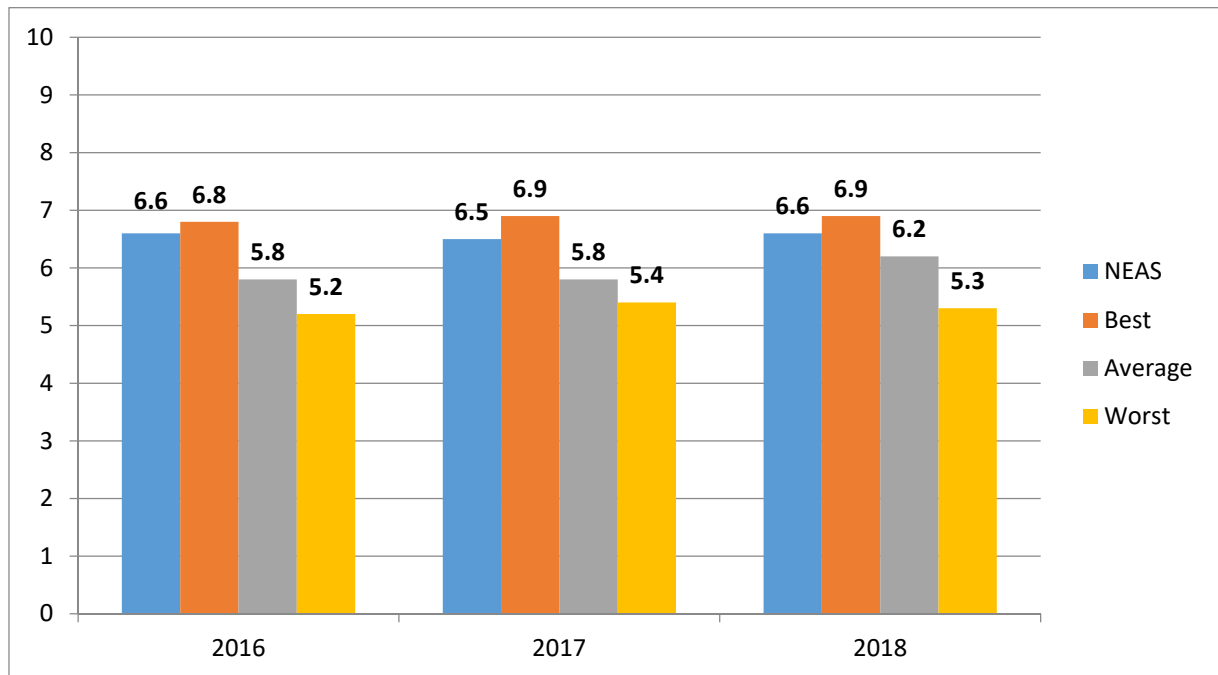
The score for this theme is just below the best and above average across other Ambulance Trusts in the UK.
This theme has studied our immediate managers and them taking a positive interest in their health and wellbeing, whether they are valuing their employees work and supporting their staff in their learning and development.

Theme – Morale
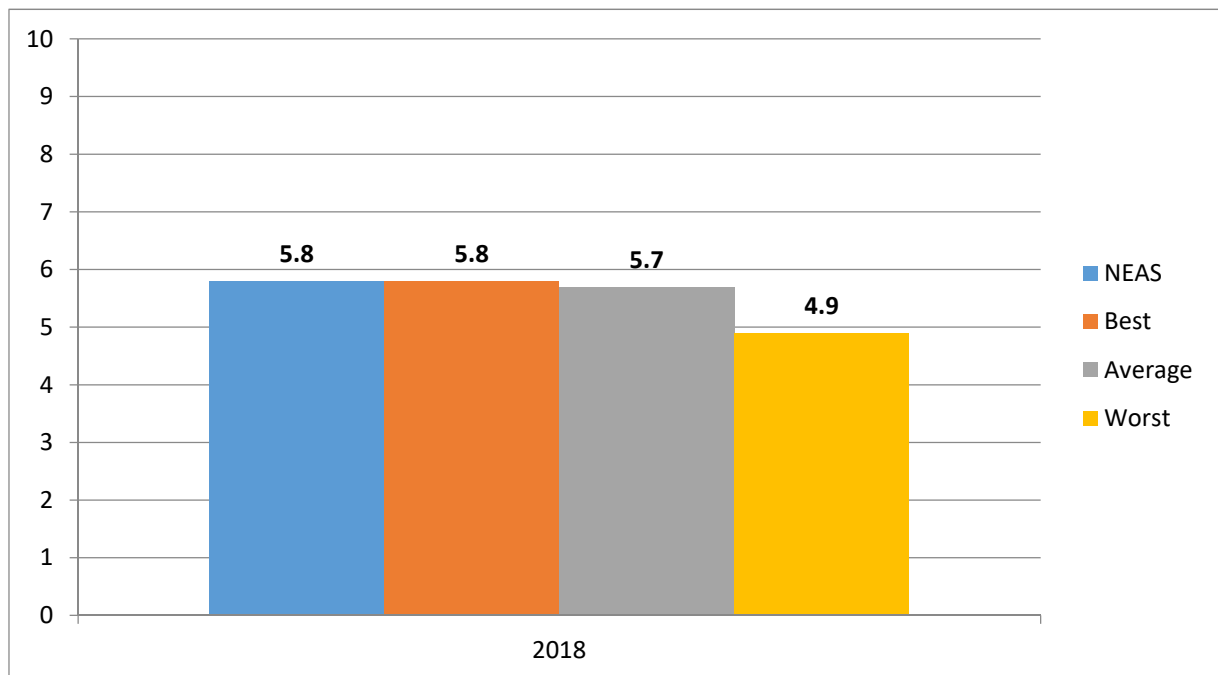
The overall theme score is the best in sector across the other Ambulance Trusts for 2018.

Morale looks at whether employees are deciding on changes that affect their area of work, respect within the trust, time pressures, relationships and employees feeling encouraged.

Theme – Quality of Appraisals
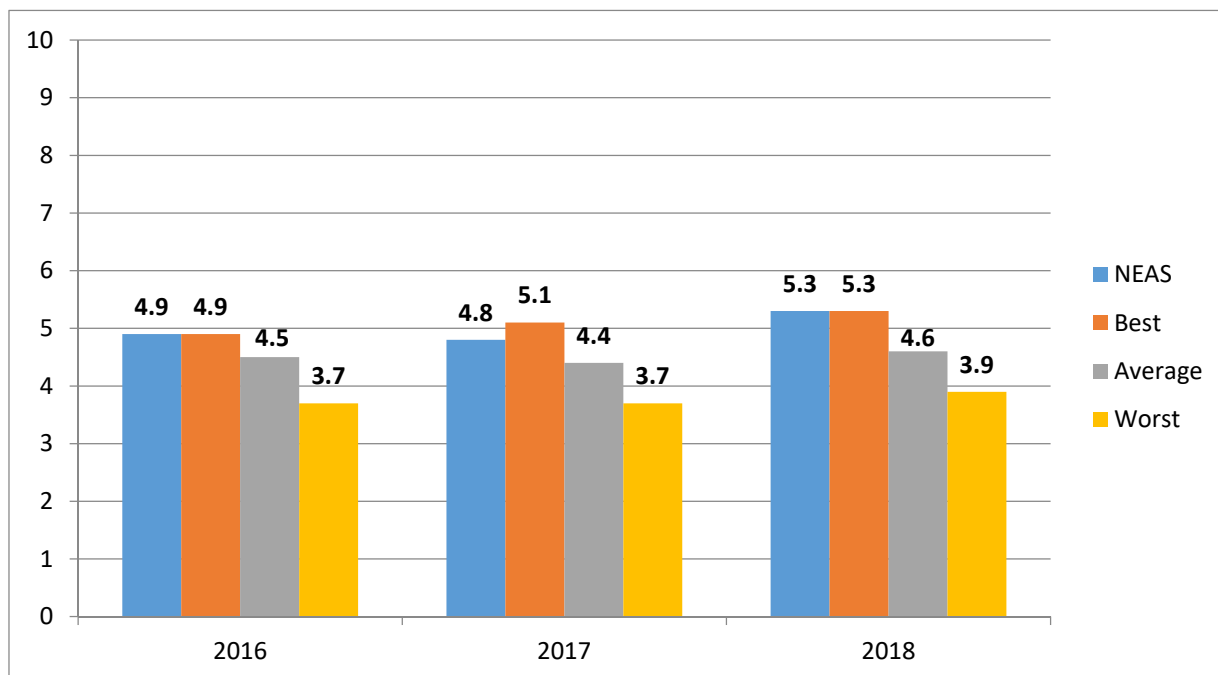
The overall theme score is the best in sector across the other Ambulance Trusts for 2018.

The appraisal theme focuses on how the employee feels post appraisal, for example; has this improved how they carry out their duties? Did they agree objectives? Do they feel like their work is valued?

Theme – Quality of Care
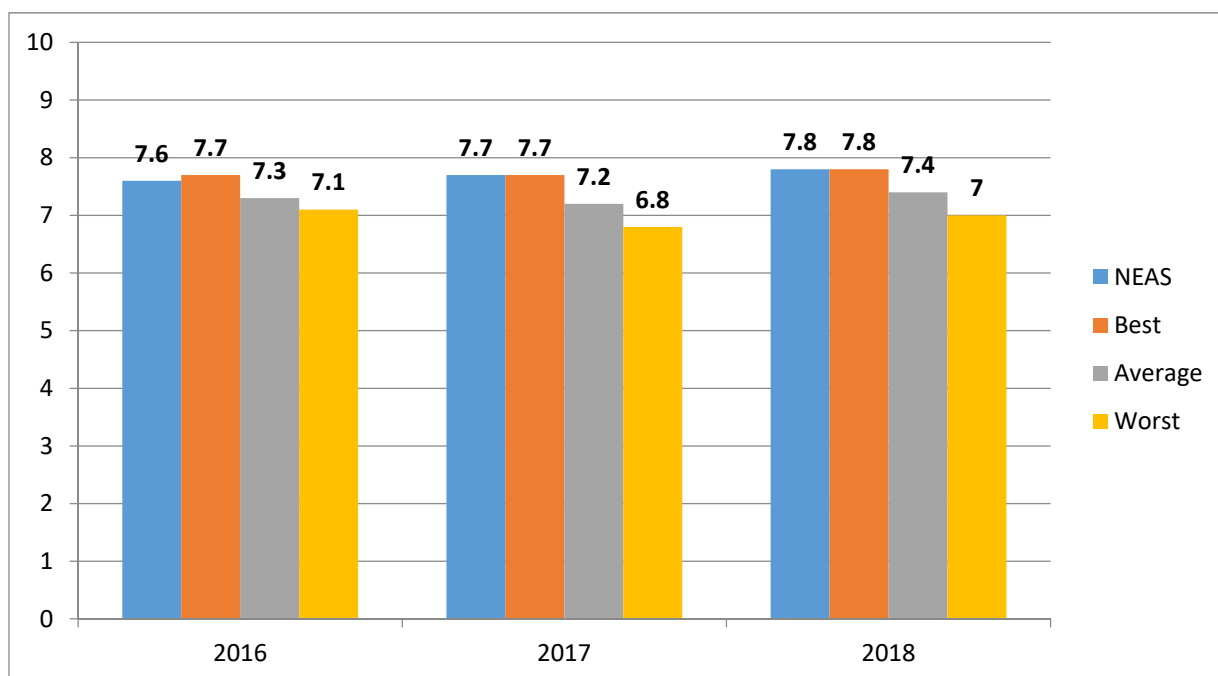
Quality of Care focuses on the care our employees give to patients, their role making a difference to patients and the employee's ability to deliver the care that they aspire too.

There have been small improvements in the scores in this section and as such, the overall theme score has also shown small improvement since 2017.

The overall theme score is the best in sector across the other Ambulance Trusts for 2018.

Theme – Bullying and Harassment
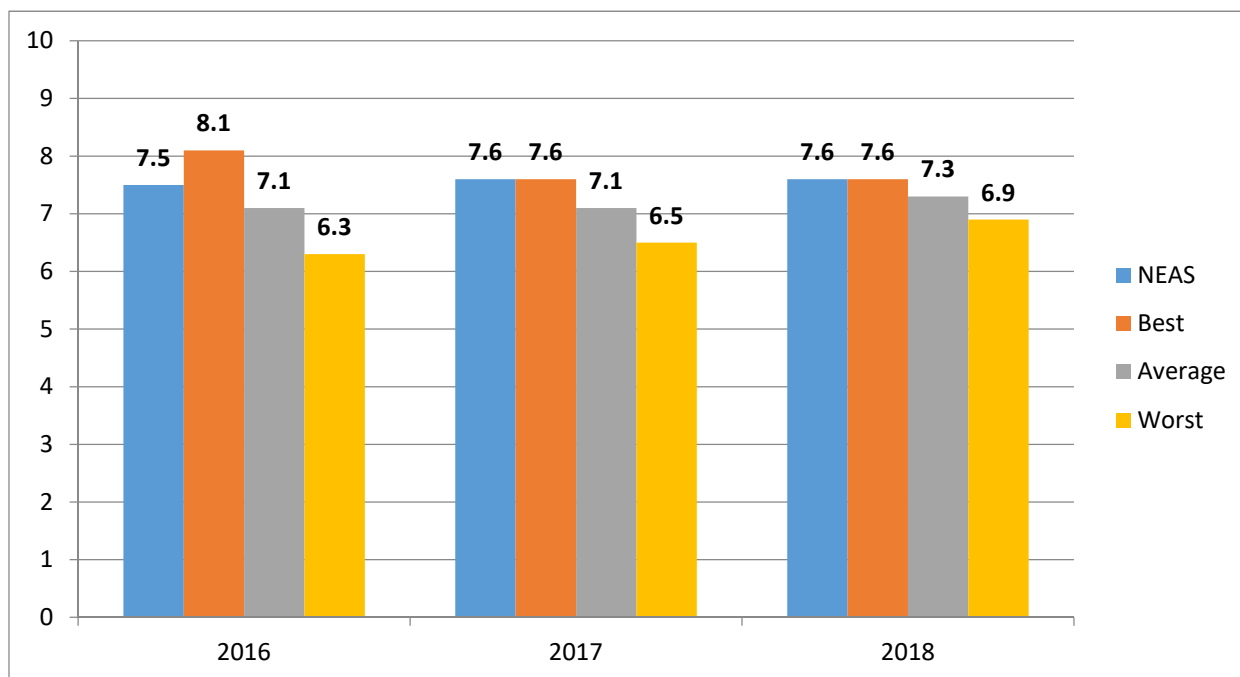
This theme considers how many employees are going through / haven been through bullying and harassment by members of the public, other colleagues or managers.

