National Audit Office

National Audit Office value for money study on NHS ambulance services

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Introduction (1)

Some key facts on the financial environment

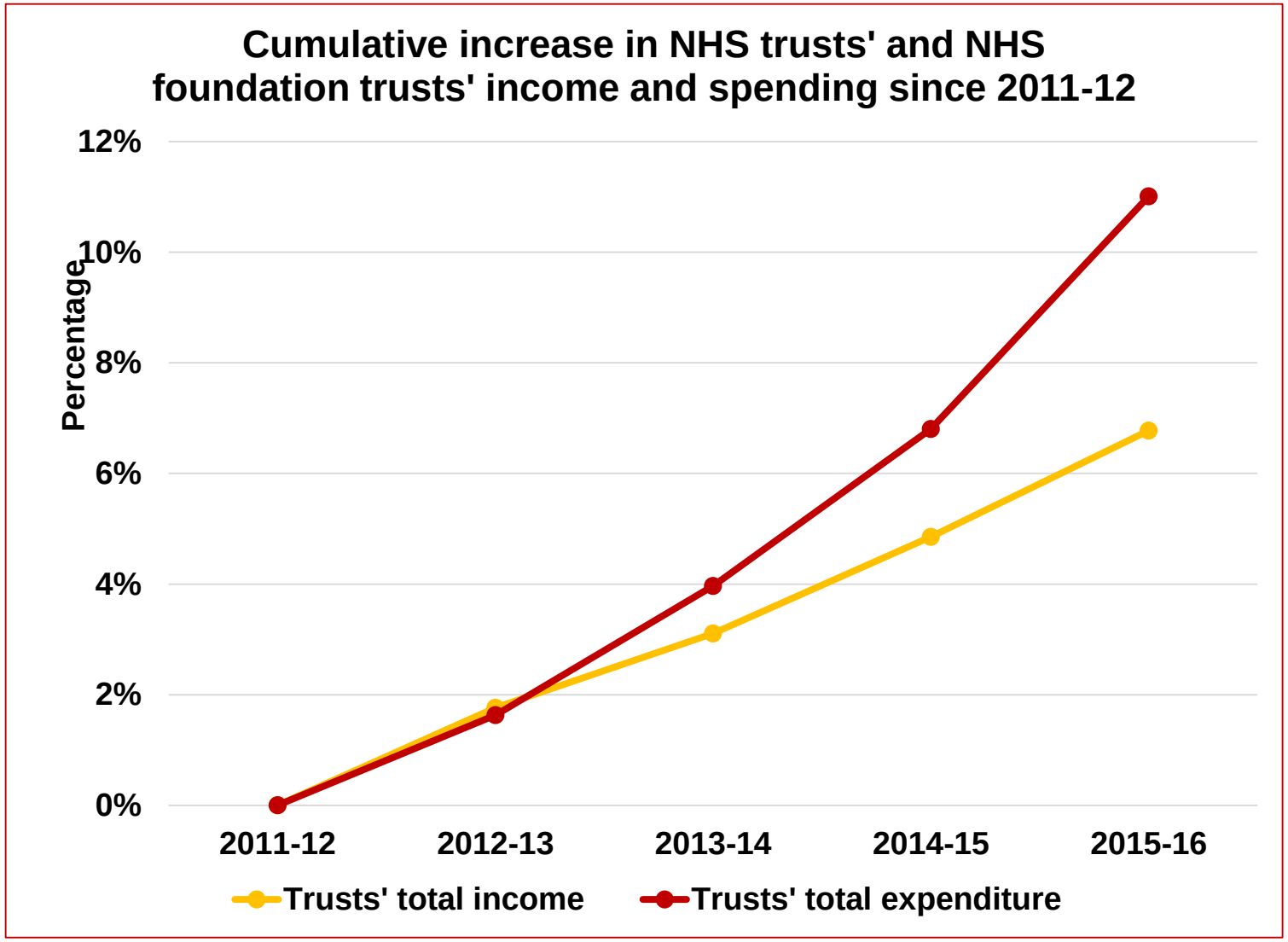
NHS	**£1.85bn** net deficit of NHS bodies (NHS England, clinical commissioning groups, NHS trusts and NHS foundation trusts) overall in 2015-16	**£2.45bn** net deficit of NHS trusts and NHS foundation trusts in 2015-16	**66%** percentage of NHS trusts and NHS foundation trusts (156 out of 238) in deficit in 2015-16		**£648m** Deficit (after STF) across all providers at 30 September 2016	**142 of 238** Providers in deficit at 30 September 2016
Ambulance trusts	**£12 million** Deficit across the English ambulance trusts in 2015-16	**0.6%** Deficit as a percentage of the total ambulance budget	**4 of 10** Ambulance trusts in deficit for the year 2015-16		**£17m** Deficit across all ambulance trusts at 30 September 2016	**6 of 10** Ambulance trusts in deficit at 30 September 2016

Other pressures

- The Five Year Forward View identifies a funding gap that, without action, will be worth £30bn by 2020-21
- Local authority spending on adult social care fell by 10% in real terms between 2009-10 and 2014-15
- The increased gap between availability and demand for adult social care will increase pressure on hospitals, but this has not been factored into sustainability plans

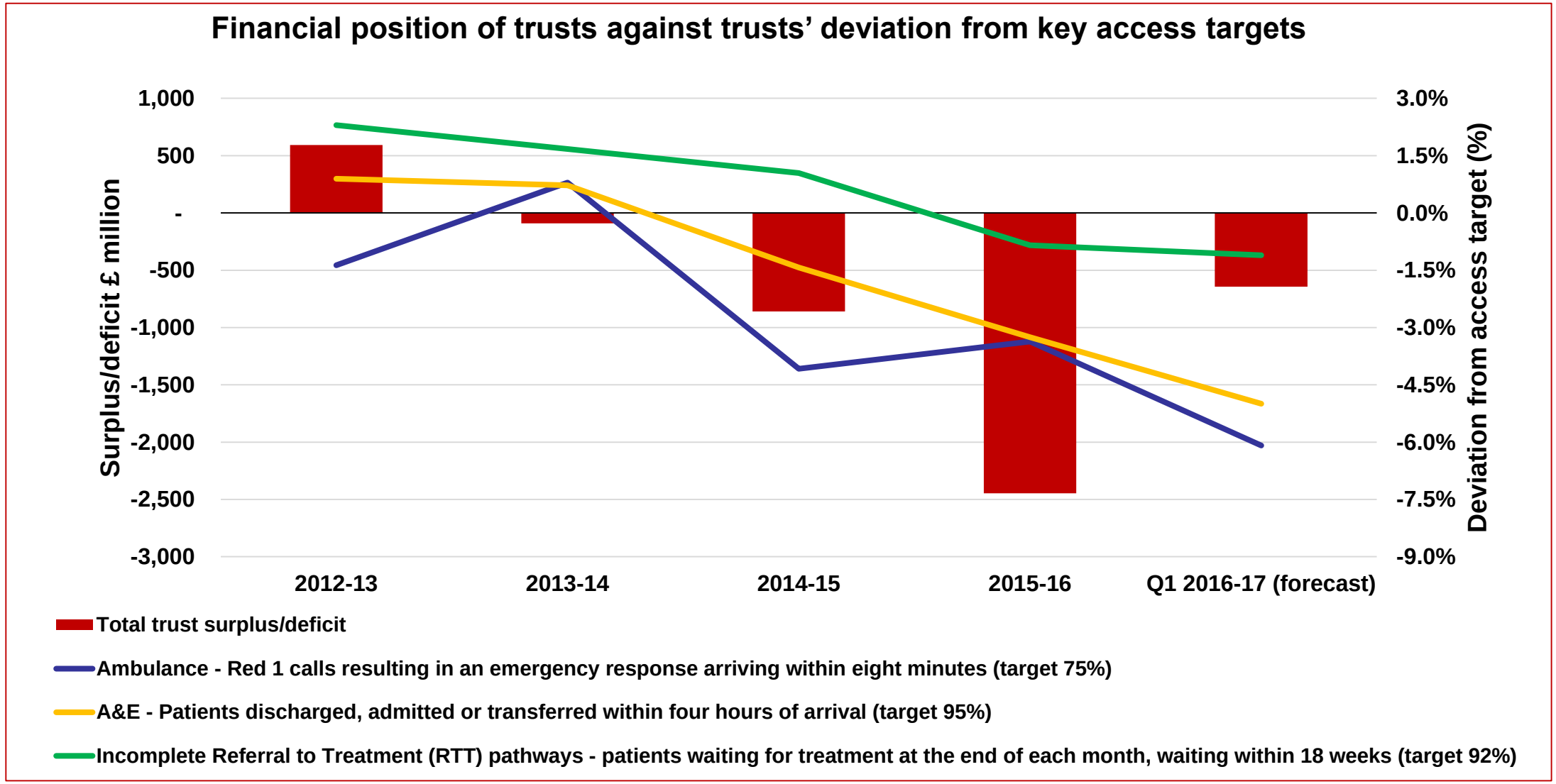
Introduction (2)

