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Gwasanaethau Ambiwylans Cymru  
Welsh Ambulance Services  
NHS Trust

# Welsh Ambulance Services NHS Trust **Annual Report and Annual Accounts**

2021/22



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## Annual Report Introduction

This Annual Report is part of a suite of documents that provides information about the Welsh Ambulance Services NHS Trust (the Trust). It will provide the reader with information on our services, the care we provide and what we do to plan, deliver and improve those services. It will provide the reader with detail on the Trust's performance and how we responded to changing demands and challenges in 2021/22.

In accordance with the NHS Wales 2021/22 Manual for Accounts and HM Treasury's Financial Reporting Manual, our Annual Report for 2021/22 includes:

**Part 1: Performance Report** which details how the Trust performed in the year and how we adapted and responded to the COVID-19 pandemic.

**Part 2: Accountability Report** which details the key accountability requirements and our Governance Statement provides information about how the Trust manages and controls resources and risks and complies with governance arrangements.

**Part 3 Financial Statements** - which detail how the Trust has spent its money and met its obligations. These accounts for the period ended 31 March 2022 have been prepared to comply with International Financial Reporting Standards (IFRS) adopted by the European Union, in accordance with HM Treasury's FReM by Public Health Wales NHS Trust under schedule 9 section 178 Para 3 (1) of the National Health Service (Wales) Act 2006 (c.42) in the form in which the Welsh Ministers, with the approval of the Treasury, directed.

For 2021/22, there was no requirement to prepare a separate Annual Quality Statement, however, key quality themes are captured within the Performance Report.

Whilst acronyms are explained in full when they are first used, a glossary is included for ease of reference.

If you require a version of the Annual Report in printed or alternative formats/ languages please contact the Board Secretary on [trish.mills@wales.nhs.uk](mailto:trish.mills@wales.nhs.uk).

## Glossary

A number of acronyms are used in this Annual Report. Where the acronym is used multiple times we have included it in the glossary below for ease of reference.

Abbreviation	Term
ADLT	Assistant Directors Leadership Team
AQIs	Ambulance Quality Indicators
BAF	Board Assurance Framework
CASC	Chief Ambulance Services Commissioner
COPI	Control of Patient Information Regulations
CPR	Cardiopulmonary Resuscitation
CSD	Clinical Support Desk
EASC	Emergency Ambulance Services Committee
EMS	Emergency Medical Service
EMT	Executive Management Team
ePCR	Electronic Patient Clinical Record
ESR	Electronic Staff Register
FRem	Government Financial Reporting Manual
HSE	Health and Safety Executive
ICO	Information Commissioner's Office
IMTP	Integrated Medium Term Plan
IPC	Infection Prevention Control
MACA	Military Aid to Civil Authorities
NEPTS	Non Emergency Patient Transfer Service
NHSDW	NHSDirect Wales
NRIs	National Reportable Incidents
PPE	Personal Protective Equipment
QuEst	Quality, Patient Experience and Safety Committee
REAP	Resource Escalation Action Plan
STB	Strategic Transformation Board
STEMI	ST segment elevation myocardial infarction
The Trust	Welsh Ambulance Services NHS Trust
WTEs	Whole time equivalents

# PART 1 – PERFORMANCE REPORT

This Performance Report aims to provide an integrated quality, patient safety, patient experience and performance narrative on the Welsh Ambulance Services NHS Trust (the Trust) for the period 01 April 2021 to 31 March 2022.

The Performance Report is produced in line with the requirements of the NHS Wales 2021/22 Manual for Accounts, in particular, Chapter 3 and Annex 7.

## 1.1 Foreword from Chief Executive Officer

2021/22 has been another extraordinary year for the Trust as it has continued to work through further waves of the COVID-19 pandemic and, as society has opened up, to deal with increased pressure across the urgent and emergency care system. Whilst staff and volunteers have stepped up to the challenge, in many instances, the Trust has not been able to respond to patients as quickly as it should, affecting patient experience and safety. The reasons are complex and multiple, with some directly related to COVID-19 and others due to underlying factors that have been present for some time, which have been exacerbated over the last two years.

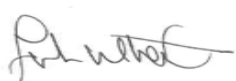
The Trust's headline target is to respond to 65% of red calls (immediately life threatening) in eight minutes. The Trust did not achieve the target in 2021/22 although 67% of red calls did receive a response in ten minutes. The Trust is also concerned about patient safety and harm in the amber category where response times are long.