The Trust compares very well to the other Ambulance Trusts in the UK and this year we have score the top score at 7.6 for 2018.

Theme – Safe environment – Violence
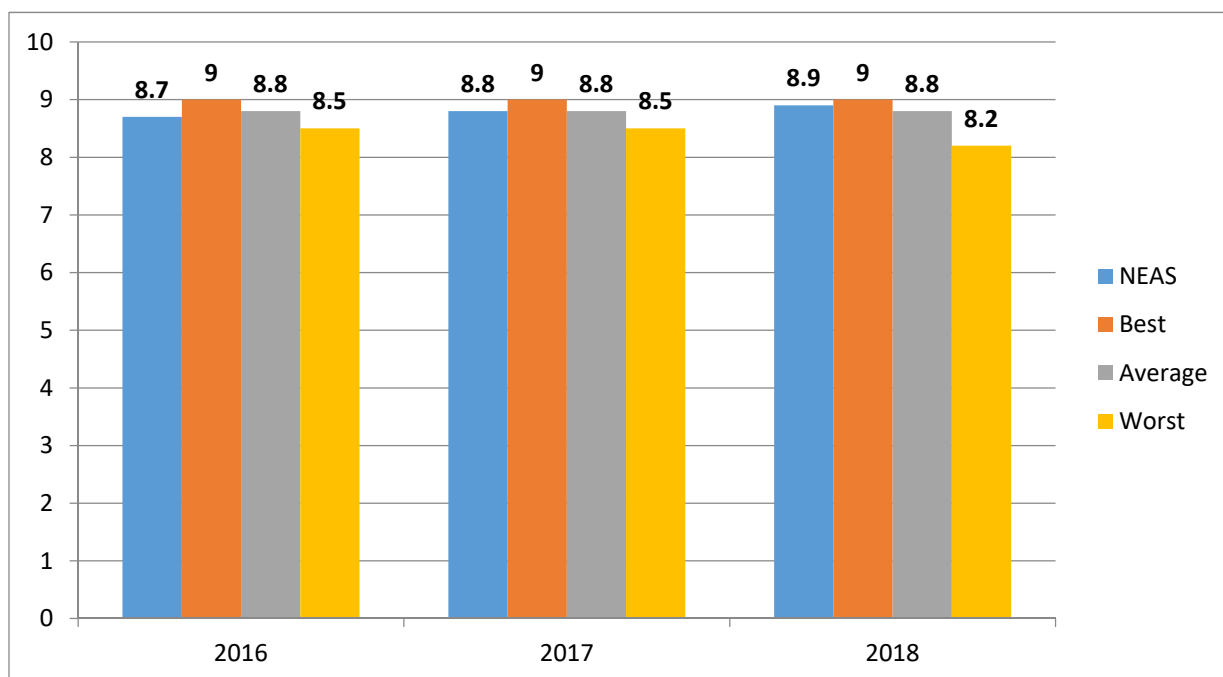
The area of violence in the trust looks at how many employees have suffered physical violence

by members of the public, other colleagues or managers.

The overall theme score is around the same level as other Ambulance Trusts in the UK.

Theme – Safety Culture
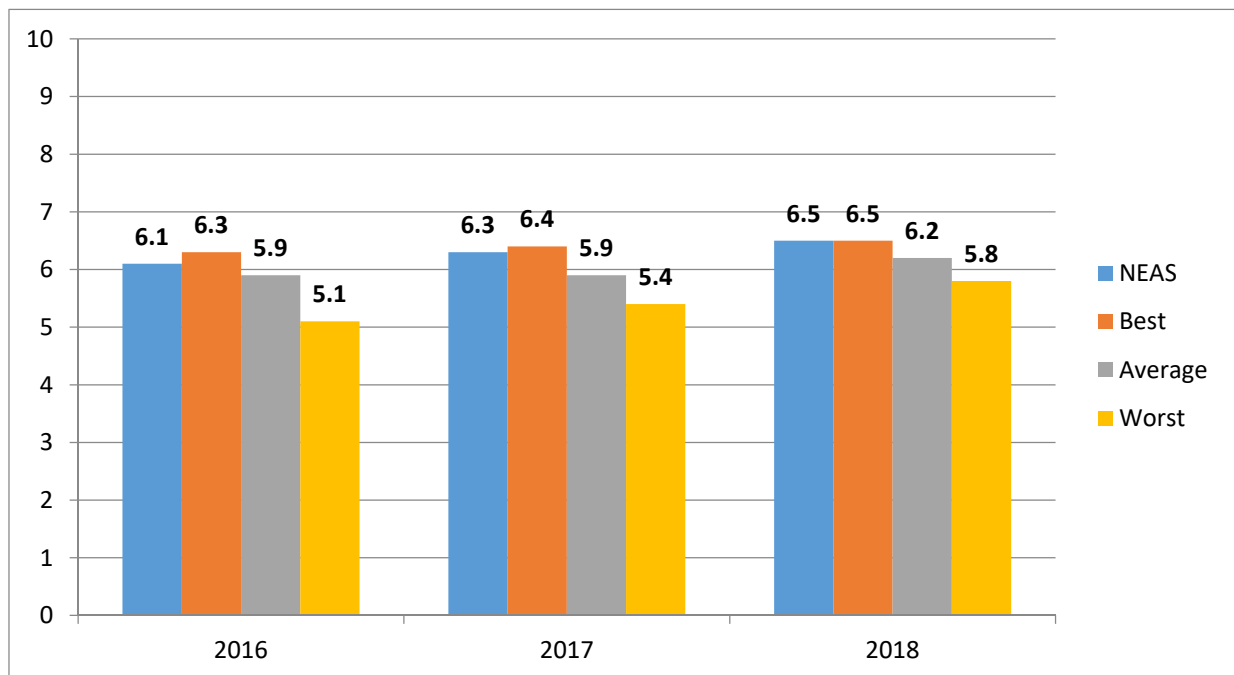
The safety culture theme considers fair treatment of those who are involved in an error near miss or incident, whether or not the trust takes action to ensure that these are not repeated, secure in raising concerns and does the organisation act on these concerns raised.

All of the questions in this section have improved significantly since the 2017 survey. The overall theme score for the Trust has also shown some positive movement.

72% of staff would feel secure raising concerns about unsafe clinical practice. In addition, 62% say they are confident that their concerns would be addressed and 73% feel the organisation acts on concerns raised by patients / service users.

Clinical effectiveness indicators

Ambulance Clinical Quality Indicators

These are nationally mandated and reported internally and externally:

Cardiac arrest: ROSC: return of spontaneous circulation

ROSC – Number of patients who had return of spontaneous circulation on arrival at hospital, following resuscitation				
Financial Year	NEAS Performance	National Average	Highest Trust Performance	Lowest Trust Performance
2017/18	29.96%	29.52%	34.57%	24.17%
2018/19*	31.7%	30.8%	35.8%	23.7%

ROSC Utstein - % of patients who had return of spontaneous circulation on arrival at hospital, following resuscitation				
Financial Year	NEAS Performance	National Average	Highest Trust Performance	Lowest Trust Performance
2017/18	56.9%	51.18%	58.61%	44.44%
2018/19*	60.5%	54.5%	75%	46.8%

Survival to Discharge				
Financial Year	NEAS Performance	National Average	Highest Trust Performance	Lowest Trust Performance
2017/18	8.79%	9%	14.76%	6.91%
2018/19*	11.1%	10.2%	16.6%	8.4%

Survival to Discharge Utstein				
Financial Year	NEAS Performance	National Average	Highest Trust Performance	Lowest Trust Performance
2017/18	35.05%	27.55%	35.05%	21.49%
2018/19*	35.3%	29.3%	75%	21.4%

*April 2018- November 2018

See and treat 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 recognise how important it is to provide prompt and appropriate services for patients, which not only meets but exceeds 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	2016/17	2017/18	2018/19
Hear and Treat	24,012	26,762	20,996 (5.1%)
See and Treat	92,141	102,223	104,697 (25.2%)
See, Treat and Convey	290,093	284,510	289,009 (69.7%)
See and Convey to ED	236,841	236,293	242,112 (58.4%)

In November 2017 ARP AQI's were introduced changing the criteria for reporting hear & treat, see & treat an see treat & convey which has resulted in a reduction in hear and treat cases which can be counted.

Whilst NEAS has one of the lowest See and Convey to ED rates nationally, we do transport more patients than the national average. As a result we have committed to the safe reduction of avoidable conveyances through a focus on providing care closer to home, either resolving incidents over the phone or discharging on scene. This work will involve reviewing the role of Advanced Practitioners and maximising their impact, providing support and feedback for clinicians to learn from best practice, and identifying improvements in available pathways to support greater care within the community.

Patient Safety

The trust has a Quality Dashboard which is produced monthly and has a range of metrics within it. The following are a selection of those to demonstrate how we measure patient safety:

- Incident reporting throughout 2018/19

Incidents - Patient Safety vs Non Patient Safety

Patient Safety YTD: 2035 — Non Patient Safety Incident — Patient Safety Incident   Non Patient Safety YTD: 2692

We monitor the volume of patient safety and non-patient safety incidents reported across the trust on a monthly basis. We had noted in 2017/18 there had been a peak of incidents reported over winter time though we did not experience the same trend in 2018/19. We want to build on incident reporting in 2019/20 linked to our Just Culture programme.

% of Closed Patient Safety Incs *	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	YTD
Low Harm/No Harm/Near Miss%	98.5%	98.0%	98.2%	99.3%	98.3%	98.8%	96.8%	98.0%	98.9%	97.6%	97.4%	100.0%	99.0%	**98.3%**
Mod Harm/Severe Harm/Death %	1.5%	2.0%	1.8%	0.7%	1.7%	1.2%	3.2%	2.0%	1.1%	2.4%	2.6%	0.0%	1.0%	**1.7%**

We monitor the level of patient harms which occur, as a result of a patient safety incident when incidents have been investigated and closed. We had a threshold in 2018/19 that less than 4% of patient safety incidents are identified as causing moderate harm or above. In 2018/19 it was 1.7%. This is monitored on a monthly basis.

Serious Untowards Incidents   YTD: 12
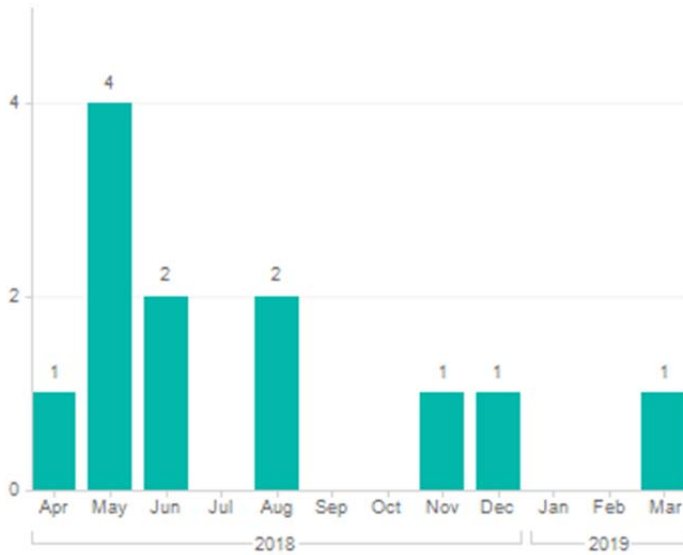
We have a robust process of investigating Serious Incidents (SI's) in line with national guidance. It is noted that there were 4 months of the year (18/19) where there were no SI's reported.

- Safeguarding data

Safeguarding Referrals by Adult/Child
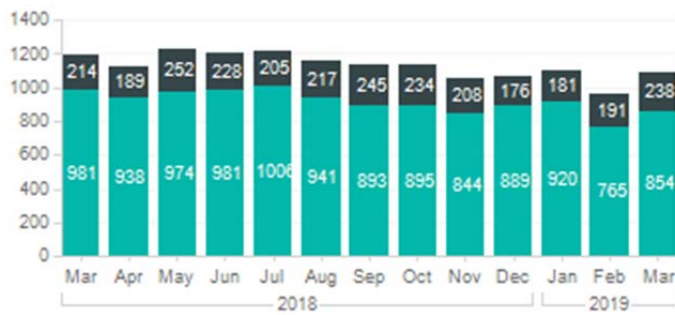
We have a safeguarding adults and children dashboard, with detailed metrics on the referrals we make, the type of safeguarding concern we have, which service line is reporting safeguarding concerns and in which CCG area are we making referrals. This data is reviewed internally on a bi monthly basis and externally by commissioners on a quarterly basis. This enables us to monitor any themes or trends in safeguarding activity.

- Infection prevention and control data

This report relates to the 665 IPC Audits that were carried out by CCM's for Unscheduled Care from April 1st 2018 – March 31st 2019.

Compliance with Hand Hygiene

Hand Hygiene Compliance April 2018 – March 2019		
Month	**Opportunities Taken Compliance**	**Staff Compliance**
April	533/565	83/100
	94%	83%
May	541/604	85/119
	90%	71%
June	452/468	75/85
	97%	88%
July	200/225	38/50
	89%	76%
August	356/377	60/74
	94%	81%

September	172/190	25/32
	91%	78%
October	434/456	63/74
	95%	85%
November	365/374	29/37
	98%	78%
December	243/256	21/24
	95%	87%
January	133/136	38/41
	98%	92%
February	70/80	12/18
	88%	66%
March	11/11	6/6
	100%	100%
Total	3510/3742	535/660
	93.8%	81%

Overall annual compliance with the 5 moments of hand hygiene is reported at 94% which is the same as last year. When measuring staff compliance this is reported as 81% that is 535 staff were fully compliant from 660 staff which is slightly lower than the reported 84% in 2017-2018. Poor compliance with hand hygiene has been identified as a risk to patient safety and is identified on the IPC risk register, an action plan is in place to support improvement and has included; reviewing the Trusts Hand Hygiene Policy and Bare below the Elbow SOP in line with National Policy, improving communication regarding hand hygiene, every ambulance station and Trust building having new hand hygiene posters for effective hand washing and NEAS participating in the annual WHO global Hand Hygiene Event. The IPC Team has commenced a quality improvement project aiming to improve hand hygiene through appropriate glove use and a pilot is due to commence in July 2019.