- Financial and service sustainability within the NHS is recognised as a key strategic theme by the NAO
- Our recent work has highlighted that, across the NHS, trusts and FTs are increasingly struggling to operate within their income



Introduction (3)

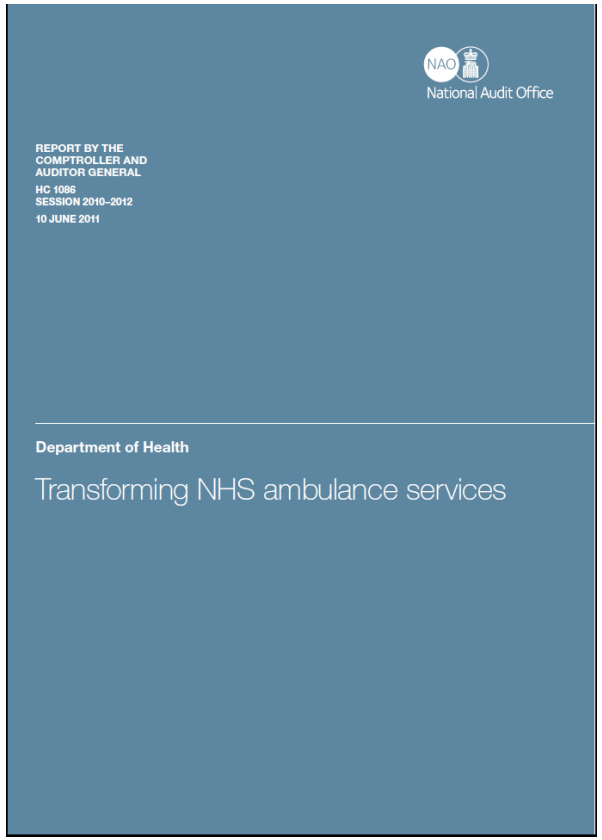
- Our work also identified that across NHS trusts and FTs financial and operational performance are deteriorating

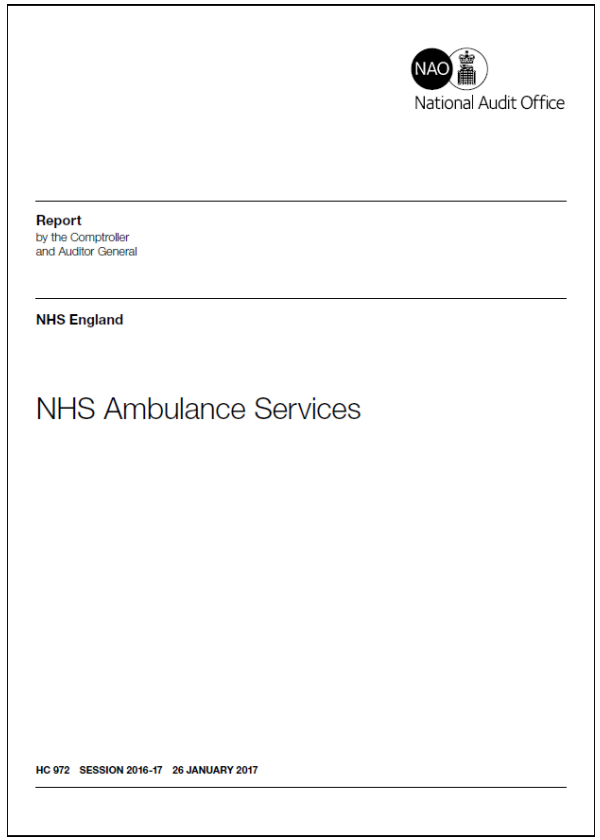


Introduction (4)

In-keeping with our interest in sustainability, we recently published '*NHS Ambulance Services*'

- Prior to this, we last looked at ambulance services in 2011('*Transforming NHS ambulance services*')
- Since then NHS England have launched both the Urgent and Emergency Care Review and the Ambulance Response Programme
- The Committee of Public Accounts were keen for us to assess progress made since our last report



