Yorkshire Ambulance Service NHS Trust

Two Year Operational Plan

FINAL PLAN 2017/18 – 2018/19

1. Strategic Context

Yorkshire Ambulance Service (YAS) carries out an important role as a regional provider of healthcare services across 23 Clinical Commissioning Groups (CCG), 13 Local A&E Delivery Boards, seven Vanguards and four Sustainability and Transformation Programme (STP) footprints. We provide emergency and urgent care and patient transport services to a population of more than five million people. Our 4,500 staff and over 1,000 volunteers support the delivery of our core skills and competencies in emergency and urgent care triage and response, clinical pathways design and management, healthcare technology, resilience and logistics.

The NHS is currently undergoing a prolonged period of financial restraint and large increases in demand, outstripping the levels forecast in the Five Year Forward View. We recognise that this presents significant financial challenges to the Trust and for the health economy as a whole.

Our strategy is focused on maintaining financial resilience, providing us with the ability to withstand the pressures and risks we face, whilst delivering improved patient outcomes. We are committed to our role as a regional provider, ensuring that our plans remain aligned to those of our commissioners and of other health and care providers.

Our two year Operational Plan for 2017/18 – 2018/19 fully reflects the wider STP plans, ensuring that we continue to support the wider health and care system, whilst working towards system-wide financial balance. However, whilst our plan sets out a forecast surplus position of £53k, we do not anticipate achieving the £5.253m control total for 2017/18. This is despite significant work to secure an agreed contract value that reflects the increasing levels of demand faced across all of the Trust's services. We recognise the need to reduce costs and overheads and have a robust Cost Improvement Programme (CIP) and cost pressure review programme to ensure that our services remain effective and efficient; in particular reviewing the capital programme, fleet schemes and corporate services, prioritising schemes and proposals that support the Trust's strategy and maintain financial surplus and resilience.

We are actively engaging with our commissioners to formalise final contract settlements. To support the negotiation of the current verbal A&E 999 contract offer, the Trust and commissioners jointly developed a clear Quality Impact Assessment to help understand the impacts on quality for differential levels of funding. The current levels of income required by YAS for the three key services are:

A&E 999	£189m (against a current verbal offer of £186m; whilst positive, does not achieve the requirements of the Trust)
NHS 111	£33.4m (comprising 111: £15.6m & Local Care Direct: £17.8m)
PTS	£29.9m

These factors introduce a range of risks to the Trust that are set out in more detail within our plan. Our keys risks are associated with non-achievement of our control total; potential non-achievement of key performance targets, associated with the anticipated level of A&E 999 income, increasing demand levels and potential financial contract penalties.

The key risks are highlighted below and presented in more detail in Section 8:

Risk	Value
Non achievement of Control Total	**£3.7m**
Penalties for non-delivery of performance standards	**£1.5m**
Under-achievement of CIP savings	**£2m**
Under-achievement of CQUINs	**£1-£4m**
(A&E 999) Contractual Income below requirement	**£6m**

Risk	Value
PTS Hull & East Riding of Yorkshire Combined potential Contract Loss	£3.5m
Paramedic Re-banding	TBC
Fuel Inflation	£0.5-£1m
Capital Funding	£5m

Our plan is therefore based on a range of assumptions that take the above factors into consideration. Our key financial assumptions are set out in Section 8, which include, inter alia, the following:

- Increased baseline A&E 999 contracted income for 2017/18 based on latest informal contract income offer of £186m, along with £2m funding for the Clinical Advisory Service;
- Increased levels of demand for A&E 999, limited to 2% for 2017/18;
- The impact of known and assessed hospital reconfigurations, as part of local STP plans, on increasing job cycle times and increased inter-facility required transfers;
- Known tender outcomes, therefore incorporating the loss of Hull Patient Transport Service contract, with an assumption of full cost recovery. Our plan acknowledges the risk associated with ongoing tenders, but assumes a 'current state' at this stage;
- National guidance levels for tariff inflators and inflationary pressures; and
- Anticipated increases in fuel prices, coupled with volume increases due to rising demand and journey distances (associated with known hospital reconfigurations).

The Trust has proactively established joint working relationships with North East Ambulance Service (NEAS) and North West Ambulance Service (NWAS), to create the Northern Ambulance Alliance Board (NAAB), the first alliance of its type within the ambulance sector. The Trust is also a member of the West Yorkshire Tri-Service Collaboration Board, comprising other blue light services. These partnership platforms represent an increasingly important part of our strategic delivery to optimise efficiency and quality benefits in line with the Carter review[1]. These collaborations support our drive to reduce corporate costs, as we explore cross-organisational opportunities to share resources, drive out efficiencies and reduce procurement and corporate costs.

As a Trust, we operate across and within a number of key Vanguard programmes, in particular the West Yorkshire Urgent and Emergency Care Accelerator Zone Vanguard, which has recently been brought forward as the West Yorkshire Acceleration Zone (WYAZ). This is a significant programme, with national focus, that considers improvements across pre-hospital care, streaming and ambulatory care, flow and discharge. YAS plays a key role in this Vanguard, supporting the wider system to ensure the flow of patients into and out of hospital care. We continue to model the impact, across all our key service areas.

Our service developments section sets out the key transformation and service improvement programmes we will deliver during this plan, to ensure resources are better aligned to our anticipated increases in demand, as set out in our approach to activity planning. Our approach to workforce and financial planning sets out how we will ensure these resources are identified, established and supported to provide safe, effective services, whilst retaining our focus on quality. Our STP section demonstrates how we will do this within the wider system, ensuring that we mobilise our resources in the most effective way.

We have commenced a refresh of our Trust strategy, concluding within 2017/18, to ensure our strategy continues to provide the right direction and remains aligned to the wider system in which we operate.

[1] *Operational Productivity and Performance in English NHS Acute Hospitals: Unwarranted Variations (February 2016)*

2. Service Developments

We understand the key challenges faced by our Trust and the wider health and care system throughout 2017/18 to 2018/19. We are clear about the need to achieve more effective and efficient services, to meet increasing demand, reduce costs and demonstrate more productive use of our resources supported by the right workforce and leadership. To help us achieve this, we have developed a range of key work programmes that are focused on developing the right infrastructure and service offer, to achieve system-wide benefits.

Our priority workstreams in 2017/18 to 2018/19 include:

- Continuation of the PTS and A&E service improvement programmes;
- Further implementation of the Hub & Spoke/Ambulance Vehicle Preparation; and
- Re-focusing the urgent care programme as an urgent and emergency care programme delivering service transformation to our patient care services.

These workstreams will be managed through a structured Programme Management Office (PMO) function, providing strong and effective governance of our key programmes, underpinned by effective support services and external collaborations, summarised in figure 1 below:

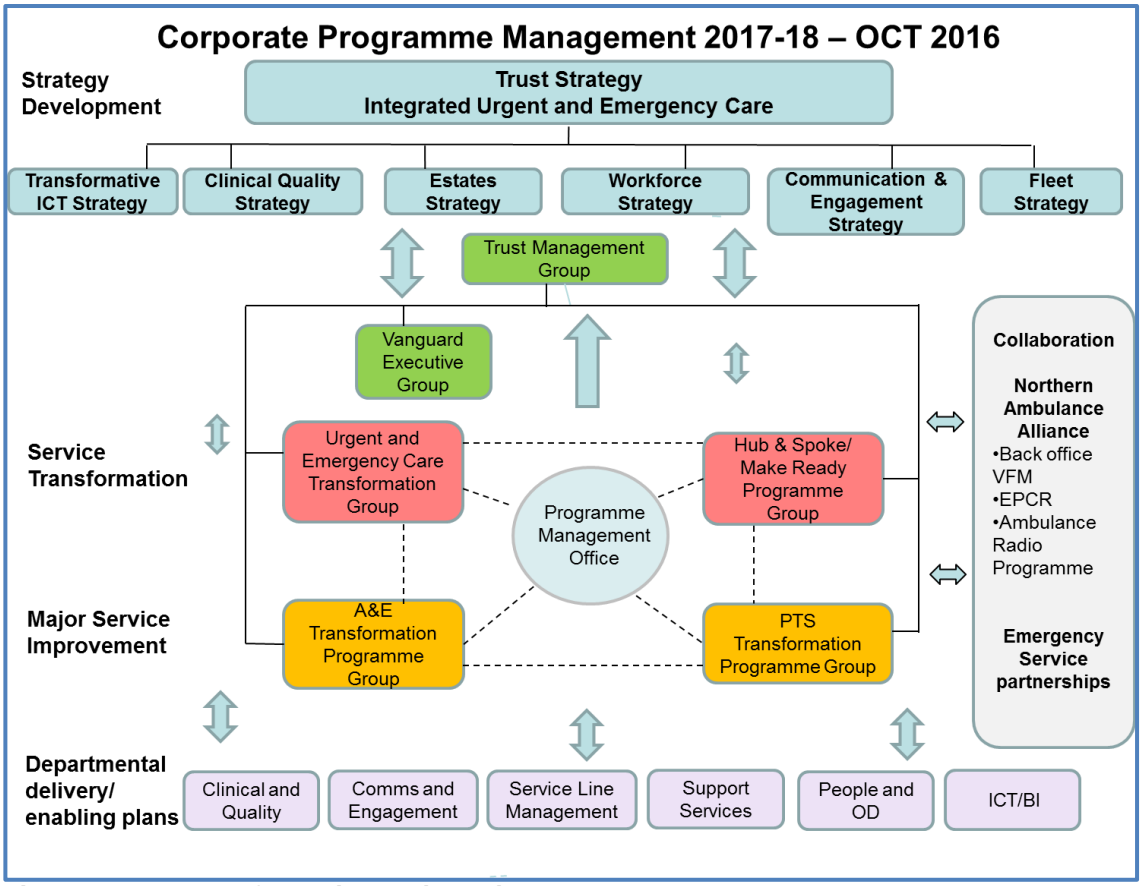

Figure 1: Key Transformation and Service Improvement Programmes

2.1 A&E Transformation

To support wider A&E performance, the ongoing transformation programme will deliver significant improvements to the operational model, by the end of 2016/17. The transformation programme will continue throughout 2017/18 to drive out full benefit realisation, particularly the introduction of innovative ways of responding to patient needs, such as Hear & Treat and See & Treat and the introduction of a capacity planning model to maximise existing resources at times of greatest demand.

The service will also work closely with workforce and organisational development (OD) to ensure recruitment and training plans meet operational needs to guarantee the right people with the right skills are available and to embed and derive full benefits from the management and clinical leadership investment.

A key enabler to delivery of the A&E transformation and the Trust's supporting plans is our ongoing commitment to deliver response time performance to our contract and the continuation of the national Ambulance Response Programme (ARP). The assumptions within this plan are predicated on the continuation of ARP.