Compliance with Bare Below the Elbow

An overall trust compliance with BBE is reported as 98%.   Compliance with unscheduled care staff being bare below the elbow is reporting good practice consistently with an overall compliance of 98% this is an improvement from last year 2017 – 2018 when CCM's reported overall compliance at 94% Scheduled Care staff reported 99% compliance for the second consecutive year.

BBE Compliance April 2018 – March 31st 2019			
Bare Below the Elbow	**Observed**	**Compliance**	**RAG**
Unscheduled Care	653/665	98%	Green
Scheduled Care	636/640	99%	Green
Total	1289/1305	98%	Green

Compliance with staff wearing alcohol gel

Compliance at NEAS has significantly improved from 87% in 2016/17 to being reported at 96% 2018/19. There is also a significant increase in the total number of staff being included in this audit this year 1305 compared to 645 staff audited in 2017/18.

Personal Alcohol Gel Compliance April 2018 – March 31st 2019			
Personal Alcohol Gel	**Observed**	**Compliance**	**RAG**
Unscheduled Care	624/665	94%	Amber
Scheduled Care	634/640	99%	Green
Total	1258/1305	96%	Green

Aseptic Non Touch Technique (ANTT)

IV cannulation compliance 2018 - 2019

Month	Compliant	Observed	Percentage
April	25	27	92%
May	31	35	88%
June	17	19	89%
July	10	10	100%

August	14	16	87%
September	7	7	100%
October	23	23	100%
November	8	8	100%
December	6	6	100%
January	9	11	82%
February	2	3	67%
March	3	3	100%
Total	155	168	92%

- **Medicines audit data**
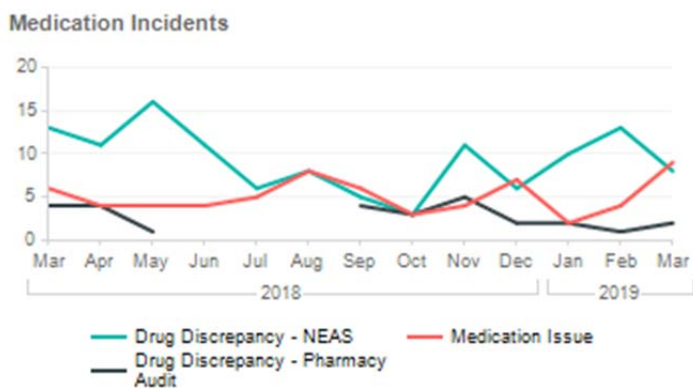
The Medicines Optimisation Group reviews all medication incidents to identify themes and trends and they oversee actions required to reduce any patient safety risks.

Patient experience

- **Scheduled care Key performance indicators**

Our scheduled care services have a number of indicators which directly relate to patient experience:

	Jan 19	Feb 19	March 19	YTD
Time on Vehicle < 60 mins (Scheduled Care)	93.1%	92.9%	93.7%	93.2%
On time arrival (Scheduled Care)	78.3%	76.6%	76.7%	**77.6%**
Collection within 60 mins (Scheduled Care)	84.9%	84.4%	85.0%	**85.8%**

- **Complaints**

The Quality Governance Group, Quality Committee and the Board review complaints performance data as follows:

Complaints/Appreciations	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	YTD
Number of Complaints	34	28	30	34	41	40	30	40	51	53	58	51	32	**488**
Acknowledged <= 3 days	32	27	29	33	41	40	29	39	51	53	58	50	32	**482**
% Acknowledged <= 3 days	94.1%	96.4%	96.7%	97.1%	100.0%	100.0%	96.7%	97.5%	100.0%	100.0%	100.0%	98.0%	100.0%	**98.8%**
1 Extension agreed	2	1	1	0	3	3	1	2	0	3	2	2	0	**18**
2+ Extensions agreed	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Avg Days to Respond	31	25	29	36	25	23	30	30	26	24	30	25	38	**29**
Minimum Days to Respond	8	5	3	4	4	1	1	2	2	2	4	2	4	**1**
Maximum Days to Respond	72	86	59	96	75	73	68	98	69	87	153	48	89	**153**
% Completed <= agreed date	92.7%	86.8%	86.2%	76.0%	97.4%	93.8%	92.7%	97.5%	89.7%	95.6%	97.9%	95.1%	85.2%	**91.7%**
Appreciations	102	75	105	106	84	72	105	120	116	85	96	77	100	**1141**
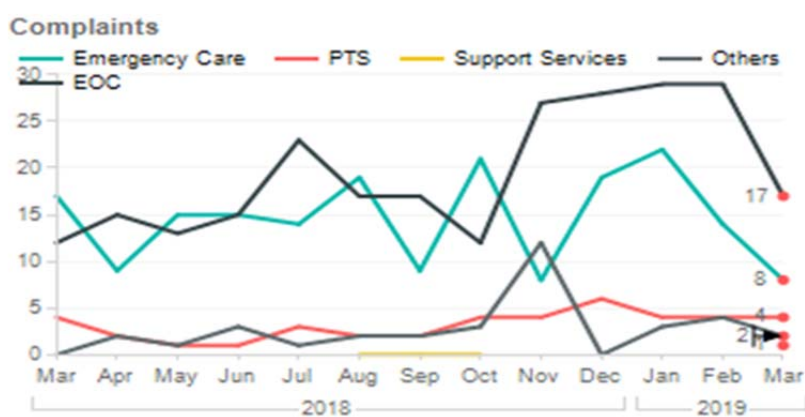
We have engaged key stakeholders internally to review how we manage the complaints process to ensure it is responsive and sensitive in reviewing and learning from the concerns raised by patients and their families.

Friends and Family

Friends and Family Test (Run on: 18/04/2019) - 1 Month in Arrears

This national process for receiving feedback on the services we provide is monitored monthly with service level reports provided in order that positive feedback is recognised and celebrated and areas of improvement are considered by local teams and managers.

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, serious harm or death 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 categories outlined. Once identified the individual case is assigned to a clinical manager who will review and ensure that the duty is fulfilled. North East Ambulance Service introduced Family Liaison Officers (FLO's) in 2013 to provide support to patients and/or their families when a serious error or mistake had been identified in the organisation. The main role of a FLO is to act as a single point of contact during the serious incident investigation, ensuring that they provide the patient and their family with support, signposting them into specialist help as required. The FLO provides a direct link with the investigation ensuring that any questions are answered in a timely manner.

In 2018/19 we have trained a further 6 members of staff to undertake FLO duties and they have undergone a five day education programme to prepare them for this important role.

Since the implementation of FLO's the Trust has worked alongside NHS Resolution, presenting our model at three national events, 2 of these in 2018/19, as well as writing a case study for publication.

Furthermore we are actively involved, as the only ambulance service, in a research project with University of Leicester regarding cultures of openness within the NHS. The research is drawing to a conclusion, but further research is on the horizon with University of Leeds relating to involving patients and families in incident investigation. This is as a result of our work with FLO's.

We have actively shared our learning with colleagues across the wider NHS and have recently supported a hospital trust to deliver its first FLO course. In addition we have worked with ambulance colleagues who are progressing to introduce the model.

We provide additional support and coaching to new members of staff enacting Duty of Candour and have reviewed our processes and documentation to ensure we are complying with the regulatory framework.

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. We have also produced a dashboard specifically for Duty of Candour compliance which enables us to track this on a month by month basis. Our overall compliance with Duty of Candour enactment in 2018/19 is 96.2% (April 2018 – February 2019) and 72% of cases were enacted within 28 days.

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 2018/19 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 2019/20 Quality Priorities between 18th March to 31st March 2019 which was circulated to a wide group of stakeholders through internal employee bulletins, direct mail outs and social media. In total 57 responses were captured, with 39 people identifying where they worked for NEAS or an external organisation or whether they were members of the public. The greatest proportion of responses was from NEAS employees (69%) members of the public (13%) and external organisations (13%). Overall the survey responses showed a positive view of the draft quality priorities which identified that cardiac arrest was the highest response (68%, followed by mental health (49%) and Just Culture (31%).

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 581 emails sent to stakeholders, 3 bounced back. Our consultation email was opened 1,175 times through 174 email contacts, indicating that our consultation email was forwarded on and cascaded through organisations and networks such as Healthwatch groups and local authority overview & scrutiny committees, as we requested. There were 147 clicks through to a PDF copy of our Quality Account report on the www.neas.nhs.uk website.

We have presented at the following meetings and / or received a formal response from:

Northumberland County Council Health and Wellbeing Overview and Scrutiny Committee - attended	26 March 2019
North East Joint Healthcare Scrutiny Committee - attended	28 March 2019
Healthwatch NEAS regional group - attended	4 April 2019
South Tyneside Overview and Scrutiny Committee – response	29 April 2019
Hartlepool Borough Council Audit and Governance Committee - response	1 May 2019
Sunderland Council Health & Wellbeing Committee - response	9 May 2019
Newcastle City Council Overview and Scrutiny Committee - response	9 May 2019
Durham County Council Adults Wellbeing and Health Overview and Scrutiny Committee - response	16 May 2018
Lead North East Commissioner (DDES) - response	20 May 2019
Healthwatch Northumberland - response	20 May 2019
Healthwatch South Tyneside - response	20 May 2019

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
Cardiac arrests are already and always will be a priority. Patient safety is always at the core of everything we do both in the contact centre and operationally. The other 4 are all or can be interlinked in one way or another and need to be considered as one big tree with smaller branches. We need to look to the roots of why these needs are not being met and how we can channel resources and education into improving the outcome and patient journey.	We are committed to developing our patient safety culture further – therefore the work we are doing on Just Culture will impact on this, alongside looking at systems and processes to improve patient safety.
More people are impacted by Mental health issues than cardiac arrest Some of them such a frailty and end of life could be combined work streams.	We have chosen both as quality priorities for 2019/20. We have developed and approved our Cardiac Arrest Strategy in 2019 and have invested in a Mental Health Lead post as we recognise how important it is to work across the trust and with other organisations to improve the mental health care we provide to patients. We will continue the work on frailty and end of life care and will report on progress with this in the 19/20 quality report.
Improving quality of response and timeliness	We have received investment by commissioners over a 4 year plan to increase our workforce and ambulance fleet, with the aim of improving our performance across all categories of ambulance response. We have detailed operational plans to improve ambulance response and address any delays such as those experienced due to handover at hospital. This includes working with the Acute Hospital Trusts in our region at strategic and operational levels to release time to care for patients.
We have been given assurances about the ability of NEAS meet the challenges set by the South Tyneside and Sunderland Healthcare Group's imminent changes to Maternity and Emergency Paediatric Care. As you will recall from our comments included in last year's report, we are anxious about whether 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 is an area we would like some feedback on at a suitable point in the future.	We are committed to work with our commissioners and acute care providers to ensure any patient pathway changes are understood by NEAS and the impact of any service reconfiguration on ambulance response times is considered. We are happy to feedback to OSC's jointly with providers on invitation.

Comment	NEAS Response
We welcome the increase in Community Public Access Defibrillators (CPADs) during the year and the contribution of £500 offered by the NEAS charitable trust towards the cost of new CPADs in some post code areas. However, we note these areas are largely the most deprived wards in the city, where health inequalities are greatest, and whilst we welcome the contribution we are not confident that these communities will be able to identify or prioritise funding to cover the remaining cost; as a result, the numbers of CPADs in these areas may not increase. We suggest that there may be an opportunity for the charitable trust to contribute to re-siting any existing defibrillators so that 24-hour access is provided.	We acknowledge that there may be some areas across the city of Newcastle (and other areas across our regional footprint where health inequalities exist, however believe by offering some financial assistance this may go some way to making the purchase of CPADs more achievable. There are also opportunities for funding streams through charitable organisations, which community groups may be able to source. NEAS Charitable Funds are managed separately from our core business and we will your concerns regarding health inequalities across our regional footprint impacting on the ability to purchase CPADS, alongside use of this funding to locate existing CPADS to an accessible external location.
We note that the trust has not identified Sepsis as a priority for the coming year, despite compliance with the National Early Warning Score reaching only 60-65% by the year end. But we note your intention to take this forward as a formal research project and we would welcome an update on this next year.	Sepsis whilst not recognised as a formal quality priority for 2019/20 will continue to have a strong focus. We have established regular audit and feedback mechanisms regarding compliance with our sepsis care bundle and with early warning score recordings and will report the outcomes of these audits at the Quality Committee (a sub-committee of the Board of Directors). We expect to see continued improvement in compliance with both. We were pleased to introduce the paediatric and maternity sepsis tool in 2018/19, which had been in place to implement this in 2019/20.
We request an update on the development and initial implementation of the trusts Mental Health Strategy, during the coming year.	Our Mental Health Lead commences post in early June 2019 and will ensure consultation with key stakeholders is in place. We will report our progress with this work in the 2019/20 Quality Report also.
Information provided relating to the mental health dashboard does not provide any additional assurances	Narrative has been added to provide additional information
Information on frequent caller work does not identify whether it has reduced calls	Narrative has been added to provide additional information
It would be useful to have themes back on compliments received by the trust	We do not currently theme appreciations, but will do this from April 2019 and include in the 2019/20 Quality Report.
Include further information regarding safeguarding	Narrative has been added to provide additional information
The Trust has underperformed against three out of six national performance indicators.	The Trust has agreed a four year funding and efficiency plan with commissioners. This will provide sufficient resource at the end of the plan to meet the national targets. The Trust has performed well against the commissioner agreed performance targets for 2018/19 within the plan.

