East Midlands Ambulance Service NHS Trust

Annual Report

2018/2019

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Chairman's report

Welcome to the Annual Report and Annual Accounts for 2018/2019 for East Midlands Ambulance Service NHS Trust (EMAS).

For EMAS, this has been an exciting year of great significance, and I am pleased to update you on our work to make the very best use of our resources to achieve quality care for our patients.

As medicine advances, health needs change and society develops, so the NHS has to continually move forward so that in 10 years' time we have a service fit for the future. In January 2019, NHS England published the NHS Long Term Plan – designed to give everyone the best start in life; deliver world-class care for major health problems, and help people age well.

NHS organisations, including EMAS, are coming together to think about how the plan can help local people, and setting up ways for NHS organisations and local councils to work closer together to make health and care better for everyone.

To ensure we continue to play our part in the wider development of the NHS, during the year we engaged with staff, and organisations and individuals, to create 'The Big 3: Respond | Develop | Collaborate' – a summary of EMAS' refreshed vision, strategic priorities and organisational values. Overall, people supported the direction set out and the wording used to describe our journey (as featured on pages 11 and 12 of this report). The Big 3 strategic aims are popular, with many respondents saying they are concise, easy to understand and achievable.

In May 2018, we were delighted to announce that we and NHS Hardwick Clinical Commissioning Group (CCG) had agreed new contract terms to see an extra £9 million invested by the CCGs in our area to give us extra funding for clinical staff, ambulances and other resources.

Since then, life at EMAS has been as busy as it has ever been, and work has progressed at pace. We had to be ambitious in our plans to ensure we used the funding wisely, and I recognise that this has created additional pressure for many working at EMAS. I wish to pay tribute to everyone at the service for the professionalism, contribution, commitment and tenacity shown throughout the year – we have much to be proud of.

Using the additional funding we have recruited and trained over 230 new, additional frontline clinicians, purchased 47 new urgent care ambulances, and following the introduction of 68 new accident and emerency ambulances, a further 67 have come into service (40 are replacements and 27 are additional vehicles). Additionally, in February 2019, we were delighted to announce that the EMAS ambulance van conversion had been judged as the best in the UK by NHS Improvement, with the EMAS Fiat Ducato conversion emerging as the clear winner.

Alongside the biggest recruitment programme ever undertaken at EMAS, it was also necessary to develop our education programme, building new facilities and renovating existing estate to provide the additional classroom space needed to accommodate our new employees and to further enhance learning and education for our existing staff. Our Leicestershire Rosings building has been renovated and in Northamptonshire we installed

a new modular building for education purposes, meaning colleagues no longer need to travel further afield to receive their training.

Nationally there are not enough qualified paramedics to allow us to recruit people ‘straight off the shelf’, therefore our education and operational teams, supported by others at EMAS, have been working incredibly hard to develop our own education programmes. This approach will allow existing colleagues to progress to paramedic and creates more opportunities for people to join EMAS and progress through the clinical ranks.

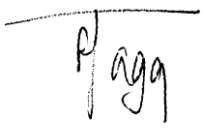
In August 2018, we launched a new training centre with Nottingham Trent University (NTU). This exciting partnership provides us with facilities at Clifton Campus, accommodating initially over 160 recruits who started training in September 2018, and after qualifying joined our frontline staff as Ambulance Technicians from January 2019.

This new partnership, alongside work with our regional higher education institute partners, is a positive step forward to provide more development opportunities for our staff and strengthen and improve patient care.

In March 2019, we announced the appointment of EMAS’ new medical director, Dr Leon Roberts MBE, an ex-Army doctor who for the past seven years has flown regularly with one of the region’s 999 emergency helicopters. In addition, Dr Roberts has worked as a GP in the Emergency Department at the Leicester Royal Infirmary and as an urgent care doctor in Corby, Northamptonshire. He will continue to work as a general practitioner associate at Oakham Medical Practice in Rutland. Dr Roberts previously worked with EMAS as an assistant medical director and strategic medical adviser and has supported our Clinical Assessment team to prioritise and offer the best and most appropriate care to patients dialling 999. Adding Dr Roberts experience of the local NHS from different perspectives, to the skill and knowledge within our executive and senior management leadership teams, will help as the NHS and EMAS move towards more effective and collaborative working to find solutions to patient needs, using skills and expertise from across health and social care sectors.

At the time of writing, a Care Quality Commission (CQC) unannounced inspection was conducted in April 2019, and a Well-Led CQC inspection at Horizon Place was scheduled to take place during May 2019. Both inspections give us the opportunity to evidence how much progress has been made since the last inspection in 2017 when we were rated as ‘requires improvement’. We have achieved a great deal since then and have a lot to be proud of at EMAS. When the CQC publish their report and rating following both investigations we will respond and make the information available on our website.

This report is complemented by our Quality Account (to be published in June 2019), which gives a review of how we did against our quality and safety targets and includes updates on innovation, research and development work at EMAS.



Pauline Tagg MBE
Chairman

1. Performance Report

The purpose of this report is to help readers assess how the organisation has performed. It is intended to provide a balanced review of our business and a description of the principal risks and uncertainties EMAS faces.

1.1 Overview

Chief Executive's Statement

We constantly seek better ways of working to deliver the best possible care to our patients and I am proud to share with you the improvements that we have made together with colleagues, and individuals, and organisations working to support delivery of our quality improvement plans.

Using feedback shared during our Big 3 engagement (see details in the Chairman's report and elsewhere in this publication) we determined the service and business development areas we want to be leaders of.

In response to national, regional and local changes to health and social care systems (for example, in some areas integrated care systems have been set up; a new type of collaboration between NHS organisations, working with local councils and others to take collective responsibility for managing resources, delivering NHS standards and improving the health of the population they serve), we are adapting our Clinical Operating Model. This will support patients through new advanced roles with new skills and new ways of working, all of which will be underpinned by career development and education for staff. We have agreed to focus on three key priority areas: advanced practice; clinical leadership and supervision; and clinical hub development, and next steps include to produce a full business case to support each area.

At our August 2018 Trust Board meeting we discussed an exciting new service being developed to improve the amount of time our vehicles and crews are available to respond to urgent and emergency calls. Make Ready is a systematic preparation service – from refueling through to cleaning, checking and restocking medicine supplies – designed to have every ambulance prepared and equipped right from the start of every 999 crew's shift, rather than the crew spending time preparing the vehicle. This will initially happen at two early adopter sites (Gorse Hill and Kingsmill Ambulance Stations in Leicestershire and Nottinghamshire) to allow us to test our approach through the Plan, Do, Study, Act methodology. Modifications, layout changes and refurbishment work at both sites will allow dedicated vehicle preparation operatives to work alongside Fleet mechanics and key enabling staff to ensure vehicles are ready to go as soon as crews arrive for their shifts.

In addition to the Big 3 engagement feedback helping to shape services, I was delighted by the response we received from two important surveys held during the year. The NHS Staff Opinion survey resulted in a 56% response rate (1,823 colleagues) – the highest response rate to date, and an independent Health, Wellbeing and Culture Audit resulted in a 48% response rate (1,431 colleagues).

Both surveys are far from a tick box exercise; the experiences and views shared by colleagues have helped to give an accurate picture of life at EMAS, telling us where we have good practice so that we can protect it, and where we have opportunities to make things better.

Our evaluation of the results has identified clear links with themes that have arisen between the two surveys, and plans have been developed to address the strongest themes:

- Continued development and investment to ensure leadership capacity and a supportive leadership style. This is the key driver for continued improvement, evidenced through the audit that shows that leadership behavior is a key determinant of positive staff experience, staff wellbeing/health outcomes, and creating a positive culture.

- Development of quality improvement knowledge, skills and application throughout the organisation to ensure learning from errors, learning from good practice, and increased reporting. Alongside this we will review the Serious Incident approach and evaluate and learn from good practice already seen to improve staff experience in an area of EMAS, with a view to roll out across the service.

- Further development of initiatives supporting improving support for staff suffering mental ill health and developing resilience.

- Implementation of the clinical model, specifically development in career progression opportunities into advanced practice roles, supporting engagement, motivation and retention, appraisal, and clinical supervision.

Following the announcement of additional funding for EMAS in May 2018, we initiated our biggest recruitment programme in the history of our service, and we are working hard to improve our retention rate. To keep progressing, it's vital that we act on the feedback received from our staff, and that we continue to provide and develop the support networks and services available to them.

Other steps taken during the year are having a positive impact on both patient and staff wellbeing.

The introduction of a new Urgent Care Transport Service in April 2018 has helped to reduce some of the pressure faced by our Emergency Operations Centre (EOC) staff and ambulance crews, in addition to reducing delays experienced by patients.

Through a programme called 'releasing time to care', we have taken steps to reduce the number of regular late shift finishes because they impact negatively on wellbeing and morale. The impact on patients too is measurable; higher staff sickness levels often mean less resources on the road, affecting us getting a timely response to the patients who need us most. In addition, the operational inefficiency created increases costs, which is money that could be spent on developing frontline services.

That's why our Director of Operations led the introduction of the new 'releasing time to care' concept in February 2019. There were two objectives: 1) to release more time to care for the patients we have a duty to serve, and 2) to better support staff welfare by allowing more crews to finish on time. We revised the end of shift process and finessed the mandatory fields that require completion on our electronic patient report form system. In line with Plan, Do, Study, Act methodology, we have closely monitored the impact and the initial results are very positive. We are getting to patients more quickly and duplicate 999 calls, eg asking 'where's the ambulance?', have reduced. Late end of shift for ambulance crews has reduced significantly across the region, and pressure on our Emergency Operations Centre dispatchers has reduced because they have fewer patients waiting for

a response, and our Clinical Assessment team are not having to make as many calls back to patients apologising for the delay.

Releasing time to care has helped us to put more time into the system to care for our staff and patients. As more of our new, additional frontline colleagues leave the training centres to join the frontline and as we improve our retention rate, we expect further improvements to be experienced and evidenced.

The 2018/2019 performance year has seen significant developments and progression at EMAS, and this report gives a good flavour for some of the work delivered. More examples can be found on the EMAS website news pages including patient stories, our zero-tolerance approach to verbal and physical abuse against our staff/vehicles/equipment, awards won, recognition of long service, graduating paramedics, new and pilot services, and much more.

Our colleagues have worked tirelessly with people in other organisations to provide the best possible care and treatment to our patients, and I thank them all, together with our volunteers, for their continued dedication and professionalism.

To the best of my knowledge the information contained in this Annual Report is accurate and reflects a balanced view of EMAS' future ambitions.

Richard Henderson
Chief Executive

EMAS' purpose and activities

EMAS is a statutory body which came into existence on 1 July 2006 under the East Midlands Ambulance Service National Health Service Trust (Establishment) Order 2006 No 1620 (the Establishment Order).

We provide emergency and urgent services for 4.8 million people, covering approximately 6,452 square miles across six counties of Derbyshire, Leicestershire, Lincolnshire, Northamptonshire, Nottinghamshire and Rutland.

Patient transport is provided for Derbyshire patients with routine hospital or clinical appointments (clinical commissioning groups have contracted private organisations to deliver patient transport in the other counties).

More than 3,700 people are employed, at 70 facilities used including ambulance stations, community ambulance stations (smaller facilities, often shared buildings with other organisations allowing our crews to 'stand-by' in strategic locations in-between responses to 999 calls), two Emergency Operations Centres (Nottingham and Lincoln), training and support team offices and fleet workshops.

Our frontline accident and emergency ambulance crews represent the largest staff group at EMAS, and we operate a fleet of over 660 vehicles, including emergency ambulances, fast response cars, specialised and driver training vehicles, and urgent care and patient transport vehicles.

Every day EMAS receives around 2,147 calls from members of the public who have rang 999. On average this equates to a new emergency call every 40 seconds and is in addition to the calls received from healthcare professionals booking transport to support patient transfers from one healthcare facility to another.

Accident and Emergency Service

With four large cities, major arterial roads, an international airport, a lengthy coastline and several country parks, demand on EMAS' can increase particularly during the summer months when visitor numbers to the region increase.

Aside from the challenges posed by our geographical boundaries and the road networks across the region, EMAS must respond to the rising number of 999 calls made by the public.

We receive valuable assistance from many Community First Responder (CFR) schemes providing emergency cover mainly in the more rural areas we serve; circa 1600 individual community first responders. Our Emergency First Responder schemes are operated with fire services who respond in a life threatening emergency in a similar way to a CFR. Over 50 EMAS colleagues operate as Medical First Responders providing support when they can attend emergency incidents in their local area and in their own time.

Our Community Response Team has worked closely with individuals and groups in our communities to place community public access defibrillators (CPAD) in strategic locations, thereby supporting the chain of survival for patients having a cardiac arrest. There are currently over 2600 CPADs available across the East Midlands.

In October 2018, in support of Restart a Heart Day, EMAS colleagues and volunteers across the East Midlands helped teach over 16,000 young people how to save a life using cardio-pulmonary resuscitation (CPR).

We also benefit from the invaluable presence of four separate air ambulances which respond across the region and are operated by registered charities (Derbyshire Leicestershire and Rutland Air Ambulance, Lincs and Notts Air Ambulance; Magpas Air Ambulance and Warwickshire and Northamptonshire Air Ambulance).

In addition, we have a team of over 26 doctors – the East Midlands Immediate Care Scheme - who volunteer their time, working over and above their normal general practice or hospital work, to provide both a primary response role to life-threatening calls and clinical support for crews at serious clinical incidents such as road traffic collisions.

We continually strive to further improve patient care by ensuring that patients consistently receive the right response first time. Our approach also means that more patients will be treated in the community, and fewer people will go to a busy hospital Emergency Department unnecessarily.

Emergency Preparedness, Resilience and Response

Together with other NHS organisations, we are required to have appropriate and effective contingency arrangements in place to ensure the maintenance of core functions even when responding to a range of incidents which impact on patient care or public health.

As a designated Category 1 Responder under the Civil Contingencies Act, we must comply fully with a range of statutory duties. In addition, specific NHS objectives are set by NHS England in the form of the Emergency Preparedness Resilience and Response Framework. This lists a number of highly specific factors that underpin EMAS' Contingency Planning activities, as well as testing business continuity and special operations arrangements.

We regularly meet with county based Local Resilience Forums – a group of multi-agency representatives – to develop and strengthen resilience measures, test plans and develop working relationships through major incident exercises. In addition, we engage and work with Local Health Resilience Partnerships (strategic level health organisations).

In line with the National Ambulance Resilience Unit's Command Service Specification, many EMAS commanders have been renewing their training and certification requirements by attending a variety of operational, tactical and strategic command courses.

The annual Emergency Preparedness, Resilience and Response Assurance Framework is approved by our Trust Board, and we continue to work to our contractual standards in this respect.

We operate a Hazardous Area Response team (HART) which is made up of personnel specially trained in dealing with Chemical, Biological, Radioactive and Nuclear incidents, Hazmat incidents, swift water rescue and Urban Search and Rescue techniques. They also support EMAS operations during protracted incidents or periods of increased call demand.

We comply with our contractual obligations in terms of delivering HART and Special Operations provision, and these are closely monitored to ensure that the services we deliver are of a high standard.

Urgent Care Transport Service

On 3 April 2018, we launched a new dedicated tier to our emergency frontline. The Urgent Care Transport Service (UCTS) operates across all areas of the East Midlands and is designed to reduce delays for patients, and reduce the pressure faced by our Emergency Operations Centre (EOC) staff and ambulance crews.

Over 100 urgent care assistants (UCAs) have been employed and trained to work on our frontline, with two urgent care dispatchers and one urgent care clinical advisor in our Nottingham EOC.

The new service provides transport to:

- patients requiring urgent admissions to hospital, as determined by their general practitioner or healthcare professional (HCP)
- patients requiring transport without the need for on-going ambulance treatment (eg emergency treatment), as identified by our Clinical Assessment Team or frontline A&E crews after assessment at the scene.

UCAs have not been trained to drive on blue-lights, their focus is on lower priority and non-life-threatening calls, this means emergency ambulance crews can focus on 999 calls, reaching the most poorly patients quicker.

Data and improvements in patient safety and experience shows that the new service is making a difference. The UCTS team have transported 23,173 patients to hospital during the first year. In March 2018, the average time for a four-hour urgent transfer to hospital was three hours, 36 minutes. This has reduced significantly to two hours and nine minutes by March 2019. The 95th percentile in March 2018 was ten hours 43 minutes for a four-hour urgent transfer and in March 2019 this was five hours 11 minutes.

Patient Transport Service

EMAS provides non-emergency Patient Transport Service (PTS) in Derbyshire for patients who are registered with a general practitioner. This service launched on 1 August 2016 with the contract lifetime running to 31 July 2019, however in February 2019, commissioners extended the three-year contract to a four-year contract, so EMAS will continue to provide PTS in Derbyshire until at least July 2020.

PTS is for patients who need medical or clinical support to get to and from their healthcare appointment. Entitlement to transport depends on whether the patient meets the eligibility criteria set out by the local clinical commissioning group.

On an average day, the Derbyshire service provides care and support during 630 journeys and receives over 350 phone calls from NHS colleagues and patients to make or amend a journey booking.

On Thursday, 2 August 2018 PTS call handler Sally Lancashire took our 500,000th Derbyshire patient transport booking. Coincidentally, this landmark call was taken on the second birthday of Derbyshire PTS. Sally, who has worked in the NHS for 23 years, was presented with a certificate by PTS Performance Delivery Manager James Oldham to recognise the landmark call.

Call handling and clinical assessment

Our Clinical Assessment Team (CAT) consists of paramedics, nurses, midwives, and a mental health practitioner. They dealt with 175,449 calls during the year compared to 211,343 in 2017/2018. Team members provide clinical advice to patients and signpost them to services and places where alternative, more appropriate care can be provided. This results in fewer admissions to hospital emergency departments. The team also offers clinical advice to ambulance crews and Emergency Operations Centre colleagues and provide a telephone triage service to various clinical hubs across the East Midlands.

EMAS' values

During 2018, we engaged with our staff and stakeholders to seek their views on a draft refresh of our EMAS vision, strategic priorities and values.

The values, originally designed by staff at EMAS in 2009, have been updated to reflect our commitment to encourage innovation, team and partnership working, and to look outwards as well as inwards.

EMAS has five values which underpin everything we do, including the way we deliver our services and how we all work with others. By living these values and supporting others to do the same, we will help to make sure that EMAS is an organisation we can all be proud of.

- **Respect:** Respect for our patients and each other.
- **Integrity:** Acting with integrity by doing the right thing for the right reasons.
- **Contribution:** Respecting and valuing everyone's contribution, and encouraging innovation.
- **Teamwork:** Working together, supporting each other, and collaborating with other organisations.
- **Competence:** Continually developing and improving our competence.

Our values help us provide our patients with access to high quality clinical care and services to ensure the best experience and clinical outcome.

EMAS' vision

As with our values, during 2018 we engaged with colleagues and stakeholders to seek their views on the refresh of our vision and strategic priorities. The final version was approved by our Trust Board in October 2018, with the detail included in the 'Our Future Vision and Strategy' presentation available on our website: https://www.emas.nhs.uk/about-us/our-values/

Our vision is to be '**Responding** to patient needs in the right way, **developing** our organisation to become outstanding for patients and staff, and **collaborating** to improve wider healthcare.'

From this we created:

1) Respond - we will respond to patient needs in the right way.

We will know we have achieved this when:

- We are making full use of the care pathways available, safely treating patients at home.
- We have the right number of staff in post with the right mix of skills, knowledge and training to respond flexibly to all patient needs based on our workforce plan.
- We have the right number, type and age of vehicles on the road to meet the requirements of our workforce plan.
- We have access to the right equipment, ambulances and staff to meet patient demand and need.

2) Develop – we will develop our organisation to become outstanding for patients and staff.

We will know we have achieved this when:

- Our patients report consistently high levels of satisfaction.
- Our staff and volunteers report that they are proud to work for EMAS.
- Our workforce is healthy, engaged, supported and satisfied, and everyone exemplifies the EMAS values in all that we do.
- Our staff and volunteers can access opportunities, education and training to support their career development.

- We have realised benefits through ensuring we operate a modern and sustainable estate.
- We are consistently delivering the Ambulance System Indicators (including patient quality measures).
- We have achieved a Care Quality Commission rating of 'outstanding' and are consistently meeting our financial targets.

3) Collaborate – we will collaborate with partners and other organisations to reduce healthcare demand and improve wider healthcare.

We will know we have achieved this when:

- We have led and contributed to improvements in key areas of healthcare that matter most to EMAS, our patients and our partners across the area we serve. Areas will be determined during engagement with system partners, and may include:
  - More patients appropriately treated at home where safe or close to home (non-conveyance)
  - Closer collaboration between the two regional clinical hubs (999 and NHS111)
  - Mental health (prevention and demand management)
  - Public education (management and prevention)
  - Access to improved pathways
  - Further develop our relationship with 111 to ensure patients access to most appropriate care
- Our local communities are accessing emergency and urgent care services in the most appropriate way, based on their clinical needs.

In February 2019, we launched our communications and engagement programme with new animations featuring real EMAS people, and the use of augmented reality technology to literally bring our Big 3 posters to life. Colleagues were encouraged to apply to become an avatar in a future animation explaining in their application how they could support The Big 3 strategy and campaign.

The short animations are targeted primarily at colleagues to encourage their involvement and will be used at staff engagement events including our Conversation Café tours during 2019. They are also appropriate for wider consumption and in addition to being published via our social media networks and on our website, they will be used at events in the community where the topic will be of interest or use to people in attendance.

EMAS' strategic objectives and associated strategies

Directed by our refreshed vision and values, we are working to become leaders in:

- our use of innovative technological solutions
- our proactive work on mental health
- work on patient safety
- ensuring equality and diversity within our workforce
- demonstrating international best practice for our clinical outcomes for patients with cardiac arrest
- developing and embedding the paramedic skillset in multi-disciplinary team approaches across wider healthcare (led by EMAS)
- our proactive work with partners on public education (management and prevention) within our local communities
- developing a positive organisational culture that means staff want to work here and have high levels of satisfaction
- identifying and managing sepsis (across all geographies), building on the success of our pilot within Lincolnshire

The refreshed vision and strategic approach are being incorporated into the EMAS Integrated Business Plan (presented to the Trust Board in April 2019) and Annual Plan and continue to inform our service transformation and development programme, with progress and milestones monitored regularly through a variety of delivery groups and committees.