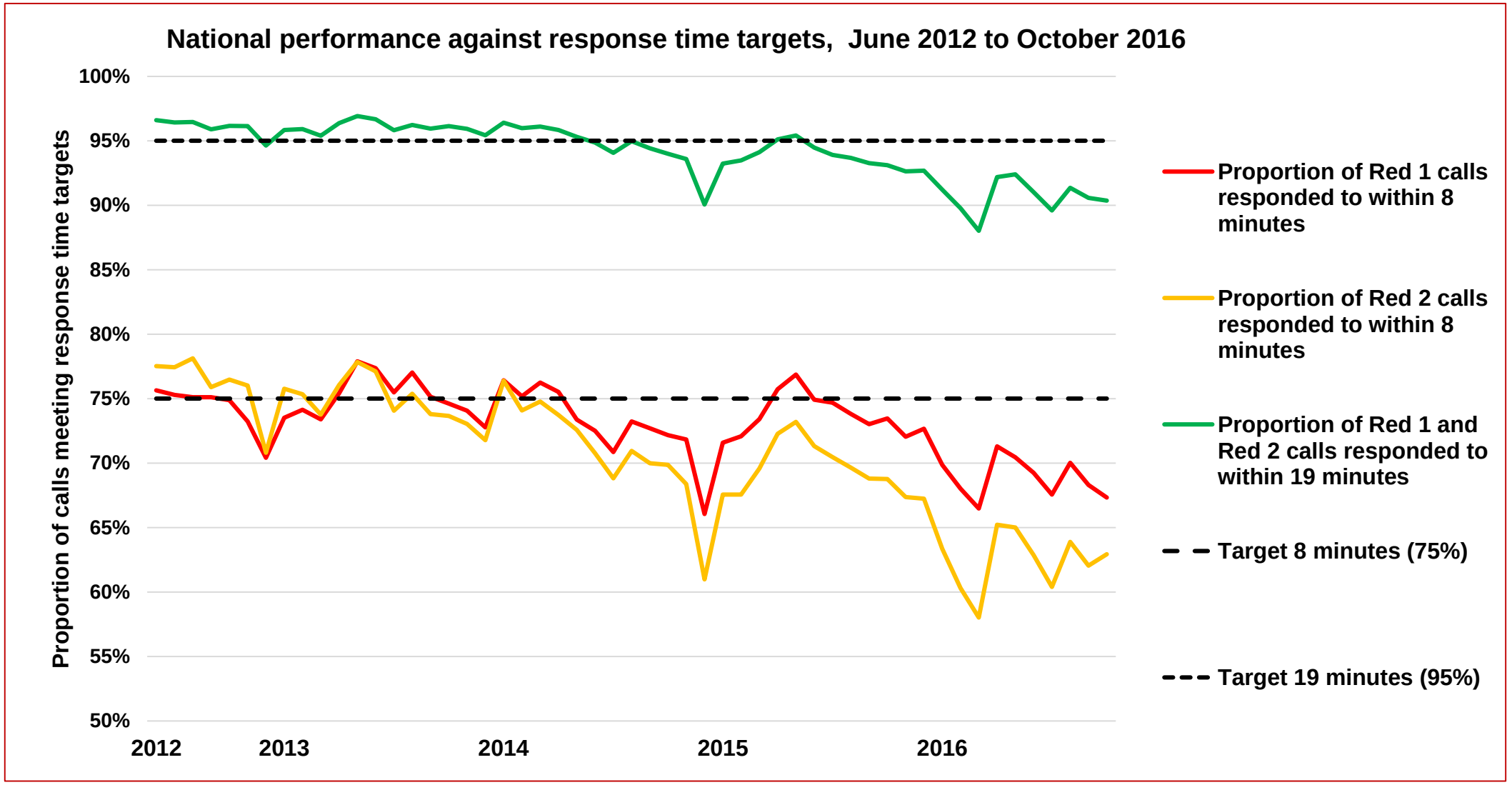


Our study questions were:

1. Are ambulance trusts meeting essential performance targets and improving outcomes for patients?
2. Have variations in the performance of ambulance trusts reduced since we last reported? And;
3. Are ambulance trusts maximising the impact that they can have on the service and financial sustainability of the NHS?

Ambulance trusts are struggling to meet response time targets

- Performance against response time targets is getting worse



The number of trusts achieving response time targets has fallen since 2012-13

Response time target	2012-13	2013-14	2014-15	2015-16
Red 1: 8-minute target	5	7	4	1
Red 2: 8-minute target	9	6	0	1
Red 1 and Red 2: 19-minute target	8	8	4	1

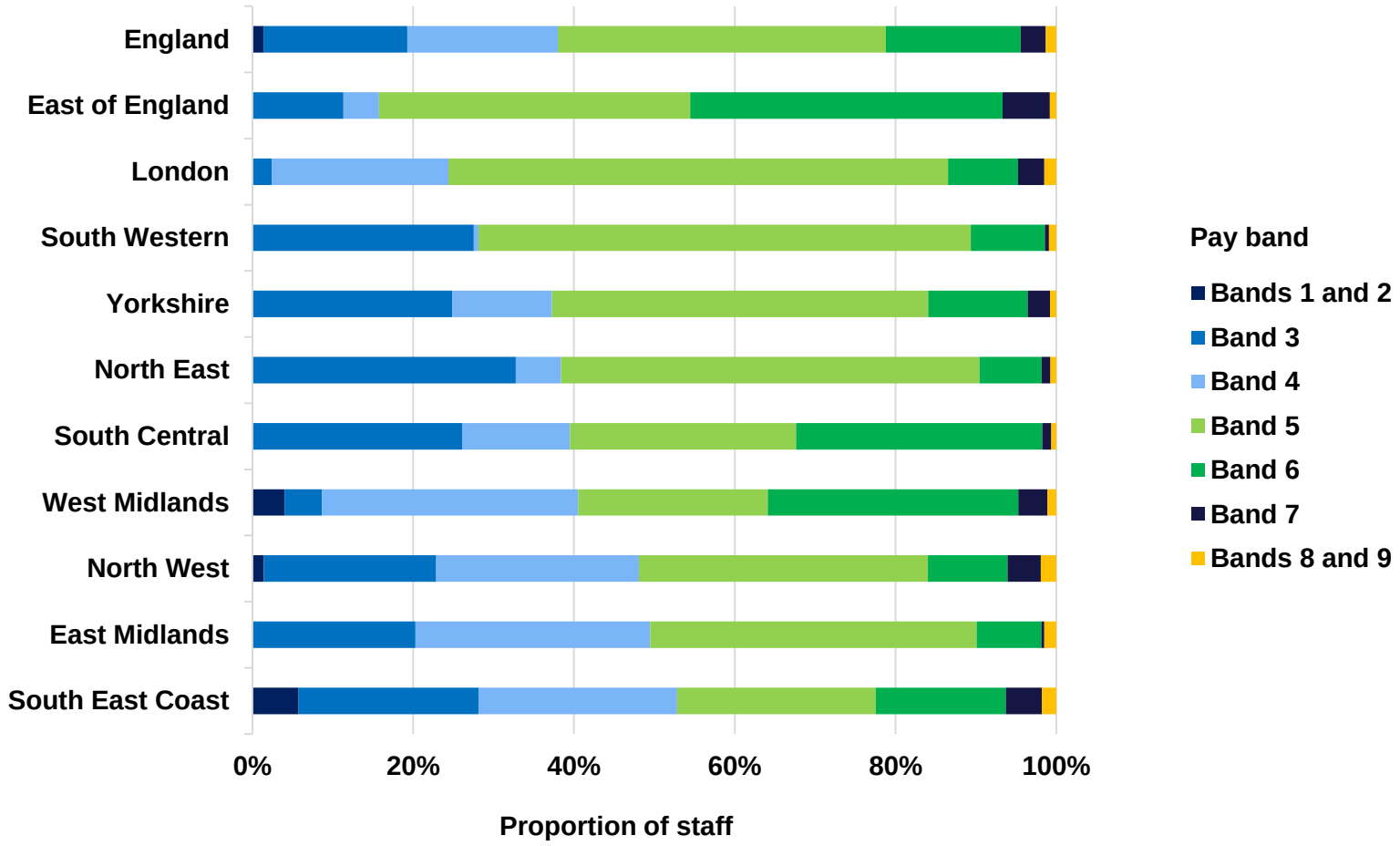
Clinical outcomes are improving for some patients

Ambulance quality indicators include four outcomes indicators covering three conditions (measured in two ways per indicator)