North East Ambulance Services Quality Report 2018/19:   Scrutiny Statement

Sunderland City Council's Health and Wellbeing Scrutiny Committee are once again pleased to be afforded the opportunity to comment on the North East Ambulance Service (NEAS) Quality Report 2018/19. The Health and Wellbeing Scrutiny Committee continues to develop its relationships with key partners across the health service landscape including the North East Ambulance Service.

The Health and Wellbeing Scrutiny Committee is satisfied to acknowledge the progress that has been made by the trust against its own quality priorities for improvement 2017/18, outlined in the previous quality report. The committee is particularly pleased to recognise the improvements made in the early recognition of sepsis and cardiac arrests. In terms of clinical effectiveness of dealing with cardiac arrests it is extremely positive to note that more lives have been saved and there has been an increase in the accessibility of community access defibrillators across the Trust area. The Committee also notes that this continues to be a priority for 2019/20.

The Quality Report as well as being an overview of the previous year, also looks forward to the coming year by identifying future improvement priorities for the Trust. In continuing to improve patient safety NEAS have acknowledged that a just and restorative culture, where open and honest reporting allow staff and the organisation to learn from operational issues, needs to be developed and members of the committee would endorse such an approach. This is also highlighted in the report with some good examples of lessons learned and actions taken from complaints received from service users.

It is also good to see that collaborative working remains high on the agenda for NEAS through working with the two regional mental health trusts to develop and implement a strategy to improve care for patients with mental health needs. The Committee has mentioned previously that being able to collaborate with other service providers and groups can only be to the advantage of service improvement.

The Health and Wellbeing Scrutiny Committee continues to engage with NEAS and have continued to invite representatives from the ambulance service to discuss performance and current initiatives. The Committee has recently looked at current NEAS response performance standards and also the capacity and demand review that is looking at service resources across the North East region. The Committee are particularly interested to see how this review will resource the service for the future and will look to receive updates from NEAS in due course.

Sunderland City Council's Scrutiny function acknowledges the importance of a high performing ambulance service as an integral part of an effective health service in Sunderland and the region. Sunderland City Council will continue to engage with the Trust through a variety of committees and mechanisms to address key issues and priorities for the city. The Health and Wellbeing Scrutiny Committee are therefore satisfied in endorsing this quality report for 2018/19.

Cllr Darryl Dixon

Chair of the Health and Wellbeing Scrutiny Committee

Councillor Brenda Loynes
Chair, Audit and Governance Committee
C/o Civic Centre
Hartlepool
TS24 8AY

Mark Cotton
Assistant Director | Communications and Engagement
North East Ambulance Service

1 May 2019

Dear Mark,

Audit and Governance Committee – Third Party Declaration

Following consideration of the North East Ambulance Service Quality Accounts in March 2019, Hartlepool Borough Council's Audit and Governance Committee would like the following comments to be included in this year's Quality Account:-

The Committee congratulate the Trust on its success in achieving, or partially achieving, the quality improvement priorities identified for 2018-19 around:

- Early recognition of sepsis,
- Cardiac arrest;
- Waits for patients who fall; and
- Improved care of patients with mental health needs, through improving staff knowledge and skills.

The Committee is fully supportive of the quality improvement priorities identified for 2019-20, and commends the Trust on its continued commitment to delivering improved care for patients with mental health needs and outcomes for cardiac arrest patients.

Yours faithfully

COUNCILLOR BRENDA LOYNES

Newcastle
City Council

Councillor WENDY TAYLOR
Dene Ward
12 Boundary Gardens
High Heaton
Newcastle upon Tyne
NE7 7AA
Tel: 0191 281 7018
Email: wendy.taylor@newcastle.gov.uk
Opposition Office
Tel: 0191 211 6826
www.newcastle.gov.uk

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

9 May 2019

Our Reference: WT/KC19

Dear Debra,

**North East Ambulance Service NHS Foundation Trust Quality Account 2018/19
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 2018/19. The committee discussed this at their meeting on 11 April 2019 and this letter provides a summary of their response.

First, it is worth commenting on the challenges that have been faced by the trust in recent years and the performance levels that have been achieved in the most serious cases, despite the rurality of the north east area. We understand that additional funding has been secured from the CCG over the next three years to improve performance, through recruitment of additional paramedics and by altering the skill and vehicle mix.

In this respect, we note that changes have been made to the mix of resources deployed in Newcastle, in response to patient need and we would welcome an update on the impact of these changes next year.

In respect of progress against the 2018/19 priorities we make the following comments:

- We welcome the increase in Community Public Access Defibrillators (CPADs) during the year and the contribution of £500 offered by the NEAS charitable trust towards the cost of new CPADs in some post code areas. However, we note these areas are largely the most deprived wards in the city, where health inequalities are greatest, and whilst we welcome the contribution we are not confident that these communities will be able to identify or prioritise funding to cover the remaining cost; as a result, the numbers of CPADs in these areas may not increase.

If you need this information in another format or language, please contact the writer.

We suggest that there may be an opportunity for the charitable trust to contribute to re-siting any existing defibrillators so that 24-hour access is provided.

The committee would like to return to the issue of access to CPADs, during the coming year and we request your involvement in that discussion.

- We welcome the average 20-minute response times achieved by the North Tyneside telecare response pilot and request a copy of the evaluation of the pilot when available.

In respect of the 2019/20 priorities we make the following comments:

- We note that the trust has not identified Sepsis as a priority for the coming year, despite compliance with the National Early Warning Score reaching only 60-65% by the year end. But we note your intention to take this forward as a formal research project and we would welcome an update on this next year.

- We request an update on the development and initial implementation of the trusts Mental Health Strategy, during the coming 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.

Yours sincerely

W. Taylor

Cllr Wendy Taylor
Chair, Health Scrutiny Committee

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: Friday, 17 May 2019
Our
Ref: NEAS QA
comments/PB/19
Your
Ref:

Dear Debra

Quality Report 18/19

Thank you for giving us the opportunity to include comments in your 18/19 Quality Report.

We would wish to make the following comments:

We are delighted with the progress made on 18/19 priorities. In particular we were very encouraged by the work done on responding quickly to older people who have suffered a fall. We are also pleased with the work on improving the care of patients with mental health needs. The appointment of a Mental Health Lead shows your commitment to continue to make progress in this area.

We would endorse the priorities set for 19/20. We were particularly pleased to see the priority relating to creating a Just and Restorative culture within the organisation. It is very important that you create a culture of learning from mistakes and not one of blame and punishment. Research shows that the very best organisations adopt this way of looking at things that don't go well and it is to your credit that you are purposefully promoting this way of working.

We were also interested to note the low number of Public Access Defibrillators located in South Tyneside in comparison with other areas. We would hope that some of the CDPADs

you will be purchasing will be located in appropriate locations in South Tyneside to redress this balance.

An indicator of the progress you are making in all areas is reflected in the reduced number of complaints.

We have been given assurances about the ability of NEAS meet the challenges set by the South Tyneside and Sunderland Healthcare Group's imminent changes to Maternity and Emergency Paediatric Care. As you will recall from our comments included in last year's report, we are anxious about whether the service will be able to adequately respond to emergency situations where urgent transfers are required form South Tyneside District General Hospital to Sunderland Royal Hospital. This is an area we would like some feedback on at a suitable point in the future.

I hope you find these comments helpful.

Yours sincerely

Cllr Rob Dix
Chair
South Tyneside Council Overview and Scrutiny Coordinating and Call-in Committee

Contact: Councillor John Robinson
Direct Tel: 03000 268140
    email: John.robinson@durham.gov.uk
Your ref:
Our ref:

Durham
County Council

Debra Stephen,
Deputy Director of Quality and Safety,
North East Ambulance Service NHS FT,
Bernicia House,
Goldcrest Way,
Newburn Riverside Business Park,
Newcastle Upon Tyne
NE15 8NY

20 May 2019

Dear Ms. Stephen,

North East Ambulance Service NHS Foundation Trust – Quality Accounts 2018/19

Please find attached Durham County Council's Adults Wellbeing and Health Overview and Scrutiny Committee's response to your draft Quality Accounts for 2018/19.

The response provides commentary on the Trust's performance for 2018/19 as well as the identified priorities for 2019/20.

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,

Councillor John Robinson,
Chair of Durham County Council's Adults Wellbeing and Health Overview and Scrutiny Committee

Transformation & Partnerships
Durham County Council, County Hall, Durham DH1 5UF
Main Telephone 03000 26 0000

Text Messaging Service 07860 093 073

www.durham.gov.uk

DURHAM COUNTY COUNCIL ADULTS WELLBEING AND HEALTH OVERVIEW AND SCRUTINY COMMITTEE

COMMENTS ON NORTH EAST AMBULANCE SERVICE NHS FOUNDATION TRUST QUALITY ACCOUNT FOR 2018/19

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 2018/19 including the National Ambulance Response programme; NEAS performance across County Durham; the impact upon NEAS of NHS England's Review of Specialised Vascular Services across the North East; the role of the NHS 111 Service in signposting patients to appropriate services within the context of access to GP services and its progress against the 2018/19 Quality Account priorities.

The Committee considers that the Quality Account is clearly set out and acknowledges up front that performance during 2018/19 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 progress against priorities for 2018/19, the Committee congratulates the Trust on fully achieving priorities regarding the early recognition and treatment of sepsis; Cardiac Arrest and the development of appropriate response measures for patients who fall. The Committee notes that the Trust has partially met its 2018/19 priority in respect of improving the care of patients with mental health needs through improving staff knowledge and skills. The development of a Mental Health Strategic Improvement Plan is welcomed and the Committee is pleased to see this area continue as a priority for 2019/20.

The Committee continue to be concerned about the Trust performance across County Durham in comparison to Trust wide performance and have asked for regular updates on localised performance back to the Committee as the new National Ambulance Response programme targets are embedded across the organisation. The Committee is pleased to note that the Trust has the highest level of performance for Category 1 incidents and above national target performance for Category 2 incidents. The Committee have been advised of measures proposed to improve response standards further and also ensure that responses are appropriate. The Committee will continue to monitor progress in this respect.

The Committee consider that from the information received from the Trust, the identified priorities for 2019/20 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 2019/20 priorities and performance targets in November 2019.

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

20 May 2019

Dear Debra

North East Ambulance Service Quality Report 2018/19

We welcome the opportunity to respond to the draft quality report of North East Ambulance Service NHS Foundation Trust and congratulate the Trust on some excellent results.

We are pleased to see a different balance between data tables and narrative which made the report easier to read.

We have identified below areas where we believe the Trust has performed well –

- The overall Good ratings from the Care Quality Commission with evidence of Outstanding practice
- The Cardiac Arrest Strategy and the investment in Community Public Access Defibrillators in Northumberland. We recognise the importance of raising awareness of this resource with the public and would be happy to promote this through Healthwatch Northumberland's networks.
- The range of approaches to manage the waiting times for people who fall as this is a concern to people in rural communities. We note the pilot projects with Community Telecare providers and Rapid Responders and would hope to see this extended to Northumberland.

- The positive and multiple approaches to ensuring patient safety and safeguarding and embedding it in the NEAS culture
- The degree to which patients have been included in developing services. We welcome the development of a Dementia Strategy.
- The sensitive and insightful approach to frequent callers and the introduction of a befriending scheme to address the wider reasons behind of the calls.
- Complaints overall have reduced in number (but see comment below)
- The amount and reach of Public Engagement is very welcome.

We note that while complaints overall have decreased and the proportion about timeliness has gone down, there is still 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.

Priorities 2019/2020

Regarding the Trust's priorities for 2019/20, the plans to improve performance appear positive and achievable. We commend the Trust for placing these within the context of the NHS Long Term Plan and the continued focus on engaging with patients and carers.

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

D. Nugent

Derry Nugent
Project Coordinator

From: Tracy Rawle
Sent: Monday, May 20, 2019 4:05:40 PM
To: Debra J. Stephen
Cc: Mark Cotton
Subject: NEAS Quality Report feedback

Good afternoon,

I have tried to read through as much of your report as possible and found it was an interesting read – although I have not been able to read the whole document, I personally think the training and work around using the sepsis tool and the CARE app are great resources.

I have nothing but kind comments, having had the opportunity to attended previous HW forums and learning about the innovations happening behind the scenes to continuingly improve patient experiences that is now confirmed in the ratings on p:49.

I am sure this year's report will be very successful,

Regards

Tracy Rawle

Engagement Officer & Volunteer Co-ordinator

Healthwatch South Tyneside

Hebburn Central

Glen Street

Hebburn

NE31 1AB

Telephone: 0191 489 7952

Email: t.rawle@healthwatchsouthtyneside.co.uk

@HWSouthTyneside

South Tyneside Healthwatch CIC, Registered in England and Wales with Company number: 10083989

Registered Office: Healthwatch South Tyneside, Hebburn Central, Glen Street, Hebburn, NE31 1AB

NHS Durham Dales
Easington and Sedgefield
CCG
Sedgefield Community
Hospital
Salters Lane
Sedgefield
Stockton-on-Tees
TS21 3EE

20th May 2019

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 2018/19.

Statement on behalf of the lead North East Commissioner NHS Durham Dales, Easington 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 2018/19.

Commissioners welcome the opportunity to review and comment on the Quality Account for NEAS for 2018/19 and would like to offer the following commentary:

As Commissioners, we are committed to commissioning high quality services from NEAS Trust and take seriously the responsibility to ensure that patients' needs are met by the provision of safe, high quality services and that the views and expectations of patients and the public are listened to and acted upon.

The CCGs continue to hold regular clinical quality review group meetings with the Trust which are well attended and provide positive engagement for the monitoring, review and discussion of quality issues. Commissioners feel that the quality account prepared is an accurate representation of the services provided during 2018/19 within the Trust.

The report provides a comprehensive description of the quality priorities which have been the Trust focus during 2018/19. The report provides an open account of where improvements in priorities have been made.

Commissioners note that the Trust had committed to ensure that sepsis training was developed and delivered throughout 2018/19 and had set an internal target of 95% The report confirms that as at February 2019, the Trust had achieved 94% compliance. Whilst we acknowledge the effort associated with this, it does not demonstrate an improvement from the previous years. However the inclusion of training for identification of child and pregnant ladies is commended as is the compliance against National Early Warning Score (NEWS). The Trust is also encouraged to continue to participate in the national sepsis audit given the good results achieved to date.