We continue to be involved in county-based Sustainability and Transformation Partnerships and Integrated Care Systems to devise and deliver new models of care that support the needs of patients and wider health and emergency response systems.

Key risks

Our Trust Board ensures sound risk management arrangements and internal control principles are in place. We monitor performance on an ongoing basis through reports submitted to the Trust Board and committees during the year. The key risks identified are included in the Governance Statement section of this document.

1.2 Performance Analysis

Accident and Emergency performance standards

National performance standards

The NHS England's Ambulance Response Programme (ARP) is not about the fastest response, but the most appropriate clinical response.

Category 1 – Life-threatening
This is defined as a time critical life-threatening event requiring immediate intervention or resuscitation. These calls should be responded to in a mean average time of seven minutes and at least 9 out of 10 times before 15 minutes.

Category 2 – Emergency
This is defined as potentially serious conditions that may require rapid assessment and intervention. These calls should be responded to in a mean average time of 18 minutes, and at least 9 out of 10 times before 40 minutes.

Category 3 – Urgent
This is defined as urgent problems that needs treatment to relieve suffering but are not immediately life threatening. These calls should be responded to at least 9 out of 10 times before 120 minutes.

Category 4 – Non-Urgent
This is defined as problems that are not urgent but require assessment. These less urgent calls should be responded to at least 9 out of 10 times before 180 minutes.

In line with clinical guidance, each category has set criteria to establish the required resource, transport and response times to ensure that the right response gets to the patient, first time, every time and within time.

Nationally, a revised set of Clinical Ambulance Quality Indicators (measures, indicators and standards) have been developed and are widely supported by commissioners, ambulance providers, paramedics, unions and patient and public representatives.

There are also four categories for calls received from healthcare professionals (HCP) including general practitioners, requesting a response within an agreed time scale (one, two, three to four hours) for a patient to be conveyed to a hospital or other place of care.

More detail about ARP can be found on the NHS England website at https://www.england.nhs.uk/urgent-emergency-care/arp/, including short animations and an easy read guide to ARP.

East Midlands Ambulance Service accident and emergency performance

During 2018/2019, we received 1,026,249 emergency and urgent calls. Our accident and emergency crews responded to 674,036 of these calls, which equates to 1,847 face to face responses every day.

During the same period, EMAS lost 64,007 hours to pre-hospital handover delays (compared to 74,030 hours lost during 2017/2018), equating to the loss of 5,334 twelve-hour vehicle shifts – an average of 15 shifts a day.

Ambulance Response Programme Standards, 1 April 2018 to 31 March 2019					
Category	**Average response time**	**50th percentile**	**75th percentile**	**90th percentile**	**95th percentile**
Category 1	00:07:43	00:06:37	00:09:43	00:13:50	00:17:03
Category 2	00:30:55	00:22:55	00:40:53	01:05:19	01:24:22
Category 3	01:15:16	00:46:08	01:41:18	03:02:34	04:05:43
Category 4	01:07:24	00:41:08	01:31:59	02:42:00	03:30:19
Healthcare professional (HCP) admission protocol 1hr	01:21:30	00:52:51	01:34:48	02:46:34	04:06:36
HCP admission protocol 2hr	01:23:14	01:00:17	01:45:33	02:46:49	03:42:37
HCP admission protocol 3hr	02:09:11	01:46:16	02:37:06	03:11:42	05:21:01
HCP admission protocol 4hr	02:10:45	01:26:02	02:48:46	04:32:49	06:26:20

Additional performance monitoring measures

Key Performance Indicators (KPI)

In addition to the Ambulance Response Programme performance standards referred to above, EMAS also monitors performance on a daily, weekly and monthly basis against a series of measures which have a direct or indirect impact on overall frontline performance.

Our Trust Board receives an update on all relevant measures via an Integrated Board Report (published on our public website), including:

- Activity
- Ambulance Clinical Quality Indicators
- Derbyshire Patient Transport Service
- Duty of Candour
- High level financial position
- Hospital handover and turnaround
- Patient Advice Liaison Service (PALS) – eg queries, compliments and complaints
- Quality Everyday
- Resourcing
- Safeguarding
- Serious incidents
- Workforce eg recruitment and workforce plan, statutory and mandatory education, flu vaccination rates, and sickness absence.

Monitoring our key performance indicators and reviewing the detail with identified risks and learning ensures our Trust Board and management teams remain aware of the actual or potential challenges ahead, the likely impact, and actions needed to mitigate any risk or potential disruption to the trust. This approach, which is aligned to the NHS Change Cycle methodology (Plan, Do, Study, Act) also allows the trust to protect and learn from areas of best practice.

Hospital handover times

During 2018/2019 the health and social care system continued to face huge pressure and significant challenges which impacted on our ability to respond to emergency calls and meet the government standards.

Nationally, emergency department colleagues are required to accept a clinical handover from our ambulance crews when they arrive at hospital with a patient within 15 minutes.

At times, handover delays continued to place EMAS under extreme pressure and remained the focus of much attention.

During 2018/2019, EMAS lost 64,007 hours to pre-hospital handover delays (compared to 74,030 hours lost during 2017/2018), equating to the loss of 5,334 twelve-hour vehicle shifts – an average of 15 shifts a day.

Fundamentally the risk associated with handover delays is to patients waiting in the community, often without a medical professional present, for a 999 ambulance response. The situation also has an impact on staff wellbeing, morale and sickness levels.

Our Executive team and local senior management teams continue to act to manage and mitigate the risk that the hospital handover delays create. Reports providing updates and detailing action taken have been submitted during the year to the Trust Board meetings held in public, and concerns, particularly relating to issues out of our direct control or influence, continue to be escalated to organisations that regulate, commission and monitor EMAS services.

Clinical care

Whilst the speed of response to ambulance calls is important, equally as important is the clinical care provided on scene, and in our emergency vehicles as the patient is assessed and if needed, taken to hospital for further assessment and treatment.

Throughout the year we continued to progress against four quality improvement priorities originally set in 2017/2018, against these three domains of quality:

- Clinical effectiveness
- Patient safety
- Patient experience

The quality priorities are:

- **Clinical effectiveness:**

  Priority 1: Staff health and wellbeing

  EMAS has been recognised nationally as 'leading the way' in supporting staff mental wellbeing. Our support schemes are founded upon the principle that colleagues are best placed to provide support to each other through having a shared experience of the job.

  To keep improving health and wellbeing at work we will continue to develop, and review staff support mechanisms.

  Lead: Director of Quality and Nursing

  Priority 2: Improving Sepsis care

  Sepsis is a rare but serious complication of an infection. Without quick treatment it can lead to multiple organ failure and death. Red Flag Sepsis means a patient is presenting with clinical signs that suggest they are either suffering or approaching septic shock.

  Last year we successfully piloted the delivery of antibiotics to Red Flag Sepsis patients. We are committed to keep developing our work and treatment of Sepsis patients.

  Lead**:** Medical Director.

- **Patient Experience:**

  Priority 3: Cardiac arrest – return of spontaneous circulation (ROSC) and survival outcomes.

  Following the introduction of our Cardiac Arrest Strategy ROSC rates increased at EMAS by around 4.5%, with a 0.6% increase in survival to discharge from hospital. In terms of performance against other ambulance services we are average.

  We are committed to continue to:
  - develop and improve our cardiac arrest outcomes.
  - increase the presence of frontline clinical supervision to all active resuscitation attempts.
  - improve our Ambulance Quality Indicators and outcomes around stroke, chronic obstructive pulmonary disease (COPD) and asthma improve.

  Lead: Medical Director

  Priority 4: Continue to reduce conveyance by the utilisation of alternative care facilities.

  Nationally it is recognised that providing care closer to home and reducing unnecessary hospital attendances and admissions improves patient care and outcomes.

  To ensure we play our part, we are committed to:

  - Maintain and improve 'hear and treat' (over the phone advice)
  - Maintain and improve 'see and treat' (face to face response)
  - Reduce conveyance to hospital by accessing alternative pathways that are available
  - Have robust patient safety plans in place that support non-conveyance

  Lead: Medical Director

  Priority 5: To reduce prolonged waits across all call categories by delivering the national Ambulance Response Standards

  During 2018/2019 we will:

  - Deliver agreed workforce plan.
  - Deliver the agreed performance improvement trajectories.
  - Improve efficiency and productivity through better utilisation of our resources.
  - Improve fleet availability through the delivery of the new vehicles.

  Lead: Director of Operations

Commissioning for Quality and Innovation (CQUIN)

As part of the NHS Standard Contract 2017-2019, 2.5% of EMAS' income in 2018/2019 was dependent upon the organisation achieving quality improvement goals through innovation. CQUIN schemes are an opportunity for EMAS to provide a key focus on quality improvement. The outcomes from these schemes can be significant and impact directly on patient care. The CQUINs were agreed between EMAS and the 22 Clinical Commissioning Groups who commission the service.

We focus on delivering schemes that make significant changes to the lives of patients and their outcomes.

National Health and Wellbeing CQUIN

This is year two of this two-year CQUIN which is nationally mandated by NHS England and is applied to all NHS contracts (where appropriate). The CQUIN is aimed at encouraging providers to improve their role as an employer by looking after the health and wellbeing of employees. It covers three areas:

- Indicator 1a: Staff survey: Achieving a five-percentage point improvement in two of the three NHS annual staff survey questions on health and wellbeing, musculoskeletal and stress. The improvement should be achieved over a two-year period with the baseline survey being the 2016 survey.
  - Question 9a: Does your organisation take positive action on health and well-being? Providers are expected to achieve an improvement of five-percentage points in the answer 'yes, definitely', compared to the baseline staff survey results, or achieve 45% of staff surveyed answering 'yes, definitely'.
  - Question 9b: In the last 12 months have you experienced musculoskeletal problems as a result of work activities? Providers are expected to achieve an improvement of five-percentage points in the answer 'no' compared to the baseline staff survey results, or achieve 85% of staff surveyed answering 'no'.
  - Question 9c: During the last 12 months have you felt unwell as a result of work related stress? Providers are expected to achieve an improvement of five percentage points in the answer 'no' compared to baseline staff survey results or achieve 75% of staff surveyed answering 'no'.

- Indicator 1b: Healthy eating for staff and visitors: Maintaining improvements made under the 2016/17 CQUIN which are:
  - The banning of price promotions on sugary drinks and foods high in fat, sugar or salt.
  - The banning of advertisements on NHS premises of sugary drinks and foods high in fat, sugar or salt.
  - The banning of sugary drinks and foods high in fat, sugar or salt from checkouts.
  - Ensuring that healthy options are available at any point including for those staff working night shifts.

  - 80% of drinks lines stocked must be sugar free.
  - 80% of confectionery and sweets do not exceed 250 kcal.
  - At least 75% of pre-packed sandwiches and other savoury pre-packed meals (wraps, salads, pasta salads) available contain 400kcal (1680 kJ) or less per serving and do not exceed 5.0g saturated fat per 100g.

- Indicator 1c: Flu vaccination: Year 2 – achieving an uptake of flu vaccinations by frontline clinical staff of 75%.

In addition to the Health and Wellbeing CQUIN NHS England mandated a two-year nation Conveyance CQUIN for all NHS Ambulance Trusts focused on reducing conveyance to hospital emergency departments and a two-year Sustainability and Transformation Plan (STP) CQUIN aimed at encouraging engagement with and contribution to the STPs transformation initiatives:

National Conveyance CQUIN

This indicator incentivises managing care closer to home and a reduction in the rate of ambulance 999 calls that result in conveyance to a hospital emergency department. The introduction of enhanced training and protocols for ambulance clinicians, better system-wide data sharing, improved clinical support and advice to the ambulance service from a range of healthcare professionals in clinical hubs, and/or the provision of alternative care pathways are all be expected to have a positive impact on this indicator.

Sustainability and Transformation Plan (STP) CQUIN

It is anticipated that this CQUIN supports delivery of the STP ambitions in relation to urgent care by reducing inappropriate conveyances, handover delays, utilisation of local community health services and supporting the full integration of services.

For year two of this two-year CQUIN EMAS worked with commissioners to develop milestones aligned to the STP ambitions at a local level, individual CQUINs were agreed for the seven STP footprints which EMAS falls under, these are:

- Derbyshire STP – reduction in attendances and conveyances to type 1 and type 2 emergency departments focusing on high volume attendance cohorts.
- Greater Lincolnshire and Humber, Coast and Vale STPs - reduction in conveyance to type 1 and 2 emergency departments targeting the top 10 presenting complaints resulting in conveyance to a type 1 and 2 emergency departments.
- Leicester, Leicestershire and Rutland STP – reduction in conveyance to type 1 and 2 emergency departments with a focus on frailty.
- Northamptonshire – provision of a GP home visiting service to improve admission avoidance to secondary care through the provision of pre-hospital care.
- Nottinghamshire - reducing conveyances to type 1 and 2 emergency departments by 1.5% in contribution to the STPs overall ambition to reduce conveyance by 3%.

An additional two-year CQUIN was agreed with the 22 CCGs which focused on improving the use of electronic patient report forms in support of the ambition of a paper free NHS.

Electronic Patient Report Form (ePRF) implementation CQUIN

This CQUIN indicator is designed to provide a technical solution capable of:

- recording ambulance patient records in an electronic format,
- supporting emergency care provision through process and technical enablement,
- integrating the technical solution with existing medical devices as well as achieving greater integration with the wider health care system, and
- enhancing patient care and experience.

Over the two years of this CQUIN it is expected that EMAS will implement the technical solution and ensure 90% compliance for completing ePRF across the region by the end of the second year (2018/19 contract year).

The CQUIN also requires several technical capabilities to be in place to enhance the provision of the ePRF system. This includes emails to general practitioners to let them know when one of their patients have been seen by an EMAS clinician and define future developments to provide information which can help identify gaps in provision for use of alternative pathways.

Funding

A full set of accounts is provided from page 55 onwards.

Financial targets

We finished the year with a financial deficit of £2.8 million (£3.1 million after adjustments for impairments and donated asset donation and depreciation). We did not generate sufficient income to cover our costs. This represented an improvement on the trust control target agreed with NHS Improvement. We have delivered £5.6 million savings, which was slightly above our target.

During the year to March 2019, we achieved the following performance against our financial duties:

Description of Target	**Trust Target**	**Actual Result**
Adjusted (Deficit)	£(1,538)k*	£(1,509)k*
3.5% return on capital	3.5%	3.5%
Compliance with Capital resource Limit	£12,638k	£12,448k

*****excluding the effects of impairments and donated assets

EMAS' deficit for the year includes the following which did not form part of our recurrent revenue for the year:

	£'000
Reversal of impairments charged as an expense in the Statement of Comprehensive Income in previous years	225
Provider Sustainability Fund	
Incentive – Finance	29
Incentive – Bonus	531
Incentive - General Distribution	949
Contribution to Trust Results	1,734

It is our responsibility to achieve a cumulative break-even over a three-year period position and should we fail to do so, or are forecast to do so, it is the External Auditor's responsibility to formally report this to the Secretary of State.

The Trust's longer-term plans thus include the need to receive significant investment from its commissioners to address both the operational and financial concerns.

Expenditure

EMAS incurs costs that are predominantly associated with the provision of clinical activity. The largest expenditure area is pay which accounts for 70.5% of the total expenditure. The Trust Accounts for 2018/2019 are set out in full following the main body of this report. These have been prepared on a 'Going Concern' basis and in accordance with guidance issued by the Department of Health, and in line with International Financial Accounting Standards (IFRS). So far as the directors are aware, there is no relevant information of which the auditors are unaware.

During 2018/2019, EMAS spent most of available capital. The majority of this was allocated to Transport. This expenditure was funded partly through internally generated capital funds and additional Public Divided Capital allocated to the Trust in the year.

EMAS operates income generation activities covering operational cover for public events, such as football matches and race meetings, it also provides training covering vehicle maintenance. These are not significant areas of income (2.2%) and are priced to cover the cost of providing the service plus a contribution to the fixed costs of the organisation.

Going concern

After making enquiries, the directors have a reasonable expectation that the NHS Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Recruitment

Significant progress was made through the delivery of our People Strategy in strengthening workforce planning arrangements and triangulating activity, operational, finance and workforce information to ensure a comprehensive, collaborative and integrated approach to workforce planning. This was supported by independent Demand and Capability modelling that provided clarity on the workforce capacity required to deliver against national performance standards, and formed the basis of our workforce plans, subsequent increased financial investment to increase the workforce capacity, and delivery of the plan in 2018/2019.

Thanks to the additional £9million investment in EMAS announced in May 2018, we have been able to recruit new, additional colleagues to our frontline – we have increased our frontline team by over 230 colleagues over the year.

EMAS continues to deliver a challenging workforce plan as part of a two-year investment programme that will see our frontline establishment increase by circa 500 whole time equivalents by 31 March 2020. Subsequent years will then continue to focus on maintaining funded workforce establishment, deliver the aspirations of the Clinical Model and increase the registered skill mix to 55% by 2025. This is against a backdrop of a national shortage of qualified paramedics. To address this, our Human Resources, Recruitment, Education and Operational teams, supported by others at EMAS, have been working incredibly hard to develop our own recruitment and education programmes. This approach will allow existing colleagues to progress to paramedic and creates more opportunities for people to join EMAS and progress through the clinical ranks.

Alongside the biggest recruitment programme ever undertaken at EMAS, it was necessary to develop our education programme, building new facilities and renovating existing estate to provide the additional classroom space needed to accommodate our new employees and to further enhance learning and education for our existing staff.

Our Leicestershire Rosings building has been renovated and in Northamptonshire we installed a new modular building for education purposes, meaning colleagues no longer need to travel further afield to receive their training.

As stated previously, nationally there are not enough qualified paramedics to allow us to recruit people ‘straight off the shelf’, therefore our education and operational teams, supported by others at EMAS, have been working incredibly hard to develop our own education programmes. This approach will allow existing colleagues to progress to paramedic and creates more opportunities for people to join EMAS and progress through the clinical ranks.

In August 2018, we launched a new training centre with Nottingham Trent University (NTU). This exciting partnership provides us with facilities at Clifton Campus. This new partnership, alongside work with our regional higher education institute partners, is a positive step forward to provide more development opportunities for our staff and to strengthen and improve patient care.

In addition, we are developing a university award with NTU to give us more control over the content and assessments our staff will undertake, moving to practical based assessments and away from portfolios. Successful technicians will be eligible to graduate from the university and attend an award ceremony to receive their certificates.

We are developing a BSc Paramedic Science programme for Nottinghamshire and Derbyshire that will enable us to recruit more graduate paramedics and offer development opportunities for existing staff, and we are exploring opportunities for staff to undertake research through studentships, supported by research bursaries as well as Continuous Professional Development opportunities in trauma, paramedic prescribing and urgent care.

This additional partnership, alongside our regional higher education institute partners, allows us to give development opportunities for our staff and, strengthen and improve the services we provide to patients.

Modern Slavery Statement

In 2017 EMAS published a statement made pursuant to Section 54 of the Modern Slavery Act (2015), setting out the steps that EMAS have taken, and will continue to take, to ensure that modern slavery or human trafficking is not taking place within our organisation and commissioned services. The statement was refreshed and approved by the Trust Board in March 2019. Visit https://www.emas.nhs.uk/join-the-team/working-for-emas/ for details.

Patient experience

Under the 'develop' heading of our Big 3 vision and strategic priorities, we say we will have achieved our aim when 'our patients report consistently high levels of satisfaction'.

Feedback from patients, carers, and members of the public is therefore important to us, whether it is to say 'thank you' for a positive experience, or if there's something that we need to get better at.

We continually seek to improve quality for our patients, delivering sustained improvement in the patient experience and clinical outcomes.

Our EMAS Patient Voice group, made up of public volunteers, is chaired by our Director of Quality, and is supported by two sub-groups based in Nottinghamshire and Derbyshire.

They meet regularly to discuss and add strength to our services; they review our complaints, compliments PALS procedures, media messages and a selection of responses to help identify areas for improvement. The group is actively involved in quality visits to a variety of our facilities across the East Midlands.

During the year the groups visited our Emergency Operations Centre in Nottingham and Hazardous Area Response team in Mansfield to gain a better understanding of the service provided.

Members of the group took part in cardio-pulmonary resuscitation (CPR) training and supported our Restart a Heart campaign, teaching school pupils and the public how to do hands-only CPR.

The group also attended the EMAS Community First Responder's Conference in October, allowing members to gain knowledge about the work our volunteers do, and benefit from the time networking with them.

EMAS Patient Voice have been active in the community delivering an EMAS Ambassador presentation to various groups to explain EMAS procedures, sign post the public to use other non-emergency healthcare providers when appropriate, and to encourage people to join our volunteer services.

More detailed information on our achievements is provided in our Quality Account 2018/2019, published on the EMAS and NHS Choices websites.

Freedom to Speak Up

Listening to and acting on staff feedback helps us improve our services for all patients. The EMAS Head of Mental Health is the Freedom to Speak Up (FTSU) Guardian – a confidential point of contact about incidents of malpractice, professional misconduct or financial malpractice. Together with colleagues across the service, our FTSU lead promotes the importance of speaking up and listening to colleagues talk about challenges and opportunities to improve our culture and services. The EMAS Workforce Committee receives FTSU reports to ensure feedback and concerns are being dealt with and responded to. We will continue to improve our processes based on feedback received nationally, from regulators and from our own staff.

General Data Protection Regulation

Based upon the Information Commissioners '12 steps' guide, we developed and delivered an action plan to ensure EMAS is complaint in respect of the new data protection legislation published in 2018, in the form of the General Data Protection Regulation (GDPR), supported in the UK by the Data Protection Act 2018.

EMAS' compliance is monitored by both the Information Governance Group and the Finance and Performance Committee.