Working together across all levels of the organisation has enabled the Trust to deliver much of what it had set out in its plan for 2021/22. Growth continued in the Emergency Medical Services (EMS), with an additional 127 front line staff recruited. Core 111 services were rolled out, with the Trust now the national provider of 111. The final transfers of Non-Emergency Patient Transport Service (NEPTS) activity from Health Boards were completed, making the Trust the sole provider of these services in Wales. The new electronic patient care record system (ePCR) was also implemented. Significant additional support was also secured from the military and St John Cymru.

The Trust's ability to improve the quality and safety of the service it provides to patients remains at the heart of its plan for 2022/23. The plan focuses on delivery of efficiencies within the Trust's control which will increase capacity to respond. However, the level of hospital handover lost hours are now so extreme the Trust cannot offset their substantial impact. The Trust has therefore also signalled that significant further investment and/or a radical reduction in hospital handover lost hours is required in order to deliver a safe 999 patient pathway. The Trust is acutely aware of the impact of COVID-19 on the communities it serves and on its own staff. The Trust will continue its emphasis on well-being to support those affected.

The Trust is open and transparent in its monthly reporting of patient experience, patient safety and performance. The annual Performance Report brings this together, enabling the reader to form an assessment of how the Trust is doing.

Finally, I want to reiterate my thanks to all our staff and volunteers, Armed Forces, blue light partners, commissioners and the private sector, and the voluntary sector for their continued support in responding to COVID-19.



Jason Killens

Welsh Ambulance Services NHS Trust Chief Executive Officer

## 1.2 Areas of Responsibility

The Trust provides health care services for people across the whole of Wales, delivering high quality and patient-led clinical care wherever and whenever needed.

Services include:

- The blue light emergency ambulance services: including call taking, remote clinical consultation, see and treat and if necessary, conveyance to an appropriate hospital or alternative treating facility.
- Non Emergency Patient Transport Service (NEPTS): taking patients to and from hospital appointments and transferring them between hospitals and treating facilities.
- The now retired NHSDirect Wales (NHSDW) service: a health advice and information service available 24 hours a day, every day, including an online and telephone offering (available in Betsi Cadwaladr and Cardiff & the Vale university health boards for the early part of 2021/22).
- The 111 service: a free-to-call service which incorporates the NHSDW service and the call taking and first stage clinical triage for the out-of-hours service. The number was live pan-Wales throughout 2021/22 and the full service was rolled out in Betsi Cadwaladr and Cardiff & the Vale university health boards in 2021/22 making the service pan-Wales.
- The Trust also supports Community First Responders, Co-Responders and Uniformed Responders to provide additional response resource.
- During the pandemic, the Trust has provided the Mobile Testing Service for the whole of Wales.
- All the services had COVID-19 patients flowing through them therefore the Trust made no distinction between COVID-19 care and non-COVID-19 care in terms of its delivery arrangements in 2021/22.



### 1.3 Response to and impact of COVID-19

The Trust originally triggered its Pandemic Influenza Plan on 4 March 2020. The Plan sets out two phases: a response phase and a recovery phase. To allow it to respond more flexibly to waves, the Trust also introduced the concept of two positions within the Response Phase (Response Position and Monitor Position).



The Trust started the year in a Recovery phase, but on the 20 December 2021 moved back into Response phase (response position) due to the Omicron variant. The Trust continuously reviewed all the data available in terms of the overall situation across Wales and UK as well the pressure put on the organisation and in light of the improving picture was able to move from Response Position to Monitor Position on 1 March 2022. As the picture began to improve further, the Trust moved from Response Phase: Monitor Position to Recovery Phase on 18 March 2022.

The Trust has used forecasting and modelling techniques and software linked to COVID-19 forecasts supplied by Swansea University and also internal thinking about patient demand to help predict and model performance and patient safety.

Because of the government travel restrictions (an indirect impact of COVID-19) the Trust predicted very high patient demand through the summer of 2021/22 and brought forward a tactical Summer Plan to mitigate the impact of the very high demand on patient safety.

Despite the Trust's forward planning the Trust could not sufficiently mitigate the impact of this high seasonal demand, including two heat waves which created additional pressures, and on 20 July 2021 the Trust went to maximum escalation, what is referred to as "REAP 4" (Resource Escalation Action Plan). The Trust came out of REAP 4 on 29 July 2021. The Trust then went back into REAP 4 on 24 August 2021 and stayed there until 16 November 2021. This pattern of moving between REAP 4 and REAP 3 continued through the winter period until the year end. To contextualise how strained the Trust has been, in the very bad winter of 2017/18 the Trust went to REAP 4 for one day.

