

## **Independent Service Review of EEAST 999 Services – Final Report**

### **Introduction**

NHS England (NHSE) and NHS Improvement (NHSI) jointly commissioned an independent service review as part of the 2017/18 mediation settlement for the EEAST 999 service Contract.

Undertaken by Deloitte LLP and ORH Limited with input and final sign off from a Project Steering Group comprising representatives from NHSE, NHSI, EEAST and Commissioners, the aim of the review was to understand the operational and financial change required to meet national performance standards and to develop a contracting framework to sustainably fund the services. The review is intended to assist the local health economy in delivering an improved service for patients in the East of England.

The review followed the introduction of the National Ambulance Response Programme (ARP), which set out new constitutional performance standards for ambulance providers. At EEAST, the two-year transition to this model began in October 2017. The ARP aims for the most appropriate resource to be sent to patients the first time, by allowing call handlers additional time to identify a patient's needs.

The current Consortium arrangements for the EEAST 999 service contract involve 19 CCGs jointly commissioning the service with Suffolk CCGs as the lead commissioner. To ensure local needs are reviewed and services are adapted for patients in each area, there are four localities. These localities (Essex; Bedfordshire & Hertfordshire; Norfolk & Waveney; and Suffolk & Cambs) will align to the new system-wide Sustainability and Transformation Partnership footprints – of which there are six – to ensure the Contract remains flexible to local patient needs and care pathway planning.

The full report can be found here:

<http://www.eastamb.nhs.uk/EEAST-ISR-Report-March-2018.pdf>

### **Purpose of this document**

For CCG governing bodies' information only, sharing the main outcomes of the review, including the agreed split of contract shares between Consortium CCGs.

### **Main findings**

The review found that EEAST requires more investment in the core service to increase its staffing and capacity to improve the service and meet the requirements of ARP.

The estimated core service cost requirements are c£225m for 2018/19 and dependent on activity projections, up to c£240m for 2019/20 respectively. This is anticipated to cover the full year costs of additional staffing but excludes paramedic re-banding costs which were out of scope of the review. Increased capacity estimates are for circa 330 new WTEs in post and an extra 160 Double Staffed Ambulances (DSAs) on the road. The modelling in the report shows that the ambulance service is predicted to see improved response time performance for the sickest patients, particularly in the least densely populated areas of east of England such as Norfolk and Suffolk (see page 75 and 76 of the report).

Item 18.43c

The review provides for a 3 year workforce plan which is expected to deliver an additional 330 FTE, in addition to normal workforce planning requirements. While Ambulance Trusts are expected to transition to a BSc Programme (4 year), Health Education England have agreed to support a continuation of the EEAST 3 Year Student Paramedic Programme.. Hence, Student Paramedics recruited in Year 1 would be expected to qualify at the end of Year 3 while those recruited in Year 3 are expected to qualify in Year 5.

The frontloading of the workforce plan in Year 1, together with the continuation of PAS and overtime capacity to cover educational abstraction, is expected to enable EEAST to deliver ARP standards in aggregate across the consortium from Q1 2019/20. These estimates were based on a detailed set of assumptions that were agreed by the Project Steering Group as part of the review. These assumptions are set out in the report, and changes to these assumptions would affect the overall estimates.

The review reflects discussions in the Project Steering Group, which resulted in their recommendation that a six-year service contract be agreed from 2018/19 to provide stability and certainty to EEAST, with two year intervals to review key aspects of the contract around quality and performance. To allow key risks to be managed by both parties, the review sets out contract levers around activity, performance, and accounting for handover delays at hospitals. These levers were developed collaboratively and agreed with the Project Steering Group and will be applied from 2019/20 to allow for a transition year whilst EEAST build up their capacity.

The review was used as the basis of discussions on contract funding between EEAST and Commissioners for the 999 contract. Based on these discussions, the contract funding for 2017/18, 2018/19 and 2019/20 is estimated by EEAST and Commissioners as follows:

	2017/18 to 2018/19	2018/19 to 2019/20
Financial Summary	£m	£m
Core Services	213.5	225.0
Paramedic Rebanding (CCG Allocation 17/18 to 18/19)	2.6	1.6
Non-Core Services	8.9	8.9
CQUIN	4.9	5.4
<b>Total</b>	<b>229.8</b>	<b>240.8</b>

The contract funding splits for the above, and estimated contract values for 2018/19 onwards, were agreed based on a vote by Consortium Accountable Officers on behalf of their CCGs. It was carried by a 73% majority. It means contract allocations are based on individual CCG estimated activity levels, at standard HRG costs and adjusted by the (average) length of job cycle times for responses. Contract shares will be reviewed again at the proposed two-year contract interval points.