2.2 Patient Transport Service (PTS) Transformation

In 2017/18 we will continue to deliver the plan to transform our PTS workforce, enabling best use of YAS staff resources and flexible use of sub-contractors and volunteer drivers. This includes implementation of a new management structure to align with new service delivery and workforce models.

Key service improvements include auto scheduling and planning of journeys, which will be implemented across the whole of the YAS area by the end of Quarter 2 in 2017/18 and retention of PTS contracts through known procurement exercises or negotiation of existing contracts.

2.3 Urgent and Emergency Care Programme

Building on the urgent care programme initiated in 2016/17 the programme will focus on:

- An integrated urgent and emergency care programme, including the WY Vanguard and WYAZ objectives;
- A Regional Clinical Advisory Service (CAS), including a Clinical Specialist MDT Team (incorporating Mental Health, Palliative Care, Pharmacists) based within NHS 111 and 999 EOC (Emergency Operations Centre) Expanding on Frequent Callers to include NHS 111 and Care Homes;
- Urgent Care Transport/Dispatch function to support See and Treat Services
- Urgent Care Practitioners;
- An integrated falls response service; and
- NHS 111 on-line (pilot)

Whilst we anticipate some aspects of this programme will increase operational costs for YAS, there is a range of wider system and patient benefits that can be realised. Some of the broad benefits that this programme anticipates include:

- Access to care and treatment in preferred and more suitable locations;
- Reductions in inappropriate ambulance dispatch, time on scene, conveyance to Emergency Departments (ED), avoidable re-admissions, and mortality rates; and
- Reduced variation with a positive impact on improving patient outcomes and experience and cross-service pathways. Care will be provided closer to home, reducing system costs and maintaining capacity for more appropriate demand.

2.4 Hub and Spoke Programme

The Trust will continue to develop and implement its 'Hub and Spoke' estate model supported by an Ambulance Vehicle Preparation System (VPS) where appropriate, ensuring the needs of A&E and PTS services are considered. In 2017/18 the first purpose-built hub, incorporating vehicle preparation and improved staff welfare facilities, will be delivered in Doncaster, becoming operational in 2018/19. Doncaster and Bentley stations are not suitably located, with existing premises in poor condition. The benefits of the programme include improvement in 'Red' performance, increased availability, improved infection prevention and control (IPC), patient safety and better working conditions for our staff.

2.5 Support Services' Programmes

The delivery of our key service development programmes will be assisted by our support functions, with particular focus on:

- Fleet: Delivering a modern, efficient fleet aligned to operational and workforce requirements with specifications adaptable for future healthcare developments. We will review and reconfigure internal workshop coverage, considering collaborations with other public authorities to deliver cost effective responsive departmental function.

- ICT has a number of broad Trust-wide schemes, alongside our ongoing commitment to leading and supporting key initiatives within the Yorkshire and Humber Digital Roadmap:
    - Supporting the delivery of the Clinical Advisory Service
    - Implementing the in-house development of an electronic Patient Care Record (ePCR). We are leading on this development and working in partnership with North West Ambulance Service (NWAS) to jointly implement the system
    - Development of the 'West Yorkshire Care Record' into a regional shared care record
    - Digital Airwave replacement programme
    - Introduction of paperless systems across a number of platforms to improve efficiency and effectiveness
- Workforce Strategy: Establishing training and development opportunities; supporting and retaining our people to provide the highest levels of quality care; to deliver our key services safely, effectively and compassionately, as part of a clear organisational development programme.

3. Link to the Sustainability and Transformation Plans

We are actively engaged in the development of four separate Sustainability & Transformation Planning footprints, as follows:

- Humber, Coast & Vale
- West Yorkshire and Harrogate
- South Yorkshire and Bassetlaw
- Durham, Darlington, Tees, Hambleton, Richmondshire & Whitby.

YAS shares responsibility for covering the Humber, Coast and Vale footprint with East Midlands Ambulance Service (EMAS) and for Durham, Darlington, Tees, Hambleton, Richmondshire and Whitby with North East Ambulance Service (NEAS).

Whilst all STP plans have been submitted, they remain at slightly different stages of development. However, all are working in successful collaboration across health and social care systems, recognising the benefit of planning at scale, whilst acknowledging the focus of the different localities and population needs.

3.1 Engagement Activity

YAS is represented at executive level in the three main STP leadership teams (Humber, Coast & Vale; South Yorkshire and Bassetlaw and West Yorkshire and Harrogate) and there is appropriate engagement with the Durham, Darlington, Tees, Hambleton, Richmondshire & Whitby STP through good working relationships with commissioners and partner ambulance Trusts in the area.

Across all STPs, the organisation has taken steps to secure appropriate involvement in relevant subgroups including but not limited to:

- Urgent & Emergency Care work streams
- Acute Reconfiguration work streams
- Primary Care work streams
- Enabling work streams e.g. Technology and Workforce
- Regional performance arrangements e.g. A&E Delivery Boards.

Output from STP leadership teams is regularly fed-back into the organisation via these routes, co-ordinated through the Planning and Development directorate and is used to inform Board level discussion of organisational strategy and operational planning.

3.2 Plan Content

We have considered how our service developments and key transformation programmes align to our wider STP plans' themes, to ensure our internal developments and external delivery continue to support the STP plans, as outlined in figure 2 below.

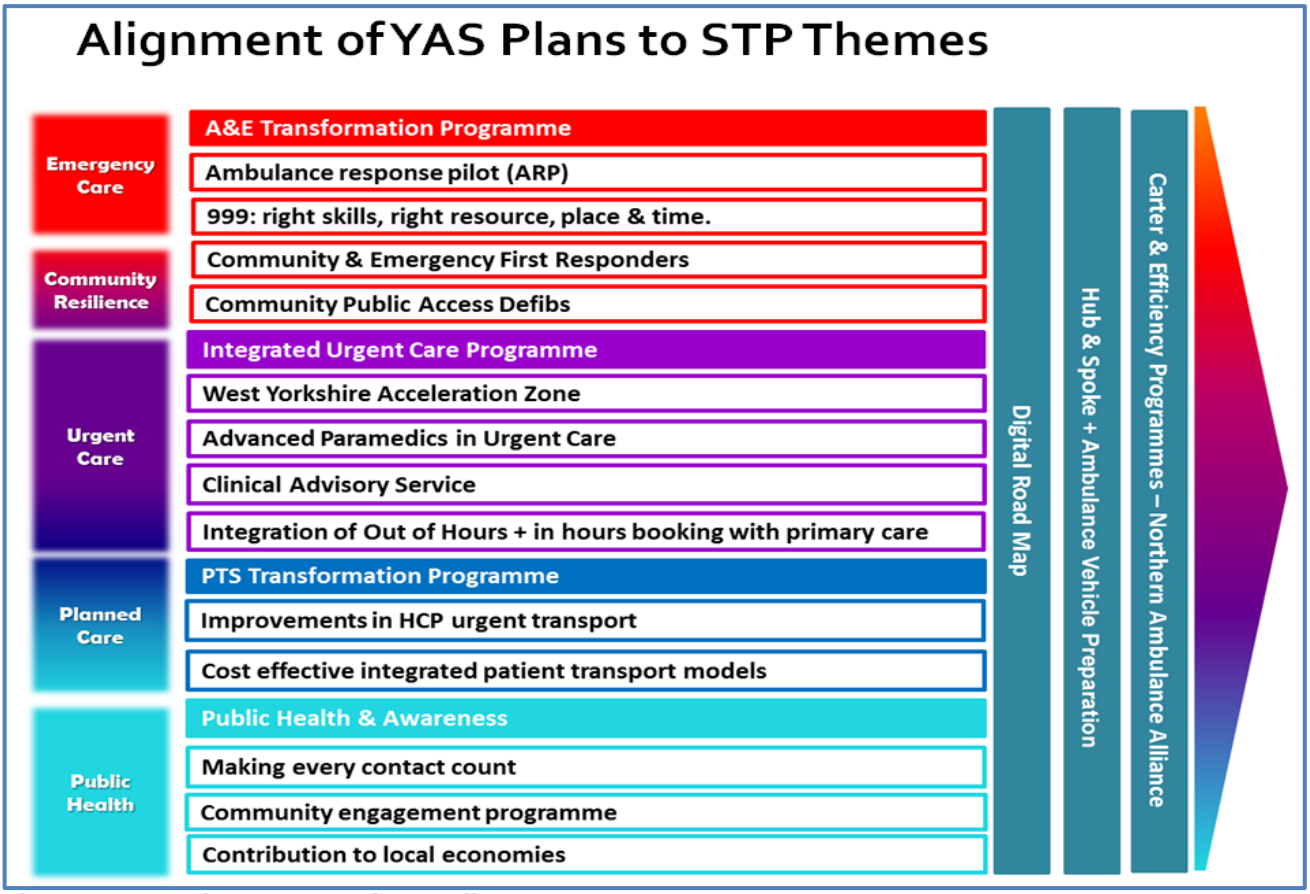

Figure 2: YAS Plans to STP Theme alignment

3.3 Alignment with STP Plan Content

As part of the ongoing planning process, YAS has identified the high level themes and specific plans from each STP together with the key strategic risks and benefits. The high level themes of particular relevance to YAS are:

- Urgent & Emergency Care Review: Early work through the West Yorkshire Urgent & Emergency Care Vanguard and WYAZ has afforded YAS the opportunity to prove the concept of a regional CAS and the potential impact this will have on admission avoidance going forward. YAS continues to work with lead commissioners to support local urgent and emergency care transformation programmes with a resilient regional clinical advice offer. There is good engagement, in relation to the developing CAS and the regional capability it will provide, across all STP footprints covered by YAS;
- In support of local communities, YAS continues to develop specialist paramedic capacity to support opportunities to reduce conveyance to A&E;
- YAS is also working as part of the WYAZ to better integrate out-of-hours primary care with in-hours services;
- Hospital Reconfiguration: All four STPs describe some element of service reconfiguration between hospital and community services and across hospitals. YAS is currently modeling the impact of the proposed hospital reconfigurations and will work with providers and commissioners to ensure:
    - That the implications of these changes are factored into YAS capacity plans as job cycle times increase;
    - That there is no risk to patients associated with journey and response times; and
    - There is adequate ambulance service cover, when ambulances are called out of the Yorkshire area.

  This represents a risk across the system and more specifically for YAS, with the Trust afforded a unique oversight of the collective impact of hospital reconfigurations across STP boundaries and the wider Yorkshire and Humber footprint. The Trust is working through the lead commissioner (NHS Wakefield CCG) to ensure leaders are appraised of the wider regional impact on an ongoing basis.