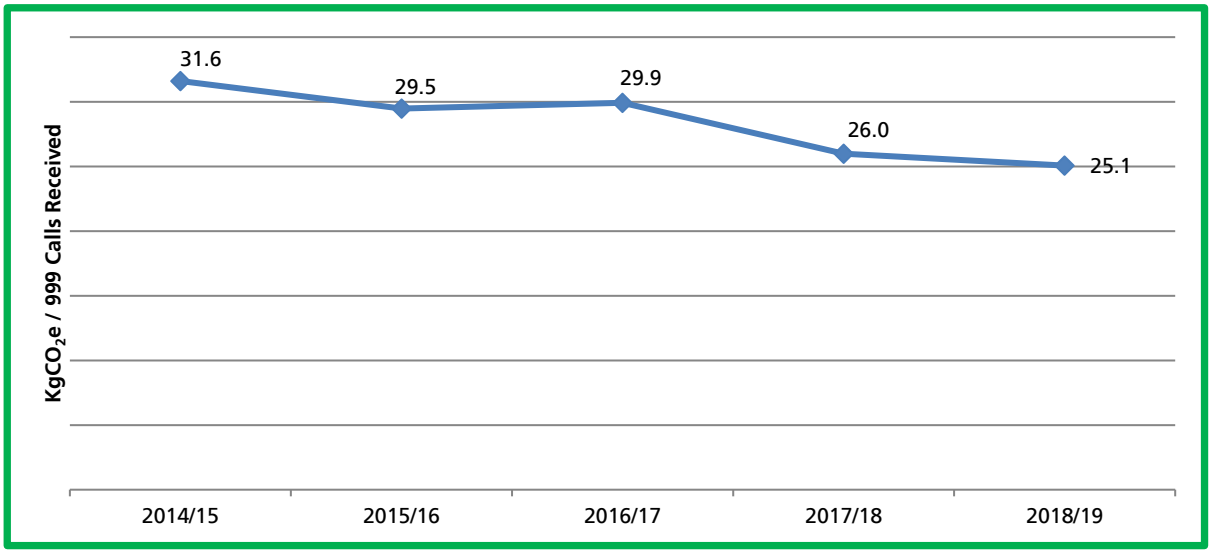
The EMAS Head of Information Governance also acts as the EMAS Data Protection Officer, managing virtual work-streams including communications, to support the fair processing notices and procurement, to support the contract reviews. Information relating to GDPR is communicated to all EMAS colleagues through the staff digital magazine Enews, and through statutory and mandatory education.

Environmental Sustainability

Our Sustainable Development Management Plan (SDMP) and Environmental Policy Statement have continued to be the frameworks on which we are currently delivering our five-year 30% carbon reduction target as well as our commitment to continue to comply with all relevant environmental regulation.

We have continued to embed the principles of good environmental management practices into all relevant aspects our operation. The carbon associated with the energy we use across our estates, our travel and transportation and our procurement and commissioning have continued to be monitored, managed and reported against our 2014/15 baseline.

We are proud to report that our carbon footprint reduced by 4% from 26,839 tCO_2e in 2014/15 to 25,861 tCO_2e at the end of the 2018/19 financial year. We achieved this improvement in our performance, even though the number of 999 calls we received increased by 22% over the last four years. The figure below show that we effectively achieved a 21% reduction in the carbon we emit for every 999 call we received during the 2018/19 financial year compared to our 2014/15 baseline.



We have continued to implement initiatives that support the delivery of our commitment to improve our environmental performance and enhance our resilience to the challenges associated with climate change.

Below are some of the highlights of our environmental sustainability performance during the financial year under review:

- We are actively reducing emissions from our fleet as well as the public health impacts of our operation. The newer, more efficient and less polluting healthcare and support vehicles that we have bought over the last four years have reduced the average carbon our vehicles emit per distance travelled by 11.4% from 200.4 g/km to 177.5 g/km.
- In conjunction with the above, the fuel we use per every 999 call we receive reduced by 14% against our 2014/15 baseline. This efficiency is attributed to our newer vehicles, reduction of the number of times our emergency vehicles were left idling and our current operational model. Our current operational model is underpinned by our commitment of optimising every opportunity to deliver sustainable emergency healthcare services within the communities we serve.
- We are actively collaborating with other local partners and stakeholders. One of the benefits of this collaboration is that we recently received a sustainable travel grant from the Nottingham City Council (NCC). The grant from NCC has been used to install eight dual 7 kW electric vehicle charging units. These units were commissioned in December 2018 and have collectively contributed to avoiding the emission of 744 $kgCO_2$ and 93 kgN_2O.
- We have continued to monitor our fleet against the current London ultra-low air zone (ULEZ) standard. As at March 2019, 61% of our fleet are compliant with the current ULEZ standard. We will continue to explore opportunities to reduce the public health and environmental impacts of our fleet.

- We have continued to promote the benefits of sustainable travel across our Trust. During the 2018/19 financial year, car sharing contributed to avoiding over 40,000 miles, while cycling accounted for 274 miles of our business travel.
- The number of premises from which our staff use electric and hybrid electric vehicles for business travel increased from zero during the 2014/15 financial year to nine during 2017/18 and ten at the end of the year under review. An in-depth analysis of our current business travel shows that pure electric and hybrid electric vehicles were used to travel up to 1.5% of our 2018/19 business miles. These low and ultra-low emission vehicles contributed to reducing the public health and environmental impact of business travel.
- Over the last four years, we have continued to invest in upgrading the heating system and lighting stock across our premises. These investments have contributed to reducing the electricity and gas used across our premises by 10% and 23% respectively. These achievements have enhanced our financial resilience to rising energy prices and reduced this aspect of our carbon footprint.
- The water efficiency measures that we have installed across our premises have contributed to reducing our water use by 27% during the 2018/19 financial year compared to our 2014/15 baseline. This implies that we are actively playing our part in reducing the pressure on water resources across our operational area.
- The 2% reduction in the procurement and commissioning aspect of our carbon footprint over the last five years is attributed to our cost improvement programme (CIP). We will continue to promote of the benefits of embedding good environmental practices and efficiency into all aspects of our operation.
- Over the last four years we have consistently diverted 98% of all non-healthcare wastes generated from our premises from landfill. The environmental and financial benefits of recycling will continue to be promoted across all areas of our operations.
- Over the last five years, the proportion of soft clinical wastes generated from our operations that were disposed via high temperature incineration route reduced from 27% to 0.5%. We will continue to promote the public health and environmental benefits of safe handling, segregation and storage of all healthcare wastes generated from our operation.
- Environmental sustainability requirements have continued to be included into relevant aspects of our procurement and commissioning processes. During the year under review, we carried out environmental assurance visits to the premises of some our contractors. These visits were conducted to gain assurance that these contractors are embedding the principles of sustainable development into the way they deliver services on behalf of EMAS.

Chief Executive

22 May 2019

2. Accountability Report

2.1 Corporate Governance Report

This section of our Annual Report provides information on the composition and organisation of EMAS' governance structures and how they support the achievement of our objectives.

2.2 Directors Report

Membership of the Trust Board during 2018/2019 (*voting members)

Name	Role	Date appointed	Date left
R Henderson	Chief Executive*	9 October 2017 (Note: Acting Chief Executive from 29 March 2016)	
M Naylor	Director of Finance*	25 April 2016 (substantive post from 25 October 2018)	
B Holdaway	Director of Operations*	10 April 2018	
D Whiting	Interim Chief Operating Officer	1 October 2017 (Note: D Whiting worked for EMAS as a contractor prior to this interim appointment)	
K Gulliver	Director of Human Resources and Organisational Development	1 October 2014	
J Douglas	Director of Quality and Nursing*	30 June 2014	31 March 2019
P Benton	Acting Director of Quality*	1 October 2018	
Dr R Winter	Medical Director*	9 February 2015	30 September 2018
Dr J Stephenson	Interim Medical Director*	1 October 2018	31 March 2019

W Legge	Director of Strategy and Transformation	21 July 2014	
P Tagg	Chairman*	1 October 2014 (appointed as Chairman) Member of the Board from 11 October 2011	
S Dawkins	Non-Executive Director*	11 October 2011	
R Morrison	Non-Executive Director*	1 July 2014	30 June 2018
G Brown	Non-Executive Director*	1 August 2018	
W Pope	Non-Executive Director*	25 January 2016	
V Sharma	Non-Executive Director*	1 October 2014	
K Tomlinson	Non-Executive Director*	1 August 2014	
J Ide	Associate Non-Executive Director	Member of NeXT Director scheme from 8 January 2018. Appointed by Trust 1 January 2019	
M Sani	Associate Non-Executive Director	5 June 2018	3 October 2018

Board meetings were also attended by Karen Sullivan, Associate Director of Corporate Services in an advisory capacity as Trust Secretary.

Members of the Audit Committee

Member	From	To
R Morrison – Chair with effect from 9 December 2015	24 February 2015	30 June 2018
S Dawkins	15 December 2015	
W Pope – Chair with effect from 1 July 2018	25 January 2016	
G Brown	1 August 2018	

Register of Interests

Details of company directorships and other significant interests held by members of the Trust Board are included in the register of interests which is available on the EMAS website: http://www.emas.nhs.uk/about-us/trust-board/

Each Director knows of no information which would be relevant to the auditors for their audit report and which the auditors are not aware of and has taken all the steps that he or she ought to have taken to make himself/herself aware of any such information and to establish that the auditors are aware of it.

2.3 Statement of Accountable Officer's responsibilities

The Chief Executive of NHS Improvement, in exercise of powers conferred on the NHS Trust Development Authority, has designated that the Chief Executive should be the Accountable Officer of the trust. The relevant responsibilities of Accountable Officers are set out in the NHS Trust Accountable Officer Memorandum. These include ensuring that:

- there are effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance;
- value for money is achieved from the resources available to the trust;
- the expenditure and income of the trust has been applied to the purposes intended by Parliament and conform to the authorities which govern them;
- effective and sound financial management systems are in place; and
- annual statutory accounts are prepared in a format directed by the Secretary of State to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, recognised gains and losses and cash flows for the year.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an Accountable Officer.

Signed .....Chief Executive

Date ..22..MAY....2019...

2.4 Governance statement

Scope of responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the NHS Trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the *NHS Trust Accountable Officer Memorandum*.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of the East Midlands Ambulance Service NHS Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the East Midlands Ambulance Service NHS Trust for the year ended 31 March 2019 and up to the date of approval of the annual report and accounts.

The governance framework of the organisation

Description of the governance framework

The Board has established the following committees to support it in its role:

- an Audit Committee which is responsible for reviewing the Trust's governance, risk management and internal control systems and also monitors the integrity of the Trust's financial statements and financial reporting mechanisms
- a Quality and Governance Committee which monitors the effectiveness of the Trust's assurance framework, oversees compliance with legislative requirements, best practice in governance and regulatory standards and ensures that a greater awareness of clinical quality is fostered throughout the Trust;
- a Workforce Committee which agrees and monitors the implementation of strategies relating to workforce issues and monitors performance against key workforce metrics;
- a Finance and Performance Committee which considers performance against the Trust's objectives as set out in the Integrated Business Plan and the Annual Plan, monitors operational and financial performance, oversees the capital programme and monitors arrangements for cash forecasting, investing and banking;
- a Remuneration and Nominations Committee which has responsibility for setting the remuneration of the Chief Executive and Executive Directors and any groups not included within the Agenda for Change Pay Framework.

A Transformation and Improvement Programme Board was also in existence for most of 2018/19 to monitor the actions arising from the last Care Quality Commission inspection and implementation of the Transformation Programme. The Executive Team took on the role of monitoring the Transformation Programme in February 2019 and a Care Quality Commission Preparedness Group was established. At this point the Transformation Programme Board ceased to exist.

There are also a number of sub groups reporting to the committees which undertake specific roles and support the committees in their assurance role.

Minimum requirements are set for attendance at meetings against which performance is monitored.

Ensuring quality governance

The Trust has arrangements in place for ensuring quality governance which include:

- the Quality and Governance Committee;
- an annual Quality Account;
- an annual Clinical Audit programme which is overseen by the Clinical Governance Group;
- identification, investigation and learning from Never Events and Serious Incidents
- the Quality Everyday programme which ensures that the standard and quality of care is maintained and the Care Quality Commission's requirements for ambulance trusts followed.

Ensuring corporate governance

The Trust Board has confirmed compliance with the NHS provider licence condition 4 and has not identified any significant risks to non-compliance. Details to support this are set out below.

Leadership – The Trust is headed by a Board with collective responsibility for the long-term success of the organisation. The division of responsibilities between executive functions and the running of the Board are set out in the Trust's Standing Orders and Scheme of Delegation. There have been changes to the Board membership during 2018/19. Interim management arrangements were in place within both the Medical Directorate and the Quality Directorate from 1 October 2018. The Medical Director retired from the Trust at the end of September 2018. A new Medical Director has been appointed and took up post on 1 April 2019. The Trust is currently recruiting to the role of Director of Quality Improvement and Patient Safety. The Interim Finance Director was appointed substantively to the role during the year. One of the Non-Executive Directors completed their term of office during 2018/19 and a new Non-Executive Director joined the Trust Board. A new Director of Operations joined the Board at the beginning of 2018/19.

Effectiveness – Directors received an induction on joining the Board. This is supplemented with Board Update and Discussion Sessions to enable Board members to work effectively together and to set aside time to discuss and agree the Trust's vision, provide input to the development of key strategies and also to receive information about the Trust's functions. Individual directors, the Chief Executive and the Chairman undertake annual performance appraisals. The Board undertook an assessment of its role and performance in April 2018. Areas of improvement were identified as part of the self-assessment and have informed the Update and Discussion Session work programme.

Accountability – The Board recognises its responsibility for determining the nature and extent of the significant risks involved in achieving the Trust's strategic objectives. The Board ensures the Trust has sound risk management arrangements and internal control principles and has sought assurance that these arrangements were operating effectively through its committees and the reports it receives during the year.

Sustainability – The Trust has a five-year Integrated Business Plan which takes a long-term view of the vision of the Trust. Board members were involved in the development of the plan and the document was approved by the Trust Board. The Board receives regular reports from the Chief Executive which include information on national initiatives and general horizon scanning. These reports inform the work of the Board in developing its long-term plans.

The Trust has arrangements in place to ensure the discharge of statutory functions. Responsibility for functions is clearly allocated to individual Executive Directors. Regular reports are presented to the Board and appropriate committees to provide assurance that statutory requirements are met and compliance ensured for individual functions. The Scheme of Delegation identifies responsibility for specific statutory roles and details delegated authority to undertake the functions.

Capacity to handle risk

As Accountable Officer I have responsibility for the overall direction of the risk management systems and processes within the Trust.

The Associate Director of Corporate Services was the identified lead for risk during 2018/19.

The Trust provides training and guidance to ensure that risk management is integrated into all policies and procedures which:

- raises awareness of incident reporting and near misses;
- ensures compliance with professional registration requirements;
- provides a consistent approach to the management of risk; and
- ensures systems and processes which have the capacity to manage and mitigate risk are developed and maintained.

Good practice and lessons learnt were widely shared during the year through mechanisms such as the Lessons Learnt Group, the Risk, Safety and Governance Group and the Clinical Governance Group.

The risk and control framework

Risk management arrangements

The Trust has a Risk Management Policy which was revised and approved by the Board in November 2017. There is a systematic process for the identification of risk throughout the organisation through local or divisional risk registers and a Board Assurance Framework. The risk registers and Board Assurance Framework are reviewed regularly to ensure risks are managed effectively in accordance with the Risk Management Policy.

Risks are scored for impact and likelihood using a risk evaluation model. The significance of a risk to the achievement of the Trust's strategic objectives determines whether a risk is managed locally or escalated for inclusion in the Board Assurance Framework. The Trust's strategic-level risks are contained in the Board Assurance Framework which details the risk and any mitigation through the application of controls, together with evidence that demonstrates the application of those controls. In identifying current and expected risk scores the Trust Board considers its risk appetite, determining the level of risk it is willing to accept and the mitigating actions required to achieve that.

The Board Assurance Framework is the key tool used by the Trust to provide assurance that risk and control mechanisms are in place and operating effectively. Through regular monitoring of the Board Assurance Framework and the operational risk registers, which underpin the risk management process, the Executive Team and the Trust Board ensure that current risks are managed appropriately and there are suitable arrangements for preventing and deterring risk. The Board Assurance Framework was subject to a thorough review during 2018/19. Responsibility for the detailed examination of specific risks on a regular basis is delegated to the respective committees.

The Trust's Internal Auditors undertook a survey of Board members views of the Board Assurance Framework during 2018/19. This demonstrated a good level of understanding of risk management at Board level. Work continues to further embed risk management across the Trust.

The main risks identified during 2018/19 were:

- resourcing levels required to meet demand and provide a quality service;
- the impact of high demand including calls from 111 services;
- compliance with long-term financial targets
- the impact of not meeting contractual targets
- achievement of Care Quality Commission standards;
- ability to demonstrate compliance with equalities requirements;
- effective recruitment and retention of sufficient staff to meet the demand for services and ensuring workforce diversity;
- developing an appropriate skill mix and opportunities for staff with advanced practice skills;
- the risk of rising staff costs from national pay awards;
- effective clinical leadership;
- the impact of sickness absence on resourcing
- the risk of industrial action resulting from changes to policy and terms and conditions;
- failure of the information and communications technology infrastructure and risk of data loss through cyber-attacks;
- the introduction of the General Data Protection Regulations;
- non-delivery of the Patient Transport Service by other partners;
- responding to demand during Winter;
- the cost of modernising the estate;
- rising costs from the United Kingdom's decision to leave the European Union; and
- the impact of hospital handover delays on resourcing.

A number of these challenges are likely to continue into 2019/20.

Risk management is further embedded within the Trust through the system of service management responsibilities. Equality impact assessments are carried out against core business policies, and risk assessments and quality impact assessments are completed on proposed business activities and changes.

The risk management arrangements are supported by a system of management control throughout the organisation which governs how the organisation operates. This includes the existence of clear policies and procedures to guide staff in their everyday work, a scheme of delegation which explains which groups and individuals have specific decision-making and financial authority, arrangements for the supervision and appraisal of staff and a system of audits and reviews of the Trust's processes to ensure compliance with legislation and internal requirements, particularly in relation to patient safety and effectiveness. These measures ensure that the organisation's statutory obligations and requirements from external regulators including the Care Quality Commission are complied with and risks are effectively managed including the prevention and deterrence of those risks.

The Trust's quality impact assessment and equality impact assessment processes ensure that risks which could arise from changes to services, new initiatives or proposals for efficiency savings are identified early, prevented and deterred as appropriate and managed effectively.

The Trust has an annual Counter Fraud work programme in place and the result of the reviews undertaken are monitored by the Trust's Audit Committee.

The Trust has completed self-assessments against NHS Improvement's Well Led Framework and has identified actions where improvement can be made. This is overseen by the Trust Board. The Trust also asked NHS Improvement to undertake an independent review of the Trust against the Well Led framework during 2018/19. Findings from this review will inform the Trust's Well Led self-assessment and will be used to revise the action plan.

The Board receives the Board Assurance Framework regularly and discusses the principle risks and the controls in place. The Board also receives integrated performance reports which provide data in respect of financial, clinical and national targets and objectives. Any areas of risk are highlighted. Information included in the integrated performance reports is overseen by the Performance Management and Information Team to ensure the quality of the data. The Trust also has a Data Quality and Compliance Group responsible for providing assurance that the data used by the Trust is fit for purpose.

Workforce Strategies and Staffing Systems

The Trust takes an evidence-based approach, utilising independent external reviews and historic activity trends, to determine the required number of suitably qualified, competent and skilled staff to deliver services in each locality. The 2018/19 Workforce Plan was underpinned by an independent review (Demand and Capacity Review) and supporting service commissioning arrangements. This plan recognised that delivery of the required frontline workforce to meet that set out in the Demand and Capacity Review, would be achieved over a two-year period ending 31 March 2020. Delivery of the workforce plan is

supported by a recruitment and education plan taking account of factors such as the required increased capacity; turnover information; abstraction data; length of education programmes; and available workforce supply to deliver the required funded workforce. The plan includes utilisation of third-party resources to maintain the required staffing levels whilst new employees are recruited and undertake training. All frontline staff members are qualified in their respective role. To support newly qualified staff and those in training, experienced frontline staff members provide mentorship and guidance in practice. The Trust continues to support development of mentor capacity and capability through its practice education programme.

Development of the five-year Workforce Plan is overseen by the Workforce Planning Group, a subgroup of the Workforce Committee of the Trust Board. The Workforce Plan is updated on an annual basis using future workforce modelling determined by strategic priorities, workforce supply, education availability and financial considerations. The plan is presented to the Trust Board for approval. The plan is monitored on a monthly basis in relation to staffing numbers, cost and delivery of nationally set performance standards. The Trust reports and monitors quality metrics monthly through the Quality and Governance Committee, which includes patient experience and patient safety and would identify workforce issues impacting on patients. In addition, the Integrated Board Report incorporates performance, workforce, finance, clinical and quality metrics and is reviewed and discussed by the Trust Board at each meeting.

It is acknowledged that there is a shortage of paramedics nationally to meet the needs of the Ambulance Sector. The Trust's main workforce risk identified in 2018/19 relates to developing its workforce to have a greater proportion of registered paramedic staff and to provide opportunities for advanced practice skills. During 2018/19, the Trust has progressed development of its long-term Clinical Model, informing future workforce skill mix requirements. In addition, the Trust has increased its paramedic education provision through development of new Higher Education partnerships to increase the number of paramedics available and to provide opportunities for Advanced Practice Education.

Data security risks

The Trust Board approved the Information Security Strategy 2017/21 in November 2017. The Trust has an Information Security Management System including appropriate governance arrangements, providing assurance to the Trust Board through the Information Governance Group and the Finance and Performance Committee. This allows for the identification and management of data security risks. The Information Security Manager has day to day responsibility for managing these risks. Arrangements to identify and manage the risks include regular testing of all systems, firewalls, antivirus updates and arrangements for backup and restore testing.

Employer obligations

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

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

Statutory requirements

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with.