Whilst not directly caused by the pandemic, the Trust introduced a Clinical Safety Plan on 27 September 2021, which replaced its Demand Management Plan. Like the Trust's escalation plan, the Clinical Safety Plan moves through four levels with level 4, the highest level, requiring that Red and Amber 1 patients are clinically screened before an emergency resource is dispatched and ambulances unable to be sent to Amber 2 and Green patients.

The Trust undertook further forecasting and modelling for the winter 2021/22, making this information available in September 2021. This forecasting and modelling predicted that the Trust would have to operate at level 4 of the Clinical Safety Plan and that “radical” measures would be required to mitigate the impact of the pandemic on performance and patient safety. The impact of COVID-19 is not just on patient demand, but also sickness absence in the Trust’s workforce and the level of lost hours caused by hospital handover which have exceeded the levels that existed pre-pandemic.

As a result, the Trust decisively and proactively sought Military Aid to Civil Authorities (MACA) which resulted at peak in 250+ UK Armed Forces personnel supporting the Trust through the winter period. This aid commenced in mid-October 2021 and ended on the 31 March 2022. The Trust also received additional funding for various initiatives via the Emergency Ambulance Services Committee (EASC). The Trust’s Chief Executive also requested that any and every initiative that could have a positive impact on the winter period was brought together into a single Performance Improvement Plan (PIP), which was reported into the Executive Management Team every two weeks and to the Chief Ambulance Services Commissioner (CASC) every month i.e., the Trust retained a strong tactical grip through the winter period. The Trust’s pandemic strategy and the use of the Pandemic Plan and its supporting structures were used to support and coordinate the response not only to COVID-19 but also seasonal winter pressures.

As a result, the Trust was able to boost the level of ambulance production in a “radical” way as identified by the forecasting and modelling; however, the levels of hospital handover lost hours were so extreme that even with the radical measure of the MACA the Trust simply could not offset the lost hours at hospital and therefore operated at maximum levels of escalation for much of the winter and at high levels of the Clinical Safety Plan.

The Trust continues to review COVID-19 data through its COVID-19 Intelligence Pack; however, the major concern for the Trust now is the system pressures, in particular, high staff sickness and extreme hospital handover lost hours, caused by the pandemic and the underlying pre-pandemic position which was already very strained.

Throughout the pandemic, the Trust continued to operate its three services: 111, 999 Emergency Medical Services and Ambulance Care (including NEPTS). The pandemic did not lead to any decisions to reduce or stop these services, albeit the levels of demand, high sickness levels, social distancing (on NEPTS vehicles), the donning of PPE and lost hours to hospital handover, all of which were impacted by COVID-19, affected the Trust’s ability to deliver these services to the required performance targets, with more detail set out in following sections.

During the first wave the Trust made the decision to stop all corporate activity that was not directly and immediately relevant to the Trust’s pandemic response, however, a lesson from 2020/21 was the balance between a focus on immediate actions and continuing more strategic transformative actions which would build the

Trust's resilience in the medium term. For 2021/22 the Trust made a conscious decision to continue to run its key strategic transformation programmes.

## **1.4 Planning and Delivery of Safe, Effective and Quality Services**

The Trust has a statutory requirement to think and plan in a generational way (the Well-Being of Future Generations (Wales) Act 2015), plan in a way that is consistent with the NHS Wales Planning Framework which takes into account the priorities for the Minister for Health & Social Services over the coming year, commissioning requirements, Welsh Government strategy (currently A Healthier Wales) and a statutory requirement to think of quality and engagement through the Trust's work – the Health & Social Care (Quality & Engagement) (Wales) Act 2020.

The Trust develops plans at every level of the organisation - strategic, tactical and operational. This will produce a hierarchy of plans that link together, aligning the Trust and all its people towards achieving its agreed strategic ambitions.

The Trust strategy, "Delivering Excellence", was published in 2019. The Trust has been working throughout on what that strategy means in practice and how services might need to change. The Trust's ambition for its core services is to get patients the right care, in the right place, every time. Eventually the Trust wants to support more people being treated closer to home. To enable these ambitions the Trust will need to support its people, embrace technology, work closely with its partners and upgrade its fleet and estate. Underpinning everything is a commitment to quality and excellent patient experience, strong clinical leadership and developing a culture of Working Safely and delivering value.