As part of our wider system role, we continue to respond to increasing demand (calls), whilst reducing the number of conveyances to acute hospitals (figure 3). We achieve this through approaches such as Hear and Treat, See, Treat and Refer and the Ambulance Response Programme (ARP) pilot, which has a positive impact on reducing the levels of conveyance, despite an increase in job cycle times (figure 4).

The increasing number of proposed hospital reconfigurations may have the impact of further increasing job cycle times for those conveyed, coupled with increased distances and journey times. These factors will further reduce resource availability; create an ambulance 'drift' to hospital centres, further reducing ambulance availability.

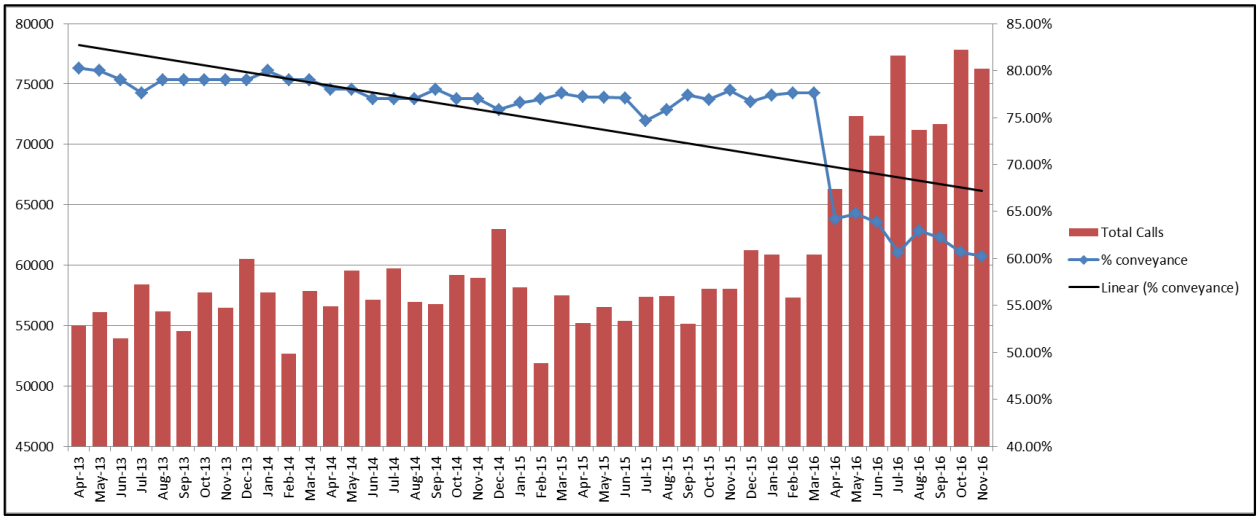

Figure 3: Total 999 calls and levels of conveyance

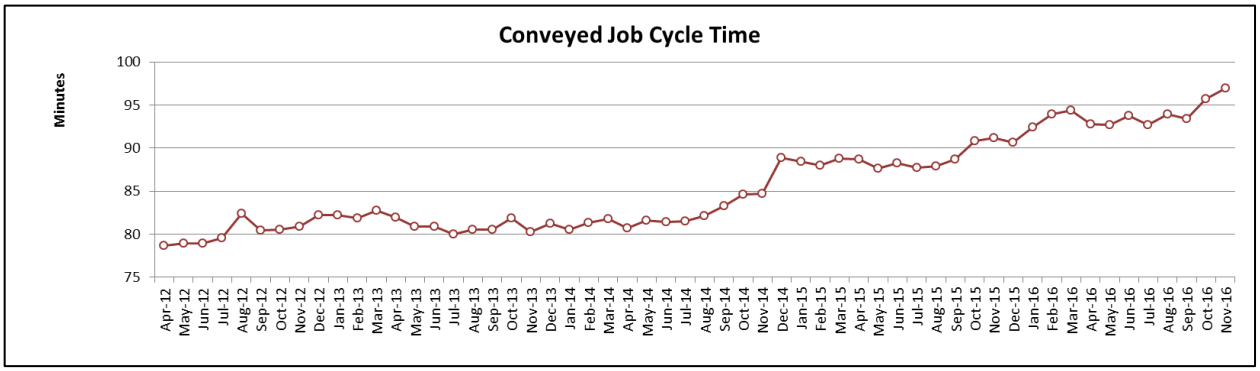

Figure 4: Conveyed Job Cycle Time

- Prevention: aligning ongoing development of the Public Health & Engagement programme within YAS to the requirements of STPs;
- Back-office Functions: YAS is proactively engaging in the NAAB, the West Yorkshire Tri-Service Collaboration Board and other local collaborations to develop opportunities; and
- System Governance – the development of STP infrastructure will improve opportunities for YAS as a regional organisation to engage effectively and proactively through a reduced number of larger commissioning footprints. A joint strategic commissioning board is already in place for YAS with Yorkshire and Humber CCGs.

3.4 Financial Alignment

We have ensured that our plans are incorporated in a consistent manner, aligned to national assumptions with the STP plans. However, local and specific cost pressures and existing contract arrangements will differ, so, whilst there is broad alignment, we anticipate some specific local variations.

3.5 Workforce Alignment

Through the West Yorkshire Urgent & Emergency Care Vanguard and internal transformation programmes, YAS has developed a clinical workforce to include specialist paramedic roles with a view to maintaining or actively reducing conveyance rates to A&E and is actively recruiting to increase capacity for clinical advice in NHS 111 and 999. We are actively engaging staff around all of our key transformation and service improvement programmes to seek ideas, gain support and to ensure that we mobilise the right resources and skills in the right areas. We are currently evaluating the impact of specialist paramedics on conveyance rates as part of this wider programme.

3.6 Resource Planning

The Trust has set out a resource plan for 2017/18 – 2018/19, developed from a range of factors, including the broad STP plans. The formation of the NAAB represents the sector's first proactive response to the challenge for improved back office productivity, identification and implementation of best practice and technology solutions; this is further supported by the Trust's response to the CQC's draft thematic review of Ambulance Services, alongside a review of Ambulance Services by the National Audit Office, expected to be published early 2017, ensuring that workforce engagement, well-being, equality and diversity is more effectively monitored and proactively managed, as set out within section 7. The alignment of resources, against our activity and demand models is outlined in section 4, below.

4. Approach to Activity Planning

4.1 Approach to Demand & Capacity Modelling 2017/18 – 2018/19

The demand and capacity modelling assumptions within our plan demonstrate a clear commitment to deliver national performance requirements against key service lines, ensuring that a responsive service is sustained for patients.

YAS's three key patient care services are:

- 999 Emergency Care triage & response service responding to over 700,000 emergency 999 and urgent calls per year;
- NHS 111 Integrated Urgent Care triage & signposting service across Yorkshire and the Humber, Bassetlaw, North Lincolnshire & North East Lincolnshire, handling 1.5m calls per year; and
- PTS undertaking more than one million patient transport journeys per year.

In addition to the above, we provide a region-wide major incident response & resilience planning capability, community resilience capacity, commercial training, medical and first aid cover for large-scale public events. Support service infrastructure, including Finance, HR, ICT, Fleet, Estates, Procurement, Planning & Development, Business Intelligence (BI), Communications and Clinical & Quality Governance underpins delivery across all service lines.

Demand and capacity models across the three service lines have been developed by our own in-house Business Intelligence team in order to ensure staff allocation and movement is data-driven, ensuring capacity is matched to demand and is in the right place at the right time. This in turn enables YAS to reduce waste and maximise efficiency and productivity opportunities.

4.2 999

Where detailed demand and capacity review is required, YAS engages the support of external professional advisors. For 999 (A&E) in particular, ORH (Operational Research in Health) has, with NHSI (previously NHS TDA) approval, provided detailed analysis in respect of Trust service configuration and alignment of resources to demand. Outputs (and updates) have been used to determine capacity requirements in respect of workforce, fleet and future service provision via the Hub & Spoke model. The findings of this report are in the process of being implemented through the A&E Transformation Programme, with key activities being:

- Realignment of staff rosters to demand;
- Change in vehicle mix to maximise conveying resources; and
- £10 million invested in increased frontline resource (+200 wte).

Alongside the transformation of the A&E front-line capacity model, YAS is working to increase clinical advice capacity in the regional hub with the aim of further improving front-line efficiency through additional clinical support to front-line crews.

Discussions with commissioners continue in relation to activity and demand assumptions for the coming financial year. With demand up circa 6% year-on-year, as at September 2016, additional resources will be required to sustain consistent levels of patient care even taking into account known transformation schemes.

Key impacts on activity modelling include:

- Ongoing increase in forecasted activity may not be fully reflected in future contracts;
- Ambulance turnaround times increased by approximately 90%, due to increasing hospital handover times;
- Call cycle times increasing with see & treat model (to potentially reduce admissions to A&E); increasing travel times to specialist stroke, Myocardial Infarction (MI) and major trauma centres;
- Hospital reconfigurations requiring additional/ extended journey distances and times;
- Health Care Professional (HCP) demand increases at peak hours and certain days of the week; and
- Change of Ambulance Operating Model (ARP) impacts the response YAS needs to provide.

In respect of our 999 operations, the ARP is anticipated to continue into 2017/18 – 2018/19, underpinning demand and capacity assumptions. In the event that ARP is withdrawn, there will be a negative impact on delivery, performance, workforce and our financial position as all assumptions have been made and a model put in place to meet ARP standards.

4.3 NHS 111

NHS 111 demand and activity data is routinely reviewed with commissioners through the Contract Management Board and used to ensure the optimal alignment of resources to meet demand. The Trust continues to work with commissioners in relation to the predicted activity levels for the coming contracting year and this is particularly relevant as NHS on-line is piloted in the West Yorkshire area during December. Currently, the NHS 111 activity plan is operating above the current contract ceiling.

For NHS 111, calls answered in April to September 2016, compared to 2015 for the same period, show demand has increased by 3.2%. We forecast a further 4.7% growth for 2017/18 and a slight decrease in 2018/19. This may change if commissioners commence NHS 111 marketing activity as planned via the West Yorkshire Acceleration Zone. Activity for 2017/18 includes 3% growth plus 1.7% adjustment for Easter. In 2018/19 the growth continues to be set at 3%. However, overall the increase is lower due to Easter only being three days of that year.

4.4 PTS

PTS has undertaken activity and demand modelling in support of various tender exercises which are currently in progress. Future assumptions about PTS activity are dependent on the internal transformation programme, commissioner appetite for applying or altering eligibility criteria and also for commissioning integrated transport models across the system. Currently some commissioners have elected to market test as individual CCGs with a consequent impact on the wider STP footprint.