Condition	Indicator	Patients	National performance between 2011-12 and 2015-16
Cardiac arrest	Return of spontaneous circulation on arrival at hospital	All	23% to 28%
		Utstein group	43% to 50%
	Received resuscitation by ambulance service following a cardiac arrest and were discharged from hospital alive	All	7% to 8%
		Utstein group	22% to 27%
Heart attack	Percentage of patients who received primary angioplasty within 2.5 hours of call connect	STEMI	90% to 87%
	Percentage of STEMI patients who received an appropriate care bundle	STEMI	74% to 79%
Stroke	Stroke patients arriving at hyperacute stroke unit within one hour	Suspected stroke based on face-arm-speech test	65% to 57%
	Percentage of patients assessed face-to-face who received an appropriate care bundle	Suspected stroke based on face-arm-speech test	94% to 98%
		An improvement in performance	
		No clear trend in performance	
		A deterioration in performance	

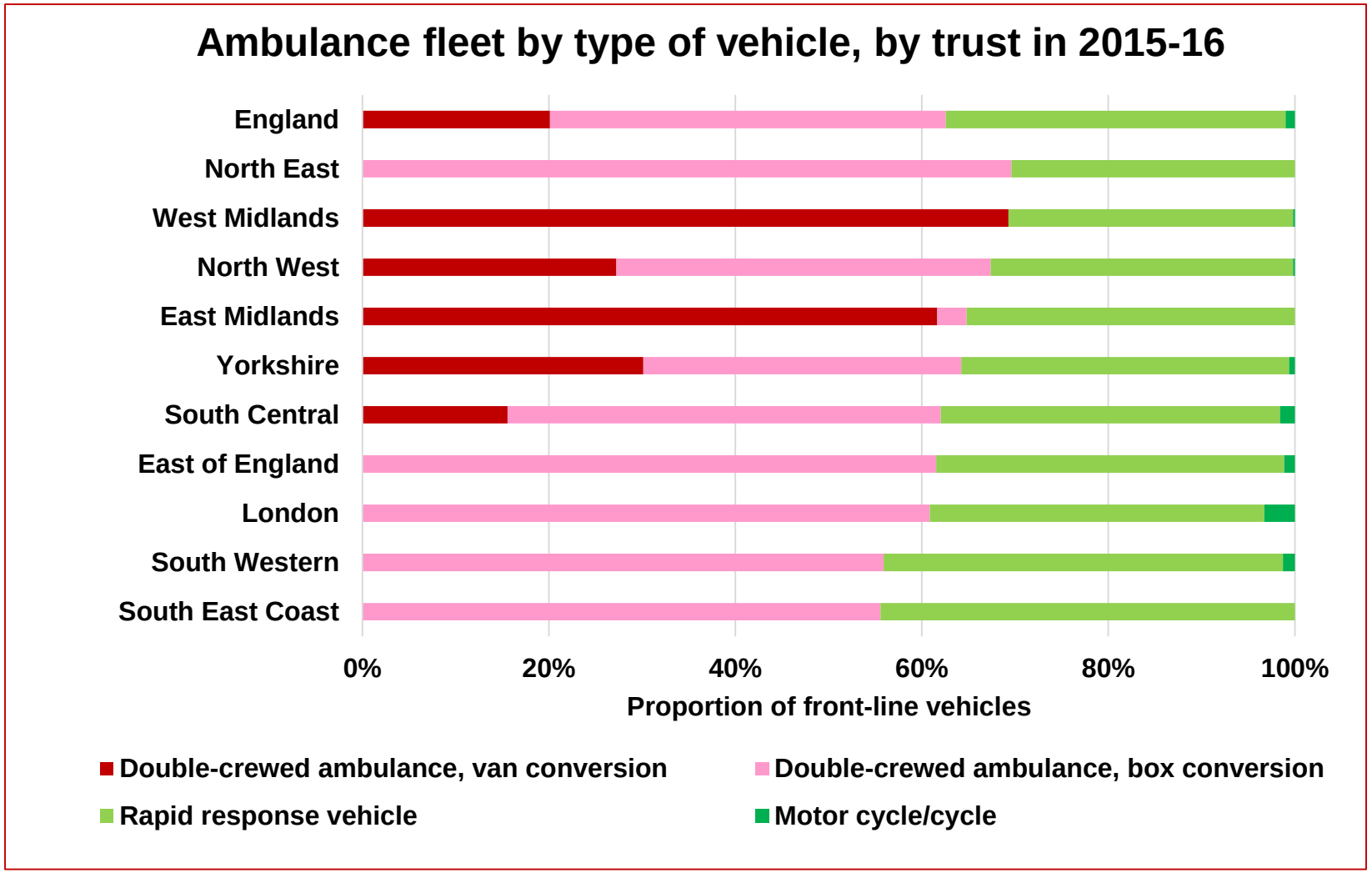
The use of different operating frameworks across ambulance trusts contributes to variations in performance (1)

- Variations exist in operational and performance, and in the implementation of new models of care
- Some variation explained by factors outside trusts' control (e.g. rurality)
- But much of the variation caused by factors within the control of trusts or the wider system
- Each trust has developed its own **operating framework**, which contributes to this variation



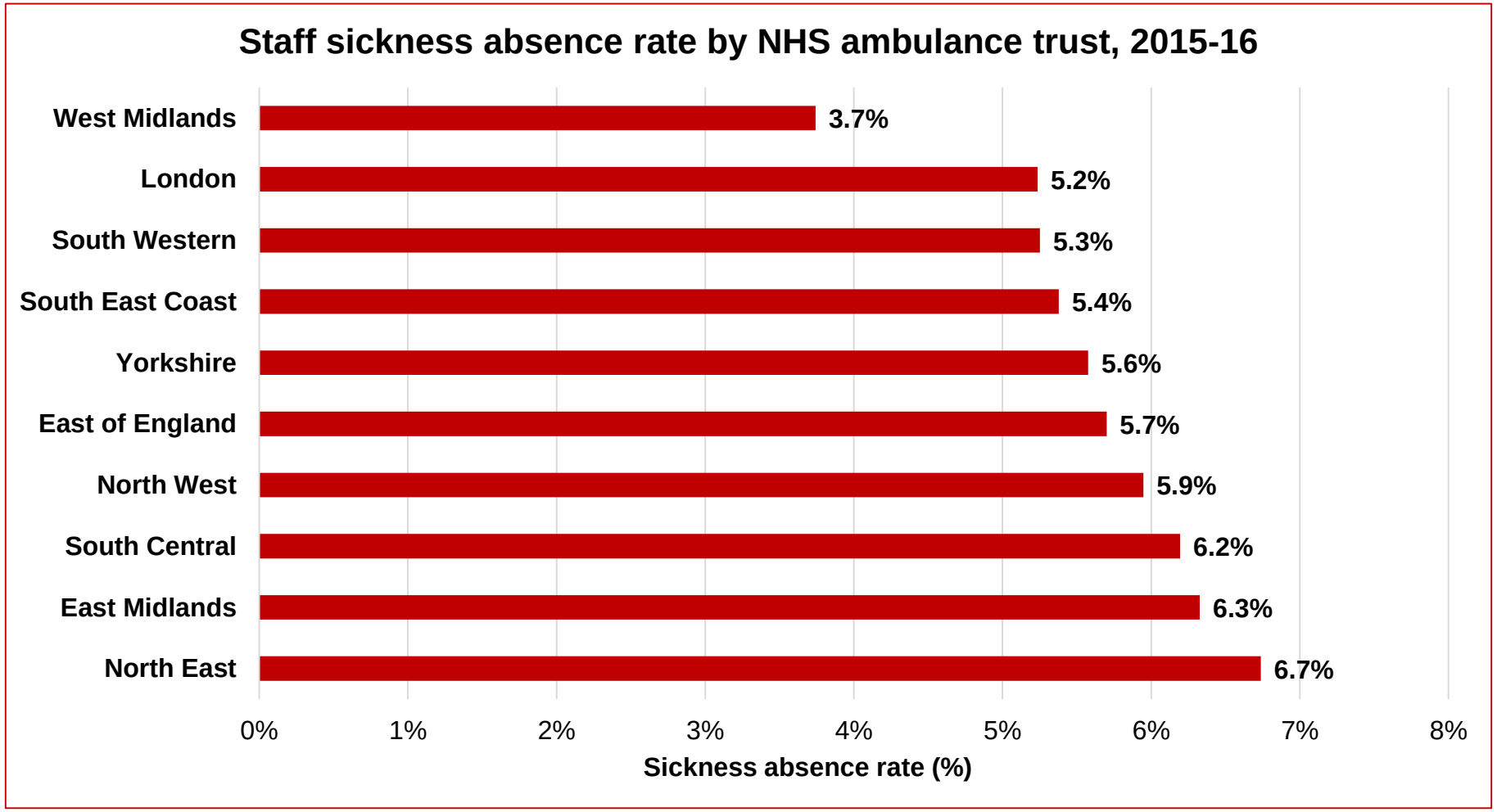
The use of different operating frameworks across ambulance trusts contributes to variations in performance (2)