NEAS are commended for implementing the Learning from Deaths (LeDeR) despite not being nationally required to do so. The benefits of this have been described and it is pleasing to see that learning has been found from reviews and actions taken as a result.

Commissioners are assured that the Trust have a process in place to review and assess the relevance of NICE guidance to ensure the Trust are compliant.

The success of the Paramedic Pathfinder pilot is noted and the number of patients who were successfully redirected to alternative places of treatment was high at 81.69%. Given the pressures on emergency departments and Trusts across the region this is a beneficial project and we would continue to support this initiative.

CCGs value the effort that has been put into the Trust's fall strategy, including engagement with key stakeholders to improve patient experience in the over 65 age range, the collaboration with North Tyneside Council around the use of alternative response teams where appropriate which has now been expanded to cover other areas and also the Falls Rapid Response team which has reduced the number of hospital conveyances.

Although the Trust have not fully achieved the priority set around improving care of patients with Mental Health needs, we accept that the Trust have shown a commitment to improving this and would request that this work is continued into future years. However, we would note that the graph on page 19 does not provide any additional assurances on how the informatics dashboard can be used.

It is reassuring to note that the Trust is undertaking actions to reduce and manage the number of frequent callers to the service. We note the work described around liaising with patients and primary care in relation to this, however it is not clear as to whether this has had reduced the number of calls.

Commissioners look forward to receiving the results of the 2018/19 Infection Prevention and Control audits for hand hygiene and bare below elbows.

Commissioners support the three identified quality priorities for 2019/20, Just Culture for Patient Safety, Development of Mental Health Implementation Plan and Cardiac Arrest, some of which will build on progress made during 2018/19; we look forward to receiving regular updates on progress via the Quality Review Group.

It is encouraging to read the number of national audits that NEAS participated in during the year and that learning has been taken from this with actions identified and in some areas implemented. It is hoped that participation in the Cardiac Arrest audits will help the Trust fulfil their 2019/20 ambitions in this area.

It is noted that the Trust have implemented an improvement plan to comply with the Data Protection Toolkit and are encouraged to ensure compliance by September 2019; the actions identified to improve data quality are also acknowledged.

The CCGs acknowledge that the Trust's annual overall response time performance was stronger than the national average against many of the national ambulance response time indicators. The CCGs also note that the Trust has underperformed against three out of six national indicators. We anticipate that the Trust's proposed actions will support the Trust in improving future response time performance to enable achievement of the national targets.

It is pleasing to note that NEAS achieved higher than the national averages in the Ambulance Clinical Quality Indicators (ACQI) in all areas (MI and Stroke) and appreciate that efforts will continue to be made with the introduction of the actions described.

It is encouraging to note that whilst the number of patient safety incidents reported has increased, the number of incidents that results in severe harm has decreased. The Trust has demonstrated that a robust process is in place to review and investigate incidents to identify learning to prevent reoccurrence. It is positive to read that to support this process the Trust commissioned an external review of incidents which occurred in 2017/18 for their own assurances and plan to repeat this for 2018/19.

The Trust reports a total of 489 complaints in 2018/19 which is a decrease to previous years which is satisfying. However, the number of complaints in relation to quality of care and staff attitude has increased compared to the previous year. It is noted that the Trust have identified lessons learned and we hope that once taken forward will improve feedback in these areas. The Trust is praised for the number of complaints received which significantly outweighs the number of complaints. It would be useful to be presented with themes of compliments as well as complaints.

The work that is being undertaken in relation to the participation in #ProjectA would appear to support the quality priorities identified for 2018/19 and we welcome updates on this work via the Quality Review Group.

The results from recent CQC inspections are very positive and the evidence of outstanding practice in the Emergency Operations Centre is excellent and the Trust are commended for this. Commissioners acknowledge the must and should do recommendations that were identified following the inspection and are assured the Trust have a robust action plan in place for these. It is expected that progress reports will be provided to the Quality Review Group.

The analysis provided in relation to Staff Survey results demonstrates, in the majority of themes, an improvement to previous years, and in some cases higher than the national average which is pleasing.
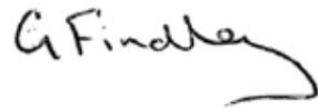
Information in relation to safeguarding is limited and commissioners would have liked to receive more narrative in this area to understand the Trust's position on safeguarding processes and plans for development/enhancement of the service.

Commissioners can confirm that to the best of their ability, the information provided within the Annual Quality Account is an accurate and fair reflection of the Trust's performance for 2018/19. It is clearly presented in the format required and the information it contains accurately represents the Trust's quality profile.

It is felt that overall the report is well written and presented and is reflective of quality activity and aspirations across the organisation for the forthcoming year.

The CCGs look forward to continuing to work in partnership with the Trust to assure the quality of services commissioned in 2019/20.

Gillian Findley
Director of Nursing/Nurse Advisor
NHS North Durham and DDES CCGs

G Findley

The Parks Sports Centre
Howdon Road
North Shields
NE29 6TL

Tel: 0191 2635321

22 May 2019

Healthwatch North Tyneside statement for North East Ambulance Service NHS Foundation Trust's Quality Account 2018/19

Thank you for the opportunity to comment on the draft 2019/20 Quality Account. We would like to congratulate the Trust on some outstanding achievements.

Your report is an interesting and informative read with the information being well presented.

We would like to make the following detailed comments:

It was good to see progress with your cardiac arrest priority, in particular the new Community Defibrillators in North Tyneside. We would like to support you to promote messages about these community resources though our networks.

Your work with North Tyneside Council and other partners around an alternative, and much quicker, response to someone who has fallen is impressive. It is good to see this model working in other areas. We would be interested to see whether a greater percentage of people who have fallen could benefit from this alternative service.

Our work on mental health has given us some insight into the challenges that someone with mental health needs can face when needing support. We welcome your progress with training and continued commitment to improving the care provided through partnership working.

We would be interested to hear how you think patient's stories and experiences can contribute to your 'Just and Restorative culture' priority.

We welcome the approach you are taking to supporting 'frequent callers'.

We increasingly hearing feedback about NHS111 as it becomes the 'first port of call' for many North Tyneside residents looking to access health advice or care. We will be collating more feedback over the coming year and look forward to working with you, and other parts of the system, to better understand people's experiences of health care when they are feeling ill.

We look forward to working together over the coming year and building on our positive working relationship.

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 2018/19 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 2018 to May 2019;
  - papers relating to quality reported to the board over the period April 2018 to May 2019;
  - feedback from commissioners dated 20 May 2019;
  - feedback from governors dated 10 April 2019;
  - feedback from local Healthwatch organisations dated 20 / 22 May 2019;
  - feedback from Overview and Scrutiny Committees dated up to 20 May 2019;
  - the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009 dated 16th May 2019;
  - the latest national staff survey 2018;
  - the Head of Internal Audit's annual opinion over the trust's control environment dated 21 May 2019;
  - CQC inspection report dated January 2019.

- 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

Peter Strachan

Chair

24 May 2019

Yvonne Ormston MBE

Chief Executive

Independent auditor's 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 2019 (the "Quality Report") and certain performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2019 subject to limited assurance consist of the national priority indicators as mandated by NHS Improvement:

- Category 1 (C1) – life-threatening calls - mean response time; and
- Category 2 (C2) – emergency calls – mean response time.

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 for Quality Reports 2018/19; 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.

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 2018 to March 2019;
- Papers relating to quality reported to the Board over the period April 2018 to March2019;
- Feedback from Commissioners, dated 20 May 2019;
- Feedback from governors, dated 10 April 2019;
- Feedback from local Healthwatch organisations, dated 20 May 2019 and 22 May 2019;

- Feedback from Overview and Scrutiny Committee, dated 29 April 2019, 1 May 2019, 9 May 2019, 17 May 2019 and 20 May 2019;
- The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009;
- The latest national NHS staff survey dated 2018;
- Care Quality Commission inspection, dated 10 January 2019;
- The Head of Internal Audit's annual opinion over the trust's control environment, dated May 2019; 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.

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 2019, to enable the Council of Governors to demonstrate that it has 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;
- testing key management controls;
- 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 which can result in materially different measurements and can impact 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 2019:

- 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 for Quality Reports 2018/19; 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.

Signed:

Cameron Waddell

Partner, for and on behalf of Mazars LLP

Date: 28 May 2019

Chartered Accountants and Statutory Auditor
Salvus House
Aykley Heads
Durham
DH1 5TS

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
CCM	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
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 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 90th 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 (90th 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 (90th 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	The Commissioning for Quality and Innovation payment framework means

Quality and Innovation (CQUIN) payment framework	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.
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 sued 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

Your feedback

We welcome feedback on this report. You can provide your comments and suggestions in writing to the following email address: publicrelations@neas.nhs.uk Or visit the NHS Choices website at:

http://www.nhs.uk/Services/Trusts/Overview/DefaultView.aspx?id=29237

Independent auditor's report to the Council of Governors of North East Ambulance Service NHS Foundation Trust

Opinion on the financial statements

We have audited the financial statements of North East Ambulance Service NHS Foundation Trust ('the Trust') and its subsidiaries ("the Group") for the year ended 31 March 2019 which comprise the Statements of Comprehensive Income (Trust and Group), the Statements of Financial Position (Trust and Group), the Statements of Changes in Taxpayers' Equity (Trust and Group), the Statements 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 interpreted and adapted by the Government Financial Reporting Manual 2018/19 as contained in the Department of Health and Social Care Group Accounting Manual 2018/19, and the Accounts Direction issued under section 25(2) of Schedule 7 of the National Health Service Act 2006 ("the Accounts Direction").

In our opinion, the financial statements:
- give a true and fair view of the state of the Trust's and Group's affairs as at 31 March 2019 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 2018/19; and
- have been properly prepared in accordance with the requirements of the National Health Service Act 2006 and the Accounts Direction issued thereunder.

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.

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
Revenue recognition (Group and Trust) 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.	Our approach involved a range of substantive procedures including: • testing of income around the year-end to ensure transactions were recognised in the correct financial year; • reviewing intra-NHS reconciliations and data matches received from the Department of Health and Social Care, and sample testing mismatches to obtain assurance that the amount recognised by the Trust were correct; • reviewing changes to accounting policies, including the impact of the adoption of IFRS 15; and • testing of adjustment journals selected using specific risk characteristics including those related to the recognition of Provider Sustainability Fund income. **Observations and conclusions** Our work provided the assurance we sought in respect of this key audit matter.
Property valuation (Group and Trust) Land and buildings are the Trust's highest value assets. Management engage the District Valuer, as an expert, to assist in determining the current 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.	We liaised with management to update our understanding on the approach taken by the Trust in its valuation of land and buildings. We: • 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. We wrote to District Valuer to obtain information on the methodology and their procedures to ensure objectivity and compliance with professional standards. We tested a sample of valuation movements to gain assurance that the accounting treatment was appropriate. We also considered evidence of regional valuation trends to challenge the valuation movement. **Observations and conclusions** Our work provided the assurance we sought in respect of this key audit matter.
Accounting for North East Ambulance Service Unified Solutions (NEASUS) (Group) 2018/19 is the first full year NEASUS Ltd. has traded. Group accounts for the full year are required. There are significant, and potentially complex, intergroup transactions and balances which creates a risk of	Our approach involved the following procedures: • reviewing the Trust's arrangements to prepare group accounts including testing the consolidation of NEASUS and removal of inter-group transactions and balances when preparing the Group accounts; and

inappropriate recognition. There is a risk these intergroup transactions and balances are not eliminated when consolidating the Group position.

- testing material assets and liabilities recognised in the Group and Trust accounts were accounted for correctly.

Observations and conclusions

Our work provided the assurance we sought in respect of this key audit matter.

Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures, and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Trust	Group
Overall materiality	£2.600m	£2.643m
Basis for determining materiality	2% of operating expenses.	
Rationale for benchmark applied	Operating expenses was chosen as the appropriate benchmark for overall materiality as this is a key measure of financial performance for users of the financial statements.	
Performance materiality	£1.820m	£1.850m
Reporting threshold	£0.078m	£0.079m

An overview of the scope of our audit

As part of designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements. In particular, we looked at where the Accounting Officer made subjective judgements such as making assumptions on significant accounting estimates.

We gained an understanding of the legal and regulatory framework applicable to the Trust and the sector in which it operates. We considered the risk of acts by the Trust and Group which were contrary to the applicable laws and regulations including fraud. We designed our audit procedures to respond to those identified risks, including non-compliance with laws and regulations (irregularities) that are material to the financial statements.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the National Health Service Act 2006.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of our risk assessment, our understanding of the Trust's accounting processes and controls and its environment and considered qualitative factors in order to ensure that we obtained sufficient coverage across all financial statement line items.

Our tests included, but were not limited to:

- 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 irregularities including fraud or error;
- review of minutes of board meetings in the year; and
- enquiries of management.

As a result of our procedures, we did not identify any Key Audit Matters relating to irregularities, including fraud.

The risks of material misstatement that had the greatest effect on our audit, including the allocation of our resources and effort, are discussed under 'Key audit matters' within this 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 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.

We have nothing to report in these regards.

Responsibilities of the Accounting Officer for the financial statements

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.

Auditor's responsibilities for the audit of the financial statements

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.

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 2018/19; 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

We are required to report to you if, in our opinion:

- the Annual Governance Statement does not comply with the NHS Foundation Trust Annual Reporting Manual 2018/19; 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.

We have nothing to report in respect of these matters.

Reports to the regulator and in the public interest

We are required to report to you if:

- 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.

We have nothing to report in respect of these matters.

The Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

Matter on which we are required to report by exception

We are required to report to you if, in our opinion, we are not satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2019.

We have nothing to report in this respect.

Responsibilities of the Accounting Officer

The Chief Executive as Accounting Officer is 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 for the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required by Schedule 10(1)(d) 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, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General 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 Comptroller and Auditor General 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 2019.

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.

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.