Demand associated with the Hull CCG contract has been removed from the demand profile from April 2017 due to the loss of that contract following a procurement exercise. Availability in some areas of more localised/community-based services has led to an ongoing small reduction in PTS demand requirements for acute-based services. Budget pressure, due to contract changes, creates a challenge for delivering a sustainable service delivery model.

The PTS internal transformation programme is established to maximise future financial and quality sustainability through a range of efficiency measures and increased use private resources, such as taxis. This will enable us to deliver productivity, efficiency and competitiveness in future procurement exercises.

4.5 Activity planning assumptions

Using the assumptions and intelligence outlined above, activity growth for 2017/18 – 2018/19 is set out in table 1 below:

Service	2014/15	2015/16	2016/17	2017/18	2018/19	2 year increase
NHS 111 (Calls Answered)	1,403,778	1,511,038	1,579,232	1,652,746	1,718,280	139,048
% Change	*[1]27.4%	7.60%	4.50%	4.70%	4.00%	8.8%
A&E (Ambulance Response)	695,501	691,361	719,003	733,462	745,279	26,276
% Change	2.9%	-0.6%	4.0%	2.0%	1.6%	3.7%
PTS (Journeys)	943,466	876,550	846,210	786,544	754138	(92,072)
% Change	-0.90%	-7.10%	-3.50%	*[2]-7.10%	-4.10%	(10.9%)

Table 1 Activity Growth (change from previous year)

Figures produced using April 2016 to Sept 2016 data forecasting to the end of 2016-17

*1 - this increase is high due to a phased roll out of 111 across Yorkshire.

*2 - this bigger decrease is due to the removal of Hull CCG demand due to the loss of that contract.

4.6 Activity Assumptions

These activity assumptions are aligned with Finance and Workforce assumptions, with agreed projections and utilising modelling provided by external resources, such as ORH, providing detailed analysis of resources required to meet A&E targets.

Seasonal variations, such as when Easter falls within the financial year, have been assessed and reflected in the forecasts above. Normalisation and other forecasting methods (e.g. regression, Holt Winters) have also been used. Constant monitoring of current forecasts allows the team to adjust short-term and long-term forecasts where appropriate.

4.7 Delivery of operational standards

Extensive modelling work undertaken in A&E, NHS 111 and PTS has enabled the Trust to develop detailed capacity requirements in each area to support a plan for delivery of operational standards in 2017/18. This information is fed into contract negotiations, although we anticipate that adjustments may be required if funding requirements are not met.

The assumptions underpinning the activity and performance model are as listed above namely:

- Demand does not increase materially beyond that which commissioners agree to support through contract discussions (including assumptions about YAS transformation to better meet demand);
- Workforce levels increase in line with profiled growth and there are no significant adverse events in relation to the workforce i.e. industrial action, increased attrition etc.;
- Job cycle time remains as modelled through ORH and does not increase materially beyond this in 2017-18 / 19; and
- System performance does not deteriorate further in terms of current hospital turnaround performance.

4.7.1 NHS 111

In order to deliver NHS 111 standards, additional call handling and clinical advisory staff will be required. The Trust has traded above contract ceiling in both 2015-16 and 17and has more recently been required through the WY Acceleration Zone to achieve a 30% clinical advice standard, in the context of a commissioned clinical skill mix of 20%. Commissioners are aware that further investment in clinical capacity is required to support the clinical assessment and referral process. The Trust is looking at innovative ways of working, including home-working and clinical career development opportunities to support the service delivery model.

4.7.2 A&E

For A&E the current pressure on capacity to deliver targets sustainably will be addressed through the A&E transformation programme with additional recruitment, training and changes in working patterns, full implementation is expected in Q4 2016/17. The outcome is aimed at aligning the national shortage of paramedic resources to patient demand. The Trust recognises these external challenges and is focused on developing its own paramedic career pathways, helped with the introduction of Band 6, as part of its recruitment and retention initiative and remains fully engaged and supportive of the demand management models being developed across health and care systems.

Our approach to predicting future performance is challenged by our involvement in the pilot to review national coding and the ongoing contract funding negotiations. Whilst we remain supportive and flexible around operational models, any funding gap may have an impact on our operational standards and performance (in particular against the 8 minute Category 1 target), particularly with anticipated levels of increasing demand.

4.7.3 PTS

PTS is currently achieving key KPIs across the four main contracts but is also looking at a range of initiatives to improve operational standards including a management restructure, auto planning and building a new resource team supported by BI. Our activity assumptions include the recent loss of the Hull PTS contract, from April 2017 and we continue to work with commissioners in East Riding around the risks associated with the PTS contract value and level of demand identified.

4.8 Capacity for winter resilience & arrangements for managing unplanned demand changes

As an ambulance service, our ability to monitor and respond to demand in real time is very robust, as is our capability for surge planning. Demand varies significantly across the year, with major peaks in weekends, public holidays and over the winter period. Staffing and rotas are managed with a high degree of flexibility to match these demand fluctuations and the Trust will continue to work closely with commissioners to ensure that investment in the service matches demand and enables delivery of a safe service which also supports the effectiveness of the wider urgent and emergency care system.

The Trust engages extensively with key stakeholders during the summer months in preparation for the forthcoming winter and other seasonal peaks. Additional capacity is created through peak times, by deploying staff from supervisory and supporting roles back into the front-line. A command and control structure is in place for key dates and in response to a dynamic risk assessment of key risks such as adverse weather. YAS is able to flex resource through the use of private providers in PTS and through relief in A&E. With all services our forecasts are matched to demand profiles to cover seasonality and short-term predicted periods of adverse weather. Overtime is also profiled and used to match spikes in demand.

5. Approach to Quality Planning

5.1 Quality Planning

There are four key drivers to the Trust's plans for improving quality in 2017/18 – 2018/19:

- The requirement to deliver national ambulance performance targets;
- The National Emergency and Urgent Care Review and High Impact Action and the associated WYAZ and Vanguard development which reinforces the Trust's focus on responsiveness and development of urgent care services;
- The Trust Clinical Quality Strategy, which has been developed following extensive consultation with staff, public and external stakeholders. Quality goals agreed with commissioners and priorities in the Quality Account are aligned to this strategy; and
- Action to address issues highlighted following the CQC re-inspection conducted in September 2016.

During 2017/18 we will increase the focus on development of skills and knowledge of the workforce to support continuous quality improvement, including development of understanding of service improvement methodology.

There will be targeted initiatives focused on clinical quality improvement as part of the Clinical Quality Strategy and consideration of key risks to delivery. We will also increase our focus on maximising efficiency of support functions to underpin effective patient care delivery.

5.2 Approach to Quality Improvement

Our vision and values place quality at the heart of the Trust and significant improvements in quality of care and services have been achieved over recent years. Our *Clinical Quality Strategy* 2015/18 sets out a framework for development in priority areas, aligned to the wider Integrated Business Plan. This ensures that our plans for the delivery of safe, high quality patient care are effectively linked with operational, financial and workforce plans. Objectives in relation to the Clinical Quality Strategy are managed as part of our performance management systems and risks to delivery are formally monitored via our risk escalation and assurance process. Systems and processes are in place to support quality improvement activity and effective learning from adverse events and near misses and feedback from patients, staff and other health care professionals. We are proactive in sharing the lessons learned and action.

Trust governance systems are established through the committee structure and are also set out in Trust policies and procedures. The Quality Governance arrangements for the Trust were substantially reviewed and revised following a Committee review undertaken by the Internal Audit service using the national Well Led framework.

The Board has overall responsibility for quality governance, with responsibility for delivery delegated to the Trust Executive. The Board takes an active leadership role on quality and the focus is an integrated element of all major discussions and decisions. The Integrated Performance Report (IPR) focuses on key quality indicators and this is supplemented by more detailed reports on specific aspects of clinical quality, by formal and informal staff feedback, by the annual clinical audit programme and a rolling programme of internal Inspections for Improvement. Patient stories, regular patient surveys and briefings on clinical developments are used in the Trust Board of Directors meetings alongside the quantitative data to ensure a clear patient focus.

The Quality Committee supports the Board of Directors in gaining assurance on the management of clinical governance and quality and receives reports at each meeting on Trust and department level compliance with quality standards.

The Trust Management Group (TMG) reviews the quality indicators in the IPR at its meetings and receives exception reports from departments and a range of specialist sub-groups. This includes other key management groups which support delivery of safe, effective care.

The Clinical Governance Group is chaired by the Executive Medical Director and reports to the TMG. It is the principal management group responsible for development of clinical governance and quality. The Operations Management Groups and Locality Management Groups are responsible for overseeing delivery of Trust strategy in the operational departments of the Trust. The Board committee and management group structure is summarised in figure 5 below:

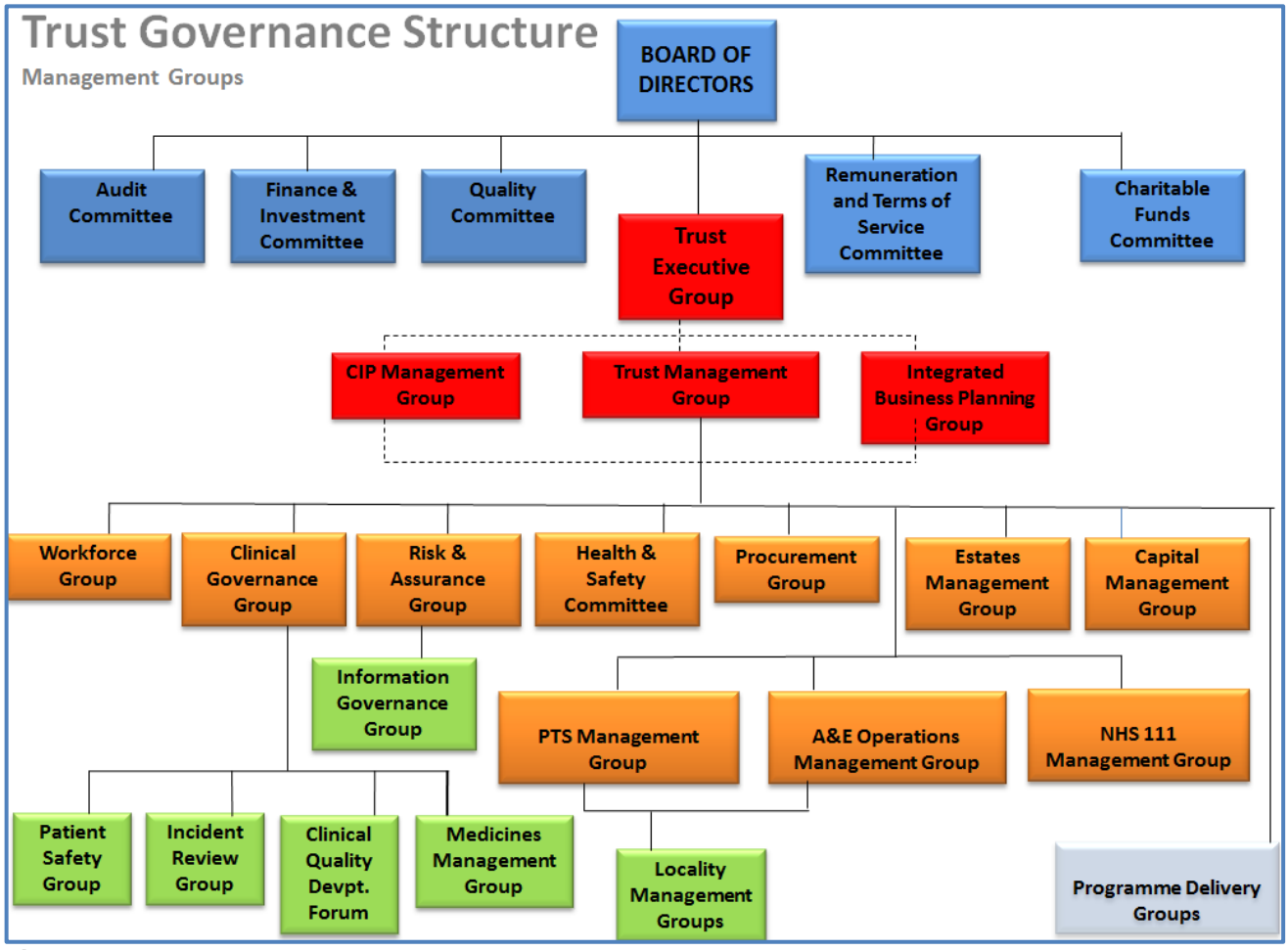

Figure 5: Trust Governance Structure

Executive leadership on quality and safety issues is provided by the Executive Director of Quality, Governance and Performance Assurance and on clinical leadership by the Executive Medical Director. The two directors work together to ensure seamless leadership across clinical governance and quality issues. Organisational focus on quality is reflected in the objectives of all Executive Directors and managers. Quality is integral to departmental agendas and individual performance review discussions at all levels.

The Executive Team and senior managers proactively engage with frontline staff on safety and quality issues through various formal and informal methods. This is complemented by separate engagement activity involving the Chairman and other Non-Executive Directors. The Executive Team reviews issues and implement action as required, reporting to the Board of Directors on key issues through regular Trust Executive Group (TEG) reports.

The quality governance arrangements are aligned to the Well-led framework[2]. We have a quality compliance delivery plan which includes actions to strengthen governance around learning from external enquiries, internal learning and self-assessments. The plan is regularly reviewed by the Committee. Key enquiries and reports which have informed the quality governance arrangements include:

- The public enquiry into Mid Staffordshire NHS Foundation Trust
- Recommendations of the Clwyd/Hart review of NHS complaints
- The Duty of Candour
- National and local investigations into the association of Jimmy Savile with NHS services
- Recommendations in A Promise to Learn - a commitment to act
- The Freedom to Speak Up report and Learning not Blaming report (Trust Freedom to Speak Up Guardian appointed from within our Clinical workforce in 2016)
- The inquests into the Hillsborough disaster.

The CQC completed an inspection of the Trust in January 2015, with the report published in August 2015. Key issues being addressed in response to the inspection included:

- Review of vehicle and station cleaning arrangements;
- An increased focus on compliance with bare below the elbows policy;
- Review of vehicle, equipment and consumables management processes;
- Investment in Trust estate and facilities;
- Development of processes for monitoring and follow up of training and Personal Development Review (PDR) completion;
- Improvements in staff communication and engagement; and
- Supporting staff when raising concerns about quality.

Substantial progress has been made in all areas highlighted, with clear Executive leadership on delivery. An internal “mock inspection” took place in May 2016 which further informed the Quality Compliance Delivery Plan prior to the re-inspection of the Trust in September 2016. The report has not yet been published, however limited initial feedback was received immediately following the inspection. This indicates positive progress across the key areas in line with the Trust self-assessment, including key developments relating to organisational culture and enhancement of leadership capacity and capability at all levels, with a small number of issues identified for development through the Quality Compliance Delivery Plan.

Building Quality Improvement Capacity.

The Trust is committed to embedding quality improvement methodology and has made progress this last year with the recruitment of the Head of Quality Improvement. Broadly this role involves increasing staff engagement in quality improvement work through a number of workstreams:

- Quality Improvement priorities are identified in the Clinical Quality Strategy and annual Quality Account and agreed by the Trust Board;
- Incorporating quality improvement skills into the “Management Essentials” training programme;
- The “Bright Ideas” process includes a robust staff engagement element where staff are supported to implement their own ideas using quality improvement methodology;
- Active engagement with the Health Foundation “Q” programme with the Head of Safety working as a member of the faculty;
- Maximizing resources and products available through national programmes, for example, patient safety first;
- An effective communications plan which provides feedback to staff on the impact of quality improvement on patient and staff experience.

[2] Monitor: 'Well-led framework for governance reviews: guidance for NHS foundation trusts' published May 2014, updated April 2015

5.3 Summary of the Quality Improvement Plan

The Trust's top quality priorities for 2017/18 – 2018/19 are:

- Delivery of sustainable improvement in emergency ambulance response performance in line with national standards;
- Development of the Trust's role in care co-ordination across the urgent and emergency care system, with particular focus on frail older patients and patients with palliative care and mental health conditions;
- Improvement in patient outcomes with key conditions - cardiac arrest and sepsis; and
- Improvement of patient safety aligned to Sign Up to Safety campaign, focused on reduction in patient falls, and management of deteriorating patients.

The Clinical Quality Strategy 2015/18, underpinned by an annual implementation plan, sets out in more detail the key priorities for improving quality of patient care, including a focus on five CQC domains, which are summarised in table 2 below:

Safe	• Deliver "*Sign up to Safety*" pledges, including application of "human factors" within EOC • Measuring and reducing avoidable harm & development of dashboards • Improved outcomes for patients with suspected sepsis • Standardised process for roll out of new equipment
Effective	• Identified outcome measures for quality • Improved outcomes for patients through implementation of paramedic pathfinder • Improvement on AQI's (specifically cardiac arrest) • Standardised clinical handovers & implementation of National Early Warning Score
Caring	• Increased visibility of patient experience information • Open and transparent • Triangulation of performance reporting and patient experience • Analysis of Friends and Family Test • Focus on pain management
Responsive	• Focus on mental health & alternative care pathways • Robust safeguarding processes and practice • Effective & timely complaint responses • Collaboration with stakeholders to deliver urgent care
Well Led	• Standardised supervision arrangements for all professionals • Maintenance of clinical leadership dashboard • Listening events with staff and stakeholders

Table 2 Quality Improvement Priorities, aligned to CQC Domains

Implementation in 2017/18 will include the following key areas of activity:

- **Safe** - The Trust joined the national Sign up to Safety programme in 2015 and has focused development on the deteriorating patient and use of the National Early Warning Score (NEWS), sepsis, falls, and the impact of human factors on safety in the Emergency Operations Centre environment. We have robust processes for monitoring of safety, particularly relating to delayed emergency responses. These processes have been shared with other ambulance trusts via the national Medical Directors' group (for which YAS Executive Medical Director is now Chair). In 2017/18 we will continue to develop these processes, including the implementation of a mortality review.

- **Effective** - Priorities within this domain, in addition to managing deteriorating patients, include improvement of Ambulance Clinical Quality Indicators (AQI). The Trust's priority is survival from cardiac arrest through action to target advanced clinical skills to patients in cardiac arrest, development of community responder schemes and the Re-Start a Heart

campaign. Other key areas of activity relate to treatment of MI and stroke through improved delivery of relevant care bundles.

- **Caring** – Work will include use and analysis of Friends and Family Test in line with national policy; patient stories in Board of Director meetings; training programmes and staff campaigns; triangulation of performance reporting; and patient feedback from complaints, concerns and ongoing survey activity. The development and implementation of a Critical Friends Network is also a key priority to enhance engagement with patients, service users and the public.

- **Responsive** – Work in this domain includes A&E and PTS service transformation and further development of the NHS 111 clinical service as part of the wider service development strategy. Within the Clinical Quality Strategy we focus on patients with mental health needs and collaboration with other providers to deliver urgent care improvements.

- **Well-led** – Our focus for 2017/19 will be clinical leadership and supervision; the clinical career framework; increased communication and engagement on quality; embedding quality and safety across service lines; and enhancement of the reporting of key quality indicators aligned to the refreshed Clinical Quality Strategy. Our focus remains on staff engagement and communication, with improved monthly Teambrief arrangements and regular face to face engagement of Executives and senior managers with front-line staff. A Bright Ideas scheme provides an opportunity for staff to share suggestions about service improvement. The Trust has recently introduced a new Freedom to Speak Up Guardian role and a network of 10 staff Advocates across the different service lines and departments to provide additional routes for staff to raise quality or safety concerns.

5.4 Three key risks to quality and mitigating action

The three key risks to quality and the relevant mitigating action are summarised in table 3 below:

Key Risk	Mitigating action
Potential impact on effectiveness and responsiveness of patient care owing to misalignment of resources to 999 demand owing to a combination of increased high acuity demand, staffing & efficiency factors	• A&E service transformation plan: re-modelling of resources, efficiencies in planning and deployment and workforce development • Commissioner engagement on long term strategy • Lead role in ARP
Adverse impact on clinical outcomes and operational performance due to inability to deliver the A&E workforce plan.	• Implementation of new A&E clinical career structure • Additional training routes: in-house and university • Focus on reducing paramedic attrition • Ensure contract settlement which will enable delivery
Insufficient alignment and responsiveness of corporate services to operational service requirements	• VFM review of priority support services • New standard operating procedures for key areas of work • Further development of Ambulance Vehicle Preparation System • Joint business planning to promote integrated working between support and operational services. • Strengthening of management and leadership in key

Table 3 Three key risks to quality and mitigating action

5.5 Seven day services

The Trust operates a seven day service throughout the year across its service lines including 999, NHS 111 and PTS, with appropriate underpinning support services. Major Incident command structures operate at all times and on call management arrangements also reflect the 7 day working approach. The Trust is a key partner in multiple health economy transformation programmes, with a focus on delivering new, integrated ways of working across the urgent and emergency care systems in line with national strategy. As such we aim to support 7 day working initiatives across our partner organisations where it is clinically appropriate to do so.

5.6 Quality impact assessment process

The Board of Directors is actively engaged in reviewing the risks to quality, including the quality impact of cost improvement schemes and other service changes and developments. During 2017/18 – 2018/19 there will be a continued challenge to reduce costs whilst maintaining and improving quality of care. The Trust will be implementing large-scale workforce development, changes to operational workforce arrangements and the reconfiguration of its estate and fleet. As well as large scale change the Trust will be seeking efficiencies across all areas, and will include efficiencies suggested by staff and those which can be derived from the Northern Ambulance Alliance and the Tri-Service Collaboration.