At an organisational level, the Integrated Medium Term Plan (IMTP) sets out, on a three-year rolling basis, the prioritised actions that the Trust will take to move it towards its strategic ambitions. The IMTP will take into account the national planning guidance issued by Welsh Government, the external environment in which the Trust operates including statutory requirements and commissioning intentions, as well as intelligence gathered from patients and staff.

### **1.4.1 Trust's Integrated Medium Term Plan**

In developing the IMTP, the Trust also listens to and responds to what is important to patients and to its people to help the Trust develop its plans. The Trust's IMTP also describes the actions it will take to address some of its highest risks.

The Trust Board approved the IMTP for 2021/22 and submitted it to Welsh Government at the end of March 2021. For this financial year, Welsh Government did not seek to formally approve plans, but feedback was positive on the Trust's plan submitted. Key actions included in the IMTP for 2021/22 were:

#### **(a) 111 and integrated clinical support as the Gateway to Care**

- Improving the 111 website;

- Encouraging more people to use 111 by rolling out the core NHS 111 Wales service to the whole of Wales and developing and rolling out 111 First to help people to navigate the urgent and emergency health and care system;
- Recruiting and training more call takers and clinical staff to ensure there is the correct capacity to meet growing demand for the service;
- Strengthening operational and clinical leadership to improve the clinical advice and signposting available to the public;
- Implementing a new integrated system across 111 and GP Out of Hours;
- Implementing a new triage system for 999 callers;
- Developing plans to have more contact with patients by video consultation; and
- Employ mental health practitioners into the clinical support desk.

#### (b) EMS Operational and Clinical Transformation

- Maximising capacity to respond more quickly to callers who need an ambulance:
  - Recruit and train a further 127 EMS staff;
  - Review and redesign rosters across Wales to implement in 2022;
  - Work with Health Boards to reduce handover delays; and
  - Work in partnership with Trade Unions to modernise practices to increase time available to respond.
- Developing a new way of responding to patients in rural areas;
- Implementing the new electronic patient care record system; and
- Work with Health Boards to implement new pathways that keep people at home when it is safe to do so.

#### (c) Ambulance Care Transformation

- Transferring all remaining NEPTS services from Health Boards to the Trust;
- Further developing “Transport Solutions” which help people access transport when they are not eligible for NEPTS;
- Developing an action plan with our commissioners to take forward the recommendations from a review of NEPTS demand and capacity;
- Evaluating the first six months of the Grange University Hospital inter-hospital transfer service; and
- Working with commissioners to develop a consistent inter hospital transfer approach for the whole of Wales.

#### (d) A number of enablers were also articulated to take forward our plans including:

- Supporting staff and volunteers: actions to continue to improve the Trust as a place to work;
- Education: provision of state-of-the-art training in modern facilities at Matrix House, the new Cardiff Make Ready Depot and Ty Elwy;
- Leadership and behaviours: review of the Trust’s values and behaviours and support to allow staff to become more compassionate managers and leaders
- Where people work: continue to take steps to improve the estate, to allow staff to provide safe services;

- Fleet: renew the Trust's fleet in a way which helps to protect the environment;
- How you work: development of a Working Safely programme; and
- Equipment and technology: increased use of equipment and technology to help staff do their jobs more easily.

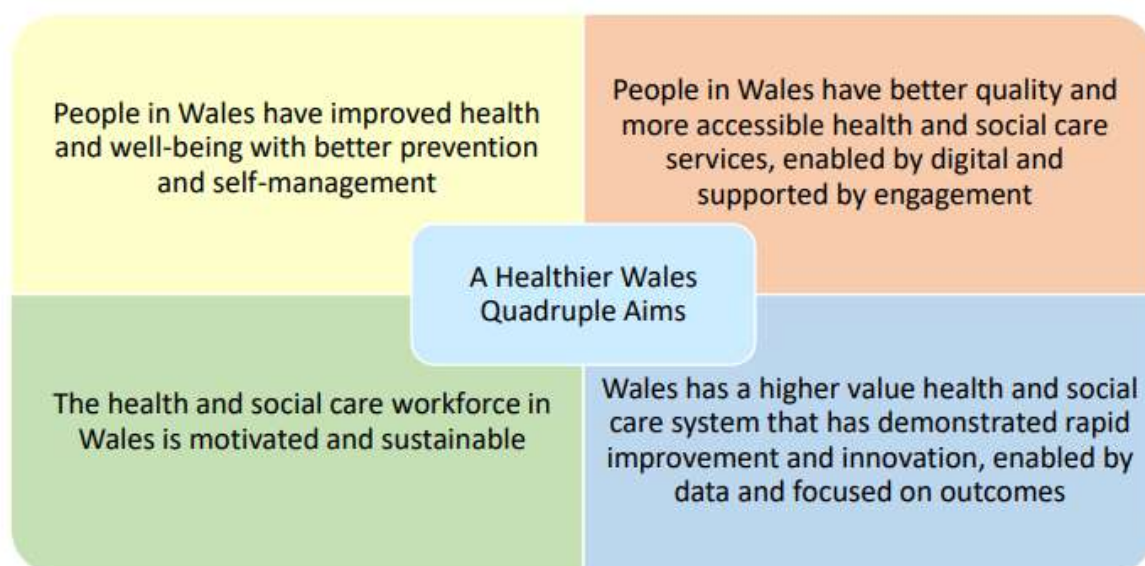
The Trust reviews its performance monthly both through analysis of key metrics and through tracking of actions and deliverables.