Certificate

We certify that we have completed the audit of North East Ambulance Service NHS Foundation Trust 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

28 May 2019

Foreword to the accounts - Group and Trust

North East Ambulance Service NHS Foundation Trust

These accounts, for the year ended 31 March 2019, 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, 2019**

Statements of Comprehensive Income

		Group		Trust	
		2018/19	**2017/18**	**2018/19**	**2017/18**
	Note	**£000**	**£000**	**£000**	**£000**
Operating income from patient care activities	3	128,415	119,517	128,415	119,517
Other operating income	3	6,125	5,758	7,690	6,055
Operating expenses	5, 7	(132,172)	(125,612)	(133,280)	(125,605)
Operating surplus/(deficit) from continuing operations		**2,368**	**(337)**	**2,825**	**(33)**
Finance income	10	95	85	221	96
Finance expenses	11	(151)	(140)	(216)	(141)
PDC dividends payable	33	(970)	(959)	(970)	(959)
Net finance costs		**(1,026)**	**(1,014)**	**(965)**	**(1,004)**
Other gains / (losses)	12	(40)	795	(43)	795
Surplus / (deficit) for the year from continuing operations		**1,302**	**(556)**	**1,817**	**(242)**
Surplus / (deficit) for the year		**1,302**	**(556)**	**1,817**	**(242)**
Other comprehensive income					
Will not be reclassified to income and expenditure:					
Revaluations	16	536	1,226	536	1,226
Total comprehensive income / (expense) for the period		**1,838**	**670**	**2,353**	**984**
Surplus/ (deficit) for the period attributable to:					
North East Ambulance Service NHS Foundation Trust		1,302	(556)		
TOTAL		**1,302**	**(556)**		
Total comprehensive income for the period attributable to:					
North East Ambulance Service NHS Foundation Trust		1,838	670		
TOTAL		**1,838**	**670**		

Statements of Financial Position

| | | Group | | Trust | |
	Note	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Non-current assets					
Intangible assets	13	1,143	753	1,143	753
Property, plant and equipment	14,15	42,006	42,275	38,953	40,477
Loans to Subsidiary	17	-	-	6,019	3,408
Total non-current assets		**43,149**	**43,028**	**46,115**	**44,638**
Current assets					
Inventories	18	540	851	463	538
Receivables	19	7,903	6,383	7,761	6,420
Loans to Subsidiary	17	-	-	930	534
Non-current assets for sale and assets in disposal	19	73	73	73	73
Cash and cash equivalents	20	11,664	10,324	11,208	9,811
Total current assets		**20,180**	**17,631**	**20,435**	**17,376**
Current liabilities					
Trade and other payables	21	(8,381)	(8,013)	(9,041)	(8,800)
Borrowings	23	(618)	(501)	(948)	(536)
Provisions	26	(1,947)	(2,609)	(1,947)	(2,609)
Other liabilities	22	(709)	(189)	(709)	(189)
Total current liabilities		**(11,655)**	**(11,312)**	**(12,645)**	**(12,134)**
Total assets less current liabilities		**51,674**	**49,347**	**53,905**	**49,880**
Non-current liabilities					
Trade and other payables	21	(339)	(332)	(339)	(332)
Borrowings	23	(3,065)	(2,878)	(4,466)	(3,096)
Provisions	26	(2,885)	(2,988)	(2,885)	(2,988)
Total non-current liabilities		**(6,289)**	**(6,198)**	**(7,690)**	**(6,416)**
Total assets employed		**45,385**	**43,149**	**46,215**	**43,464**
Financed by					
Public dividend capital		35,100	34,702	35,100	34,702
Revaluation reserve		6,135	6,021	6,135	6,021
Income and expenditure reserve		4,150	2,426	4,980	2,741
Total taxpayers' equity		**45,385**	**43,149**	**46,215**	**43,464**

The notes on pages 224 to 258 form part of these accounts.

Y. A. Ormston

Yvonne Ormston
Chief Executive
24th May, 2019

Statements of Changes in Taxpayers' Equity for the year ended 31 March 2019

Group	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2018 - brought forward	34,702	6,021	2,426	43,149
Surplus for the year	-	-	1,302	**1,302**
Revaluations	-	536	-	**536**
Transfer to retained earnings on disposal of assets	-	(105)	105	**-**
Public dividend capital received	398	-	-	**398**
Other reserve movements	-	(317)	317	**-**
Taxpayers' and others' equity at 31 March 2019	35,100	6,135	4,150	45,385

Statements of Changes in Taxpayers' 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
(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

Information on reserves

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 Changes in Taxpayers' Equity for the year ended 31 March 2019

Trust	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2018 - brought forward	**34,702**	**6,021**	**2,741**	**43,464**
Surplus for the year			1,817	**1,817**
Transfer to retained earnings on disposal of assets		(105)	105	**-**
Revaluations	-	536	-	**536**
Public dividend capital received	398	-	-	**398**
Other reserve movements		(317)	317	**-**
Taxpayers' and others' equity at 31 March 2019	**35,100**	**6,135**	**4,980**	**46,215**

Statements of Changes in Taxpayers' Equity for the year ended 31 March 2018

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**
Deficit for the year			(241)	**(241)**
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**	**2,741**	**43,464**

Statements of Cash Flows

	Note	Group 2018/19 £000	Group 2017/18 £000	Trust 2018/19 £000	Trust 2017/18 £000
Cash flows from operating activities					
Operating surplus / (deficit)		2,368	(337)	2,829	(33)
Non-cash income and expense:					
Depreciation and amortisation	5.1	6,498	5,732	6,460	5,723
Net impairments	6	648	916	648	916
(Increase) / decrease in receivables and other assets		(1,531)	674	(1,105)	147
Decrease in inventories		311	114	75	106
Increase / (decrease) in payables and other liabilities		868	(881)	873	(391)
Increase / (decrease) in provisions		(774)	738	(774)	738
Other movements in operating cash flows		-	-		(163)
Net cash flows from operating activities		**8,388**	**6,956**	**9,006**	**7,043**
Cash flows from investing activities					
Interest received		95	85	221	85
Purchase of intangible assets		(501)	(80)	(501)	(80)
Purchase of PPE and investment property		(5,433)	(6,336)	(3,208)	(6,336)
Sales of PPE and investment property		114	1,370	509	1,370
Net cash flows (used in) investing activities		**(5,725)**	**(4,961)**	**(2,979)**	**(4,961)**
Cash flows from financing activities					
Public dividend capital received		398	85	398	85
Movement in loans drawdown by subsidiary		-	-	(3,007)	(600)
Capital element of finance lease rental payments		(628)	(517)	(864)	(517)
Interest paid on finance lease liabilities		(134)	(153)	(198)	(153)
PDC dividend paid		(959)	(988)	(959)	(988)
Net cash flows (used in) financing activities		**(1,323)**	**(1,573)**	**(4,630)**	**(2,173)**
Increase / (decrease) in cash and cash equivalents		**1,340**	**422**	**1,397**	**(91)**
Cash and cash equivalents at 1 April - brought forward		**10,324**	**9,902**	**9,811**	**9,902**
Cash and cash equivalents at 31 March	20	**11,664**	**10,324**	**11,208**	**9,811**

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 2018/19 issued by the Department of Health and Social Care. 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 the 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 1.2 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 current and previous surplus positions and sufficient cash resources to meet future liabilities as they fall due during the coming 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 1.3 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 then amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains/losses are eliminated in full on consolidation.

Where subsidiaries' accounting policies are not aligned with those of the Trust then amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains/losses are eliminated in full on consolidation.

Subsidiaries which are classified as held for sale are measured at the lower of their carrying amount and 'fair value less costs to sell'.

Note 1.4.1 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS). As directed by the GAM, the transition to IFRS 15 in 2018/19 has been completed in accordance with paragraph C3 (b) of the Standard: applying the Standard retrospectively but recognising the cumulative effects at the date of initial application (1 April 2018).

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. A performance obligation relating to delivery of a spell of health care is generally satisfied over time as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the commissioner, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer. At the year end, the Trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete.

The Trust receives income from commissioners under Commissioning for Quality and Innovation (CQUIN) schemes. The Trust agrees schemes with its commissioner but they affect how care is provided to patients. That is, the CQUIN payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the 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 is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme.

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, e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful lives.

Note 1.7.2 Measurement

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 valuation. Assets which are held for their service potential and are in use (ie operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

• Land and non-specialised buildings – market value for existing use
• Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are revalued and depreciation commences when the assets are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

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 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' cease to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the trust, respectively.

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.

Note 1.7.3 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 i.e.:

   - 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 abandoned 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 useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Note 1.7.4 Donated and grant funded 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.

Note 1.7.5 Useful lives of property, plant and equipment

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below: (In exceptional circumstances assets may be retained beyond these intended maximums)

	Min life	Max life
	Years	Years
Land	1	104
Buildings, excluding dwellings	1	104
Plant & machinery	4	15
Transport equipment	4	10
Information technology	2	5

Finance-leased assets are depreciated over the shorter of the useful 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, e.g. 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, e.g. 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 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 lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life	Max life
	Years	Years
Information technology	1	5
Development expenditure	1	5
Websites	1	5
Software licences	1	5
Licences & trademarks	1	5
Other (purchased)	1	5

228

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 Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.11 Financial assets and financial liabilities

Note 1.11.1 Recognition

Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by ONS.

This includes 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 and are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

Note 1.11.2 Classification and measurement

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through income and expenditure. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques.

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.

Financial assets are classified as subsequently measured at amortised cost.

Financial liabilities classified as subsequently measured at amortised cost.

Financial assets and financial liabilities at amortised cost
Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense.

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

Credit losses have been determined using the expected credit loss method, where items at risk of non-receipt have been included within this value. It is not normal to recognise expected credit losses in relation to other NHS bodies, however the Trust does have some ongoing disputes with Commissioners which has resulted in some of these values being included.

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

Note 1.11.3 Derecognition

Financial assets are de-recognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

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 charge 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 27 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.
Contingent liabilities are not recognised, but are disclosed in note 27, 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, and
(iii) any PDC dividend balance receivable or payable.

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 1.18 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 1.19 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 1.20 Critical judgements in applying accounting policies

The following are the judgements, apart from those involving estimations (see below) 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:
As the majority of Trust income is from NHS standard contract arrangements then all revenue including CQUIN have been recorded in the current reporting period.
Other revenue is based on meeting performance obligations, so research and development income and training income are only recorded when those criteria are met.

Note 1.21 Sources of estimation uncertainty

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

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.

Provision discount rates used are the employee benefit rates as supplied by HM Treasury and every 1% increase

in this rate would give an approximate £250k gain to the Trust

The upward property revaluation for the year was £536k, the total value of land and buildings at 31st March 2019 was £20,095k.

This demonstrates that the valuation has a large impact on the carrying value for the Trust, greater movements last year resulted in a £1,226k upward revaluation.

Note 1.22 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2018/19.

Note 1.23 Standards, amendments and interpretations in issue but not yet effective or adopted

IFRS 16 - Accounting for Leases has been issued but is not yet effective for this accounting period. Estimates of the impact are being undertaken, though not thought to be material at this stage

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 2018-19.

Note 3 Operating income from patient care activities (Group)

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4.1

Note 3.1 Income from patient care activities (by nature)	Group 2018/19 £000	Trust 2018/19 £000	Group 2017/18 £000
A & E income	79,469	79,469	75,671
Patient transport services income	25,886	25,886	24,314
Other income	21,354	21,354	19,532
Agenda for Change pay award central funding	1,706	1,706	-
Total income from activities	**128,415**	**128,415**	**119,517**

Note 3.2 Income from patient care activities (by source)	Group 2018/19 £000	Trust 2018/19 £000	Group 2017/18 £000
Income from patient care activities received from:			
NHS England	197	197	635
Clinical commissioning groups	124,407	124,407	116,251
Department of Health and Social Care	1,736	1,736	-
Other NHS providers	1,159	1,159	1,751
NHS other	-	-	5
Local authorities	129	129	88
Injury cost recover scheme	317	317	322
Non NHS: other	470	470	465
Total income from activities	**128,415**	**128,415**	**119,517**
Of which:			
Related to continuing operations	128,415	128,415	119,517

Note 3.3 Other operating income (Group)	Group 2018/19 £000	Trust 2018/19 £000	Group 2017/18 £000
Other operating income from contracts with customers:			
Research and development (contract)	289	289	231
Education and training (excluding notional apprenticeship levy income)	1,528	1,528	1,467
Non-patient care services to other bodies	729	729	765
STF)	3,125	3,125	2,350
Other contract income	355	1,790	777
Other non-contract operating income:			
Education and training - notional income from apprenticeship fund	-		80
Rental revenue from operating leases	99	229	88
Total other operating income	**6,125**	**7,690**	**5,758**

All income related to continuing operations.

Other income for the Trust did not materially differ from the Group in 2017/18 as the subsidiary only started trading on 1st March 2018

Note 4 Additional information on contract revenue (IFRS 15) recognised in the period

	2018/19
	£000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	189

Note 4.1 Income from activities arising from commissioner requested services

Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. A&E income is classified as a Commissioner Requested Service and totals £79.5m (£75.7m in 17/18). All other income is non-Commissioner Requested Services.

Note 5.1 Operating expenses

	Group 2018/19 £000	Trust 2018/19 £000	Group 2017/18 £000
Purchase of healthcare from NHS and DHSC bodies	260	260	-
Purchase of healthcare from non-NHS and non-DHSC bodies	3,548	3,548	5,721
Staff and executive directors costs	94,273	91,751	87,786
Remuneration of non-executive directors	138	138	135
Supplies and services - clinical (excluding drugs costs)	1,626	1,475	1,471
Supplies and services - general	1,830	1,797	1,439
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	287	287	354
Consultancy costs	20	20	165
Establishment	5,785	5,677	4,418
Premises	2,233	2,205	1,602
Transport (including patient travel)	10,148	14,215	9,381
Depreciation on property, plant and equipment	6,199	6,162	5,468
Amortisation on intangible assets	299	299	264
Net impairments	648	648	916
Movement in credit loss allowance: contract receivables / contract assets	162	162	-
Movement in credit loss allowance: all other receivables and investments	(33)	(33)	(105)
Change in provisions discount rate(s)	(53)	(53)	40
Audit fees payable to the external auditor		-	
audit services- statutory audit	52	52	42
other auditor remuneration (external auditor only)	7	7	7
Internal audit costs	93	93	82
Clinical negligence	572	572	605
Legal fees	101	101	368
Insurance	102	47	59
Research and development	175	175	198
Education and training	2,324	2,305	2,552
Rentals under operating leases	802	802	721
Early retirements	66	66	58
Redundancy	199	199	889
Hospitality	10	10	9
Losses, ex gratia & special payments	24	24	629
Other services, eg external payroll	263	257	338
Other	12	12	-
Total	**132,172**	**133,280**	**125,612**

Of which:

All expenditure related to continuing operations.