During this period we will continue to assess new schemes using the existing quality impact assessment framework. We will closely monitor impact using agreed early warning indicators, ensuring continued delivery of safe care during periods of significant change.

New developments including Cost Improvement Plans (CIPs) are identified through the business planning cycle and through other Trust management processes. There are opportunities for engagement of front-line staff through face to face meetings and the Trust Bright Ideas scheme.

Project Initiation Documents are produced by lead managers. Plans are subsequently independently quality impact assessed, including review and sign off by the Executive Director of Quality, Governance and Performance Assurance and Executive Medical Director. The Quality Impact Assessments (QIAs) are reviewed by the Quality Committee and Board of Directors.

Each scheme is risk rated; key risks and mitigations are recorded in the Risk Register. Schemes are rejected where risks to quality cannot be acceptably mitigated. Risks are reviewed at departmental and corporate level through the ongoing risk management process. Quality indicators are identified in relation to each scheme and these are monitored through the IPR and focused reports, to provide assurance that there is no emerging or realised adverse impact on quality.

5.7 Triangulation of indicators

The IPR focuses on key indicators relevant to quality, workforce and finance and is supplemented by similarly constructed department dashboards. Key indicators include:

- Performance delivery against national and local targets for each service line;
- National Ambulance Clinical Quality Indicators;
- National Ambulance Clinical Performance Indicators, focused on delivery of key care bundles;
- Delayed responses and the ‘tail of performance’ to provide assurance on overall safe levels of response beyond the headline performance targets;
- Incident/near miss reports, complaints, patient survey feedback, feedback from other services;
- Safeguarding training and referral rates;
- Cleanliness and Infection Prevention and Control audits;
- Commissioning for Quality and Innovation (CQUIN) implementation;
- Support service performance including safe management of medical devices and fleet;
- Workforce staffing against plan, staff turnover, sickness, training and PDR rates; and
- Financial performance at corporate and service level including delivery of CIPs.

This information is supplemented by detailed reports containing qualitative and quantitative information on specific aspects of clinical quality, workforce and finance including a weekly triangulated report in relation to A&E Operations indicators. This approach supports an effective overview of the interplay of quality, workforce and finance issues and early identification and mitigation of risks to specific aspects of performance.

Our Executive Team reviews issues arising and implements action as required, reporting to the Board of Directors on key issues as part of the regular integrated report from the TEG. The Quality Committee supports the Board of Directors in providing an objective and independent review of quality and workforce.

The Quality Committee and Finance and Investment Committee work in liaison with the Audit Committee to provide effective scrutiny of the management of all aspects of Trust business. This is underpinned by a broad ranging Internal Audit programme.

The integrated review processes enable identification and escalation of key issues and the Committees and Board of Directors use this information to target management action and resources in order to support improvements in quality, productivity, mitigation of risk and prioritisation. This informs priorities for improvement in the Clinical Quality Strategy and annual operating plan as well as in-year response to emerging quality issues.

6. Risk

YAS Board of Directors is systematically provided with evidence-based assurance on the adequacy of our processes for managing risk. Principal risks to delivery of our strategic objectives were agreed by the Board of Directors through review and challenge in a number of Board Development Meetings. These are recorded in the Board Assurance Framework (BAF), underpinned by the Corporate Risk Register (CRR) and associated plans to monitor delivery of mitigating actions. This process and changes to the BAF and CRR are facilitated and moderated by the Risk Management team and through a cycle of reviews at Trust Executive Group, Trust Management Group and Risk and Assurance Group.

Our BAF contains a range of risks across our strategic objectives, including non-delivery of key performance targets, challenges with supply and retention of key workforce groups, our ability to remain financially resilient and deliver our strategic objectives, based on the increasingly challenging health and care system across Yorkshire and Humber.

We continue to work with system partners across all STPs and A&E Delivery Boards to consider our response to winter and broader resilience planning, however, the volume of hospital reconfigurations taking place across the whole of Yorkshire and Humber places greater pressure on YAS, as a region wide provider.

Whilst we recognise that our service transformation and improvement programmes will deliver an improvement in our efficiency and productivity, the anticipated levels of demand, as set out in our 'Approach to Activity Planning' section, coupled with an anticipated reduction in contract income, introduces a key Trust risk around our inability to deliver the required control totals, within the broader financially constrained health and care system. This risk is exacerbated if we are unable to transform our services and structures at the pace required by system partners and regulators.

We face additional challenges around:

- Ongoing market testing and tendering of PTS, which may reduce our opportunities for economies of scale and future competitiveness; we continue to develop a strong response for the South Yorkshire PTS tender, working with partners to develop a collaborative offer;
- Availability of key staff groups; there remains a national shortage of paramedics and our regional coverage creates a risk around ensuring suitable resources are located appropriately with demand; and
- Funding and investment for important schemes that support more effective patient flow, including CAS and integrating 999 and NHS 111 services.

7. Approach to Workforce Planning

Our workforce strategy is focused on the delivery of our mission, vision, values and people strategy and is integral to the development of the right culture and values. We will achieve this through our engagement with staff to deliver clinical quality and world class care for the local communities we serve, whilst remaining agile in dealing with the changing outcomes of urgent and emergency care.

Key elements of our workforce strategy include:

- Develop a clinical workforce that is decisive, flexible, reflective in practice, innovative and adaptive providing the highest levels of care to our patients that is delivered effectively, safely

and compassionately.
- Provide leadership development initiatives that will focus on people leadership capabilities and behaviours aligned with the YAS values.
- Introduce a talent management model to recognise, retain, develop and utilise our top talent.
- Grow our own talent through a systematic approach and framework that provides clarity of opportunities in terms of career pipelines and development routes for all levels of our staff enabling a competent and high performance workforce – including but not limited to identifying and utilising apprenticeship options throughout the trust.
- Develop a recruitment and retention strategy for the trust
- An Employee Well-being Strategy has been created as part of a wider commitment to provide the best possible opportunities for employees to maintain or improve their well-being.

Key actions we will take:

Workforce planning

- Create an effective, organisation-wide workforce plan with the supporting workforce planning data. Underpinning the workforce plan, robust recruitment plans will be in place including vacancy levels and future recruitment forecast trends.
- Reduce agency workers by 50% over the 2 year plan ensuring costs are reduced in line with this.
- Continue to develop our successful apprenticeship model, to meet the requirements for the new levy with the aim of ongoing development and forming part of the workforce plans.
- Review end to end recruitment process with the aim of reducing current time taken to recruit by 50%.
- Develop agreed SLAs for recruitment timescales for the recruitment team and recruiting managers.
- Reduce turnover from 12.83% to 10% by implementing a collaborative approach to the retention strategy.
- Our workforce plan will review the whole time equivalents with the aim of reducing these in non-clinical areas, and also reducing agency workers without an increase to whole time equivalents. The numbers will remain static as we plan an increase in clinical roles.

Staff Groups	Outturn 2016/17	Month ending 31-03-18	Month ending 31-03-19
Medical and Dental Staff	5	5	5
Non-Medical - Clinical Staff	3,750	4,031	4,031
Non-Medical - Non-Clinical Staff	561	532	532
Total substantive	**4,316**	**4,568**	**4,568**
Agency staff	**278**	**194**	**139**

Table 4: Workforce requirements for 2017/18 – 2018/19

Education and learning

- Restructure of education and learning to ensure that what is delivered is seen as value-adding and based on an ongoing and systematic approach to needs analysis.
- Develop a Trust wide education and learning strategy to ensure an effective governance, quality assurance and compliance alongside adding value to the organisation and ensuring our commitment to lifelong learning for all our people.

Diversity and inclusion

- Creating diversity plans and specific actions to meet our mandate of embracing diversity and promoting inclusivity. This will underpin our people strategy to ensure our workforce reflects the diverse communities we provide services for.
- The Trust is in the process of developing its first Diversity and Inclusion strategy which will include a refreshed set of equality objectives in response to our legal requirements; NHS equality standards, including staff equality networks, Workforce Race Equality Standards

(WRES) and 2016/17 action plan with emphasis on recruitment and selection, Workforce Disability Equality Standard (WDES), disability confidence scheme.
- Improving our position on workforce race equality standard and disability equality standard.

Partnership working

- Building stronger relationships with Unions and partnership working with external organisations, particularly through the STPs and A&E Delivery Boards to support the delivery of our two year operational plan and the wider health and care system.

Health and well-being

Initiatives taking place:

- Supported the introduction of over 70 Well-being Champions;
- Trialing a physical competency assessment for applicants to front-line roles;
- Incorporated mental health training into our 'Managing Essentials' programme;
- Identifying providers of MSK and back care to pilot areas of increasing absence levels;

7.3 Approaches to tackle workforce challenges

Service Area	Key challenges	Approach
A&E Operations	• Paramedics covering large regional areas • National regrading to Band 6 • Clinical hub shortages • Ongoing Transformation consultation that may impact retention	• Greater engagement with local universities for targeted recruitment • New Collaborative working groups • Joint working with NHS 111 • Working with other services to introduce Rotational Nurses to mitigate shortages and reduce the need for Agency Usage • Transformation program to deliver a sustainable A&E delivery model that will meet the minimum quality and performance standards (aligned to Commissioner Intentions) and provide a platform for the Trust to achieve its strategic aims, providing innovation of care for patients and commissioners.
NHS 111	• National Shortage of Clinicians • High levels of turnover • High levels of agency spend • NHS Pathways training	• YAS is an Early Adopter site for national NHSE/HEE career framework for Integrated Urgent Care (IUC) • Involvement in the national Workforce Development programme for IUC phase two by NHSE • Launch of Homeworking for clinicians following a successful pilot • Partnering with other Ambulance Services and RCN to attract and better utilise clinicians • Recruitment of other clinical specialist roles i.e. pharmacists / mental health in line with the CAS development • Work being undertaken in management & leadership training including call centre management • The Trust will implement a central booking team to better control agency spend, ensuring effective use of employees requiring light duties and alternatives to agency recruitment.

Service Area	Key challenges	Approach
PTS	• Loss of Hull PTS contract • Agenda for Change makes it difficult to compete	• TUPE implications will lead to reduction of staff across PTS service (approx. 90 maximum) from 1st April 2017. • Consideration of redeployment options for staff not subject to TUPE. • Workforce planning to ensure a quality and efficient service in place to reduce costs in future tender options. • Ongoing review and negotiation of all contracts currently in place • Moving away from traditional transport models, create innovative thinking for future options and diversification of service delivery
Support Services	• Government initiative to move to shared service models • New skillsets needed for changing technology	• Look at relationship and potential opportunities with the Northern Ambulance Alliance • Development of a robust upskilling training program

Table 5: Approach to tackle workforce challenges

8. Approach to Financial Planning

8.1 Our Financial Strategy

YAS's financial strategy is to deliver the best possible clinical services and patient outcomes within financial resources available.