The Trust has undertaken risk assessments and has a sustainable development management plan in place which takes account of UK Climate Projections 2018 (UKCP18). The Trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

The Trust has a sustainable development management plan based on a comprehensive assessment of all areas in which the Trust significantly interacts with the environment. The plan is the framework against which the Trust delivers its responsibilities under the Climate Change Act and complies with all relevant environmental regulations. The Trust has continued to develop and implement initiatives that support its commitment to continue to comply with all environmental regulations, improve environmental performance and enhance resilience to the challenges associated with climate change.

Public and patient involvement in the work of the Trust

The public and patients are involved in identifying risk and for bringing this to the attention of the Trust in a variety of ways including patient satisfaction surveys, complaints, litigation claims, Patient Advice and Liaison concerns and the Patient Voice Forum. A representative of the Patient Voice Forum is a member of the Quality and Governance Committee.

Regulation and inspection

The Care Quality Commission is currently carrying out a planned inspection of the Trust which started in April 2019 and will be completed mid May 2019. The previous inspection was undertaken in February and March 2017. The overall rating for the Trust following that inspection was Requires Improvement.

The Trust is fully compliant with the registration requirements of the Care Quality Commission. The Trust has arrangements in place for ongoing monitoring of its compliance with these requirements and ensuring that actions required by the Care Quality Commission are implemented. This was overseen by the Transformation and Improvement Board and the Quality and Governance Committee during 2018/19. The Care Quality Commission Preparedness Group was established in February 2019 to ensure the Trust was prepared for the forthcoming inspection and to ensure completion of any actions arising from inspections.

Internal audit programme and assurance

The Trust's internal auditors have provided a significant assurance opinion for 2018/19. The significant assurance opinion means that there is a generally sound framework of governance, risk management and control designed to meet the organisation's objectives, and that controls are generally being applied consistently.

One high risk issue was identified by the internal auditors during 2018/19. This relates to the arrangements for monitoring compliance with Duty of Candour requirements.

There were two limited assurance opinions provided on reviews in 2018/19. These were:

- Duty of Candour
- Data Security and Protection Toolkit.

The internal auditors provided significant assurance opinions on seven audits in 2018/19.

Prevention of Future Deaths Reports

The Trust received two Prevention of Future Deaths reports from the Coroner in 2018/19.

The issues highlighted were:

- triaging of calls, including in relation to sepsis;
- shortage of ambulance service resources;
- response times;
- capacity management escalation arrangements;
- use of first responders; and
- re-categorisation of calls.

The Trust has arrangements in place to ensure a response is sent to the Coroner within the required deadline and to ensure that appropriate action is taken to address the concerns.

Review of economy, efficiency and effectiveness of the use of resources

The Trust Board has a strong commitment to ensuring value for money is achieved, this is reflected in the business and service delivery plans, with monitoring predominantly carried out through the Board sub committees. The Audit Committee in particular advises the Trust Board on performance against its value for money objectives.

The Finance and Performance Committee has used the recent Carter Report on ambulance efficiency to assist in the process of establishing economy, efficiency and effectiveness in the use of resources. The committee receives monthly updates on performance against standards identified in the report. The Trust has benchmarked well on all aspects of economy and efficiency however elements of effectiveness were affected by funding limitations.

To ensure economy, efficiency and effectiveness of the use of resources was achieved during 2018/19 the Trust has:

- partially implemented the review undertaken in 2017/18 of pricing and costs needed to implement the Ambulance Review Programme standards and which examined EMAS efficiency against industry standards; the full year effect will be seen in 2019/20;
- participated in and led elements of the Carter review into Ambulance Service use of resources; the EMAS Ambulance vehicle specification was determined as the benchmark;
- participated in a jointly commissioned review with commissioners to establish the cost of a safe and effective ambulance service for the East Midlands; and
- participated in further benchmarking of back office functions with NHS Improvement.

Information governance

During 2018/19 there were no reportable incidents relating to information governance.

The Trust has information governance policies and procedures in place to prevent security and information breaches and to address any issues that may arise or any areas of concern. These were reviewed in 2018/19 in line with the new Data Security and Protection Toolkit. The Trust was assessed as "standards not met" for 2018/19 as there are some standards for which it is unable to provide all of the evidence. The Trust has submitted an improvement plan to NHS Digital to demonstrate how it will address this. Internal Audit conducted their audit of the toolkit and provided a limited assurance opinion.

The Trust has a Non-Executive Director lead for the requirements arising from the General Data Protection Regulation.

Annual Quality Account

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. The priorities identified for 2019/20 were consulted on with stakeholders to ensure that the Trust prioritised those areas of interest to the public. The Trust Board reviews and approves the Quality Account prior to publication and seeks assurance from the Executive Directors regarding the accuracy of the document.

The Clinical and Quality Strategy sets out how the Trust will improve the quality of its services for patients and monitor compliance with quality standards. An update on the Quality Account Priorities is presented at regular intervals to the Quality and Governance Committee. The Trust Board receives an Integrated Board Report at each meeting which includes the key quality performance indicators.

Review of effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within East Midlands Ambulance Service NHS Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the information provided in this annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Trust Board and the Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Processes have been in place throughout 2018/19 to maintain and review the effectiveness of the system of internal control. This includes oversight of the Trust's corporate risks by the Trust Board in regularly reviewing the Board Assurance Framework; consideration by the Audit Committee of assurance reports from Internal Audit, External Audit, the Local Counter Fraud Service and EMAS managers; the Trust's risk management arrangements; and arrangements for clinical audit and clinical governance as overseen by the Quality and Governance Committee.

Conclusion

No significant internal control issues have been identified during the year.

Signed .....

Richard Henderson
Chief Executive
East Midlands Ambulance Service NHS Trust

Date 22 MAY 2019

2.5 Remuneration Report

2.6 Remuneration Policy

Senior managers' remuneration

This remuneration report is for the year ending 31 March 2019. Executive Directors remuneration is paid in accordance with the Department of Health Pay Framework for Very Senior Managers (VSM) in strategic and Special Health Authorities, primary care and ambulance trusts. Our Remuneration and Nominations Committee has delegated responsibility for setting remuneration for the Chief Executive and all Executive Directors in accordance with the VSM Framework.

EMAS operates in accordance with the VSM Pay Framework Performance-Related Pay Awards Scheme and Department of Health annual updates concerning its application. In addition, we apply our policy of annual performance development reviews in order to assess individual performance. The Remuneration Committee is authorised to monitor and evaluate individual performance in accordance with the provisions of the VSM Pay Framework and the requirements of the Department of Health.

EMAS operates in accordance with the VSM Pay Framework Performance-Related Pay Awards Scheme and Department of Health updates concerning its application. We do not anticipate any change in our approach in future years.

EMAS did not award any performance bonus payments to senior managers during 2018/2019.

The following remuneration report for the year ended 31 March 2019 has been audited. This consists of the tables of senior managers' salaries, allowances and pension benefits, and the accompanying narrative.

Remuneration Report For The Year Ended 31 March 2019

Salaries and Allowances (Part 1 - 31 March 2019)			Salary	Expense payments (taxable) total	Performance pay and bonuses	Long Term performance pay and bonuses	All pension related benefits	Total
			Bands of £5,000	nearest £100	Bands of £5,000	Bands of £5,000	Bands of £2,500	Bands of £5,000
			£'000	£	£'000	£'000	£'000	£'000
Richard Henderson		Chief Executive Director	140 - 145	3,000	0	0	112.5 - 115.0	255 - 260
Kerry Gulliver		Director of Human Resources and Organisational Development	105 - 110	4,900	0	0	57.5 - 60.0	165 - 170
Mike Naylor		Director of Finance	130 - 135	0	0	0	0.0 - 2.5	130 - 135
Judith Douglas	Ceased Trust Board Membership 31 March 2019	Director of Quality and Nursing	105 - 110	0	0	0	107.5 - 110.0	215 - 220
Paul Benton	Commenced 1 October 2018	Acting Director of Quality and Nursing	50 - 55	1,900	0	0	32.5 - 35.0	85 - 90
David Whiting		Interim Chief Operating Officer	110 -115	0	0	0	N/A	110 -115
Ben Holdaway	Commenced 5 February 2018	Director of Operations	100 - 105	2,500	0	0	50.0 - 52.5	155 - 160
Robert Winter	Ceased 30 September 2018	Medical Director	35 - 40	0	0	0	0.0 - 2.5	35 - 40
John Stephenson	Commenced 1 October 2018	Interim Medical Director	50 - 55	2,400	0	0	0.0 - 2.5	50 - 55
Will Legge		Director of Strategy and Transformation	105 - 110	3,900	0	0	20.0 - 22.5	125 - 130
Pauline Tagg		Chairman	25 - 30	0	0	0	N/A	25 - 30
Stuart Dawkins		Non-Executive Director	5 - 10	0	0	0	N/A	5 - 10
Rachel Morrison	Ceased 30 June 2018	Non-Executive Director	0 - 5	0	0	0	N/A	0 - 5
Karen Tomlinson		Non-Executive Director	5 - 10	0	0	0	N/A	5 - 10
Vijay Sharma		Non-Executive Director	5 - 10	0	0	0	N/A	5 - 10
Will Pope		Non-Executive Director	5 - 10	0	0	0	N/A	5 - 10
Gary Brown	Commenced 1 August 2018	Non-Executive Director	0 - 5	0	0	0	N/A	0 - 5
Jane Ide	Commenced 8 January 2019	Associate Non-Executive Director	0 - 5	0	0	0	N/A	0 - 5
Maggie Boyd		Quality Advisor to the Board	5 - 10	0	0	0	N/A	5 - 10
Mojan Sani		Associate Non-Executive Director	0 - 5	0	0	0	N/A	0 - 5

Salaries and Allowances (Part 2 - 31 March 2018)			Salary	Expense payments (taxable) total	Performance pay and bonuses	Long Term performance pay and bonuses	All pension related benefits	Total
			Bands of £5,000	nearest £100	Bands of £5,000	Bands of £5,000	Bands of £2,500	Bands of £5,000
			£'000	£	£'000	£'000	£'000	£'000
Richard Henderson		Chief Executive Director	125 - 130	2,100	0	0	20.0 - 22.5	150 - 155
Kerry Gulliver		Director of Human Resources and Organisational Development	95 - 100	4,900	0	0	17.5 - 20.0	115 - 120
Mike Naylor		Director of Finance	130 - 135	0	0	0	0.0 - 2.5	130 - 135
Judith Douglas		Director of Quality and Nursing	95 - 100	0	0	0	15.0 - 17.5	115 - 120
Paul Benton	Commenced 1 October 2018	Acting Director of Quality and Nursing	N/A	N/A	N/A	N/A	N/A	N/A
David Whiting		Interim Chief Operating Officer	110 -115	0	0	0	N/A	110 -115
Ben Holdaway	Commenced 5 February 2018	Director of Operations	15 - 20	400	0	0	N/A	15 - 20
Robert Winter	Ceased 30 September 2018	Medical Director	75 - 80	0	0	0	5.0 - 7.5	80 - 85
John Stephenson	Commenced 1 October 2018	Interim Medical Director	N/A	N/A	N/A	N/A	N/A	N/A
Will Legge		Director of Strategy and Transformation	100 - 105	2,300	0	0	20.0 - 22.5	125 - 130
Pauline Tagg		Chairman	25 - 30	0	0	0	N/A	25 - 30
Stuart Dawkins		Non-Executive Director	5 - 10	0	0	0	N/A	5 - 10
Rachel Morrison	Ceased 30 June 2018	Non-Executive Director	5 - 10	0	0	0	N/A	5 - 10
Karen Tomlinson		Non-Executive Director	5 - 10	0	0	0	N/A	5 - 10
Vijay Sharma		Non-Executive Director	5 - 10	0	0	0	N/A	5 - 10
Will Pope		Non-Executive Director	5 - 10	0	0	0	N/A	5 - 10
Gary Brown	Commenced 1 August 2018	Non-Executive Director	N/A	N/A	N/A	N/A	N/A	N/A
Jane Ide	Commenced 8 January 2019	Associate Non-Executive Director	N/A	N/A	N/A	N/A	N/A	N/A
Maggie Boyd		Quality Advisor to the Board	N/A	N/A	N/A	N/A	N/A	N/A
Mojan Sani		Associate Non-Executive Director	N/A	N/A	N/A	N/A	N/A	N/A

The table above shows the salary and pension entitlements of senior managers. It should be noted that the total for the year includes Salary, Expense payments, Performance related pay and derived increase in capital value of pension benefits at pension age, calculated using legislated relevant factor of 20 on annual pension at pension age, plus lump sum at pension age. This does not reflect an increase in remuneration during 2018/2019 but an annual pension value multiplied by a notional value of 20 which may be realised following retirement. The pension benefit table below sets out cash equivalent transfer values.

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest paid director in the financial year 2018/2019 was £143,500 (2017/2018 £132,500) This was 4.86 times (2017/2018 4.56 times) the median remuneration of the workforce, which was £29,533 (2017/2018 £29,027).

In 2018/2019 and 2017/2018 no employees received remuneration in excess of the highest paid director. Remuneration ranged from £15,404 to £143,500 (2017/2018 £15,404 to £132,414).

Total remuneration includes salary, non-consolidated performance-related pay, benefits in kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Pension Benefits			Real Increase at Pension Age	Real Increase in Pension Lump Sum at Pension Age	Total Accrued Pension at Pension Age at 31 March 2019	Lump Sum at Pension Age Related to Accrued Pension at 31 March 2019	Cash Equivalent Transfer Value at 1 April 2018	Real Increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2019	Employer's Contribution to Stakeholder Pension
			Bands of £2,500	Bands of £2,500	Bands of £5,000	Bands of £5,000				
			£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Richard Henderson		Chief Executive Director	5.0 - 7.5	10.0 - 12.5	40 - 45	95 - 100	454	139	627	
Kerry Gulliver		Director of Human Resources and Organisational Development	2.5 - 5.0	2.5 - 5.0	25 - 30	60 - 65	418	92	537	0
Mike Naylor		Director of Finance	0	0	0	0	0	0	0	0
Judith Douglas	Ceased Trust Board Membership 31 March 2019	Director of Quality and Nursing	5.0 - 7.5	5.0 - 7.5	35 - 40	85 - 90	543	144	718	0
Paul Benton	Commenced 1 October 2018	Acting Director of Quality and Nursing	0.0 - 2.5	2.5 - 5.0	25 - 30	60 - 65	333	50	450	0
David Whiting		Interim Chief Operating Officer	0	0	0	0	0	0	0	0
Ben Holdaway	Commenced 5 February 2018	Director of Operations	2.5 - 5.0	0	30 - 35	0	253	70	344	0
Robert Winter	Ceased 30 September 2018	Medical Director	0	0	55 - 60	0	1,341	0	1,341	0
John Stephenson	Commenced 1 October 2018	Interim Medical Director	0	0	0	0	0	0	0	0
Will Legge		Director of Strategy and Transformation	0.0 - 2.5	0	20 - 25	45 - 50	261	50	333	0

As Non-Executive members do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive members

Chief Executive

22 May 2019

Exit Packages Agreed in 2018-2019

2018/2019 Exit package cost band (including any special payment element)	Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages	Number of departures where special payments have been made	Cost of special payment element included in exit packages
	Number	£s	Number	£s	Number	£s	Number	£s
Less than £10,000	0	0	11	23,777	11	23,777	0	0
£10,000 - £25,000	0	0	0	0	0	0	0	0
£25,001 - £50,000	0	0	0	0	0	0	0	0
£50,001 - £100,000	0	0	0	0	0	0	0	0
£100,001 - £150,000	0	0	0	0	0	0	0	0
£150,001 - £200,000	0	0	0	0	0	0	0	0
>£200,000	0	0	0	0	0	0	0	0
Totals	**0**	**0**	**11**	**23,777**	**11**	**23,777**	**0**	**0**

2017/2018 Exit package cost band (including any special payment element)	Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages	Number of departures where special payments have been made	Cost of special payment element included in exit packages
	Number	£s	Number	£s	Number	£s	Number	£s
Less than £10,000	7	28,653	36	129,785	43	158,438	0	0
£10,000 - £25,000	4	58,483	5	78,933	9	137,416	0	0
£25,001 - £50,000	6	229,682	2	59,186	8	288,868	0	0
£50,001 - £100,000	0	0	0	0	0	0	0	0
£100,001 - £150,000	2	260,995	0	0	2	260,995	0	0
£150,001 - £200,000	2	318,395	0	0	2	318,395	0	0
>£200,000	0	0	0	0	0	0	0	0
Totals	**21**	**896,208**	**43**	**267,904**	**64**	**1,164,112**	**0**	**0**

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Scheme.

Exit costs in this note are accounted for in full in the year of departure.

Where the Trust has agreed early retirements, the additional costs are met by the Trust and not by the NHS Pensions Scheme. Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the table.

The Trust has utilised a Mutually Agreed Resignation Scheme in 2017/2018 and this is detailed in the table below.

This disclosure reports the number and value of exit packages agreed in the year.

Note: the expense associated with these departures may have been recognised in part or in full in a previous period.

Exit packages - Other Departures analysis

	2018-2019		2017-2018	
	Number of exit package agreements	Total Value of agreements	Number of exit package agreements	Total Value of agreements
	Number	£000s	Number	£000s
Voluntary redundancies including early retirement contractual costs	0	0	0	0
Mutually agreed resignations (MARS) contractual costs	0	0	2	44
Early retirements in the efficiency of the service contractual costs	0	0	0	0
Contractual payments in lieu of notice*	11	24	41	223
Exit payments following Employment Tribunals or court orders	0	0	0	0
Non contractual payments requiring HMT approval **	0	0	0	0
Total	**11**	**24**	**43**	**267**

Non-contractual payments made to individuals where the payment value was more than 12 months' of their annual salary.	0	0	0	0

As a single exit package can be made up of several components each of which will be counted separately in this Note, the total number be the number of individuals above will not necessarily match the total numbers in the exit packages agreed in 2018-2019 which will be the number of individuals.

Off-Payroll Engagements

Off-payroll engagements longer than 6 months

For all off-payroll engagements as of 31 March 2019, for more than £245 per day and that last for longer than six months:

	Number
No. of existing engagements as of 31 March 2019	0
Of which...	
No. that have existed for less than one year at time of reporting.	0
No. that have existed for between one & two years at time of reporting.	0
No. that have existed for between two and three years at time of reporting.	0
No. that have existed for between three and four years at time of reporting.	0
No. that have existed for four or more years at time of reporting.	0

New Off-payroll engagements

For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2018 and 31 March 2019, for more than £245 per day and that last for longer than six months:

	Number
No. of new engagements, or those that reached six months in duration, between 1 April 2018 and 31 March 2019	0
Of which...	
No. assessed as caught by IR35	0
No. assessed as not caught by IR35	0
No. engaged directly (via PSC contracted to the entity) and are on the departmental payroll	0
No. of engagements reassessed for consistency / assurance purposes during the year.	0
No. of engagements that saw a change to IR35 status following the consistency review	0

Off-payroll board member/senior official engagements

For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2018 and 31 March 2019:

No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
No. of individuals that have been deemed "board members, and/or, senior officials with significant financial responsibility", during the financial year. This figure should include both off-payroll and on-payroll engagements.	20

2.7 Staff Report

Staff absences

Our sickness absence rate during the year was 5.23% year to date against a target of 5.30%.

We have an Improving Wellbeing and Reducing Sickness Absence Plan which is monitored through our internal governance structure as well as through our Divisional Performance Review meetings. There are many initiatives to improve health and wellbeing that link into our work to improve engagement and culture. During the year we also worked with NHS Improvement to review sickness absence management and receive any feedback that they had. This work has provided assurance on our absence management processes, along with recommendations that support improving wellbeing and reducing sickness to support us to continue to improve in this area. We have also been actively involved nationally in the Ambulance Wellbeing and culture work which is now published on the NHS Employers website.

	2018-2019 Number	2017-2018 Number
Total Days Lost	39,414	42,994
Total Staff Years	3,221	3,162
Average working Days Lost	12	14

Staffing Policies

EMAS has a structured system in place for the development of new staffing polices and the review of existing policies. This allows the organisation to learn from previous experiences and ensure that fair and equitable processes are in place for all staff. The consistent approach we take in developing staffing policies includes working in partnership with our trade unions.

We have policies in place to ensure full and fair consideration to applications for employment made by disabled persons, having regard for their particular aptitudes and abilities. Policies include arranging appropriate training for employees who have become disabled persons whilst employed at EMAS, or for training, career development and promotion of disabled persons employed by EMAS.

Senior manager pay banding

The number of senior managers in each banding of salary (as at year ended 31 March 2019) are:

Salary Bands of £5,000	Number	Salary Bands of £5,000	Number
0 - 5	4	100 - 105	1
5 - 10	5	105 - 110	3
25 - 30	1	110 -115	1
35 - 40	1	130 - 135	1
50 - 55	2	140 - 145	1

Employee benefits

2018-2019	Total £000s	Permanently Employed £000s	Other £000s
Employee Benefits - Gross Expenditure			
Salaries and Wages	**109,227**	108,375	852
Social Security Costs	**10,364**	10,364	0
Apprentership Levy	**523**	523	0
Employer Contributions to NHS BSA - Pensions Division	**13,134**	13,134	0
Other Pension Costs	**104**	104	0
Termination Benefits	**0**	0	0
Temporary Staff	**0**	0	0
Total Employee Benefits	**133,352**	**132,500**	**0**
Employee Costs Capitalised	**0**	0	0
Gross Employee Benefits excluding Capitalised Costs	**133,352**	**132,500**	**0**

2017-2018	Total £000s	Permanently Employed £000s	Other £000s
Employee Benefits - Gross Expenditure			
Salaries and Wages	**102,683**	102,447	236
Social Security Costs	**9,769**	9,769	0
Apprentership Levy	**494**	494	0
Employer Contributions to NHS BSA - Pensions Division	**12,575**	12,575	0
Other Pension Costs	**27**	27	0
Termination Benefits	**1,066**	1,066	0
Temporary Staff	**397**	0	397
Total Employee Benefits	**127,011**	**126,378**	**633**
Employee Costs Capitalised	**0**	0	0
Gross Employee Benefits excluding Capitalised Costs	**127,011**	**126,378**	**633**

Staff numbers

Analysis of average staff numbers is as follows:

2018-2019

	Total Number	Permanently Employed Number	Other Number
Average Staff Numbers			
Medical and dental	**1**	1	0
Ambulance staff	**2,457**	2,457	0
Administration and estates	**780**	771	9
Nursing, midwifery and health visiting staff	**64**	63	1
TOTAL	**3,302**	**3,292**	**10**
Of the above - staff engaged on capital projects	**0**	0	0

2017-2018

	Total Number	Permanently Employed Number	Other Number
Average Staff Numbers			
Medical and dental	**1**	1	0
Ambulance staff	**2,371**	2,371	0
Administration and estates	**735**	729	6
Nursing, midwifery and health visiting staff	**64**	61	3
TOTAL	**3,171**	**3,162**	**9**
Of the above - staff engaged on capital projects	**0**	0	0

Gender Pay Gap

EMAS has undertaken an analysis of its gender pay gap. In line with legal requirement, the results were published on the Gov.UK website and the EMAS website at https://www.emas.nhs.uk/join-the-team/working-for-emas/.