- Vehicle fleet is another element of the **operating framework**, which contributes to variation



Sickness absence varies across ambulance trusts

- If all trusts achieved the sickness absence rate of the best trust, this would create an additional **240,200 days of staff availability** (953 full-time equivalents).

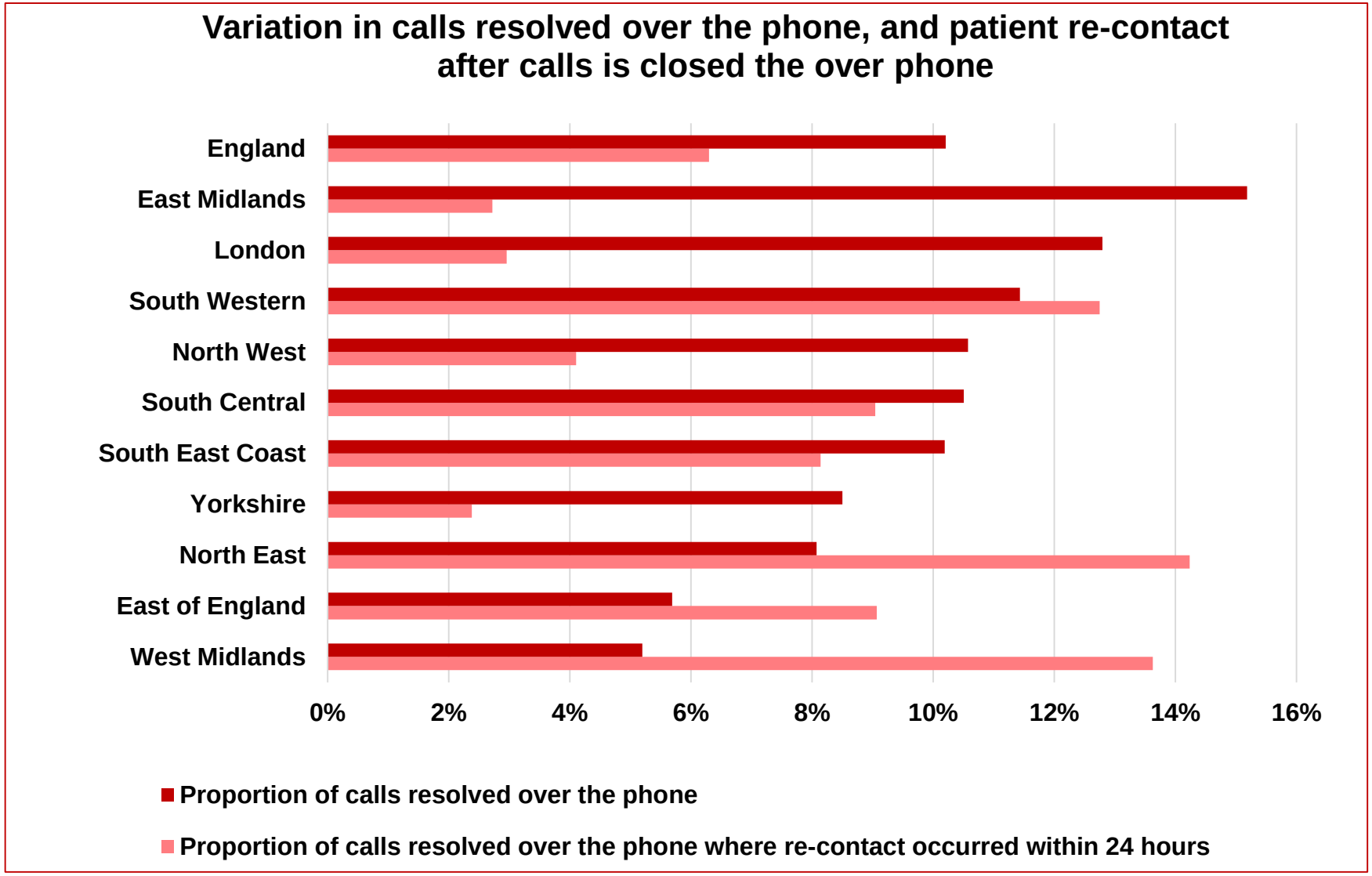


Variations in trusts' performance have increased on a number of important metrics, since our last report

Indicator	Variation in 2009-10	Variation in 2015-16	Change
Index of reference costs	85 to 112	89 to 106	Variation has reduced
Percentage of expenditure on front-line service	60% to 70%	44% to 63%	Variation has increased
Red 1 / Category A 8-minute response times	70.8% to 78.3%	68.1 % to 78.5%	Variation has increased
Sickness absence rate	4.2 to 6.5%	3.7% to 6.7%	Variation has increased
Call resolved over the phone	1.3% to 4.5%	5.2% to 15.2%	Variation has increased
Incidents resolved without conveyance to A&E dept.	17.5% to 50.0%	30.9% to 52.4%	Variation has reduced

Patients' experience variations in care across trusts (1)