We recognise that the current and foreseeable economic outlook presents significant financial challenges to both the Trust and the health and social care economy as a whole. Our financial strategy is focused on maintaining financial resilience in a tough economic environment, providing us with the ability to withstand the pressures and risks faced due to factors such as growing demand, reducing public sector finances and increased competition, whilst delivering improved patient outcomes.

In summary our financial strategy includes:

- Generating sufficient cash to invest in improving clinical services and systems to deliver improvements in patient outcomes, operational performance and governance.
- Delivering operational efficiencies and quality / cost improvements that support the financial sustainability of the Trust and wider health care system as outlined in the STPs, through service redesign and eliminating waste. For example identifying opportunities for savings through the Northern Ambulance Alliance, Tri-Service Collaboration, Lord Carter productivity work programme, implementation of agency controls, tightly controlled procurement practices, all whilst ensuring ongoing delivery of safe, effective patient care.
- Identifying alternative sources of funds to support delivery of new models of care, service improvements and developments. This includes the Trust being a key leader in the STP's, Vanguard Programme and West Yorkshire Accelerator Zone for delivering Urgent and Emergency Care.

The Trust has delivered its statutory financial targets in each of the last three years. YAS achieved a surplus of £2.9m in 2014/15 in line with our plans and delivered a surplus of £2.4m in 2015/16 in line with the stretch target set by NHS Trust Development Authority (Trust original plan – circa £1.2m surplus). The Trust is also forecasting achievement of a surplus position in 2016/17.

From reviewing our strategy we have identified the important role the service provides in supporting the wider Quality, Innovation, Productivity and Prevention (QIPP) agenda within the STP's by ensuring patients are managed in the most appropriate setting. This is at the heart of our investment philosophy, specifically in developments such as being an integral part of the WYUECN (West Yorkshire Urgent & Emergency care Network) Vanguard Programme.

Our financial plan is based on prudent inflation and activity assumptions for both income and expenditure aligned to national guidance. With the continuing pressure in the health and social care economy, our focus is on reducing our cost base and increasing efficiencies to maintain financial balance.

8.2 Our Financial Plan – Financial Forecasts

Our 2017/18 – 2018/19 financial plan has been developed through a process of engagement with key internal and external stakeholders, review of the national planning guidance from NHS Improvement and NHS England, review of our historical performance and the impact of future service developments and cost pressures (national and local). The development of the financial plan has been considered alongside the triangulation of workforce plans, activity and finances to ensure our operational plans are internally consistent.

Below we have set out a high level summary of the financial forecast for income and expenditure, along with a narrative which explains the key movements that bridge between the forecast outturn position for 2016/17 to the 2017/18 and 2018/19 financial plan and the key assumptions that underpin this.

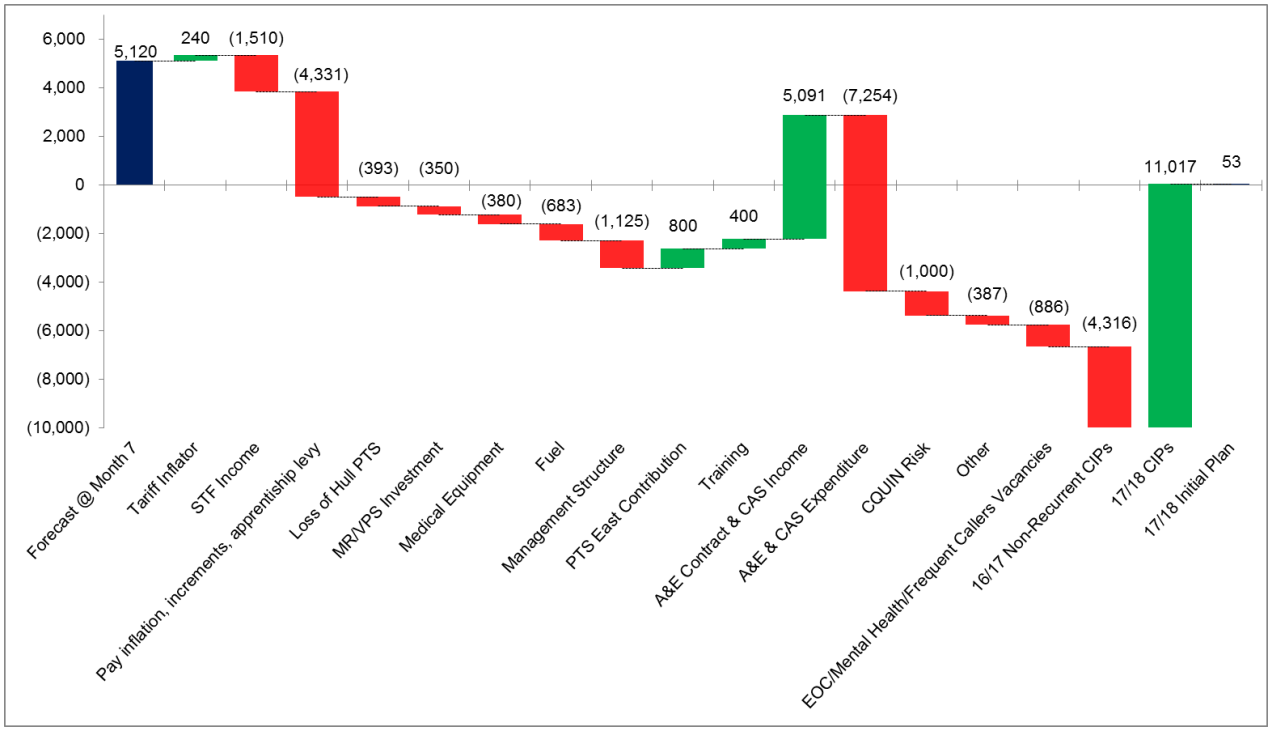

Figure 6: 2016/17 Forecast Outturn to 2017/18 Draft Plan

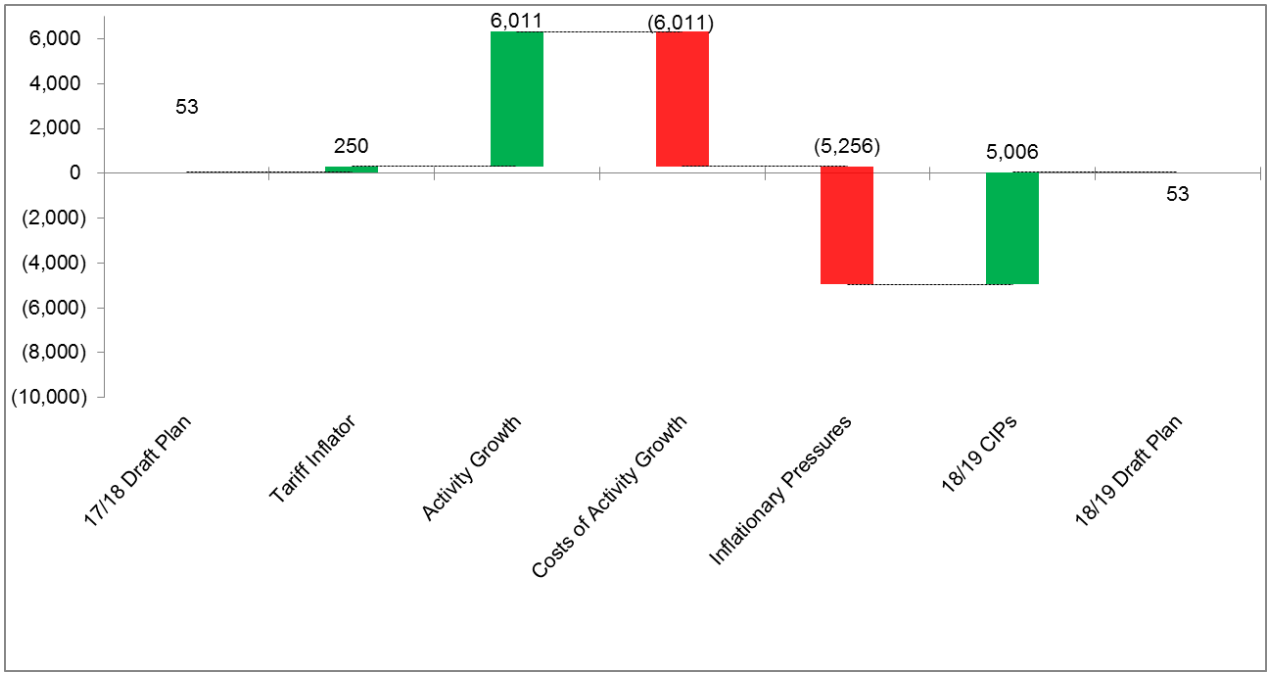

Figure 7: 2017/18 Draft Plan to 2018/19 Draft Plan

Overall the 2017/18 – 2018/19 draft financial plan results in a c. £53k planned surplus. The key assumptions impacting on this are shown in the bridge chart above and explained in the narrative below. This does not achieve the £5.1m control total requested by NHS Improvement as this would seriously jeopardise the delivery of our operational plan which is to deliver sustainable performance and improve our internal quality challenges as reinforced by a 2015 CQC report (overall position requires improvement).

The key movements and assumptions included in the financial forecast are:

- A tariff inflator of 0.1% on contracted income has been assumed in line with the national planning guidance.
- STF funding of £1.52m has not been assumed within the financial plan as the Trust's plan does not deliver the control total.
- Inflationary pressures have been assumed in line with the national planning guidance. This includes the impact of the pay award, increments, apprenticeship levy and other pay movements resulting in a cost pressure to the Trust of c. £4.3m in 17/18.
- The Trust has recently been informed of the loss of the Hull PTS contract to another provider. This contract currently contributes £0.4m to the Trust's surplus position and therefore represents a cost pressure to the organisation in 17/18. This also assumes full cost recovery (including overheads).
- An investment of c.£0.4m in implementing Make Ready/Vehicle Preparation System in a number of stations in order to support an improvement in quality and patient care (e.g. vehicle cleanliness as highlighted in previous CQC report) along with improved performance against national standards.
- £0.4m expenditure on essential replacement of medical equipment including taking account of any changes in clinical practice.
- £0.7m fuel cost pressure due to increasing fuel prices since the beginning of 2016/17 and increased volumes due to a rise in demand.
- £1.1m Management Structure. This mainly represents the investment in the A&E management structure (£0.8m) that is required to provide the necessary clinical leadership, development and management support to front line staff as outlined in the Trust's A&E transformation plan.