Item 18.43c

Sustainability and Transformation Partnership Level Contract Shares under the agreed option are as follows, subject to agreement of phasing arrangements:

Core Contract Shares	2017/18		2018/19	
STP	Contract Shares %	Core Contract Value £m	Contract Shares %	Core Contract Value £m
Cambs & Peterborough	14.3%	30.5	14.6%	32.8
Herts & West Essex	20.8%	44.4	21.3%	47.9
Mid & South East Essex	19.1%	40.8	19.1%	43.0
Beds & Luton	9.5%	20.3	9.1%	20.5
Norfolk & Waveney	20.4%	43.6	19.8%	44.4
Suffolk & North Essex	15.9%	33.9	16.1%	36.3
<b>Total</b>	<b>100%</b>	<b>213.5</b>	<b>100%</b>	<b>225</b>

## Performance

The regional aggregate improvement in Category 1 Mean time of Response is forecast as follows:

Quarter	17/18	Q1 18/19	Q2 18/19	Q3 18/19	Q4 18/19	Q1 19/20	Q2 19/20	Q3 19/20	Q4 19/20
FTEs in Post	2,785	2,930	2,973	3,060	3,033	3,066	3,146	3,166	3,118
Category 1 Mean Time (7 min target)	08:25	08:11	08:05	08:06	07:37	06:58	06:58	06:57	07:00

The review sets out three core levers, which will be adopted in the contract:

- Activity – marginal rate adjustments at 80% of HRG cost for activity variations above or below plan;
- Handover delays – lost hours not exceeding forecast assumptions;
- Performance – Quarterly Cat 1 mean forecast times to be met.

Handover delays and performance trajectories not being on forecast in any given year will result in a change to the following year's contract value, based on a sliding scale. These levers operate at a trust-wide level in line with the review recommendations.

Activity variations are to be settled on an agreed Indicative Activity Plan that is based on demand estimates provided by commissioners during the review workshops. There are principally three HRG currencies: for Calls, Hear & Treat and 'See' response volumes. This lever will be applied at a CCG level from 2019/20 onwards.

## Key opportunities

- Regional aggregate response times are estimated to improve from the outset as ARP continues to become normal practice.

#### Item 18.43c

- The framework is designed for there to be benefits for frontline staff, and thus support workforce retention. For example, a greater proportion of frontline staff taking their meal break and finishing on time.
- The framework is designed for **EEAST to** become operationally and financially sustainable, whilst meeting national performance standards and supporting the wider system.
- The framework is designed for **Commissioners** to have greater certainty around their expenditure and service performance.

#### Key risks

- Workforce recruitment and retention and key rostering changes are key performance drivers – these dependencies were recognized by the Project Steering Group as the highest risk elements if not implemented as forecast;
- Rising handover delays will denude Dual Staffed Ambulance capacity on the road and this has high impact on high acuity response times;
- Rising demand above forecasted levels of activity could impact on performance, especially where higher acuity demand continues to rise.
- Reductions in activity will reduce EEAST expected income in 2019/2020, requiring a reduction in the workforce plan to remain within the available cost envelope.

#### Actions and next steps

- EEAST and lead commissioner to organise quarterly briefing for east of England MPs on progress with the implementation of the associated EEAST Transformation Programme.
- EEAST to produce monthly progress update report for CCGs.
- Commissioners to join the EEAST Transformation Programme Board to ensure transparency of progress, risks and opportunities.

## Item 18.43c

## CCG Funding 2018/19

STP	CCG	Contract Value18/19	<i>Memo: Para Rebanding; extra in-year payment</i>	2018/19 Contract Splits	Core Service Costs
BL	NHS Bedfordshire	£ 13,986,768	£92,000	5.85%	£13,151,474
BL	NHS Luton	£ 7,864,802	£55,000	3.29%	£7,395,113
<b>BL Total</b>		£ 21,851,571	£147,000	9.13%	£20,546,587
CP	NHS Cambridgeshire and Peterborough	£ 34,844,492	£223,000	14.56%	£32,763,567
<b>CP Total</b>		£ 34,844,492	£223,000	14.56%	£32,763,567
HWE	NHS East and North Hertfordshire	£ 20,038,553	£128,000	8.37%	£18,841,844
HWE	NHS Herts Valleys	£ 18,932,495	£119,000	7.91%	£17,801,840
HWE	NHS West Essex	£ 11,989,518	£76,000	5.01%	£11,273,500
<b>HWE Total</b>		£ 50,960,566	£323,000	21.30%	£47,917,184
NW	NHS Great Yarmouth and Waveney	£ 11,528,142	£83,000	4.82%	£10,839,678
NW	NHS North Norfolk	£ 8,007,630	£49,000	3.35%	£7,529,412
NW	NHS Norwich	£ 9,523,194	£65,000	3.98%	£8,954,465
NW	NHS South Norfolk	£ 9,753,214	£63,000	4.08%	£9,170,748
NW	NHS West Norfolk	£ 8,456,926	£58,000	3.53%	£7,951,875
<b>NW Total</b>		£ 47,269,106	£318,000	19.75%	£44,446,179
SME	NHS Basildon and Brentwood	£ 10,001,750	£64,000	4.18%	£9,404,442
SME	NHS Castle Point and Rochford	£ 6,719,610	£42,000	2.81%	£6,318,313
SME	NHS Mid Essex	£ 14,788,253	£99,000	6.18%	£13,905,094
SME	NHS Southend	£ 8,478,497	£56,000	3.54%	£7,972,158
SME	NHS Thurrock	£ 5,743,657	£35,000	2.40%	£5,400,644
<b>SME Total</b>		£ 45,731,767	£296,000	19.11%	£43,000,650
SNEE	NHS Ipswich and East Suffolk	£ 15,007,658	£94,000	6.27%	£14,111,396
SNEE	NHS North East Essex	£ 14,527,783	£94,000	6.07%	£13,660,179
SNEE	NHS West Suffolk	£ 9,097,568	£58,000	3.80%	£8,554,258
<b>SNEE Total</b>		£ 38,633,010	£246,000	16.14%	£36,325,833
<b>TOTAL</b>		£ 239,290,511	£1,553,000	100.00%	£225,000,000