

HSC FINANCE SCRUTINY QUESTIONS

- 1. Please summarise the Trust's 2017/18 financial plan – i.e. your start position, agreed control total, key elements of the plan including STF (sustainability and transformation funding).**
 - The Trust's Financial Plan for 2017/18 is to deliver a break-even position
 - The Trust has not agreed a control total for 2017/18
 - The Trust is not in receipt of any Sustainability & Transformation Funding for 2017/18

- 2. Please set out your current 2017/18 forecast outturn position and key risks to delivery.**
 - The Trust's forecast outturn position for 2017/18 is a break-even position
 - There are a number of risks to delivery of the break-even forecast financial outturn position including:
 - The successful implementation of the Ambulance Response Programme (ARP)
 - The delivery of the Trust's Cost Improvement Programmes (CIPs)
 - Increased growth in activity, hospital handover delays and 111 referrals
 - Increases in acuity of patients, which require more resources
 - Paramedic recruitment and training programme
 - Volatility of Patient Transport Services contracts
 - Delivery of all CQUIN schemes
 - Underlying capacity issues which are being examined by and Independent Service Review, commissioned by NHS England and NHS Improvement [see note at end]

- 3. Please identify any significant commissioning / contractual issues not yet reflected into the 2017/18 plan (i.e. differences between commissioner and provider positions)**
 - There are no material commissioning / contractual issues that have not been reflected in the 2017/18 plan

- 4. Please summarise your 2017/18 savings plans, current progress and expected impacts / key risks.**
 - The Trust has the following Cost Improvement Programmes (CIP) in 2017/18. These CIPs total £6.2m and equate to c2.4% of the Trust's total 2017/18 expenditure budget.
 - Improved use of operational resources
 - Sickness reduction
 - Reduced use of external driver training providers
 - Reduction in discretionary Non-Pay expenditure
 - More efficient and effective use of Occupational Health services

- Fleet projects (including maintenance cost reduction)
- Improving Patient Transport Services productivity
- Recruitment pipeline timing and planning
- Reduced apprenticeship levy
- Supplies projects, to deliver greater efficiencies through the supply chain
- Fuel price savings
- The Trust has achieved its CIP targets for the first half of the 2017/18 financial year.

5. Please summarise CQUINs that apply to your organisation in 2017/18, financial value and expected outturn position

- The following CQUIN schemes apply to the Trust in 2017/18:
 - Hear & treat (total value - £2.0m) – aimed at increasing Hear & Treat rates through the establishment of a Clinical Hub
 - Leadership development programme (total value - £0.2m) – implementing programmes to support the development of staff following feedback from the Trust’s Cultural Audit
 - Flu jab (total value - £0.2m) – aimed at improving the uptake of flu vaccinations for Trust staff
 - Emergency department avoidance - help me choose (total value - £0.5m) – aimed at identifying and promoting the use of alternative pathways in the community
 - STP engagement (total value - £1.0m) – providing suitable Trust representation at STP meetings across the region
 - Risk reserve (total value - £1.0m) – potentially available to Trusts that agree to their control total and therefore does not apply to the Trust
- The total value of the Trust’s 2017/18 CQUIN schemes is £4.9m.
- The Trust has successfully achieved all CQUIN targets in the first half of the 2017/18 financial year and has therefore accessed 100% of the available funding.
- The Trust’s 2017/18 outturn position is to receive all CQUIN income.

6. Please set out the longer term financial outlook for your organisation and summarise the key elements of your longer term financial sustainability plan

- The Trust produces a Long Term Financial Model (LTFM) on an annual basis in order to ensure that the long term financial outlook of the Trust is sustainable.
- The LTFM includes several scenarios testing a variety of assumptions relating to income and cost changes over a number of years.
- NHS Improvement and NHS England have jointly commissioned an Independent Service Review (ISR) tasked at identifying the resourcing levels required in order to deliver the new national standards under the Ambulance Response Programme. The outcomes of this review are expected to form the basis of negotiations for the 2018/19 contract and

beyond. This will also help determine the longer term financial outlook of the Trust whilst ensuring that the required national standards are met.

7. How has the Trust reviewed its effectiveness and value for money in delivering service outcomes?

- The Trust uses a number of indicators to review its effectiveness in providing value for money and in delivering service outcomes.
- The overall operational performance of the Trust is measured against the national standards implemented as part of the Ambulance Response Programme.
- A number of benchmarking exercises are being carried out by NHS Improvement under the Ambulance Improvement Programme which will assist in identifying where the Trust can make further improvements.
- Initial diagnostics from this review indicate we have one of the lowest costs for senior management and support services and we have already achieved the Carter target for these areas.
- The Trust is also taking an active role in participating in a national exercise to develop journey (i.e. patient) level costings.
- NHS Improvement has recently improved the Trust's rating under their Single Oversight Framework from level 3 to level 2.
- For 2016/17 the Trust's External Auditors issued a 'clean' opinion on the arrangements the Trust has in place to secure economy, efficiency and effectiveness in its use of resources.

8. How is your organisation working in partnership to deliver improved system-wide sustainability?

- The Trust operates across six STPs and is therefore uniquely positioned in order to be able to identify potential system-wide sustainably improvements across the region and not just at a STP level.
- Operational management has been realigned to ensure that it is able to respond to the requirements of individual STPs whilst ensuring a consistent oversight is maintained across the Trust.
- The Trust regularly attends STP meetings and engagement forms part of the Trust's 2017/18 CQUIN objectives.
- The Trust operates a number of multi-disciplinary schemes aimed at ensuring that patients receive the care they need in the most appropriate manner. Examples include:
 - a Mental Health Street Triage (Beds & Luton) scheme which includes paramedics, mental health professionals and police officers operating from the same resource to respond to patients in crisis;
 - early intervention vehicles in East and North Herts which provides an immediate response, via carefully triaged 999 calls, to residents aged over 65. The primary role of the team is to provide holistic assessment and reduce hospital admissions, helping older people stay independent and living at home. The service is a partnership between the ambulance service and Herts County Council.

The Independent Service Review (ISR)

- Following the contracting round for 2017/18, NHS England and NHS Improvement agreed to commission the ISR to understand what staffing EEAST needs to meet patient demand
- This review is looking at four elements: the cost of the service; the efficiency of the service; the right contracting model; and the appropriate staffing levels
- The review is expected in the coming week and a verbal update will be provided at the December committee meeting
- NHSI, NHSE, CCGs and EEAST are all fully involved in the steering group
- The outcomes of the review will then form part of the contracting discussions for 2018/19 onwards.