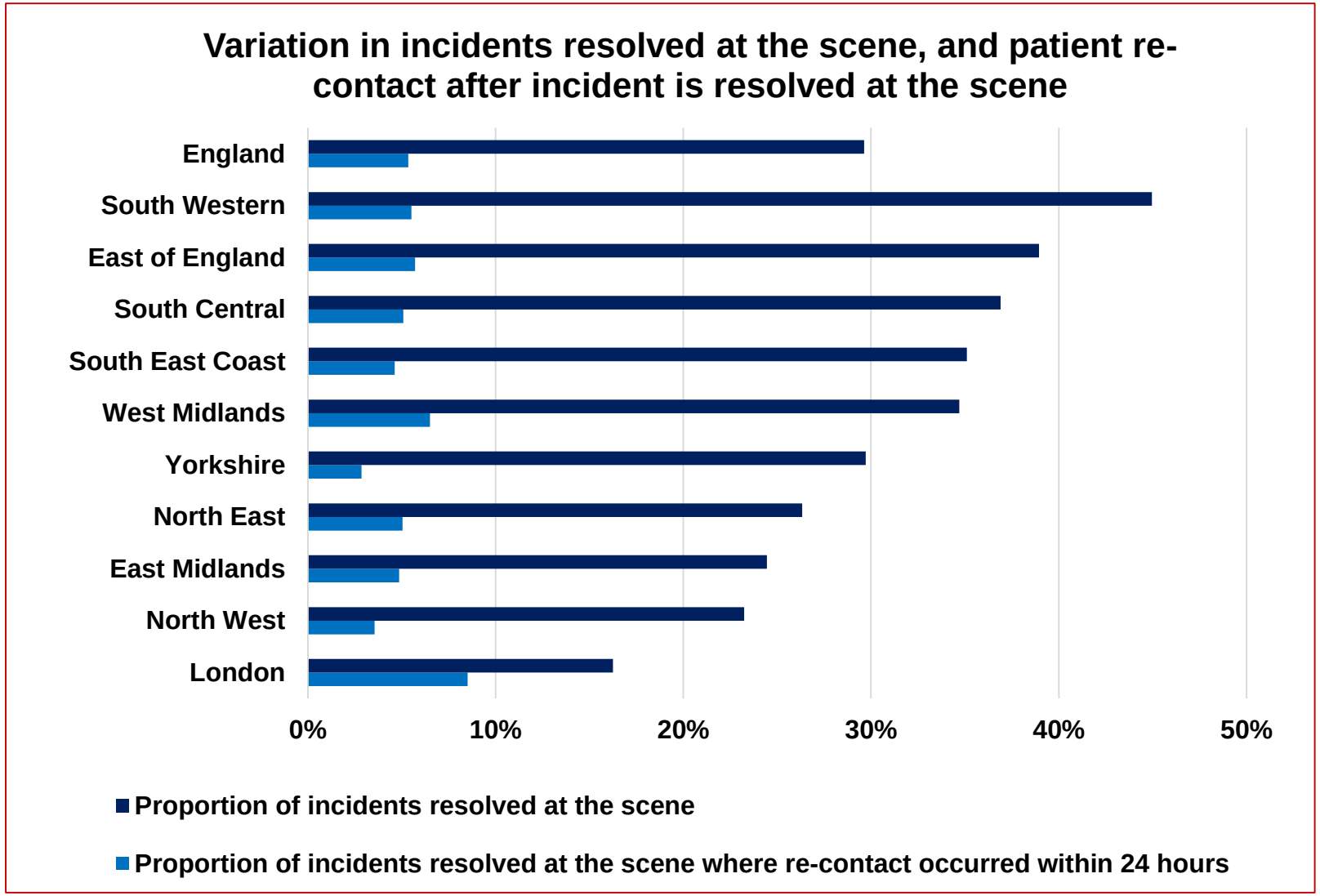
- Nationally the proportion of calls resolved over the phone has increased by 5% since 2011-12
- But there are substantial variations between trusts in both the proportion of calls resolve dover the phone, and in the re-contact rate of patients where calls are resolved over the phone



Patients' experience variations in care across trusts (2)

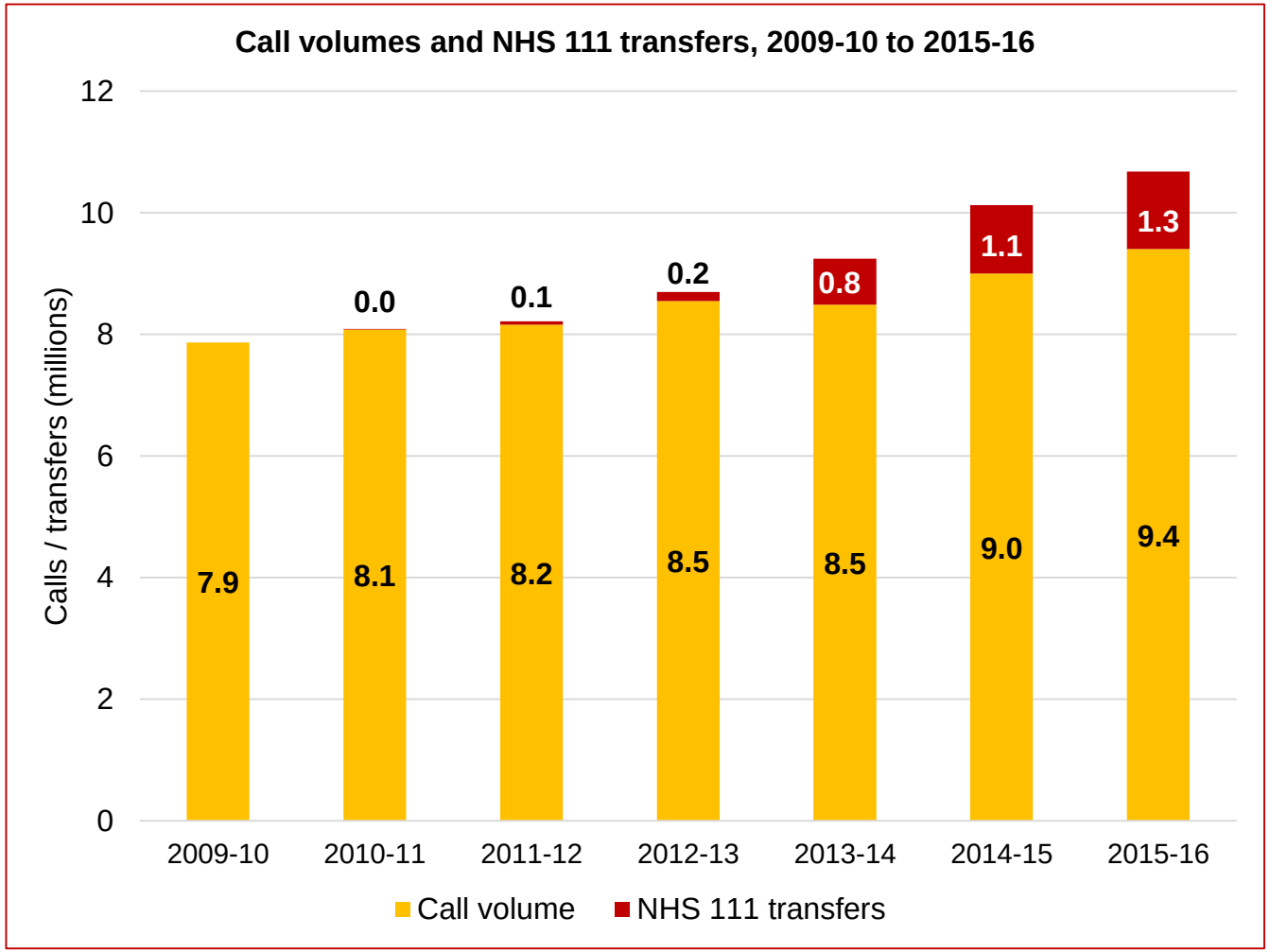
- Nationally the proportion of calls resolved at the scene has increased by 2% since 2011-12
- But there are substantial variations between trusts in the proportion of calls resolved at the scene, and in the re-contact rate of patients where incidents are resolved at the scene