Expenditure for the Trust did not materially differ from the Group in 2017/18 as the subsidiary only started trading on 1st March 2018

Note 5.2 Other auditor remuneration (Group)

Other auditor remuneration payments made to the external auditor in 2018/19 £7K (2017/18 £7K) were in regard to the audit of the Quality Report.

Note 5.3 Limitation on auditor's liability (Group)

There is no limitation on auditor's liability for external audit work carried out for the financial years 2018/19 or 2017/18.

Note 6 Impairment of assets (Group)

	2018/19	2017/18
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	154	916
Other	494	-
Total net impairments charged to operating surplus / deficit	**648**	**916**

Other impairments relate to writing down of operating leased assets and asset replacements in the year

Note 7 Employee benefits

	Group 2018/19 Total £000	Trust 2018/19 Total £000	Group 2017/18 Total £000
Salaries and wages	78,501	76,377	73,337
Social security costs	7,348	7,165	6,922
Apprenticeship levy	358	358	344
Employer's contributions to NHS pensions	9,101	8,886	8,630
Termination benefits	199	199	889
Temporary staff (including agency)	750	750	120
Total gross staff costs	**96,257**	**93,735**	**90,242**
Recoveries in respect of seconded staff	(213)	(213)	(237)
Total staff costs	**96,044**	**93,522**	**90,005**
Of which			
Costs capitalised as part of assets	146	146	52

Note 7.1 Retirements due to ill-health (Group)

During 2018/19 there were 3 early retirements from the trust agreed on the grounds of ill-health (2 in the year ended 31 March 2018). The estimated additional pension liabilities of these ill-health retirements is £127k (£174k in 2017/18).

The cost of these 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 2019, is based on valuation data as 31 March 2018, updated to 31 March 2019 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 latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019. The Department of Health and Social Care have recently laid Scheme Regulations confirming that the employer contribution rate will increase to 20.6% of pensionable pay from this date.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process

Note 9 Operating leases (Group)

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 Trust radio mast sites.

	2018/19 £000	2017/18 £000
Operating lease revenue		
Minimum lease receipts	99	88
Total	**99**	**88**

The trust has an additional operating lease arrangement with it's subsidiary to provide accommodation to deliver it's fleet services. This is not recognisd in the group figure above but is agreed at £11k per month. The lease is for 5 years.

	31 March 2019 £000	31 March 2018 £000
Future minimum lease receipts due:		
- not later than one year;	93	85
- later than one year and not later than five years;	372	341
- later than five years.	1	6
Total	**466**	**432**

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 has 3 main operating lease liabilities, namely land, buildings and vehicles. Land and buildings include ambulance stations and office buildings. Vehicle leasing includes some Emergency Care vehicles, though some are purchased outright.

The future lease payments for land relate to seven finance leases which are disclosed in Note 25.

Contingent rent relates to land and buildings only and reflects increases in rent that were unknown at the inception of the lease, including finance lease rental increases.

There were no sub-lets of lease arrangements in 2018/19 or 2017/18

	2018/19 £000	2017/18 £000
Operating lease expense		
Minimum lease payments	752	669
Contingent rents	50	52
Total	**802**	**721**

	31 March 2019 £000	31 March 2018 £000
Future minimum lease payments due:		
- not later than one year;	869	678
- later than one year and not later than five years;	927	902
- later than five years.	555	569
Total	**2,351**	**2,149**

Note 10 Finance income (Group)

Finance income represents interest received on assets and investments in the period.

	2018/19 £000	2017/18 £000
Interest on bank accounts	95	85
Total finance income	**95**	**85**

Note 11.1 Finance expenditure (Group)

Finance expenditure represents interest and other charges involved in the borrowing of money.

	2018/19 £000	2017/18 £000
Interest expense:		
Finance leases	142	132
Total interest expense	**142**	**132**
Unwinding of discount on provisions	9	8
Total finance costs	**151**	**140**

Note 11.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015 (Group)

No payments were made in 2018/19 or 2017/18 for late payment of commercial debt.

Note 12 Other gains / (losses) (Group)

	2018/19 £000	2017/18 £000
Gains on disposal of assets	(40)	795
Total gains / (losses) on disposal of assets	**(40)**	**795**
Total other gains / (losses)	**(40)**	**795**

During 2017/18 a signficant asset which was held for sale as at 31 March 2017 was disposed of. This realised sale proceeds of £1,150k and which contibuted to the majority of the profit on disposal recognised in that year.

Note 13.1 Intangible assets - 2018/19

Group and Trust	Software licences £000
Valuation / gross cost at 1 April 2018 - brought forward	**1,683**
Additions	689
Disposals / derecognition	(250)
Valuation / gross cost at 31 March 2019	**2,122**
Amortisation at 1 April 2018 - brought forward	**930**
Provided during the year	299
Disposals / derecognition	(250)
Amortisation at 31 March 2019	**979**
Net book value at 31 March 2019	**1,143**
Net book value at 1 April 2018	**753**

Note 13.2 Intangible assets - 2017/18

Group and Trust	Software licences £000
Valuation / gross cost at 1 April 2017 - as previously stated	**1,596**
Additions	87
Valuation / gross cost at 31 March 2018	**1,683**
Amortisation at 1 April 2017 - as previously stated	**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 14.1 Property, plant and equipment - 2018/19

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 2018 - brought forward	**3,104**	**19,168**	**1,934**	**9,685**	**32,611**	**7,497**	**73,999**
Additions	-	795	3,125	1,031	304	940	**6,195**
Impairments	-	(1,020)	-	(378)	(55)	-	**(1,453)**
Reversals of impairments	-	-	-	-	-	-	**-**
Revaluations	9	(322)	-	-	-	-	**(313)**
Reclassifications	-	-	(1,878)	266	1,557	55	**-**
Disposals / derecognition	-	-	-	(31)	(1,987)	(1,300)	**(3,318)**
Valuation/gross cost at 31 March 2019	**3,113**	**18,621**	**3,181**	**10,573**	**32,430**	**7,192**	**75,110**
Accumulated depreciation at 1 April 2018 - brought forward	**-**	**1,869**	**-**	**5,159**	**18,842**	**5,854**	**31,724**
Provided during the year	-	991	-	1,013	3,420	775	**6,199**
Impairments	-	(208)	-	(378)	(55)	-	**(641)**
Reversals of impairments	(9)	(155)	-	-	-	-	**(164)**
Revaluations	9	(858)	-	-	-	-	**(849)**
Reclassifications	-	-	-	-	-	-	**-**
Disposals / derecognition	-	-	-	(31)	(1,835)	(1,299)	**(3,165)**
Accumulated depreciation at 31 March 2019	**-**	**1,639**	**-**	**5,763**	**20,372**	**5,330**	**33,104**
Net book value at 31 March 2019	**3,113**	**16,982**	**3,181**	**4,810**	**12,058**	**1,862**	**42,006**
Net book value at 1 April 2018	**3,104**	**17,299**	**1,934**	**4,526**	**13,769**	**1,643**	**42,275**

Note 14.2 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 - as previously stated	**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)**
Reversals of impairments	-	-	-	-	-	-	**-**
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 - as previously stated	**-**	**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 14.3 Property, plant and equipment financing - 2018/19

Group	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 2019							
Owned - purchased	3,113	15,737	3,181	2,332	12,058	1,862	**38,283**
Finance leased	-	1,245	-	2,478	-	-	**3,723**
NBV total at 31 March 2019	**3,113**	**16,982**	**3,181**	**4,810**	**12,058**	**1,862**	**42,006**

Note 14.4 Property, plant and equipment financing - 2017/18

Group	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	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 15.1 Property, plant and equipment - 2018/19

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 2018 - brought forward	3,104	19,168	377	9,058	32,556	7,497	71,760
Additions	-	795	962	1,031	1,817	940	5,545
Impairments	-	(1,020)	-	-	-	-	(1,020)
Revaluations	9	(322)	-	-	-	-	(313)
Reclassifications	-	-	(321)	266	-	55	-
Disposals / derecognition	-	-	(642)	(31)	(1,987)	(1,300)	(3,960)
Valuation/gross cost at 31 March 2019	3,113	18,621	376	10,324	32,386	7,192	72,012
Accumulated depreciation at 1 April 2018 - brought forward	-	1,869	-	4,772	18,787	5,854	31,282
Provided during the year	-	991	-	978	3,418	775	6,162
Impairments	-	(208)	-	-	-	-	(208)
Reversals of impairments	(9)	(155)	-	-	-	-	(164)
Revaluations	9	(858)	-	-	-	-	(849)
Disposals / derecognition	-	-	-	(31)	(1,835)	(1,299)	(3,165)
Accumulated depreciation at 31 March 2019	-	1,639	-	5,719	20,370	5,330	33,058
Net book value at 31 March 2019	3,113	16,982	376	4,605	12,016	1,862	38,954
Net book value at 1 April 2018	3,104	17,299	377	4,286	13,769	1,643	40,478

Note 15.2 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 - as previously stated	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 - as previously stated	-	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)
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 15.3 Property, plant and equipment financing - 2018/19

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 2019							
Owned - purchased	3,113	15,737	376	2,127	10,341	1,862	**33,556**
Finance leased		1,245		2,478	1,675		**5,398**
NBV total at 31 March 2019	**3,113**	**16,982**	**376**	**4,605**	**12,016**	**1,862**	**38,954**

Note 15.4 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 16 Revaluations of property, plant and equipment

Property assets including land and buildings were revalued as at 31 March 2019. The Valuation Office Agency (VOA) was commissioned to undertake a full desk top property valuation with an effective date of 31 March 2019 for the Trust's owned property assets (as they were also valued by the VOA in March 2018).

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 2019. The revaluation undertaken by the VOA includes two leased properties with no designated end dates (namely Lanchester Road and 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. The amount of the upward revaluation for the year was £382k

Note 17.1 Investment In Subsidiary Undertakings

	2018/19	2017/18
	£	£
Shares in Subsidiary Undertakings	100	100
Loans to Subsidiary Undertakings	6,948,632	3,941,291
Carrying value at 31 March	**6,948,732**	**3,941,391**

The loan value above can be split by:	**£'000**
Current	930
Non-current	6019

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.

Note 18 Inventories

	Group		Trust	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	£000	£000	£000	£000
Consumables	394	693	317	380
Energy	146	158	146	158
Total inventories	**540**	**851**	**463**	**538**

of which:

Inventories recognised in expenses for the year were £4,516k (2017/18: £4,097k). Write-down of inventories recognised as expenses for the year were £0k (2017/18: £0k).

Reduction in consumables is attributable to the Group using an imprest stock provider from January 2019

Note 19 Receivables

	Group		Trust	
	2019	2018	2019	2018
	£000	£000	£000	£000
Current				
Contract receivables*	5,908	-	5,854	-
Trade receivables*	-	3,041	-	3,510
Capital receivables	-	-	247	-
Accrued income*	-	1,395		1,395
Allowance for impaired contract receivables / assets*	(235)	-	(235)	-
Allowance for other impaired receivables	(20)	(126)	(20)	(126)
Prepayments (non-PFI)	1,070	1,259	1,070	1,205
Interest receivable	-	-		11
PDC dividend receivable	30	41	30	41
VAT receivable	919	568	590	179
Other receivables	231	205	225	205
Total current receivables	**7,903**	**6,383**	**7,761**	**6,420**

Of which receivable from NHS and DHSC group bodies:-

Current	**5,267**	3,784

The movement from the previous reporting period is an increase of PSF allocation for 2018/19

* IFRS 15 introduced the re-categorisation of receivables, removing the requirement to split receivables between trade and accruals. As IFRS 15 is prospective in nature there is no requirement to re-categorise 2017/18 balances.

Note 19.1 Allowances for credit losses - 2018/19

	Group		Trust	
	Contract receivables and contract assets	**All other receivables**	**Contract receivables and contract assets**	**All other receivables**
	£000	**£000**	**£000**	**£000**
Allowances as at 1 Apr 2018 - brought forward		126		126
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018	73	(73)	73	(73)
New allowances arising	162	(33)	162	(33)
Allowances as at 31 Mar 2019	235	20	235	20

Note 19.2 Allowances for credit losses - 2017/18

IFRS 9 and IFRS 15 are adopted without restatement therefore this analysis is prepared in line with the requirements of IFRS 7 prior to IFRS 9 adoption. As a result it differs in format to the current period disclosure.