Equality

Equality, Diversity, Inclusion and Human Rights encompass all our aims, objectives and actions addressing inequalities and promoting diversity in healthcare and employment. The key principle of Diversity and Inclusion is that it belongs to everyone and that every individual has the right to be treated with respect and dignity as aligned to our core values.

We are committed to ensure that our services are anti-discriminatory enabling equality of access and provision and that we meet the legal requirements under the Equality Act 2010 and the specific elements of the Public Sector Equality Duty.

The Equality Delivery System 2 (EDS2) is used to ensure that service priorities are influenced and set by the health needs of all our local and regional communities through consultation, equality monitoring and partnership working.

Priority actions arising from our equality event held in March 2018 has seen us:

- Develop a specific equality, diversity and inclusion e-learning package
- Deliver a Board development session on the Workforce Race Equality Standard (WRES)

- Develop our Black Asian Minority Ethnic (BAME) staff network
- Continue roll out of the Professional Behaviours in the Workplace programme for managers
- Engage with national groups to develop the Workforce Disability Equality Standard (WDES)
- Engage with the ambulance sector to develop national conferences including BAME and Women in Leadership.

Our annual Equality, Diversity and Inclusion report provides more detail.
Our second Equalities Day is scheduled to take place in May 2019 and will include more staff stories and workshops to help us to continue to develop our services.

The table below identifies the gender, ethnicity and age split across the service:

Age Group	Percentage of Overall Staff 2017/2018	Percentage of Overall Staff 2018/2019
15-19	0.40%	0.40%
20-24	5.00%	6.89%
25-29	11.80%	13.42%
30-34	11.10%	10.97%
35-39	10.50%	9.76%
40-44	14.40%	13.65%
45-49	16.50%	14.67%
50-54	13.90%	13.75%
55-59	9.80%	9.39%
60-64	5.40%	5.43%
65+	1.20%	1.68%

Ethnicity	2017/2018	2018/2019
% White*	93.2	95.3
% Ethnic Group**	6.8	2.9
Not declared	-	1.8

Gender %	2017/2018	2018/2019
Male	54	52.4
Female	46	47.6

* Includes White British, White Irish, White any other white background, White unspecified, White English, White Welsh, White Italian, White Polish, White other European

** Includes White and Black Caribbean, White and Black African, White and Asian, other mixed background, other unspecified, Asian or Asian British – Indian, Asian or Asian British – Pakistani, Asian or Asian British – other Asian background, Asian British, Asian unspecified, Black or Black British – Caribbean, Black or Black British - African, Black or Black British – other Black background, Black Nigerian, Chinese, Other Ethnic group.

Supplementary information

The performance report overview is only part of EMAS' annual report and accounts. EMAS has evaluated its status and has decided it does not meet the definition of a 'commercial organisation'. Therefore, the requirements of the UK Modern Slavery Act do not apply to the organisation.

During 2018/2019, EMAS' expenditure on consultancy fees was £195k (2017/2018: £172k).

Details relating to off payroll arrangements are declared in the Remuneration Report.

The trust recognises the need to ensure the highest standards of probity and actively seeks to reduce the risk of fraud to NHS resources by creating an anti-fraud culture where fraud will not be tolerated. The trust utilises the services of a specialised Local Counter Fraud Service responsible for investigating fraud within EMAS and has specialist legal training and accreditation in countering fraud.

Pension Liabilities and Annual Governance Statement are contained in the full set of audited accounts, available free of charge from the Finance Department at East Midlands Ambulance Service NHS Trust, Trust Headquarters, 1 Horizon Place, Mellors Way, Nottingham Business Park, Nottingham, NG8 6PY (or call 0115 844 5000). Copies of the annual report are available from the same address.

Chief Executive

23 May 2019

2.8 Parliamentary accountability and audit report

EMAS does not report to Parliament and is therefore not required to provide any information in this section of our Annual Report.

2.9 Fees and charges

KPMG LLP are the trust's appointed external auditor and were paid £40k (exc. VAT) in respect of statutory audit fees for the 2018/2019 financial year. The range of statutory audit services provided by KPMG included audit of the annual financial statements, value for money assessment and review of the trust's governance and financial arrangements. KPMG's statutory review of the 2018/2019 financial statements resulted in an unqualified opinion. The Audit Committee receives the annual accounts, the annual audit letter and other reviews and reports completed by the external auditors during the year. The trust accounts for 2018/2019 are set out in full as an appendix within this Annual Report.

3. Financial Statements and notes

East Midlands Ambulance Service NHS Trust

Annual Accounts for the Year Ended 31 March 2019

Statement of directors' responsibilities in respect of the accounts

The directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of HM Treasury, directs that these accounts give a true and fair view of the state of affairs of the trust and of the income and expenditure, recognised gains and losses and cash flows for the year. In preparing those accounts, the directors are required to:

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury;
- make judgements and estimates which are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.
- assess the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the accounts.

The directors confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS trust's performance, business model and strategy.

By order of the Board

22 MAY 2019 ...Date.....Chief Executive

22 MAY 2019 ...Date.....Director of Finance

KPMG

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF EAST MIDLANDS AMBULANCE SERVICE NHS TRUST

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of East Midlands Ambulance Service NHS Trust ("the Trust") for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows, and the related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 March 2019 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the accounting policies directed by the Secretary of State with the consent of the Treasury as being relevant to NHS Trusts in England and included in the Department of Health and Social Care Group Accounting Manual 2018/19.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Trust in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Directors have prepared the financial statements on the going concern basis as they have not been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Director's conclusions we considered the inherent risks to the Trust's operations, including the impact of Brexit, and analysed how these risks might affect the Trust's financial resources, or ability to continue its operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Trust will continue in operation.

Other information in the Annual Report

The Accountable Officer is responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information. In our opinion the other information included in the Annual Report for the financial year is consistent with the financial statements.

Annual Governance Statement

We are required to report to you if the Annual Governance Statement has not been prepared in accordance with the requirements of the Department of Health and Social Care Group Accounting Manual 2018/19. We have nothing to report in this respect.

Remuneration and Staff Report

In our opinion the parts of the Remuneration and Staff Report subject to audit have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2018/19.

Directors' and Accountable Officer's responsibilities

As explained more fully in the statement set out on page 56, the directors are responsible for: the preparation of financial statements that give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity . As explained more fully in the statement of the Chief Executive's responsibilities, as the Accountable Officer of the Trust, on page 31, the Accountable Officer is responsible for ensuring that annual statutory accounts are prepared in a format directed by the Secretary of State.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

Report on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice we are required to report to you if the Trust has not made proper arrangement for securing economy, efficiency and effectiveness in its use of resources.

We have nothing to report in this respect.

Respective responsibilities in respect of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources

As explained in the statement set out on page 31, the Chief Executive, as the Accountable Officer, is responsible for ensuring that value for money is achieved from the resources available to the Trust. We are required under section 21(3)(c), as amended by schedule 13 paragraph 10(a), of the Local Audit and Accountability Act 2014 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the specified criterion issued by the Comptroller and Auditor General (C&AG) in November

2017 as to whether the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We planned our work in accordance with the Code of Audit Practice and related guidance. Based on our risk assessment, we undertook such work as we considered necessary.

Statutory reporting matters

We are required by Schedule 2 to the Code of Audit Practice issued by the Comptroller and Auditor General ('the Code of Audit Practice') to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014; or
- we make a written recommendation to the Trust under section 24 of the Local Audit and Accountability Act 2014.

We have nothing to report in these respects.

We refer a matter to the Secretary of State under section 30 of the Local Audit and Accountability Act 2014 because we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve the body incurring unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency.

We will issue a referral to the Secretary of State under section 30(1)(b) of the Local Audit and Accountability Act 2014 in respect of the Trust's failure to achieve its statutory break even duty.

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the Board of Directors of East Midlands Ambulance Service NHS Trust, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the Board of the Trust, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of the Trust, as a body, for our audit work, for this report or for the opinions we have formed.

CERTIFICATE OF COMPLETION OF THE AUDIT

We certify that we have completed the audit of the accounts of East Midlands Ambulance Service NHS Trust in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Andrew Cardoza
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Birmingham

23 May 2019

Statement of Comprehensive Income

	Note	2018/19 £000	2017/18 £000
Operating income from patient care activities	3	178,057	171,852
Other operating income	4	9,087	16,001
Operating expenses	7, 9	(189,066)	(177,079)
Operating (deficit) / surplus from continuing operations		**(1,922)**	**10,774**
Finance income	12	91	27
Finance expenses	13	(237)	(240)
PDC dividends payable		(1,343)	(1,215)
Net finance costs		**(1,489)**	**(1,428)**
Other gains	14	631	265
Share of profit / (losses) of associates / joint arrangements	21	-	-
Gains / (losses) arising from transfers by absorption	46	-	-
Corporation tax expense		-	-
(Deficit) / surplus for the year from continuing operations		**(2,780)**	**9,611**
Surplus / (deficit) on discontinued operations and the gain / (loss) on disposal of discontinued operations	15	**-**	**-**
(Deficit) / surplus for the year		**(2,780)**	**9,611**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	8	613	(50)
Revaluations	19	575	3,157
Share of comprehensive income from associates and joint ventures	21	-	-
Fair value gains/(losses) on equity instruments designated at fair value through OCI	22	-	-
Other recognised gains and losses		-	-
Remeasurements of the net defined benefit pension scheme liability / asset	38	-	-
Other reserve movements		-	-
May be reclassified to income and expenditure when certain conditions are met:			
Fair value gains/(losses) on financial assets mandated at fair value through OCI	22	-	-
Recycling gains/(losses) on disposal of financial assets mandated at fair value through OCI	14	-	-
Foreign exchange gains / (losses) recognised directly in OCI		-	-
Total comprehensive (expense) / income for the period		**(1,592)**	**12,718**
Adjusted financial performance (control total basis):			
(Deficit) / surplus for the period		(2,780)	9,611
Remove impact of consolidating NHS charitable fund		-	-
Remove net impairments not scoring to the Departmental expenditure limit		(225)	(875)
Remove (gains) / losses on transfers by absorption		-	-
Remove I&E impact of capital grants and donations		(106)	23
Prior period adjustments		-	-
Remove non-cash element of on-SoFP pension costs		-	-
CQUIN risk reserve adjustment (2017/18 only)		-	-
Remove 2016/17 post audit STF reallocation (2017/18 only)		-	-
Adjusted financial performance (deficit) / surplus		**(3,111)**	**8,759**

Statement of Financial Position

	Note	31 March 2019 £000	31 March 2018 £000
Non-current assets			
Intangible assets	16	21	38
Property, plant and equipment	17	78,198	73,599
Investment property	20	-	-
Investments in associates and joint ventures	21	-	-
Other investments / financial assets	22	-	-
Receivables	25	-	-
Other assets	26	-	-
Total non-current assets		**78,219**	**73,637**
Current assets			
Inventories	24	2,820	2,339
Receivables	25	11,515	12,549
Other investments / financial assets	22	-	-
Other assets	26	-	-
Non-current assets held for sale / assets in disposal groups	27	200	-
Cash and cash equivalents	28	9,542	5,959
Total current assets		**24,077**	**20,847**
Current liabilities			
Trade and other payables	29	(19,972)	(16,187)
Borrowings	32	(13,019)	(1,800)
Other financial liabilities	30	-	-
Provisions	34	(2,679)	(574)
Other liabilities	31	(378)	(77)
Liabilities in disposal groups	27	-	-
Total current liabilities		**(36,048)**	**(18,638)**
Total assets less current liabilities		**66,248**	**75,846**
Non-current liabilities			
Trade and other payables	29	-	-
Borrowings	32	(5,400)	(18,384)
Other financial liabilities	30	-	-
Provisions	34	(89)	(143)
Other liabilities	31	-	-
Total non-current liabilities		**(5,489)**	**(18,527)**
Total assets employed		**60,759**	**57,319**
Financed by			
Public dividend capital		67,517	62,485
Revaluation reserve		13,264	12,079
Financial assets reserve		-	-
Other reserves		-	-
Merger reserve		-	-
Income and expenditure reserve		(20,022)	(17,245)
Total taxpayers' equity		**60,759**	**57,319**

The notes on pages 66 to 120 form part of these accounts.

Name Richard Henderson
Position Chief Executive
Date **22 May 2019**

Statement of Changes in Equity for the year ended 31 March 2019

	Public dividend capital	Revaluation reserve	Financial assets reserve*	Other reserves	Merger reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000	£000	£000
Taxpayers' equity at 1 April 2018 - brought forward	**62,485**	**12,079**	**-**	**-**	**-**	**(17,245)**	**57,319**
Impact of implementing IFRS 15 on 1 April 2018	-	-	-	-	-	-	**-**
Impact of implementing IFRS 9 on 1 April 2018	-	-	-	-	-	-	**-**
(Deficit) for the year	-	-	-	-	-	(2,780)	**(2,780)**
Transfers by absorption: transfers between reserves	-	-	-	-	-	-	**-**
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	-	-	-	-	-	**-**
Other transfers between reserves	-	(3)	-	-	-	3	**-**
Impairments	-	613	-	-	-	-	**613**
Revaluations	-	575	-	-	-	-	**575**
Transfer to retained earnings on disposal of assets	-	-	-	-	-	-	**-**
Share of comprehensive income from associates and joint ventures	-	-	-	-	-	-	**-**
Fair value gains/(losses) on financial assets mandated at fair value through OCI	-	-	-	-	-	-	**-**
Fair value gains/(losses) on equity instruments designated at fair value through OCI	-	-	-	-	-	-	**-**
Recycling gains/(losses) on disposal of financial assets mandated at fair value through OCI	-	-	-	-	-	-	**-**
Foreign exchange gains/(losses) recognised directly in OCI	-	-	-	-	-	-	**-**
Other recognised gains and losses	-	-	-	-	-	-	**-**
Remeasurements of the defined net benefit pension scheme liability/asset	-	-	-	-	-	-	**-**
Public dividend capital received	5,032	-	-	-	-	-	**5,032**
Public dividend capital repaid	-	-	-	-	-	-	**-**
Public dividend capital written off	-	-	-	-	-	-	**-**
Other movements in public dividend capital in year	-	-	-	-	-	-	**-**
Other reserve movements	-	-	-	-	-	-	**-**
Taxpayers' equity at 31 March 2019	**67,517**	**13,264**	**-**	**-**	**-**	**(20,022)**	**60,759**

* Following the implementation of IFRS 9 from 1 April 2018, the 'Available for sale investment reserve' is now renamed as the 'Financial assets reserve'

Statement of Changes in Equity for the year ended 31 March 2018

	Public dividend capital	Revaluation reserve	Available for sale investment reserve	Other reserves	Merger reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000	£000	£000
Taxpayers' equity at 1 April 2017 - brought forward	**62,228**	**9,093**	**-**	**-**	**-**	**(26,977)**	**44,344**
Prior period adjustment	-	-	-	-	-	-	**-**
Taxpayers' equity at 1 April 2017 - restated	**62,228**	**9,093**	**-**	**-**	**-**	**(26,977)**	**44,344**
Surplus for the year	-	-	-	-	-	9,611	**9,611**
Transfers by absorption: transfers between reserves	-	-	-	-	-	-	**-**
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	-	-	-	-	-	**-**
Other transfers between reserves	-	(121)	-	-	-	121	**-**
Impairments	-	(50)	-	-	-	-	**(50)**
Revaluations	-	3,157	-	-	-	-	**3,157**
Transfer to retained earnings on disposal of assets	-	-	-	-	-	-	**-**
Share of comprehensive income from associates and joint ventures	-	-	-	-	-	-	**-**
Fair value gains/(losses) on available-for-sale financial investments	-	-	-	-	-	-	**-**
Recycling gains/(losses) on available-for-sale financial investments	-	-	-	-	-	-	**-**
Foreign exchange gains/(losses) recognised directly in OCI	-	-	-	-	-	-	**-**
Other recognised gains and losses	-	-	-	-	-	-	**-**
Remeasurements of the defined net benefit pension scheme liability/asset	-	-	-	-	-	-	**-**
Public dividend capital received	257	-	-	-	-	-	**257**
Public dividend capital repaid	-	-	-	-	-	-	**-**
Public dividend capital written off	-	-	-	-	-	-	**-**
Other movements in public dividend capital in year	-	-	-	-	-	-	**-**
Other reserve movements	-	-	-	-	-	-	**-**
Taxpayers' equity at 31 March 2018	**62,485**	**12,079**	**-**	**-**	**-**	**(17,245)**	**57,319**

Information on Reserves

Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the trust, is payable to the Department of Health as the public dividend capital dividend.

Revaluation reserve

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Financial assets reserve / Available-for-sale investment reserve

This reserve comprises changes in the fair value of financial assets measured at fair value through other comprehensive income. When these instruments are derecognised, cumulative gains or losses previously recognised as other comprehensive income or expenditure are recycled to income or expenditure, unless the assets are equity instruments measured at fair value through other comprehensive income as a result of irrevocable election at recognition.

Merger reserve

This reserve reflects balances formed on merger of NHS bodies.

Income and expenditure reserve

The balance of this reserve is the accumulated surpluses and deficits of the trust.

Statement of Cash Flows

	Note	2018/19 £000	2017/18 £000
Cash flows from operating activities			
Operating (deficit) / surplus		(1,922)	10,774
Non-cash income and expense:			
Depreciation and amortisation	7.1	9,220	8,097
Net impairments	8	(225)	(875)
Income recognised in respect of capital donations	4	(141)	-
Amortisation of PFI deferred credit		-	-
Non-cash movements in on-SoFP pension liability		-	-
Decrease / (increase) in receivables and other assets		1,023	(1,933)
(Increase) / decrease in inventories		(481)	103
Increase / (decrease) in payables and other liabilties		986	(2,774)
(Decrease) in provisions		2,051	(2)
Tax (paid) / received		-	-
Operating cash flows from discontinued operations		-	-
Other movements in operating cash flows		-	-
Net cash generated from operating activities		**10,511**	**13,390**
Cash flows from investing activities			
Interest received		91	27
Purchase and sale of financial assets / investments		-	-
Purchase of intangible assets		-	(22)
Sales of intangible assets		-	-
Purchase of property, plant, equipment and investment property		(9,405)	(12,129)
Sales of property, plant, equipment and investment property		723	473
Receipt of cash donations to purchase capital assets		-	-
Prepayment of PFI capital contributions		-	-
Investing cash flows of discontinued operations		-	-
Cash movement from acquisitions / disposals of subsidiaries		-	-
Net cash generated (used in) investing activities		**(8,591)**	**(11,651)**
Cash flows from financing activities			
Public dividend capital received		5,032	257
Public dividend capital repaid		-	-
Movement on loans from the Department of Health and Social Care		(1,800)	1,700
Movement on other loans		-	-
Other capital receipts		-	-
Capital element of finance lease rental payments		-	-
Capital element of PFI, LIFT and other service concession payments		-	-
Interest on loans		(234)	(234)
Other interest		-	-
Interest paid on finance lease liabilities		-	-
Interest paid on PFI, LIFT and other service concession obligations		-	-
PDC dividend (paid)		(1,332)	(1,464)
Financing cash flows of discontinued operations		-	-
Cash flows (used in) other financing activities		(3)	-
Net cash generated from financing activities		**1,663**	**259**
Increase in cash and cash equivalents		**3,583**	**1,998**
Cash and cash equivalents at 1 April - brought forward		**5,959**	**3,961**
Prior period adjustments			-
Cash and cash equivalents at 1 April - restated		**5,959**	**3,961**
Cash and cash equivalents transferred under absorption accounting	46	-	-
Unrealised gains / (losses) on foreign exchange		-	-
Cash and cash equivalents at 31 March	28.1	**9,542**	**5,959**

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

The Department of Health and Social Care has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2018/19 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

Note 1.1.1 Accounting convention
These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

Note 1.2 Going concern
These accounts have been prepared on a going concern basis as Department of Health group bodies should prepare their accounts on a going concern basis unless informed Department of Health Group Accounting Manual 2018/19 by the relevant national body or DH sponsor of the intention for dissolution without transfer of services or function to another entity. The Trust has not received any such notification.

Note 1.3 Interests in other entities

The Trust does not hold any interests in any other entities.

Note 1.4.1 Revenue from contracts with customers
Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS). As directed by the GAM, the transition to IFRS 15 in 2018/19 has been completed in accordance with paragraph C3 (b) of the Standard: applying the Standard retrospectively but recognising the cumulative effects at the date of initial application (1 April 2018).

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

Revenue from NHS contracts
The main source of income for the Trust is contracts with commissioners for health care services. A performance obligation relating to delivery of a spell of health care is generally satisfied over time as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the commissioner, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer. At the year end, the Trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete.

Revenue is recognised to the extent that collection of consideration is probable. Where contract challenges from commissioners are expected to be upheld, the Trust reflects this in the transaction price and derecognises the relevant portion of income.

Where the Trust is aware of a penalty based on contractual performance, the Trust reflects this in the transaction price for its recognition of revenue. Revenue is reduced by the value of the penalty.

Revenue from research contracts
Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. At contract inception, the Trust assesses the outputs promised in the research contract to identify as a performance obligation each promise to transfer either a good or service that is distinct or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer. The Trust recognises revenue as these performance obligations are met, which may be at a point in time or over time depending upon the terms of the contract.