This next section of the report considers delivery in terms of numeric information with a supporting narrative before going on to look at how the Trust performed in terms of its IMTP deliverables.

The Trust reviews quality and performance through four integrated lens:

- "Our Patients (Quality, Safety and Patient Experience)";
- "Our People";
- "Finance and Value"; and
- "Partnerships and System Contribution".

These four areas of focus broadly correlate with the "quadruple aims" set out below from Welsh Government's "A Healthier Wales".



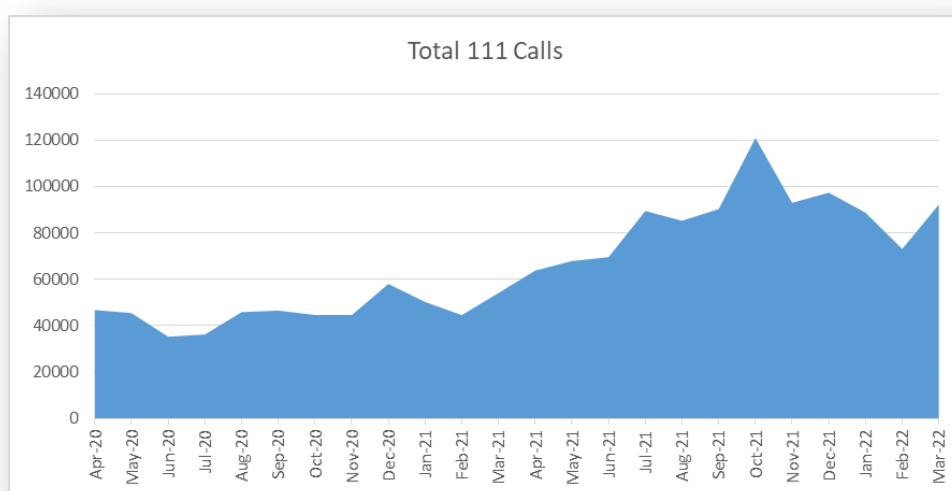
#### 1.4.2 Internal Governance

The Trust has a Quality & Performance Management Framework which was updated during 2021/22 and approved in March 2022 by the Trust Board. The Framework details an Assurance & Governance Map and an Annual Quality & Performance Cycle, which together detail the various meetings that review performance information through the year and the cycle of reporting to these meetings. They include internal, but also external reporting arrangements.

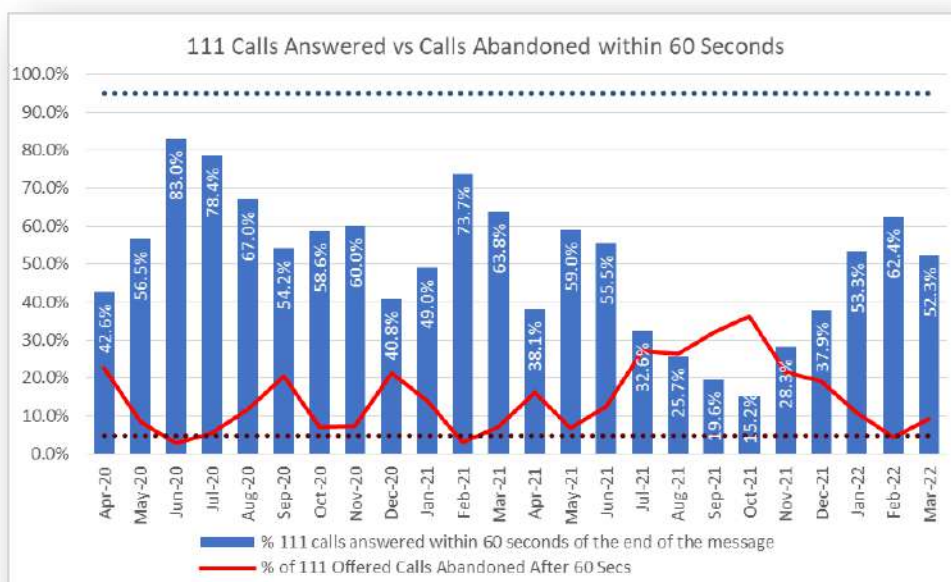
### 1.4.3 Our Patients (Quality, Safety and Patient Experience)