	Group	Trust
	All receivables	**All receivables**
	£000	**£000**
Allowances as at 1 Apr 2017 - as previously stated	271	271
Transfers by absorption		
Increase in provision	40	40
Amounts utilised	(40)	(40)
Unused amounts reversed	(145)	(145)
Allowances as at 31 Mar 2018	126	126

Note 19.3 Non-current assets held for sale and assets in disposal groups

	Group		Trust	
	2018/19	2017/18	2018/19	2017/18
	£000	£000	£000	£000
NBV of non-current assets for sale and assets in disposal groups at 1 April	73	521	73	521
Assets classified as available for sale in the year	-	91		91
Assets sold in year	-	(539)		(539)
NBV of non-current assets for sale and assets in disposal groups at 31 March	73	73	73	73

There is one site remaining to be sold. It is expected to be sold in 2019/20

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	
	2018/19	2017/18	2018/19	2017/18
	£000	£000	£000	£000
At start of period for new FTs	10,324	9,902	9,811	9,902
Net change in year	1,340	422	1,397	(91)
At 31 March	11,664	10,324	11,208	9,811
Broken down into:				
Cash at commercial banks and in hand	-	1	-	1
Cash with the Government Banking Service	11,664	10,323	11,208	9,810
Total cash and cash equivalents as in SoFP	11,664	10,324	11,208	9,811
Total cash and cash equivalents as in SoCF	11,664	10,324	11,208	9,811

Note 21 Trade and other payables

	Group		Trust	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	£000	£000	£000	£000
Current				
Trade payables	746	1,378	1,349	2,165
Capital payables	425	419	294	419
Accruals	5,233	4,347	5,468	4,347
Social security costs	1,132	1,057	1,104	1,057
Other taxes payable	777	772	758	772
Other payables	68	40	68	40
Total current trade and other payables	**8,381**	**8,013**	**9,041**	**8,800**
Non-current				
Capital payables	339	332	339	332
Total non-current trade and other payables	**339**	**332**	**339**	**332**

Of which payables from NHS and DHSC group bodies:

Current	392	713		

Following adoption of IFRS 9 on 1 April 2018, loans are measured at amortised cost. Any accrued interest is now included in the carrying value of the loan within note 29. IFRS 9 is applied without restatement therefore comparatives have not been restated.

Note 21.1 Early retirements in NHS payables above

There were no early retirement in 18/19.

Note 22 Other liabilities

	Group		Trust	
	2019	2018	2019	2018
	£000	£000	£000	£000
Current				
Deferred income: contract liabilities	709	189	709	189
Total other current liabilities	**709**	**189**	**709**	**189**

Note 23 Borrowings

	Group		Trust	
	2019	2018	2019	2018
	£000	£000	£000	£000
Current				
Obligations under finance leases	618	501	947	536
Total current borrowings	**618**	**501**	**947**	**536**
Non-current				
Obligations under finance leases	3,065	2,878	4,466	3,096
Total non-current borrowings	**3,065**	**2,878**	**4,466**	**3,096**

Note 24 Reconciliation of liabilities arising from financing activities

Group	Finance leases £000
Carrying value at 1 April 2018	**3,379**
Cash movements:	
Financing cash flows - payments and receipts of principal	(628)
Financing cash flows - payments of interest	(134)
Non-cash movements:	
Additions	924
Application of effective interest rate	142
Carrying value at 31 March 2019	**3,683**

Trust	Finance leases £000
Carrying value at 1 April 2018	**3,632**
Cash movements:	
Financing cash flows - payments and receipts of principal	(864)
Financing cash flows - payments of interest	(198)
Non-cash movements:	
Additions	2,637
Application of effective interest rate	206
Carrying value at 31 March 2019	**5,413**

Note 25 Finance leases

Note 25.1 North East Ambulance Service NHS 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 £1.291m and Medical Equipment £2.393m

	Group		Trust	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	£000	£000	£000	£000
Gross lease liabilities	**4,228**	**3,956**	**6,189**	**4,246**
of which liabilities are due:				
- not later than one year;	728	610	1,088	655
- later than one year and not later than five years;	2,560	2,443	3,713	2,609
- later than five years.	940	903	1,388	982
Finance charges allocated to future periods	(545)	(577)	(776)	(614)
Net lease liabilities	**3,683**	**3,379**	**5,413**	**3,632**
of which payable:				
- not later than one year;	618	501	914	536
- later than one year and not later than five years;	2,249	2,133	3,303	2,275
- later than five years.	816	745	1,196	821

The Trust incurred additional finance leases obligations in the year due to vehicle leases with its subsidiary, NEASUS Ltd

Note 26.1 Provisions for liabilities and charges analysis (Group and Trust)

Group	Pensions: early departure costs £000	Pensions: injury benefits £000	Legal claims £000	Redundancy £000	Other £000	Total £000
At 1 April 2018	752	2,463	197	980	1,205	5,597
Change in the discount rate	(9)	(44)	-	-	-	(53)
Arising during the year	66	112	123	6	1,515	1,822
Utilised during the year	(86)	(148)	(66)	(961)	(512)	(1,773)
Reversed unused	-	-	(143)	(19)	(608)	(770)
Unwinding of discount	2	7	-	-	-	9
At 31 March 2019	725	2,390	111	6	1,600	4,832
Expected timing of cash flows:						
- not later than one year;	87	143	111	6	1,600	1,947
than five years;	347	596	-	-	-	943
- later than five years.	291	1,651	-	-	-	1,942
Total	725	2,390	111	6	1,600	4,832

Legal claims are those recorded via NHS Resolution for employers liability claims. The "Other" class of provisions includes provisions for employee claims, banked annual leave, security costs and coroner's costs.

In 2018/19 the analysis of provisions has been revised to separately identify provisions for injury benefit liabilities. In previous periods, these provisions were included within other provisions.

The Pensions - early departures 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 to 0.29% during the year.

Note 26.2 Clinical negligence liabilities

At 31 March 2019, £7,409k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of North East Ambulance Service NHS Foundation Trust (31 March 2018: £700k).

Note 27 Contingent assets and liabilities

	Group		Trust	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	£000	£000	£000	£000
Value of contingent liabilities				
NHS Resolution legal claims	(87)	(116)	(87)	(116)
Gross value of contingent liabilities	**(87)**	**(116)**	**(87)**	**(116)**
Net value of contingent liabilities	**(87)**	**(116)**	**(87)**	**(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 £111k given in Note 26.1. is the corresponding provision element of these same claims. The Foundation Trust is likely to settle these liabilities within 12 months.

Contingent assets for 2018/19 are £0 (2017/18 £0)

Note 28 Contractual capital commitments

	Group		Trust	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	£000	£000	£000	£000
Property, plant and equipment	4,817	899	359	645
Intangible assets	40	-	40	-
Total	**4,857**	**899**	**399**	**645**

Note 29 Financial instruments

Note 29.1 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 2019 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 19.

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 29.2 Carrying values of financial assets

IFRS 9 Financial Instruments is applied retrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ to those in the current year analyses.

Group	Held at amortised cost	Total book value
	£000	£000
Carrying values of financial assets as at 31 March 2019 under IFRS 9		
Trade and other receivables excluding non financial assets	5,864	**5,864**
Cash and cash equivalents	11,664	**11,664**
Total at 31 March 2019	**17,528**	**17,528**

Group	Loans and receivables	Total book value
	£000	£000
Carrying values of financial assets as at 31 March 2018 under IAS 39		
Trade and other receivables excluding non financial assets	4,641	**4,641**
Cash and cash equivalents	10,324	**10,324**
Total at 31 March 2018	**14,965**	**14,965**

Trust	Held at amortised cost	Total book value
	£000	£000
Carrying values of financial assets as at 31 March 2019 under IFRS 9		
Trade and other receivables excluding non financial assets	13,026	**13,026**
Cash and cash equivalents	11,208	**11,208**
Total at 31 March 2019	**24,234**	**24,234**

Trust	Loans and receivables	Total book value
	£000	£000
Carrying values of financial assets as at 31 March 2018 under IAS 39		
Trade and other receivables excluding non financial assets	9,063	**9,063**
Cash and cash equivalents	9,811	**9,811**
Total at 31 March 2018	**18,874**	**18,874**

Note 29.3 Carrying values of financial liabilities

IFRS 9 Financial Instruments is applied retrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ to those in the current year analyses.

Group	Held at amortised cost £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2019 under IFRS 9		
Obligations under finance leases	3,683	**3,683**
Trade and other payables excluding non financial liabilities	6,472	**6,472**
Total at 31 March 2019	**10,155**	**10,155**

Group	Held at amortised cost £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2018 under IAS 39		
Obligations under finance leases	3,379	**3,379**
Trade and other payables excluding non financial liabilities	6,184	**6,184**
Total at 31 March 2018	**9,563**	**9,563**

Trust	Held at amortised cost £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2019 under IFRS 9		
Obligations under finance leases	5,413	**5,413**
Trade and other payables excluding non financial liabilities	7,179	**7,179**
Total at 31 March 2019	**12,592**	**12,592**

Trust	Held at amortised cost £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2018 under IAS 39		
Obligations under finance leases	3,633	**3,633**
Trade and other payables excluding non financial liabilities	6,971	**6,971**
Total at 31 March 2018	**10,604**	**10,604**

Note 29.4 Maturity of financial liabilities

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
In one year or less	7,091	6,685	8,034	7,509
In more than one year but not more than two years	673	551	980	584
In more than two years but not more than five years	1,575	1,582	2,322	1,690
In more than five years	816	745	1,256	821
Total	**10,155**	**9,563**	**12,592**	**10,604**

Note 30 Losses and special payments

	2018/19		2017/18	
	Total number of cases	**Total value of cases**	**Total number of cases**	**Total value of cases**
Group and trust	**Number**	**£000**	**Number**	**£000**
Losses				
Cash losses	441	107	502	125
Fruitless payments	72	3	-	-
Stores losses and damage to property	117	87	193	54
Total losses	**630**	**197**	**695**	**179**
Special payments				
Ex-gratia payments	18	67	11	78
Special severence payments	6	52	1	5
Total special payments	**24**	**119**	**12**	**83**
Total losses and special payments	**654**	**316**	**707**	**262**

Note 31.1 Initial application of IFRS 9

IFRS 9 Financial Instruments as interpreted and adapted by the GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to reserves on 1 April 2018.

IFRS 9 replaces IAS 39 and introduces a revised approach to classification and measurement of financial assets and financial liabilities, a new forward-looking 'expected loss' impairment model and a revised approach to hedge accounting.

Note 31.2 Initial application of IFRS 15

IFRS 15 Revenue from Contracts with Customers as interpreted and adapted by the GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to the income and expenditure reserve on 1 April 2018.

IFRS 15 introduces a new model for the recognition of revenue from contracts with customers replacing the previous standards IAS 11, IAS 18 and related Interpretations. The core principle of IFRS 15 is that an entity recognises revenue when it satisfies performance obligations through the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services.

As directed by the GAM, the Trust has applied the practical expedient offered in C7A of the standard removing the need to retrospectively restate any contract modifications that occurred before the date of implementation (1 April 2018).

Note 32 Related parties

The Department of Health and Social Care is a related party as it is the parent department for the Group. Other related categories include local Clinical Commissioning Groups and local provider NHS Trusts. Transactions have taken place with other public bodies, with material transactions taking place with HMRC and local authorities 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 2019 is £154k (31 March 2018 £191k). The Trust Fund accounts are not consolidated into the Foundation Trust accounts due to the immaterial value of these funds. As at 31st March 2019, there is £22k 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 £327k, 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.

Other related parties include:-
   Medical Director has worked as a GP for the Coquet Medical Group and a locum at Central Surgery, South Shields
   Chief Executive is a Director of the Association of Ambulance Chief Executives (Group spend £30K)
   Chairman is Chairman at Serco Ltd (Group spend £23K)

   Non-Executive Director is Talent for Care Lead at Health Education England
   Non-Executive Director is Chair & Non-Executive Director at Newcastle Gatehead Initiative and consultant for JLT (Group spend £999k)

The value of any transactions referenced above are not material to the Trust.

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.

	2018/19 £000
Opening Capital and Reserves (Total Assets Employed)	41,651
Closing Capital and Reserves (Total Assets Employed)	43,263
Average net assets	42,457 (A)
Average cash balance held in Government Banking Service Accounts	14,773 (B)
Average relevant net assets	27,684 (A-B)
Dividend (3.5% of average relevant net assets)	**970**

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 £30k which will be deducted from the September 2019 dividend payment.
The above calculation is based on pre-audited accounts and is not adjusted for results in the audited accounts.

Note 34 Prior period adjustments

There have been no prior period adjustments

Note 35 Events after the reporting date

There were no events after the reporting date

Glossary of Terms

Abbreviation	Definition	Abbreviation	Definition
AACE	Association of Ambulance Chief Executives	CPR	Cardio Pulmonary Resuscitation
A&E	Accident and Emergency	CQC	Care Quality Commission
AQI	Ambulance Quality Indicator	CQUIN	Commissioning for Quality and Innovation
ARP	Ambulance Response Programme	ECLIPs	Experience, Complaints, Litigation, Incidents and PALs Group
ASHP	Air Source Heat Pump	EOC	Emergency Operations Centre
BAF	Board Assurance Framework	ePCR	Electronic Patient Care Record
BAME	Black, Asian and Minority Ethnic	EPRR	Emergency Preparedness Resilience and Response
CARE	Clinical Annual Record of Excellence	GP	General Practitioner
CAS	Clinical Assessment Service	HART	Hazardous Area Response Team
CCaT	Clinical Care and Transport	HR	Human Resources
CCG	Clinical Commissioning Group	ICAEW	Institute of Chartered Accountants of England and Wales
CCM	Clinical Care Manager	ICP	Integrated Care Partnership
CETV	Cash Equivalent Transfer Value	ICS	Integrated Care System
CFR	Community First Responder	IUC	Integrated Urgent Care
CIP	Cost Improvement Programme	KPI	Key Performance Indicator
CIPFA	Chartered Institute of Public Finance Accountants	LCFS	Local Counter Fraud Specialist
CMP	Carbon Management Plan	NEAS / Trust	North East Ambulance Service NHS Foundation Trust
CPAD	Community Public Access Defibrillator	NEASUS	North East Ambulance Service Unified Solutions

Abbreviation	Definition
NICE	National Institute of Clinical Excellence
SDU	Sustainable Development Unit
SEQOHS	Safe, Effective, Quality Occupational Health Service
SI	Serious Incident
SMT	Senior Management Team
STEMI	Segment Elevation Myocardial Infarction
STF	Sustainability and Transformational Funding

ARABIC

الدعم متوفر للوصول إلى المستند "حساب الجودة" بعدة لغات عند الطلب. هاتف: 2099 430 0191، بريد
إلكتروني: publicrelations@neas.nhs.uk ، فاكس: 2086 430 0191

BENGALI

অনুনরাধক্নম ভাষার সহায়তায় এই নহিহির জনযঃ টিহ ০ঃ ০১৯১-৪৩০ ২০৯৯। ই-টমই ০ঃ
publicrelations@neas.nhs.uk, ফ্র্ক্সঃ 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