NHS injury cost recovery scheme

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

Note 1.4.2 Revenue grants and other contributions to expenditure
Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

The value of the benefit received when accessing funds from the the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider, the corresponding notional expense is also recognised at the point of recognition for the benefit.

Note 1.4.3 Other income
Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

Note 1.5 Expenditure on employee benefits

Short-term employee benefits
Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension costs
NHS Pension Scheme
Past and present employees are covered by the provisions of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme.

Employer's pension cost contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

Note 1.6 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

Note 1.7 Property, plant and equipment

Note 1.7.1 Recognition
Property, plant and equipment is capitalised where:

• it is held for use in delivering services or for administrative purposes
• it is probable that future economic benefits will flow to, or service potential be provided to, the trust
• it is expected to be used for more than one financial year
• the cost of the item can be measured reliably
• the item has cost of at least £5,000, or
• collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, eg, plant and equipment, then these components are treated as separate assets and depreciated over their own useful lives.

Note 1.7.2 Measurement

Valuation
All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

All assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (ie operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

Assets held at depreciated replacement cost have been valued on an alternative site basis where this would meet the location requirements of the services being provided.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are revalued and depreciation commences when the assets are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

It is impracticable to disclose the extent of the possible effects of an assumption or another source of estimation uncertainty at the end of the reporting period. On the basis of existing knowledge, outcomes within the next financial year that are different from the assumption around the valuation of our land, property, plant and equipment could require a material adjustment to the carrying amount of the asset or liability recorded in note 17.1.

Subsequent expenditure
Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Depreciation
Items of property, plant and equipment are depreciated over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'held for sale' cease to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the trust, respectively.

Revaluation gains and losses
Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments
In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.
Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

Note 1.7.3 De-recognition

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met:
- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale must be highly probable ie:
  - management are committed to a plan to sell the asset
  - an active programme has begun to find a buyer and complete the sale
  - the asset is being actively marketed at a reasonable price
  - the sale is expected to be completed within 12 months of the date of classification as 'held for sale' and
  - the actions needed to complete the plan indicate it is unlikely that the plan will be abandoned or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Note 1.7.4 Donated and grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

Note 1.7.5 Private Finance Initiative (PFI) and Local Improvement Finance Trust (LIFT) transactions

PFI and LIFT transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's *FReM* , are accounted for as 'on-Statement of Financial Position' by the trust. In accordance with IAS 17, the underlying assets are recognised as property, plant and equipment, together with an equivalent finance lease liability. Subsequently, the assets are accounted for as property, plant and equipment and/or intangible assets as appropriate.

The annual contract payments are apportioned between the repayment of the liability, a finance cost, the charges for services and lifecycle replacement of components of the asset. The element of the annual unitary payment increase due to cumulative indexation is treated as contingent rent and is expensed as incurred.

The service charge is recognised in operating expenses and the finance cost is charged to finance costs in the Statement of Comprehensive Income.

The Trust has no PFI or LIFT assets.

Note 1.7.6 Useful lives of property, plant and equipment

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life Years	Max life Years
Land	-	-
Buildings, excluding dwellings	-	50
Dwellings	-	-
Plant & machinery	-	15
Transport equipment	-	7
Information technology	-	5
Furniture & fittings	-	7

Finance-leased assets (including land) are depreciated over the shorter of the useful life or the lease term, unless the trust expects to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets above.

Note 1.8 Intangible assets

Note 1.8.1 Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the trust and where the cost of the asset can be measured reliably.

Internally generated intangible assets

Software

Software which is integral to the operation of hardware, eg an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, eg application software, is capitalised as an intangible asset.

Note 1.8.2 Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 of IFRS 5.

Intangible assets held for sale are measured at the lower of their carrying amount or "fair value less costs to sell".

Amortisation
Intangible assets are amortised over their expected useful lives in a manner consistent with the consumption of economic or service delivery benefits.

Note 1.8.3 Useful economic life of intangible assets

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life Years	Max life Years
Information technology	-	-
Development expenditure	-	-
Websites	-	-
Software licences	2	5
Licences & trademarks	-	-
Patents	-	-
Other (purchased)	-	-
Goodwill	-	-

Note 1.9 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the first in, first out (FIFO)formula. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

Note 1.10 Investment properties

The trust has no investment properties.

Note 1.11 Cash and cash equivalents
Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.12 Carbon Reduction Commitment scheme (CRC)
The CRC scheme is a mandatory cap and trade scheme for non-transport CO2 emissions. The trust is registered with the CRC scheme, and is therefore required to surrender to the Government an allowance for every tonne of CO2 it emits during the financial year. A liability and related expense is recognised in respect of this obligation as CO2 emissions are made.

The carrying amount of the liability at the financial year end will therefore reflect the CO2 emissions that have been made during that financial year, less the allowances (if any) surrendered voluntarily during the financial year in respect of that financial year.

The liability will be measured at the amount expected to be incurred in settling the obligation. This will be the cost of the number of allowances required to settle the obligation.

Allowances acquired under the scheme are recognised as intangible assets.

Note 1.13 Financial assets and financial liabilities

Note 1.13.1 Recognition

Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by ONS.

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

Note 1.13.2 Classification and measurement

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through income and expenditure. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described below.

Financial assets are classified as subsequently measured at amortised cost, fair value through income and expenditure or fair value through other comprehensive income.

Financial liabilities classified as subsequently measured at amortised cost or fair value through income and expenditure.

Financial assets and financial liabilities at amortised cost
Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

Financial assets measured at fair value through other comprehensive income
A financial asset is measured at fair value through other comprehensive income where business model objectives are met by both collecting contractual cash flows and selling financial assets and where the cash flows are solely payments of principal and interest. Movements in the fair value of financial assets in this category are recognised as gains or losses in other comprehensive income except for impairment losses. On derecognition, cumulative gains and losses previously recognised in other comprehensive income are reclassified from equity to income and expenditure, except where the Trust elected to measure an equity instrument in this category on initial recognition.

The Trust has irrevocably elected to measure the following equity instruments at fair value through other comprehensive income.

Financial assets and financial liabilities at fair value trough income and expenditure
Financial assets measured at fair value through profit or loss are those that are not otherwise measured at amortised cost or at fair value through other comprehensive income. This category also includes financial assets and liabilities acquired principally for the purpose of selling in the short term (held for trading) and derivatives. Derivatives which are embedded in other contracts, but which are separable from the host contract are measured within this category. Movements in the fair value of financial assets and liabilities in this category are recognised as gains or losses in the Statement of Comprehensive income.

The Trust has irrevocably elected to measure the following financial assets / financial liabilities at fair value through income and expenditure.

Impairment of financial assets
For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets or assets measured at fair value through other comprehensive income, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

Note 1.13.3 Derecognition
Financial assets are de-recognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Note 1.14 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

Note 1.14.1 The trust as lessee

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for an item of property plant and equipment.

The annual rental charge is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability, is de-recognised when the liability is discharged, cancelled or expires.

Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

Note 1.14.2 The trust as lessor

Finance leases

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the trust's net investment outstanding in respect of the leases.

Operating leases

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Note 1.15 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury.

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the trust is disclosed at note 34.2 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

The trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any "excesses" payable in respect of particular claims are charged to operating expenses when the liability arises.

Note 1.16 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 35 where an inflow of economic benefits is probable.
Contingent liabilities are not recognised, but are disclosed in note 35, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

• possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or

• present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

Note 1.17 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for
(i) donated assets (including lottery funded assets),
(ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and
(iii) any PDC dividend balance receivable or payable.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

Note 1.18 Value added tax

Most of the activities of the trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

Note 1.19 Corporation tax
The Trust has no corporation tax liability. Health service bodies are generally exempt from corporation tax, as they are either part of the Department of Health or have specific exemption provided by sections 985 and 986 of the Corporation Tax Act 2010 (CTA 2010).

Note 1.20 Foreign exchange

The functional and presentational currency of the trust is sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Where the trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

• monetary items are translated at the spot exchange rate on 31 March
• non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction and
• non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

Note 1.21 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's FReM.

Note 1.22 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the trust not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

However the losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

Note 1.23 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

Note 1.24 Transfers of functions to / from other NHS bodies / local government bodies

For functions that have been transferred to the trust from another NHS / local government body, the assets and liabilities transferred are recognised in the accounts as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The net gain / loss corresponding to the net assets/ liabilities transferred is recognised within income / expenses, but not within operating activities.

For property, plant and equipment assets and intangible assets, the cost and accumulated depreciation / amortisation balances from the transferring entity's accounts are preserved on recognition in the trust's accounts. Where the transferring body recognised revaluation reserve balances attributable to the assets, the trust makes a transfer from its income and expenditure reserve to its revaluation reserve to maintain transparency within public sector accounts.

For functions that the trust has transferred to another NHS / local government body, the assets and liabilities transferred are de-recognised from the accounts as at the date of transfer. The net loss / gain corresponding to the net assets/ liabilities transferred is recognised within expenses / income, but not within operating activities. Any revaluation reserve balances attributable to assets de-recognised are transferred to the income and expenditure reserve. Adjustments to align the acquired function to the trust's accounting policies are applied after initial recognition and are adjusted directly in taxpayers' equity.

No such transactions took place during 2018/19.

Note 1.2 Critical judgements in applying accounting policies
The following are the judgements, apart from those involving estimations (see below) that management has made in the process of applying the trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

No such judgements have been made.

Note 1.2.1 Sources of estimation uncertainty
The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Non-Current Assets. Values as disclosed in notes 16, tangible assets, and 15 intangible assets.

Asset lives are set out in notes 1.7.6 and 1.8.3 with maximum lives being set by reference to the type of asset and it's expected useful life in normal use. Building lives are based on the recommendations received from the District Valuer. Land and buildings have been re-valued as at 31 March 2019 and have not been subject to indexation in the year. The results of this are disclosed in note 18.

Provisions. Values as disclosed in note 34.
These have been estimated based on the best information available at the time of the compilation of the accounts.

Estimates of employee's legal claims are made including the advice received from the NHS Resolution to the size and likely outcome of each individual claim. The Trust's maximum liability regarding each claim is limited to £10k.
The employee frozen leave provision is computed with reference to each individual employee entitled to these payments and computed at their latest pay scales. No further employees will become eligible for these payments.

Note 1.25 Early adoption of standards, amendments and interpretations
No new accounting standards or revisions to existing standards have been early adopted in 2018/19.

Note 1.26 Standards, amendments and interpretations in issue but not yet effective or adopted
As required by IAS 8, trusts should disclose any standards, amendments and interpretations that have been issued but are not yet effective or adopted for the public sector and an assessment subsequent application will have on the financial statements.

Note 2 Operating Segments

The Trust operated as one segment to provide an emergency healthcare service to the East Midlands area.

The Trust considers that disclosure of separate segments should occur where that segment accounts for more than 10% of total operating revenue.

The chief operating decision maker for the Trust is the Trust Board which receives a financial report containing summarised financial results at each Trust Board meeting.

Note 3 Operating income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4.1

Note 3.1 Income from patient care activities (by nature)	2018/19 £000	2017/18 £000
Ambulance services		
A & E income	166,434	161,607
Patient transport services income	9,072	9,758
Other income	452	487
All services		
Private patient income	-	-
Agenda for Change pay award central funding	2,099	-
Other clinical income	-	-
Total income from activities	**178,057**	**171,852**

Note 3.2 Income from patient care activities (by source)

Income from patient care activities received from:	2018/19 £000	2017/18 £000
NHS England	-	685
Clinical commissioning groups	175,506	170,376
Department of Health and Social Care	2,099	-
Other NHS providers	-	154
NHS other	-	150
Local authorities	-	-
Non-NHS: private patients	-	-
Non-NHS: overseas patients (chargeable to patient)	-	-
Injury cost recovery scheme	452	487
Non NHS: other	-	-
Total income from activities	**178,057**	**171,852**
Of which:		
Related to continuing operations	178,057	171,852
Related to discontinued operations	-	-

Note 3.3 Overseas visitors (relating to patients charged directly by the provider)

	2018/19 £000	2017/18 £000
Income recognised this year	-	-
Cash payments received in-year	-	-
Amounts added to provision for impairment of receivables	-	-
Amounts written off in-year	-	-

Note 4 Other operating income

	2018/19 £000	2017/18 £000
Other operating income from contracts with customers:		
Research and development (contract)	200	328
Education and training (excluding notional apprenticeship levy income)	3,431	4,055
Non-patient care services to other bodies	-	-
Provider sustainability / sustainability and transformation fund income (PSF / STF)	2,822	8,844
Income in respect of employee benefits accounted on a gross basis	249	327
Other contract income	2,222	2,439
Other non-contract operating income		
Research and development (non-contract)	-	-
Education and training - notional income from apprenticeship fund	22	8
Receipt of capital grants and donations	141	-
Charitable and other contributions to expenditure	-	-
Support from the Department of Health and Social Care for mergers	-	-
Rental revenue from finance leases	-	-
Rental revenue from operating leases	-	-
Amortisation of PFI deferred income / credits	-	-
Other non-contract income	-	-
Total other operating income	**9,087**	**16,001**
Of which:		
Related to continuing operations	9,087	16,001
Related to discontinued operations	-	-

Note 5.1 Additional information on revenue from contracts with customers recognised in the period

	2018/19 £000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	77
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	-

Note 5.2 Transaction price allocated to remaining performance obligations

Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:	31 March 2019 £000
within one year	-
after one year, not later than five years	-
after five years	-
Total revenue allocated to remaining performance obligations	**-**

The trust has exercised the practical expedients permitted by IFRS 15 paragraph 121 in preparing this disclosure. Revenue from (i) contracts with an expected duration of one year or less and (ii) contracts where the trust recognises revenue directly corresponding to work done to date is not disclosed.

Note 6 Fees and charges

HM Treasury requires disclosure of fees and charges income. The following disclosure is of income from charges to service users where income from that service exceeds £1 million and is presented as the aggregate of such income. The cost associated with the service that generated the income is also disclosed.

	2018/19 £000	2017/18 £000
Income	-	-
Full cost	-	-
Surplus / (deficit)	**-**	**-**

Note 7.1 Operating expenses

	2018/19 £000	2017/18 £000
Purchase of healthcare from NHS and DHSC bodies	-	-
Purchase of healthcare from non-NHS and non-DHSC bodies	-	-
Purchase of social care	-	-
Staff and executive directors costs	130,626	123,553
Remuneration of non-executive directors	65	64
Supplies and services - clinical (excluding drugs costs)	4,081	3,984
Supplies and services - general	1,587	1,158
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	459	493
Inventories written down	-	-
Consultancy costs	195	172
Establishment	4,120	4,194
Premises	6,287	6,948
Transport (including patient travel)	19,971	16,813
Depreciation on property, plant and equipment	9,203	8,081
Amortisation on intangible assets	17	16
Net impairments	(225)	(875)
Movement in credit loss allowance: contract receivables / contract assets	14	
Movement in credit loss allowance: all other receivables and investments	-	185
Increase/(decrease) in other provisions	-	-
Change in provisions discount rate(s)	(11)	(6)
Audit fees payable to the external auditor		
audit services- statutory audit	40	38
other auditor remuneration (external auditor only)	-	-
Internal audit costs	85	92
Clinical negligence	544	437
Legal fees	247	280
Insurance	1,669	1,587
Research and development	256	447
Education and training	5,068	3,863
Rentals under operating leases	3,090	3,046
Early retirements	-	-
Redundancy	-	1,066
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	-	-
Charges to operating expenditure for off-SoFP PFI / LIFT schemes	-	-
Car parking & security	-	-
Hospitality	15	7
Losses, ex gratia & special payments	2	8
Grossing up consortium arrangements	-	-
Other services, eg external payroll	1,379	1,067
Other	282	361
Total	**189,066**	**177,079**
Of which:		
Related to continuing operations	189,066	177,079
Related to discontinued operations	-	-

Note 7.2 Other auditor remuneration

	2018/19 £000	2017/18 £000
Other auditor remuneration paid to the external auditor:		
1. Audit of accounts of any associate of the trust	-	-
2. Audit-related assurance services	-	-
3. Taxation compliance services	-	-
4. All taxation advisory services not falling within item 3 above	-	-
5. Internal audit services	-	-
6. All assurance services not falling within items 1 to 5	-	-
7. Corporate finance transaction services not falling within items 1 to 6 above	-	-
8. Other non-audit services not falling within items 2 to 7 above	-	-
Total	**-**	**-**

Note 7.3 Limitation on auditor's liability

There is no limitation on auditor's liability for external audit work carried out for the financial years 2018/19 or 2017/18.

Note 8 Impairment of assets

	2018/19 £000	2017/18 £000
Net impairments charged to operating surplus / deficit resulting from:		
Loss or damage from normal operations	-	-
Over specification of assets	-	-
Abandonment of assets in course of construction	-	-
Unforeseen obsolescence	-	-
Loss as a result of catastrophe	-	-
Changes in market price	(225)	(875)
Other	-	-
Total net impairments charged to operating surplus / deficit	**(225)**	**(875)**
Impairments charged to the revaluation reserve	(613)	50
Total net impairments	**(838)**	**(825)**

All movements in impairments in 2018/19 relate to changes in market price.

Note 9 Employee benefits

	2018/19 Total £000	2017/18 Total £000
Salaries and wages	108,530	102,683
Social security costs	10,364	9,769
Apprenticeship levy	523	494
Employer's contributions to NHS pensions	13,134	12,575
Pension cost - other	104	27
Other post employment benefits	-	-
Other employment benefits	-	-
Termination benefits	-	1,066
Temporary staff (including agency)	697	397
Total gross staff costs	**133,352**	**127,011**
Recoveries in respect of seconded staff	**-**	-
Total staff costs	**133,352**	**127,011**
Of which		
Costs capitalised as part of assets	-	-

Note 9.1 Retirements due to ill-health

During 2018/19 there were 4 early retirements from the trust agreed on the grounds of ill-health (4 in the year ended 31 March 2018). The estimated additional pension liabilities of these ill-health retirements is £247k (£155k in 2017/18).

The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

Note 10 Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2019, is based on valuation data as at 31 March 2018, updated to 31 March 2019 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019. The Department of Health and Social Care have recently laid Scheme Regulations confirming that the employer contribution rate will increase to 20.6% of pensionable pay from this date.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

Note 11 Operating leases

Note 11.1 East Midlands Ambulance Service NHS Trust as a lessor

This note discloses income generated in operating lease agreements where East Midlands Ambulance Service NHS Trust is the lessor.

	2018/19 £000	2017/18 £000
Operating lease revenue		
Minimum lease receipts	-	-
Contingent rent	-	-
Other	-	-
Total	**-**	**-**

	31 March 2019 £000	31 March 2018 £000
Future minimum lease receipts due:		
- not later than one year;	-	-
- later than one year and not later than five years;	-	-
- later than five years.	-	-
Total	**-**	**-**

Note 11.2 East Midlands Ambulance Service NHS Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where East Midlands Ambulance Service NHS Trust is the lessee.

The Trust's significant leases are in respect of vehicles for the provision of Accident and Emergency and Non-Urgent Patient Transport Services.
There are no provisions for the charging of contingency rentals or escalation costs.
The Trust is required at all times to keep the vehicles insured, taxed and with valid MOT certificates where necessary and fully maintained to ensure a fully roadworthy condition.
Should the lease agreements be subject to an early termination by the Trust, penalty clauses in the lease agreements would result in the outstanding balance of the lease payments to become immediately due.
At the natural termination of the lease agreements the Trust is required to return the vehicles in a similar condition to that supplied.
The Trust has no automatic right to purchase the vehicles or renew at the end of the lease period.

	2018/19 £000	2017/18 £000
Operating lease expense		
Minimum lease payments	3,090	3,046
Contingent rents	-	-
Less sublease payments received	-	-
Total	**3,090**	**3,046**

	31 March 2019 £000	31 March 2018 £000
Future minimum lease payments due:		
- not later than one year;	2,926	2,449
- later than one year and not later than five years;	8,457	4,782
- later than five years.	702	805
Total	**12,085**	**8,036**
Future minimum sublease payments to be received	-	-

Note 12 Finance income

Finance income represents interest received on assets and investments in the period.

	2018/19 £000	2017/18 £000
Interest on bank accounts	91	27
Interest income on finance leases	-	-
Interest on other investments / financial assets	-	-
Other finance income	-	-
Total finance income	**91**	**27**

Note 13.1 Finance expenditure

Finance expenditure represents interest and other charges involved in the borrowing of money.