- Use of new models of care meant ambulance trusts avoided 458,000 A&E attendances in 2015-16 (compared to arrangements in 2011-12)
- Avoided costs of £74 million to themselves
- And hospitals avoided costs of £63 million
- However, some cost will fall on primary and community care services



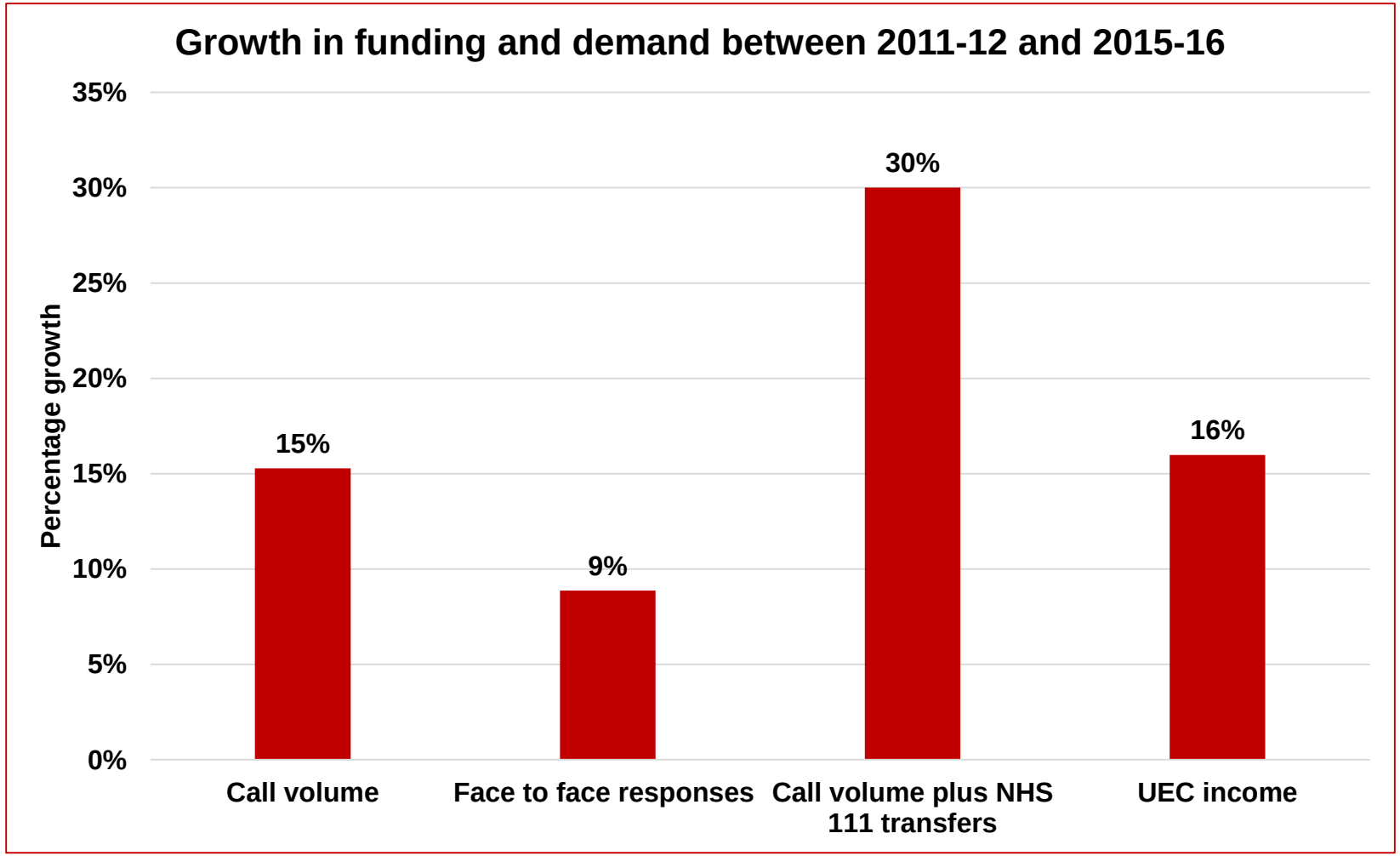
Demand for ambulance services continues to grow rapidly

- Between 2009-10 and 2015-16, ambulance calls and NHS 111 transfers showed an **average year-on-year increase of 5.2%.**