- £0.8m represents the lost contribution on the PTS East contract which the Trust has assumed will be recovered in 17/18.
- An increase in baseline 999 contracted income of c. £5m in 17/18 is aligned to the latest verbal offer from Commissioners of a 999 contract value of £186m, along with £2m funding for the Clinical Advisory Service. Please note these are yet to be agreed with Commissioners and contract negotiations are ongoing. Expenditure of £7.2m offsets this additional income with the gap in income (c.£2m) funded through an increase in Quality & Efficiency/CIP savings requirement and reduction in reserves.
- A CQUIN risk of £1m is currently included within the draft plan. This is a result of the national CQUINs now being confirmed for the Ambulance service which include a reduction in non-conveyance rates and achievement of the 16/17 control total and therefore present a significant financial risk for the Trust.
- Other includes £0.4m capital charges (depreciation) increase in line with capital plan.
- £0.8m expenditure relating to vacancies in our Emergency Operations Centre which are required to support delivery of performance standards and the development of integrated urgent and emergency care linked to the Vanguard programme.
- £4.3m of Quality & Efficiency/CIP savings which were delivered non-recurrently in 16/17 have been added back to budget including:
    - £2m A&E reduced budget allowance
    - £0.4m relating to NHS 111 as the service is currently not delivering contract or national performance requirements;
    - £0.8m non-recurrent Fleet Insurance rebate;
- Quality and Efficiency/CIP Savings of £11m is included within the financial plan for 17/18 (further detail outlined below). Please note in addition to this is the cost saving challenge of £0.5m relating to the loss of the Hull contract.
- Please note that 18/19 financial plan is based on national planning assumptions and requires further work identify any further local cost pressures or CIPs.

8.3 Key Financial Performance Metrics

Key metrics	2015/16 £000	2016/17 M7 Forecast £000	2017/18 £000	2018/19 £000
Income	245,310	253,801	258,253	264,514
Expenditure	(231,981)	(246,439)	(255,900)	(262,161)
EBITDA	13,329	16,541	11,708	11,708
Net Surplus *	2,445	5,120	53	53
Cash at bank	21,469	16,600	13,352	10,978
CIPs	7,427	8,234	11,018	5,006

Table 6: Key Financial Performance Metrics
** This is before capital to revenue transfer impact and impairments*

8.4 Our Quality and Efficiency Savings Programme

Our Quality and Efficiency Savings Programme (Cost Improvement Programme – CIP) will assist us with the financial resilience to mitigate against our key risks and support delivery of service

redesign to the benefit of our patients. As noted previously the quality and efficiency programme is focused on delivering operational efficiencies and quality improvements that support the financial and clinical sustainability of the Trust and wider health care system. These will be delivered through service redesign, eliminating waste, identifying opportunities for savings through the Northern Ambulance Alliance and Lord Carter productivity work programme, implementation of agency controls, implementation of improved requisition and purchase to pay and enhanced procurement practices, all whilst always ensuring ongoing delivery of safe, effective patient care.

We have delivered year-on-year efficiency savings and have improved our performance in achieving target savings in recent years. We have in place a robust Quality & Efficiency Savings governance model supported by external benchmarking and specialist reviews. This enables us to identify savings, assess the impact on quality and monitor achievement on a regular basis.

Our Quality & Efficiency savings programme will be underpinned by a project plan and quality impact assessment and is summarised in table 7 below.

Quality & Efficiency Savings Programme Summary	2017/18 £000	2018/19 £000
A&E Transformation Programme	6,267	TBC
PTS Transformation Programme	1,284	
Fleet, Estates and Procurement	2,091	
Support services savings	1,254	
Other schemes	122	
Total Quality & efficiency Savings Programme	**11,017**	**5,006**

Table 7: Quality & Efficiency Savings Programme Summary

Our main Quality and Efficiency Programme schemes are detailed below:

A&E Transformation – Aligned to the A&E Transformation Programme these schemes are focused on reducing costs through the implementation of a new workforce plan, reducing private provider provision and overtime, enforcement of tightly controlled processes, and changes to systems in order to deliver savings.

PTS Transformation – Key schemes include the implementation of a new more efficient and effective workforce model and management restructure.

Fleet, Estates and Support Services –These schemes involve savings from investing in a modern fleet and estate along with improved facilities and vehicle management (the latter for example this will support reduced vehicle accidents and therefore lower insurance costs). This programme of work also includes adopting tightly controlled procurement practices to drive down prices using national benchmarking and competitive tendering and implementation of agency price controls. This will also include opportunities identified through the Northern Ambulance Alliance and Tri-Service Collaboration.

8.5 Agency Rules

The Trust will continue to make effective use of the national agency rules to drive down agency and overall pay costs for the organisation. This includes implementing tighter governance and employee checks; improving recruitment planning and implementation of substantive structures which are sustainable and rely less on agency staff.

8.6 Our Capital Plans

Our Capital plans reflect our service and clinical strategies aligned to our enabling strategies for ICT, Estates and Fleet. Our Capital plans include expenditure on maintenance programmes covering the essential elements of capital expenditure on compliance and regulation to ensure current vehicle fleet, ICT and facilities are sustained together with investment associated with prioritised service developments. Our financing arrangements assume that the planned capital

programme will be funded internally through depreciation, working capital balances (cash reserves) and operating surpluses generated.

The capital plans/bids have been prioritised and assessment by a multidisciplinary panel including clinicians and subject matter experts to ensure only essential capital programmes are taken forward given the constrained level of capital resource nationally.

The most significant parts of the capital plan relate to:

- Replacement of vehicles and associated medical equipment.
- Supporting statutory and mandatory compliance on Estates
- Supporting priority ICT developments and maintaining.
- Completion of a new hub station at Doncaster

A high level summary of the capital plan is shown in table 8 below:

Capital Programme	2017/18 £000	2018/19 £000
Replacement Programme		
Fleet & HART	5,021	5,021
Medical Equipment	1,182	1,182
ICT	1,502	1,502
Estates	690	827
Sub Total	**8,395**	**8,532**
* Service Development – H&S, VPS/MR	*3,480	*2,233
* Other Schemes	*1,357	-
Total CAPEX	**13,232**	**10,765**

Capital Schemes – Funding	2017/18 £000	2018/19 £000
Depreciation	9,355	9,355
Loan Repayment	(823)	(823)
Replacement Funding	**8,532**	**8,532**
* Disposals	*1,050	*730
* Operating Surplus/Cash Reserves b/f year	*2,100	*1,450
* Operating Surplus/Cash Reserves in year	*1,550	*53
Total Plan	**13,232**	**10,765**

Table 8: Capital Programme and Scheme Funding
** Subject to funding/agreement by NHS Improvement in line with national planning guidance and 16/17 and 17/18 financial performance*

8.7 Key Financial Risks/Sensitivity Analysis

Our plans are based on a number of assumptions and, therefore, there are a number of financial risks to the delivery of our strategy. This includes testing the accuracy of our assumptions over the life of the plan. We have modelled a series of sensitivities that are linked to our key business risks and have assessed their impact on our future plans.

A high-level summary of the key financial risks is provided in table 9 below:

Risk	Value	Description
Control Total	£3.7m	The Trust has been set a control total of £5.1m surplus by NHS Improvement, however the current financial plan is based on a break even position. This is a difference of £3.7m excluding STF income.
Contract Penalties	£1.5m	Failure to meet our contractual performance requirements could result in commissioners imposing financial penalties on the Trust.
CIPs under-achievement	£2m	This represents the risk of non-delivery of the Q&E/CIP savings programme aligned to those schemes assessed as high risk.
CQUINs under-achievement	£1-£4m	There is ongoing engagement in the development of CQUIN schemes to ensure that they are deliverable, however historically the Trust has not achieved 100% of its CQUINs target. The risk is further heightened due to the national CQUINs on achievement of control total and reduction in ambulance conveyance.
Contractual Income	£6m (999)	Contracts have yet to be agreed for all three main service areas of A&E/999, NHS 111 and PTS. Therefore there is a risk if income received is less than that currently planned for; especially in terms of the main 999 contract (assumption included in the plan is based on the latest verbal offer from Commissioners of £186m versus formal offer of £180m).
PTS Contract Loss	£3.5m	The assumption in the plan is that the Trust can save all the costs (including overheads) relating to the loss of the Hull PTS contract. Therefore there is a risk of achieving these savings along with potential redundancy costs. This also impacts on the East Riding part of the contract In addition the PTS South contract is currently being tendered and is currently assumed to be retained within the plan submitted.
Paramedics Re-banding	TBC	The Trust has yet to be informed by NHS Improvement of the funding regarding the re-banding of Paramedics from Band 5 – Band 6. In the plan the Trust has currently assumed full funding will be provided including for those Paramedics that have already moved to Band 6 under local arrangements.
Fuel Inflation	£0.5-£1m	Fuel expenditure included in the plan is based on current fuel prices. However if fuel price inflation was to increase further this would represent a cost pressure to the Trust (e.g. 5% is c. £0.5m pressure).
Other Pressures	TBC	Other pressures include any potential costs associated with Hillsborough, Q&E/CIP savings under delivery, potential redundancy costs and **overtime rates being included in (c.£0.8m) holiday pay.**
Capital Funding	c.£5m	Within the planning guidance the use of the financial surplus/cash reserves or disposals may be at risk. Therefore there is a risk c.£4.7m of funding assumed may not be available to the Trust to fund the capital programme.

Table 9: Key Financial Risks
*** The only risk included in the financial plan relates to £1m for CQUINs**

9. Membership and Elections

YAS' membership and their representatives on the YAS Forum support the Trust to achieve the best possible outcomes for patients, the public and the communities in which we live by actively engaging with the public and feeding back their views to the Board of Directors to inform the Trust's priorities and plans.

We currently have almost 12,000 members representing our staff and the communities we serve across Yorkshire and the Humber, together with a number of appointed representatives from across our large stakeholder base. This is an active and participative membership who joins in public health and other engagement activities across the region. For example, YAS 'Community Roadshows' which aim to raise public awareness about access to health services as well as a wealth of information about career and volunteering opportunities in YAS. Our members also support 'Restart a Heart' - a YAS-led initiative where, in October 2016 nationally, over 150,000 school children were trained in cardio-pulmonary resuscitation (CPR).

YAS Forum is accountable to the membership which elected it and reports to the Board of Directors through the Trust Chairman who also chairs the Forum. The Forum assists the Board by:

- Providing a strong public and community voice to shape strategies, plans and programmes of change;
- Informing and supporting development of the wider engagement and corporate social responsibility strategies of the Trust; and
- Informing the strategic priorities for the organisation.