	2018/19 £000	2017/18 £000
Interest expense:		
Loans from the Department of Health and Social Care	234	236
Other loans	-	-
Overdrafts	-	-
Finance leases	-	-
Interest on late payment of commercial debt	-	1
Main finance costs on PFI and LIFT schemes obligations	-	-
Contingent finance costs on PFI and LIFT scheme obligations	-	-
Total interest expense	**234**	**237**
Unwinding of discount on provisions	-	-
Other finance costs	3	3
Total finance costs	**237**	**240**

Note 13.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015

	2018/19 £000	2017/18 £000
Total liability accruing in year under this legislation as a result of late payments	-	-
Amounts included within interest payable arising from claims under this legislation	-	1
Compensation paid to cover debt recovery costs under this legislation	-	-

Note 14 Other gains / (losses)

	2018/19 £000	2017/18 £000
Gains on disposal of assets	642	268
Losses on disposal of assets	(11)	(3)
Total gains / (losses) on disposal of assets	**631**	**265**
Gains / (losses) on foreign exchange	-	-
Fair value gains / (losses) on investment properties	-	-
Fair value gains / (losses) on financial assets / investments	-	-
Fair value gains / (losses) on financial liabilities	-	-
Recycling gains / (losses) on disposal of financial assets mandated as fair value through OCI	-	-
Total other gains / (losses)	**631**	**265**

Note 15 Discontinued operations

	2018/19 £000	2017/18 £000
Operating income of discontinued operations	-	-
Operating expenses of discontinued operations	-	-
Gain on disposal of discontinued operations	-	-
(Loss) on disposal of discontinued operations	-	-
Corporation tax expense attributable to discontinued operations	-	-
Total	**-**	**-**

Note 16.1 Intangible assets - 2018/19

	Software licences	Licences & trademarks	Patents	Internally generated information technology	Development expenditure	Goodwill	Websites	Intangible assets under construction	Other (purchased)	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2018 - brought forward	**89**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**89**
Transfers by absorption	-	-	-	-	-	-	-	-	-	**-**
Additions	-	-	-	-	-	-	-	-	-	**-**
Impairments	-	-	-	-	-	-	-	-	-	**-**
Reversals of impairments	-	-	-	-	-	-	-	-	-	**-**
Revaluations	-	-	-	-	-	-	-	-	-	**-**
Reclassifications	-	-	-	-	-	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-	**-**
Disposals / derecognition	-	-	-	-	-	-	-	-	-	**-**
Valuation / gross cost at 31 March 2019	**89**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**89**
Amortisation at 1 April 2018 - brought forward	**51**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**51**
Transfers by absorption	-	-	-	-	-	-	-	-	-	**-**
Provided during the year	17	-	-	-	-	-	-	-	-	**17**
Impairments	-	-	-	-	-	-	-	-	-	**-**
Reversals of impairments	-	-	-	-	-	-	-	-	-	**-**
Revaluations	-	-	-	-	-	-	-	-	-	**-**
Reclassifications	-	-	-	-	-	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-	**-**
Disposals / derecognition	-	-	-	-	-	-	-	-	-	**-**
Amortisation at 31 March 2019	**68**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**68**
Net book value at 31 March 2019	**21**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**21**
Net book value at 1 April 2018	**38**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**38**

Note 16.2 Intangible assets - 2017/18

	Software licences	Licences & trademarks	Patents	Internally generated information technology	Development expenditure	Goodwill	Websites	Intangible assets under construction	Other (purchased)	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2017 - as previously stated	**164**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**164**
Prior period adjustments	-	-	-	-	-	-	-	-	-	**-**
Valuation / gross cost at 1 April 2017 - restated	**164**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**164**
Transfers by absorption	-	-	-	-	-	-	-	-	-	**-**
Additions	22	-	-	-	-	-	-	-	-	**22**
Impairments	-	-	-	-	-	-	-	-	-	**-**
Reversals of impairments	-	-	-	-	-	-	-	-	-	**-**
Revaluations	-	-	-	-	-	-	-	-	-	**-**
Reclassifications	-	-	-	-	-	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-	**-**
Disposals / derecognition	(97)	-	-	-	-	-	-	-	-	**(97)**
Valuation / gross cost at 31 March 2018	**89**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**89**
Amortisation at 1 April 2017 - as previously stated	**132**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**132**
Prior period adjustments	-	-	-	-	-	-	-	-	-	**-**
Amortisation at 1 April 2017 - restated	**132**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**132**
Transfers by absorption	-	-	-	-	-	-	-	-	-	**-**
Provided during the year	16	-	-	-	-	-	-	-	-	**16**
Impairments	-	-	-	-	-	-	-	-	-	**-**
Reversals of impairments	-	-	-	-	-	-	-	-	-	**-**
Revaluations	-	-	-	-	-	-	-	-	-	**-**
Reclassifications	-	-	-	-	-	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-	**-**
Disposals / derecognition	(97)	-	-	-	-	-	-	-	-	**(97)**
Amortisation at 31 March 2018	**51**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**51**
Net book value at 31 March 2018	**38**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**38**
Net book value at 1 April 2017	**32**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**32**

Note 17.1 Property, plant and equipment - 2018/19

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2018 - brought forward	**15,944**	**29,200**	**-**	**1,790**	**9,790**	**36,990**	**6,178**	**466**	**100,358**
Transfers by absorption	-	-	-	-	-	-	-	-	**-**
Additions	-	635	-	9,919	360	1,202	565	-	**12,681**
Impairments	-	(154)	-	-	-	-	-	-	**(154)**
Reversals of impairments	-	767	-	-	-	-	-	-	**767**
Revaluations	575	(920)	-	-	-	-	-	-	**(345)**
Reclassifications	-	-	-	(3,682)	1,259	2,176	247	-	**-**
Transfers to / from assets held for sale	(200)	-	-	-	(1,043)	(6,935)	-	-	**(8,178)**
Disposals / derecognition	-	-	-	-	(1,431)	(191)	(984)	-	**(2,606)**
Valuation/gross cost at 31 March 2019	**16,319**	**29,528**	**-**	**8,027**	**8,935**	**33,242**	**6,006**	**466**	**102,523**
Accumulated depreciation at 1 April 2018 - brought forward	**-**	**-**	**-**	**-**	**4,860**	**18,807**	**2,700**	**392**	**26,759**
Transfers by absorption	-	-	-	-	-	-	-	-	**-**
Provided during the year	-	1,145	-	-	1,819	4,925	1,295	19	**9,203**
Impairments	-	175	-	-	-	-	-	-	**175**
Reversals of impairments	-	(400)	-	-	-	-	-	-	**(400)**
Revaluations	-	(920)	-	-	-	-	-	-	**(920)**
Reclassifications	-	-	-	-	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	(1,043)	(6,920)	-	-	**(7,963)**
Disposals / derecognition	-	-	-	-	(1,431)	(114)	(984)	-	**(2,529)**
Accumulated depreciation at 31 March 2019	**-**	**-**	**-**	**-**	**4,205**	**16,698**	**3,011**	**411**	**24,325**
Net book value at 31 March 2019	**16,319**	**29,528**	**-**	**8,027**	**4,730**	**16,544**	**2,995**	**55**	**78,198**
Net book value at 1 April 2018	**15,944**	**29,200**	**-**	**1,790**	**4,930**	**18,183**	**3,478**	**74**	**73,599**

Note 17.2 Property, plant and equipment - 2017/18

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2017 - as previously stated	**16,294**	**24,767**	**-**	**4,060**	**9,711**	**32,849**	**8,032**	**466**	**96,179**
Prior period adjustments	-	-	-	-	-	-	-	-	**-**
Valuation / gross cost at 1 April 2017 - restated	**16,294**	**24,767**	**-**	**4,060**	**9,711**	**32,849**	**8,032**	**466**	**96,179**
Transfers by absorption	-	-	-	-	-	-	-	-	**-**
Additions	-	1,375	-	7,295	-	1,750	-	-	**10,420**
Impairments	(50)	-	-	-	-	-	-	-	**(50)**
Reversals of impairments	-	-	-	-	-	-	-	-	**-**
Revaluations	-	3,058	-	-	-	-	-	-	**3,058**
Reclassifications	-	-	-	(9,565)	2,370	4,765	2,430	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	(2,143)	-	-	**(2,143)**
Disposals / derecognition	(300)	-	-	-	(2,291)	(231)	(4,284)	-	**(7,106)**
Valuation/gross cost at 31 March 2018	**15,944**	**29,200**	**-**	**1,790**	**9,790**	**36,990**	**6,178**	**466**	**100,358**
Accumulated depreciation at 1 April 2017 - as previously stated	**-**	**-**	**-**	**-**	**5,576**	**16,984**	**5,643**	**370**	**28,573**
Prior period adjustments	-	-	-	-	-	-	-	-	**-**
Accumulated depreciation at 1 April 2017 - restated	**-**	**-**	**-**	**-**	**5,576**	**16,984**	**5,643**	**370**	**28,573**
Transfers by absorption	-	-	-	-	-	-	-	-	**-**
Provided during the year	-	974	-	-	1,575	4,169	1,341	22	**8,081**
Impairments	-	23	-	-	-	-	-	-	**23**
Reversals of impairments	-	(898)	-	-	-	-	-	-	**(898)**
Revaluations	-	(99)	-	-	-	-	-	-	**(99)**
Reclassifications	-	-	-	-	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	(2,138)	-	-	**(2,138)**
Disposals / derecognition	-	-	-	-	(2,291)	(208)	(4,284)	-	**(6,783)**
Accumulated depreciation at 31 March 2018	**-**	**-**	**-**	**-**	**4,860**	**18,807**	**2,700**	**392**	**26,759**
Net book value at 31 March 2018	**15,944**	**29,200**	**-**	**1,790**	**4,930**	**18,183**	**3,478**	**74**	**73,599**
Net book value at 1 April 2017	**16,294**	**24,767**	**-**	**4,060**	**4,135**	**15,865**	**2,389**	**96**	**67,606**

Note 17.3 Property, plant and equipment financing - 2018/19

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2019									
Owned - purchased	16,319	29,528	-	8,027	4,730	16,354	2,995	55	**78,008**
Finance leased	-	-	-	-	-	-	-	-	**-**
On-SoFP PFI contracts and other service concession arrangements	-	-	-	-	-	-	-	-	**-**
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	-	**-**
Owned - government granted	-	-	-	-	-	-	-	-	**-**
Owned - donated	-	-	-	-	-	190	-	-	**190**
NBV total at 31 March 2019	**16,319**	**29,528**	**-**	**8,027**	**4,730**	**16,544**	**2,995**	**55**	**78,198**

Note 17.4 Property, plant and equipment financing - 2017/18

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2018									
Owned - purchased	15,944	29,200	-	1,790	4,930	18,099	3,478	74	**73,515**
Finance leased	-	-	-	-	-	-	-	-	**-**
On-SoFP PFI contracts and other service concession arrangements	-	-	-	-	-	-	-	-	**-**
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	-	**-**
Owned - government granted	-	-	-	-	-	-	-	-	**-**
Owned - donated	-	-	-	-	-	84	-	-	**84**
NBV total at 31 March 2018	**15,944**	**29,200**	**-**	**1,790**	**4,930**	**18,183**	**3,478**	**74**	**73,599**

Note 18 Donations of property, plant and equipment

2018/19 The Trust received two donated vehicles at a value of £141,000 to be utilised in Derbyshire..

2017/18 The Trust received no donated assets.

Note 19 Revaluations of property, plant and equipment

The Trust's land and buildings were re-valued as at 31 March 2019 using the Modern Equivalent Assets methodology.

All valuations were undertaken by the District Valuer with the exception of assets to be disposed of which have been valued at fair value based on unconditional bids received for the properties.

The outcome of the revaluation was as follows:

	Increase	Decrease
	£000	£000
Land	600	25
Buildings	1,167	328

Note 20.1 Investment Property

	2018/19	2017/18
	£000	£000
Carrying value at 1 April - brought forward	**-**	**-**
Prior period adjustments		-
Carrying value at 1 April - restated	**-**	**-**
Transfers by absorption	-	-
Acquisitions in year	-	-
Movement in fair value	-	-
Reclassifications to/from PPE	-	-
Transfers to/from assets held for sale	-	-
Disposals	-	-
Carrying value at 31 March	**-**	**-**

Note 20.2 Investment property income and expenses

	2018/19	2017/18
	£000	£000
Direct operating expense arising from investment property which generated rental income in the period	-	-
Direct operating expense arising from investment property which did not generate rental income in the period	-	-
Total investment property expenses	**-**	**-**
Investment property income	-	-

Note 21 Investments in associates and joint ventures

	2018/19 £000	2017/18 £000
Carrying value at 1 April - brought forward	**-**	**-**
Prior period adjustments		-
Carrying value at 1 April - restated	**-**	**-**
Transfers by absorption	-	-
Acquisitions in year	-	-
Share of profit / (loss)	-	-
Impairments	-	-
Reversal of impairment	-	-
Transfers to / from assets held for sale and assets in disposal groups	-	-
Disbursements / dividends received	-	-
Disposals	-	-
Share of Other Comprehensive Income recognised by joint ventures / associates	-	-
Other equity movements	-	-
Carrying value at 31 March	**-**	**-**

Note 22 Other investments / financial assets (non-current)

	2018/19 £000	2017/18 £000
Carrying value at 1 April - brought forward	**-**	**-**
Prior period adjustments		-
Carrying value at 1 April - restated	**-**	**-**
Impact of implementing IFRS 9 on 1 April 2018	-	
Transfers by absorption	-	-
Acquisitions in year	-	-
Movement in fair value through income and expenditure	-	-
Movement in fair value through other comprehensive income	-	-
Net impairment	-	-
Transfers to / from assets held for sale and assets in disposal groups	-	-
Amortisation at the effective interest rate	-	-
Current portion of loans receivable transferred to current financial assets	-	-
Disposals	-	-
Carrying value at 31 March	**-**	**-**

Note 22.1 Other investments / financial assets (current)

	31 March 2019 £000	31 March 2018 £000
Loans receivable within 12 months transferred from non-current financial assets	-	-
Deposits with the National Loans Fund	-	-
Other current financial assets	-	-
Total current investments / financial assets	**-**	**-**

Note 23 Disclosure of interests in other entities

The Trust does not have any interests in other entities.

Note 24 Inventories

	31 March 2019	31 March 2018
	£000	£000
Drugs	329	281
Work In progress	-	-
Consumables	2,491	2,058
Energy	-	-
Other	-	-
Total inventories	**2,820**	**2,339**
of which:		
Held at fair value less costs to sell	-	-

Inventories recognised in expenses for the year were £12,424k (2017/18: £11,164k). Write-down of inventories recognised as expenses for the year were £0k (2017/18: £0k).

Note 25.1 Trade receivables and other receivables

	31 March 2019 £000	31 March 2018 £000
Current		
Contract receivables*	6,386	
Contract assets*	-	
Trade receivables*		1,009
Capital receivables	-	-
Accrued income*		9,566
Allowance for impaired contract receivables / assets*	(1,070)	
Allowance for other impaired receivables	-	(1,105)
Deposits and advances	-	-
Prepayments (non-PFI)	5,315	2,440
PFI prepayments - capital contributions	-	-
PFI lifecycle prepayments	-	-
Interest receivable	-	-
Finance lease receivables	-	-
PDC dividend receivable	248	259
VAT receivable	479	298
Corporation and other taxes receivable	-	-
Other receivables	157	82
Total current trade and other receivables	**11,515**	**12,549**
Non-current		
Contract receivables*	-	
Contract assets*	-	
Trade receivables*		-
Capital receivables	-	-
Accrued income*		-
Allowance for impaired contract receivables / assets*	-	
Allowance for other impaired receivables	-	-
Deposits and advances	-	-
Prepayments (non-PFI)	-	-
PFI prepayments - capital contributions	-	-
PFI lifecycle prepayments	-	-
Interest receivable	-	-
Finance lease receivables	-	-
VAT receivable	-	-
Corporation and other taxes receivable	-	-
Other receivables	-	-
Total non-current trade and other receivables	**-**	**-**
Of which receivables from NHS and DHSC group bodies:		
Current	4,360	9,017
Non-current	-	-

*Following the application of IFRS 15 from 1 April 2018, the trust's entitlements to consideration for work performed under contracts with customers are shown separately as contract receivables and contract assets. This replaces the previous analysis into trade receivables and accrued income. IFRS 15 is applied without restatement therefore the comparative analysis of receivables has not been restated under IFRS 15.

Note 25.2 Allowances for credit losses - 2018/19

	Contract receivables and contract assets £000	All other receivables £000
Allowances as at 1 Apr 2018 - brought forward		**1,105**
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018	1,105	(1,105)
Transfers by absorption	-	-
New allowances arising	432	-
Changes in existing allowances	-	-
Reversals of allowances	(418)	-
Utilisation of allowances (write offs)	(49)	-
Changes arising following modification of contractual cash flows	-	-
Foreign exchange and other changes	-	-
Allowances as at 31 Mar 2019	**1,070**	**-**

Note 25.3 Allowances for credit losses - 2017/18

IFRS 9 and IFRS 15 are adopted without restatement therefore this analysis is prepared in line with the requirements of IFRS 7 prior to IFRS 9 adoption. As a result it differs in format to the current period disclosure.

	All receivables £000
Allowances as at 1 Apr 2017 - as previously stated	**929**
Prior period adjustments	-
Allowances as at 1 Apr 2017 - restated	**929**
Transfers by absorption	-
Increase in provision	452
Amounts utilised	(9)
Unused amounts reversed	(267)
Allowances as at 31 Mar 2018	**1,105**

Note 25.4 Exposure to credit risk

The great majority of trade is with Clinical Commissioning Groups. As Clinical Commissioning Groups are funded by Government to buy NHS patient care services, no credit scoring of them is considered necessary.

Note 26 Other assets

	31 March 2019	31 March 2018
Current	**£000**	**£000**
EU emissions trading scheme allowance	-	-
Other assets	-	-
Total other current assets	**-**	**-**
Non-current		
Net defined benefit pension scheme asset	-	-
Other assets	-	-
Total other non-current assets	**-**	**-**

Note 27 Non-current assets held for sale and assets in disposal groups

	2018/19	2017/18
	£000	**£000**
NBV of non-current assets for sale and assets in disposal groups at 1 April	**-**	**180**
Prior period adjustment		-
NBV of non-current assets for sale and assets in disposal groups at 1 April - restated	**-**	**180**
Transfers by absorption	-	-
Assets classified as available for sale in the year	215	5
Assets sold in year	(15)	(185)
Impairment of assets held for sale	-	-
Reversal of impairment of assets held for sale	-	-
Assets no longer classified as held for sale, for reasons other than sale	-	-
NBV of non-current assets for sale and assets in disposal groups at 31 March	**200**	**-**

Note 27.1 Liabilities in disposal groups

	31 March 2019 £000	31 March 2018 £000
Categorised as:		
Provisions	-	-
Trade and other payables	-	-
Other	-	-
Total	**-**	**-**

Note 28.1 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	2018/19 £000	2017/18 £000
At 1 April	**5,959**	**3,961**
Prior period adjustments	-	-
At 1 April (restated)	**5,959**	**3,961**
Transfers by absorption	-	-
Net change in year	3,583	1,998
At 31 March	**9,542**	**5,959**
Broken down into:		
Cash at commercial banks and in hand	-	1
Cash with the Government Banking Service	9,542	5,958
Deposits with the National Loan Fund	-	-
Other current investments	-	-
Total cash and cash equivalents as in SoFP	**9,542**	**5,959**
Bank overdrafts (GBS and commercial banks)	-	-
Drawdown in committed facility	-	-
Total cash and cash equivalents as in SoCF	**9,542**	**5,959**

Note 28.2 Third party assets held by the trust

The trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March 2019 £000	31 March 2018 £000
Bank balances	-	-
Monies on deposit	-	-
Total third party assets	**-**	**-**

Note 29.1 Trade and other payables

	31 March 2019 £000	31 March 2018 £000
Current		
Trade payables	977	1,800
Capital payables	3,975	840
Accruals	10,221	11,592
Receipts in advance (including payments on account)	-	-
Social security costs	1,703	-
VAT payables	-	-
Other taxes payable	1,167	70
PDC dividend payable	-	-
Accrued interest on loans*		35
Other payables	1,929	1,850
Total current trade and other payables	**19,972**	**16,187**
Non-current		
Trade payables	-	-
Capital payables	-	-
Accruals	-	-
Receipts in advance (including payments on account)	-	-
VAT payables	-	-
Other taxes payable	-	-
Other payables	-	-
Total non-current trade and other payables	**-**	**-**
Of which payables from NHS and DHSC group bodies:		
Current	405	233
Non-current	-	-

*Following adoption of IFRS 9 on 1 April 2018, loans are measured at amortised cost. Any accrued interest is now included in the carrying value of the loan within note . IFRS 9 is applied without restatement therefore comparatives have not been restated.

Note 29.2 Early retirements in NHS payables above

The payables note above includes amounts in relation to early retirements as set out below:

	31 March 2019 £000	31 March 2019 Number	31 March 2018 £000	31 March 2018 Number
- to buy out the liability for early retirements over 5 years	-		-	
- number of cases involved		-		-

Note 30 Other financial liabilities

	31 March 2019 £000	31 March 2018 £000
Current		
Derivatives held at fair value through income and expenditure	-	-
Other financial liabilities	-	-
Total	**-**	**-**
Non-current		
Derivatives held at fair value through income and expenditure	-	-
Other financial liabilities	-	-
Total	**-**	**-**

Note 31 Other liabilities

	31 March 2019 £000	31 March 2018 £000
Current		
Deferred income: contract liabilities	378	77
Deferred grants	-	-
PFI deferred income / credits	-	-
Lease incentives	-	-
Other deferred income	-	
Total other current liabilities	**378**	**77**
Non-current		
Deferred income: contract liabilities	-	-
Deferred grants	-	-
PFI deferred income / credits	-	-
Lease incentives	-	-
Other deferred income	-	-
Net pension scheme liability	-	-
Total other non-current liabilities	**-**	**-**

Note 32 Borrowings

	31 March 2019 £000	31 March 2018 £000
Current		
Bank overdrafts	-	-
Drawdown in committed facility	-	-
Loans from the Department of Health and Social Care	13,019	1,800
Other loans	-	-
Obligations under finance leases	-	-
PFI lifecycle replacement received in advance	-	-
Obligations under PFI, LIFT or other service concession contracts (excl. lifecycle)	-	-
Total current borrowings	**13,019**	**1,800**
Non-current		
Loans from the Department of Health and Social Care	5,400	18,384
Other loans	-	-
Obligations under finance leases	-	-
PFI lifecycle replacement received in advance	-	-
Obligations under PFI, LIFT or other service concession contracts	-	-
Total non-current borrowings	**5,400**	**18,384**

Note 32.1 Reconciliation of liabilities arising from financing activities

	Loans from DHSC	Other loans	Finance leases	PFI and LIFT schemes	Total
	£000	£000	£000	£000	£000
Carrying value at 1 April 2018	**20,184**	**-**	**-**	**-**	**20,184**
Cash movements:					
Financing cash flows - payments and receipts of principal	(1,800)	-	-	-	**(1,800)**
Financing cash flows - payments of interest	(234)	-	-	-	**(234)**
Non-cash movements:					
Impact of implementing IFRS 9 on 1 April 2018	35	-	-	-	**35**
Transfers by absorption	-	-	-	-	**-**
Additions	-	-	-	-	**-**
Application of effective interest rate	234	-	-	-	**234**
Change in effective interest rate	-	-	-	-	**-**
Changes in fair value	-	-	-	-	**-**
Other changes	-	-	-	-	**-**
Carrying value at 31 March 2019	**18,419**	**-**	**-**	**-**	**18,419**

Note 33 Finance leases

Note 33.1 East Midlands Ambulance Service NHS Trust as a lessor

Future lease receipts due under finance lease agreements where East Midlands Ambulance Service NHS Trust is the lessor:

	31 March 2019 £000	31 March 2018 £000
Gross lease receivables	**-**	**-**
of which those receivable:		
- not later than one year;	-	-
- later than one year and not later than five years;	-	-
- later than five years.	-	-
Unearned interest income	-	-
Allowance for uncollectable lease payments	-	-
Net lease receivables	**-**	**-**
of which those receivable:		
- not later than one year;	-	-
- later than one year and not later than five years;	-	-
- later than five years.	-	-
The unguaranteed residual value accruing to the lessor	-	-
Contingent rents recognised as income in the period	-	-

Note 33.2 East Midlands Ambulance Service NHS Trust as a lessee

Obligations under finance leases where East Midlands Ambulance Service NHS Trust is the lessee.