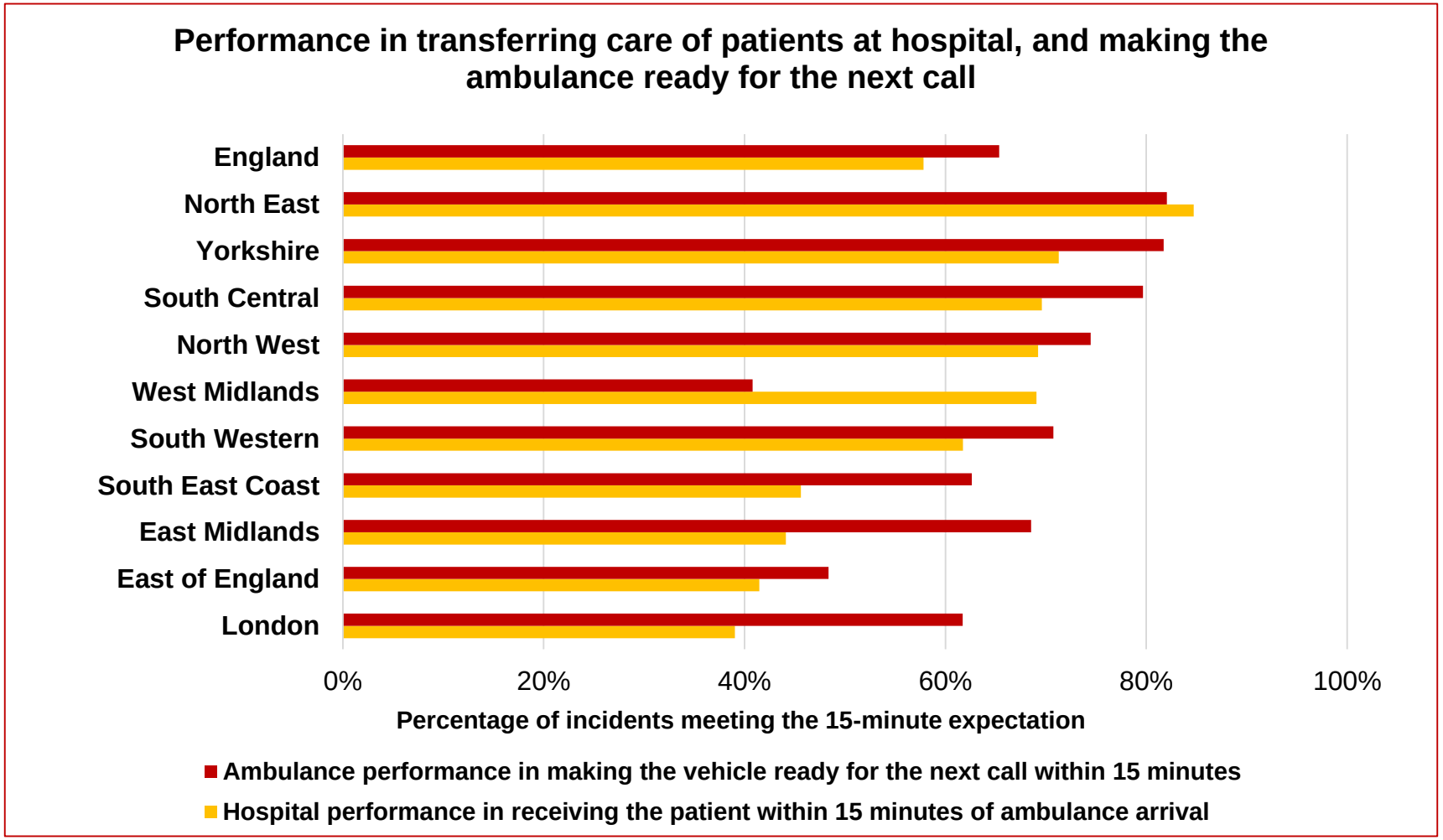
Funding has not matched rising demand

- In 2015-16, total spend on NHS ambulance trusts was £2.20 billion, of which £1.78 billion was for urgent and emergency activity.

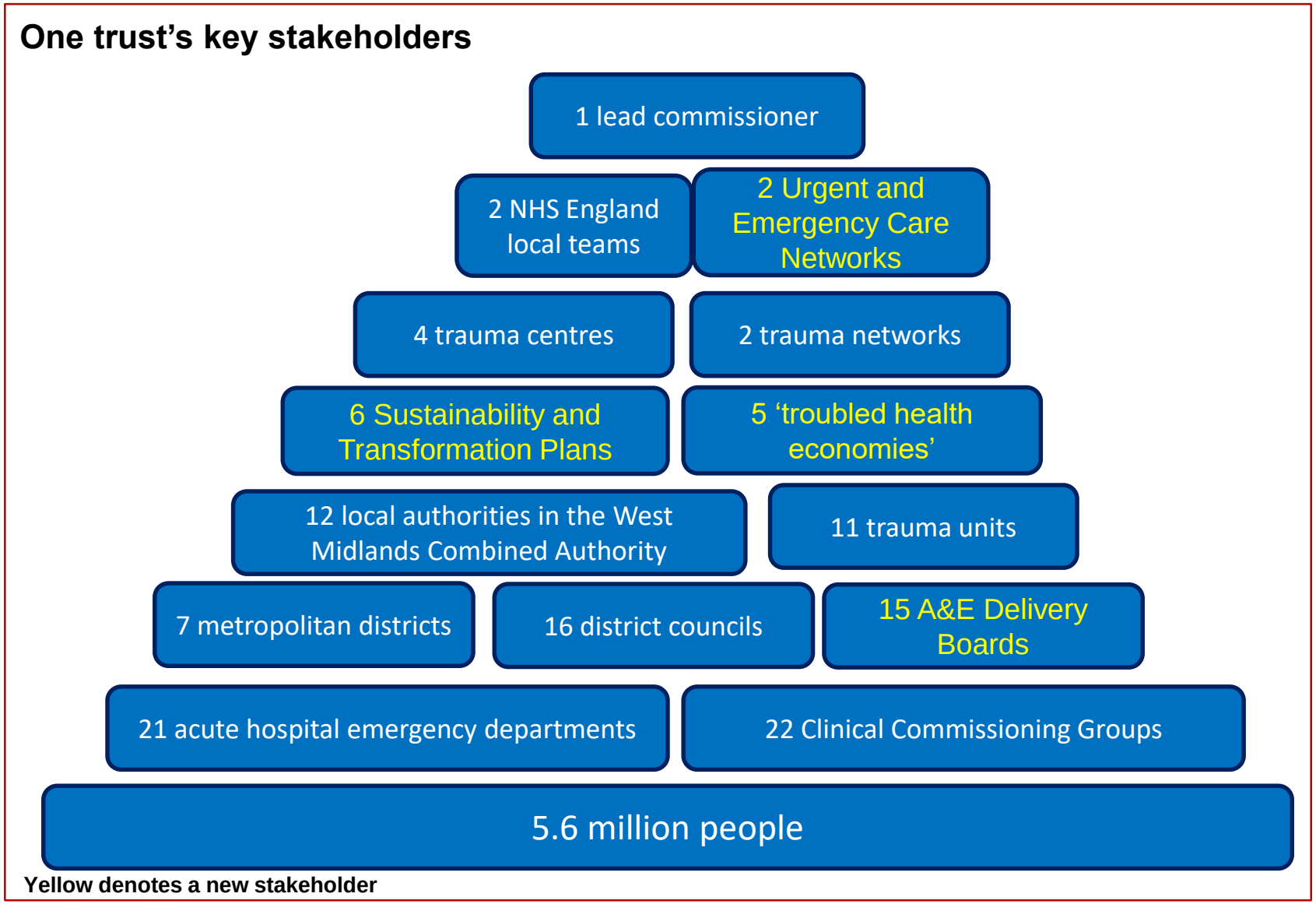


In 2015-16 around 500,000 ambulance hours were lost due to delayed transfer of patients at hospital

- Association of Ambulance Chief Executives calculated that, in 2015-16, **almost 500,000 hours** were lost through delays in transferring patients at hospital, and in crews making their ambulance ready for the next call



Ambulance trusts are working within an increasingly complex health system



Value for money conclusion

Ambulance services are finding it increasingly difficult to cope with rising demand for urgent and emergency services. Introducing new models of care has helped but there are signs of stress, including worsening performance against response time targets. We have also seen limited improvement since our last report with continuing variations in operational and financial performance. Ambulance services are facing significant challenges and it does not help that most are struggling to recruit the staff they need and then retain them.

Ambulance services are a vital part of the health service but much of their ability to work better depends on other parts of the health system. Until clinical commissioning groups see ambulance services as an integral part of that system it is difficult to see how they will become sustainable and secure consistent value for money across the country. Introducing a standard operating framework and consistent commissioning arrangements may help but our work raises serious questions about the place of ambulance services in the health system and their ability to operate effectively.

Recommendations

a. NHSE, NHSI, and ambulance trusts to define optimal **operating framework**
   - Rates of new models of care
   - Efficiency metrics
   - Consistent commissioning approach

b. Transparent **performance measurement**
   - Defining metrics to improve comparisons and service improvement
   - Publish performance against Green calls
   - Tail breeches

c. Improving **delays at hospital**
   - NHSI to publish transfers times for hospital and ambulance trusts – hours lost and targets missed
   - NHSE and CCGs adopt nationally consistent approach to incentivise performance

d. NHSE and NHSI to ensure CCGs understand **barriers to new models of care** & CCGs to better **engage with ambulance trusts**

e. NHSE to **clarify strategy** – how to achieve national UECR through local STPs

Conclusion

Next steps

- There is a hearing of the **Committee of Public Accounts** scheduled for 20 March 2017
  - To discuss the issues raised by our report

And finally

- Any questions?