	31 March 2019 £000	31 March 2018 £000
Gross lease liabilities	**-**	**-**
of which liabilities are due:		
- not later than one year;	-	-
- later than one year and not later than five years;	-	-
- later than five years.	-	-
Finance charges allocated to future periods	-	-
Net lease liabilities	**-**	**-**
of which payable:		
- not later than one year;	-	-
- later than one year and not later than five years;	-	-
- later than five years.	-	-
Total of future minimum sublease payments to be received at the reporting date	-	-
Contingent rent recognised as an expense in the period	-	-

Note 34.1 Provisions for liabilities and charges analysis

	Pensions: early departure costs	Pensions: injury benefits*	Legal claims	Re-structuring	Equal Pay (including Agenda for Change)	Redundancy	Other	Total
	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2018	**-**	**200**	**387**	**-**	**-**	**-**	**130**	**717**
Transfers by absorption	-	-	-	-	-	-	-	**-**
Change in the discount rate	-	(7)	-	-	-	-	(4)	**(11)**
Arising during the year	-	4	2,417	-	-	-	2	**2,423**
Utilised during the year	-	(58)	(169)	-	-	-	(56)	**(283)**
Reclassified to liabilities held in disposal groups	-	-	-	-	-	-	-	**-**
Reversed unused	-	-	(78)	-	-	-	-	**(78)**
Unwinding of discount	-	-	-	-	-	-	-	**-**
At 31 March 2019	**-**	**139**	**2,557**	**-**	**-**	**-**	**72**	**2,768**
Expected timing of cash flows:								
- not later than one year;	-	50	2,557	-	-	-	72	**2,679**
- later than one year and not later than five years;	-	88	-	-	-	-	-	**88**
- later than five years.	-	1	-	-	-	-	-	**1**
Total	**-**	**139**	**2,557**	**-**	**-**	**-**	**72**	**2,768**

There is an uncertainty about the timing of cash flows, but these are the best estimates available.

£72,310 of the Other Provisions relates to 1987 frozen staff leave entitlements (31/03/18 £123,283)
£70 of the Other Provisions relates to amounts due relating to Pre 1995 Retirements. (31/3/18 £6,466)

Included in provisions are £0 for which reimbursement is expected.

* In 2018/19 the analysis of provisions has been revised to separately identify provisions for injury benefit liabilities. In previous periods, these provisions were included within legal claims.

Note 34.2 Clinical negligence liabilities

At 31 March 2019, £28,754k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of East Midlands Ambulance Service NHS Trust (31 March 2018: £33,455k).

Note 35 Contingent assets and liabilities

	31 March 2019 £000	31 March 2018 £000
Value of contingent liabilities		
NHS Resolution legal claims	(29)	(16)
Employment tribunal and other employee related litigation	-	-
Redundancy	-	-
Other	-	-
Gross value of contingent liabilities	**(29)**	**(16)**
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	**(29)**	**(16)**
Net value of contingent assets	**-**	**-**

The contingent liability declared in note 35 relates to employee claims declared within the overall legal claims category.

Note 36 Contractual capital commitments

	31 March 2019 £000	31 March 2018 £000
Property, plant and equipment	2,116	2,581
Intangible assets	-	-
Total	**2,116**	**2,581**

Note 37 Other financial commitments

The trust is committed to making payments under non-cancellable contracts (which are not leases, PFI contracts or other service concession arrangement), analysed by the period during which the payment is made:

	31 March 2019 £000	31 March 2018 £000
not later than 1 year	8,528	5,902
after 1 year and not later than 5 years	4,780	2,147
paid thereafter	1,032	1,641
Total	**14,340**	**9,690**

Note 38 Defined benefit pension schemes

The Trust does not operate a defined benefit pension scheme.

Note 38.1 Changes in the defined benefit obligation and fair value of plan assets during the year

	2018/19 £000	2017/18 £000
Present value of the defined benefit obligation at 1 April	**-**	**-**
Prior period adjustment		-
Present value of the defined benefit obligation at 1 April - restated	**-**	**-**
Transfers by absorption	-	-
Current service cost	-	-
Interest cost	-	-
Contribution by plan participants	-	-
Remeasurement of the net defined benefit (liability) / asset:		
- Actuarial (gains) / losses	-	-
Benefits paid	-	-
Past service costs	-	-
Business combinations	-	-
Curtailments and settlements	-	-
Present value of the defined benefit obligation at 31 March	**-**	**-**
Plan assets at fair value at 1 April	**-**	**-**
Prior period adjustment		-
Plan assets at fair value at 1 April -restated	**-**	**-**
Transfers by normal absorption	-	-
Interest income	-	-
Remeasurement of the net defined benefit (liability) / asset		
- Return on plan assets	-	-
- Actuarial gain / (losses)	-	-
- Changes in the effect of limiting a net defined benefit asset to the asset ceiling	-	-
Contributions by the employer	-	-
Contributions by the plan participants	-	-
Benefits paid	-	-
Business combinations	-	-
Settlements	-	-
Plan assets at fair value at 31 March	**-**	**-**
Plan surplus/(deficit) at 31 March	**-**	**-**

Note 38.2 Reconciliation of the present value of the defined benefit obligation and the present value of the plan assets to the assets and liabilities recognised in the balance sheet

	31 March 2019 £000	31 March 2018 £000
Present value of the defined benefit obligation	-	-
Plan assets at fair value	-	-
Net defined benefit (obligation) / asset recognised in the SoFP	**-**	**-**
Fair value of any reimbursement right	-	-
Net (liability) / asset recognised in the SoFP	**-**	**-**

Note 38.3 Amounts recognised in the SoCI

	2018/19 £000	2017/18 £000
Current service cost	-	-
Interest expense / income	-	-
Past service cost	-	-
Losses on curtailment and settlement	-	-
Total net (charge) / gain recognised in SOCI	**-**	**-**

Note 39 On-SoFP PFI, LIFT or other service concession arrangements

Note 39.1 Imputed finance lease obligations

East Midlands Ambulance Service NHS Trust has the following obligations in respect of the finance lease element of on-Statement of Financial Position PFI and LIFT schemes:

	31 March 2019 £000	31 March 2018 £000
Gross PFI, LIFT or other service concession liabilities	**-**	**-**
Of which liabilities are due		
- not later than one year;	-	-
- later than one year and not later than five years;	-	-
- later than five years.	-	-
Finance charges allocated to future periods	-	-
Net PFI, LIFT or other service concession arrangement obligation	**-**	**-**
- not later than one year;	-	-
- later than one year and not later than five years;	-	-
- later than five years.	-	-

Note 39.2 Total on-SoFP PFI, LIFT and other service concession arrangement commitments

Total future obligations under these on-SoFP schemes are as follows:

	31 March 2019 £000	31 March 2018 £000
Total future payments committed in respect of the PFI, LIFT or other service concession arrangements	**-**	**-**
Of which liabilities are due:		
- not later than one year;	-	-
- later than one year and not later than five years;	-	-
- later than five years.	-	-

Note 39.3 Analysis of amounts payable to service concession operator

This note provides an analysis of the unitary payments made to the service concession operator:

	2018/19	2017/18
	£000	£000
Unitary payment payable to service concession operator	**-**	**-**
Consisting of:		
- Interest charge	-	-
- Repayment of finance lease liability	-	-
- Service element and other charges to operating expenditure	-	-
- Capital lifecycle maintenance	-	-
- Revenue lifecycle maintenance	-	-
- Contingent rent	-	-
- Addition to lifecycle prepayment	-	-
Other amounts paid to operator due to a commitment under the service concession contract but not part of the unitary payment	-	-
Total amount paid to service concession operator	**-**	**-**

Note 40 Off-SoFP PFI, LIFT and other service concession arrangements

East Midlands Ambulance Service NHS Trust incurred the following charges in respect of off-Statement of Financial Position PFI and LIFT obligations:

	31 March 2019	31 March 2018
	£000	£000
Charge in respect of the off SoFP PFI, LIFT or other service concession arrangement for the period	**-**	**-**
Commitments in respect of off-SoFP PFI, LIFT or other service concession arrangements:		
- not later than one year;	-	-
- later than one year and not later than five years;	-	-
- later than five years.	-	-
Total	**-**	**-**

Note 41 Financial instruments

Note 41.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the NHS Trust has with Clinical Commissioning Groups and the way those Clinical Commissioning Groups are financed, the NHS Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The NHS Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the board of directors. Trust treasury activity is subject to review by the Trust's internal auditors.

Currency Risk

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

Interest Rate Risk

Improvement. The borrowings are for 1 – 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. The Trust therefore has low exposure to interest rate fluctuations.

The Trust may also borrow from government for revenue financing subject to approval by NHS Improvement. Interest rates are confirmed by the Department of Health (the lender) at the point borrowing is undertaken.

The Trust therefore has low exposure to interest rate fluctuations.

Liquidity Risk

The Trust's operating costs are incurred under contracts with Clinical Commissioning Groups, which are financed from resources voted annually by Parliament . The Trust funds its capital expenditure from funds obtained within its prudential borrowing limit. The Trust is not, therefore, exposed to significant liquidity risks.

Note 41.2 Carrying values of financial assets

IFRS 9 Financial Instruments is applied restrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ to those in the current year analyses.

	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
Carrying values of financial assets as at 31 March 2019 under IFRS 9	**£000**	**£000**	**£000**	**£000**
Trade and other receivables excluding non financial assets	5,315	-	-	**5,315**
Other investments / financial assets	-	-	-	**-**
Cash and cash equivalents at bank and in hand	9,542	-	-	**9,542**
Total at 31 March 2019	**14,857**	**-**	**-**	**14,857**

	Loans and receivables	Assets at fair value through the I&E	Held to maturity	Available-for-sale	Total book value
Carrying values of financial assets as at 31 March 2018 under IAS 39	**£000**	**£000**	**£000**	**£000**	**£000**
Trade and other receivables excluding non financial assets	9,026	-	-	-	**9,026**
Other investments / financial assets	-	-	-	-	**-**
Cash and cash equivalents at bank and in hand	5,959	-	-	-	**5,959**
Total at 31 March 2018	**14,985**	**-**	**-**	**-**	**14,985**

Note 41.3 Carrying value of financial liabilities

IFRS 9 Financial Instruments is applied restrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ to those in the current year analyses.

	Held at amortised cost	Held at fair value through the I&E	Total book value
	£000	£000	£000
Carrying values of financial liabilities as at 31 March 2019 under IFRS 9			
Loans from the Department of Health and Social Care	18,419	-	**18,419**
Obligations under finance leases	-	-	**-**
Obligations under PFI, LIFT and other service concession contracts	-	-	**-**
Other borrowings	-	-	**-**
Trade and other payables excluding non financial liabilities	15,354	-	**15,354**
Other financial liabilities	-	-	**-**
Provisions under contract	-	-	**-**
Total at 31 March 2019	**33,773**	**-**	**33,773**

	Other financial liabilities	Held at fair value through the I&E	Total book value
	£000	£000	£000
Carrying values of financial liabilities as at 31 March 2018 under IAS 39			
Loans from the Department of Health and Social Care	20,184	-	**20,184**
Obligations under finance leases	-	-	**-**
Obligations under PFI, LIFT and other service concession contracts	-	-	**-**
Other borrowings	-	-	**-**
Trade and other payables excluding non financial liabilities	15,031	-	**15,031**
Other financial liabilities	-	-	**-**
Provisions under contract	-	-	**-**
Total at 31 March 2018	**35,215**	**-**	**35,215**

Note 41.4 Fair values of financial assets and liabilities

The Trust considers that book value is a reasonable approximation to fair value.

Note 41.5 Maturity of financial liabilities

	31 March 2019	31 March 2018
	£000	£000
In one year or less	28,373	16,831
In more than one year but not more than two years	1,800	12,984
In more than two years but not more than five years	3,600	5,400
In more than five years	-	-
Total	**33,773**	**35,215**

Note 42 Losses and special payments

	2018/19		2017/18	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Cash losses	-	-	-	-
Fruitless payments	-	-	-	-
Bad debts and claims abandoned	-	-	-	-
Stores losses and damage to property	5	1	26	9
Total losses	**5**	**1**	**26**	**9**
Special payments				
Compensation under court order or legally binding arbitration award	-	-	1	1
Extra-contractual payments	-	-	-	-
Ex-gratia payments	12	24	47	267
Special severance payments	-	-	-	-
Extra-statutory and extra-regulatory payments	-	-	-	-
Total special payments	**12**	**24**	**48**	**268**
Total losses and special payments	**17**	**25**	**74**	**277**
Compensation payments received		-		-

Note 43 Gifts

	2018/19		2017/18	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Gifts made	-	-	-	-

No gifts individually or in total exceeding £300k were received or made in 2018/19 or 2017/18.

Note 44.1 Initial application of IFRS 9

IFRS 9 Financial Instruments as interpreted and adapted by the GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to reserves on 1 April 2018.

IFRS 9 replaces IAS 39 and introduces a revised approach to classification and measurement of financial assets and financial liabilities, a new forward-looking 'expected loss' impairment model and a revised approach to hedge accounting.

Under IFRS 9, borrowings from the Department of Health and Social Care, which were previously held at historic cost, are measured on an amortised cost basis. Consequently, on 1 April 2018 borrowings increased by £35k, and trade payables correspondingly reduced.

Reassessment of allowances for credit losses under the expected loss model resulted in a £0k decrease in the carrying value of receivables.

The GAM expands the definition of a contract in the context of financial instruments to include legislation and regulations, except where this gives rise to a tax. Implementation of this adaptation on 1 April 2018 has led to the classifiction of receivables relating to Injury Cost Recovery as a financial asset measured at amortised cost. The carrying value of these receivables at 1 April 2018 was £443k.

Note 44.2 Initial application of IFRS 15

IFRS 15 Revenue from Contracts with Customers as interpreted and adapted by the GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to the income and expenditure reserve on 1 April 2018.

IFRS 15 introduces a new model for the recognition of revenue from contracts with customers replacing the previous standards IAS 11, IAS 18 and related Interpretations. The core principle of IFRS 15 is that an entity recognises revenue when it satisfies performance obligations through the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services.

As directed by the GAM, the Trust has applied the practical expedient offered in C7A of the standard removing the need to retrospectively restate any contract modifications that occurred before the date of implementation (1 April 2018).

Note 45 Related parties

During the year, none of the Department of Health Ministers, Trust board members or members of the key management staff, or parties related to any of them, has undertaken any material transactions with East Midlands Ambulance Service NHS Trust.

The Department of Health is regarded as a related party. During the year East Midlands Ambulance Service NHS Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department.

Transactions and balances in excess of £250k per related party are as follows:

	Income	Expenditure	Receivables	Payables
	£'000	£'000	£'000	£'000
Department of Health and Social Care	2,165	0	0	0
Health Education England	1,991	10	0	28
NHS Bassetlaw CCG	4,193	0	32	0
NHS Corby CCG	2,501	0	28	0
NHS East Leicestershire and Rutland CCG	8,792	0	116	0
NHS England	3,858	34	1,992	3
NHS Erewash CCG	4,336	2	9	0
NHS Hardwick CCG	4,833	78	201	70
NHS Leicester City CCG	12,501	0	165	0
NHS Lincolnshire East CCG	9,864	8	62	0
NHS Lincolnshire West CCG	7,543	0	45	0
NHS Mansfield and Ashfield CCG	7,358	0	39	0
NHS Nene CCG	19,805	0	219	0
NHS Newark and Sherwood CCG	4,399	0	23	0
NHS North Derbyshire CCG	11,660	0	29	0
NHS North East Lincolnshire CCG	5,702	0	27	0
NHS North Lincolnshire CCG	6,083	0	35	0
NHS Nottingham City CCG	12,831	0	297	0
NHS Nottingham North and East CCG	4,453	0	96	0
NHS Nottingham West CCG	3,196	0	69	0
NHS Resolution (formerly NHS Litigation Authority)	0	791	0	2
NHS Rushcliffe CCG	2,903	0	63	0
NHS South Lincolnshire CCG	4,727	0	27	0
NHS South West Lincolnshire CCG	3,974	0	24	0
NHS Southern Derbyshire CCG	23,235	0	327	0
NHS West Leicestershire CCG	10,652	0	162	0
HM Revenue & Customs - VAT	0	0	479	0
HM Revenue & Customs - Other taxes and duties and NI contributions	0	10,887	0	2,869
NHS Pension Scheme	0	13,134	0	1,815

In addition, the Trust has had a number of material transactions with other government departments and other central and local government bodies. Most of these transactions have been with a number of local councils.

Members of the Trust Board are also Trustees of the East Midlands Ambulance Service Charitable Fund. During the year the Trust made payments on behalf of the Charitable Fund of £100,065.61 (2017/18 £104,828.42) with no amounts written off.

As at 31 March 2019 there was a balance from the Trust to the Charitable Fund of £11,119.91 (2017/18 £8,965.78 due to the Trust). These transactions are included in the Trustees Annual Report and Accounts of the East Midlands Ambulance Service NHS Trust Charitable Fund.

The Trust engages with the Trustees of the three air ambulance charities that service the East Midlands area.

The Trust has a service agreement with the charities and provides clinical staff in support of the service. No fees or charges are levied between the Trust and the charities.

During the year one Executive Member of the Trust Board acted as Trustee of Lincolnshire & Nottinghamshire Air Ambulance. The Trust has invoiced the Lincolnshire & Nottinghamshire Air Ambulance for an Rapid Response Vehicle (RRV) shift and a Helicopter shift worked by an Executive Director during 2018/19.

One Executive Director acted as a consultant to organisations providing services to the Trust. The Executive Director was not involved in any of the transactions with these organisations.

One Non-Executive Director is a Stakeholder Governor of an NHS Foundation Trust which provides services to the Trust.

One Non Executive Director provide specialist advice to the Care Quality Commission.

One Non-Executive Director is a University Member of Court at an organisation which has provided services to the Trust.

Note 46 Transfers by absorption

The Trust has no transfers by adoption in the year.

Note 47 Prior period adjustments

The Trust has no prior period adjustments in the year.

Note 48 Events after the reporting date

The are no events after the reporting date which were required to be reported.

Note 49 Better Payment Practice code

	2018/19 Number	2018/19 £000	2017/18 Number	2017/18 £000
Non-NHS Payables				
Total non-NHS trade invoices paid in the year	23,550	89,084	22,182	81,677
Total non-NHS trade invoices paid within target	22,696	86,714	21,525	79,463
Percentage of non-NHS trade invoices paid within target	96.4%	97.3%	97.0%	97.3%
NHS Payables				
Total NHS trade invoices paid in the year	354	1,330	379	1,956
Total NHS trade invoices paid within target	316	1,201	340	1,871
Percentage of NHS trade invoices paid within target	89.3%	90.3%	89.7%	95.7%

The Better Payment Practice code requires the NHS body to aim to pay all valid invoices by the due date or within 30 days of receipt of valid invoice, whichever is later.

Note 50 External financing

The trust is given an external financing limit against which it is permitted to underspend:

	2018/19 £000	2017/18 £000
Cash flow financing	**(351)**	**(41)**
Finance leases taken out in year	**0**	**0**
Other capital receipts	**0**	**0**
External financing requirement	**(351)**	**(41)**
External financing limit (EFL)	2,921	180
Underspend against EFL	**3,272**	**221**

Note 51 Capital Resource Limit

	2018/19 £000	2017/18 £000
Gross capital expenditure	12,681	10,442
Less: Disposals	(92)	(508)
Less: Donated and granted capital additions	(141)	0
Plus: Loss on disposal from capital grants in kind	0	0
Charge against Capital Resource Limit	**12,448**	**9,934**
Capital Resource Limit	12,638	9,996
Underspend against CRL	**190**	**62**

Note 52 Breakeven duty financial performance

	2018/19 £000
Adjusted financial performance (deficit) (control total basis)	(3,111)
Remove impairments scoring to Departmental Expenditure Limit	-
Add back non-cash element of On-SoFP pension scheme charges	-
IFRIC 12 breakeven adjustment	-
Breakeven duty financial performance (deficit)	**(3,111)**

Note 53 Breakeven duty rolling assessment

	1997/98 to 2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Breakeven duty in-year financial performance		2,016	467	1,402	30	61	65	(12,245)	(4,493)	8,759	(3,111)
position	2,100	4,116	4,583	5,985	6,015	6,076	6,141	(6,104)	(10,597)	(1,838)	(4,949)
Operating income		156,570	161,643	169,533	155,041	150,131	155,124	154,089	173,109	187,853	187,144
Cumulative breakeven position as a percentage of operating income		2.6%	2.8%	3.5%	3.9%	4.0%	4.0%	(4.0%)	(6.1%)	(1.0%)	(2.6%)

The figures given for periods prior to 2009-10 are on a UK GAAP basis as that is the basis on which the targets were set for those years.

Due to the introduction of International Financial Reporting Standards (IFRS) accounting in 2009-10, NHS Trust's financial performance measurement needs to be aligned with the guidance issued by HM Treasury measuring Departmental expenditure. Therefore, the incremental revenue expenditure resulting from the application of IFRS to IFRIC 12 schemes (which would include PFI schemes), which has no cash impact and is not chargeable for overall budgeting purposes, is excluded when measuring Breakeven performance. Other adjustments are made in respect of accounting policy changes (impairments and the removal of the donated asset and government grant reserves) to maintain comparability year to year.

Annual Report
2018/2019

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