Patients have not been receiving the timeliness of service they require, and patient safety has been compromised by a difficult operating environment across the urgent and emergency care system in Wales.

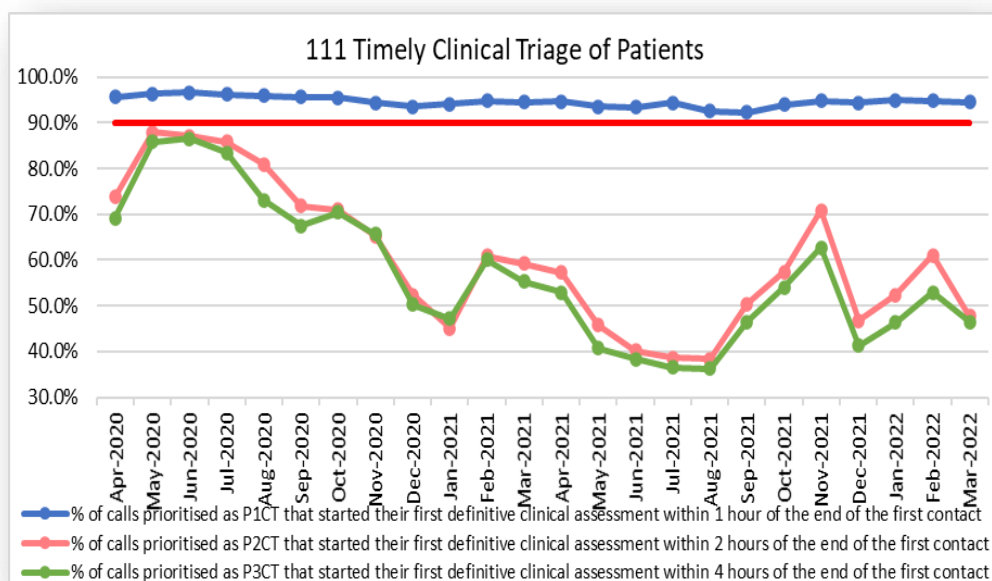
For many of the Trust's patients, the first point of contact with the Trust is the **111 service**. The 111 number is now operational across all of Wales (as part of the pandemic response), and the full 111 Service is now live in every part of Wales, with the remaining two Health Board areas, Betsi Cadwaladr and Cardiff and Vale, moving across from the NHSDW service in 2021/22 which has contributed to the increase in calls demonstrated in the graph overleaf. The total number of 111 calls in 2021/22 was 1,031,655 compared to 552,232 in 2020/21.



In the **111 service**, the Trust measures the quality of the service it provides through call answering times and clinical ring back times. The Trust aims to answer 95% of calls within 60 seconds and to have an abandonment rate of less than 5%, but the graph demonstrates that the service has been significantly off target during 2021/22. 40% of 111 calls were answered within 60 seconds and 18.6% of calls to the 111 number were abandoned after 60 seconds 2021/22. As a result of a concerted recruitment and training effort, as well as internal improvement and efficiency work which remains ongoing, the Trust has started to see improvements towards the latter part of the year.



In relation to clinical ring back for triage, the Trust consistently achieves the one hour target of 90% for highest priority patients, 94% in 2021/22, but did not achieve the 90% target for other patient acuity categories. 50.6% of patients prioritised as P2CT received a clinical ring back within two hours of the end of the first contact and 46.2% of patients prioritised as P3CT received a clinical ring back within 4 hours of the end of the first contact. Patients have provided feedback on long waits and there is potential for these waits to have a knock on impact to both 999 and the rest of the urgent and emergency care system. The Trust therefore undertook a strategic demand and capacity review of 111 in quarter four 2021/22.

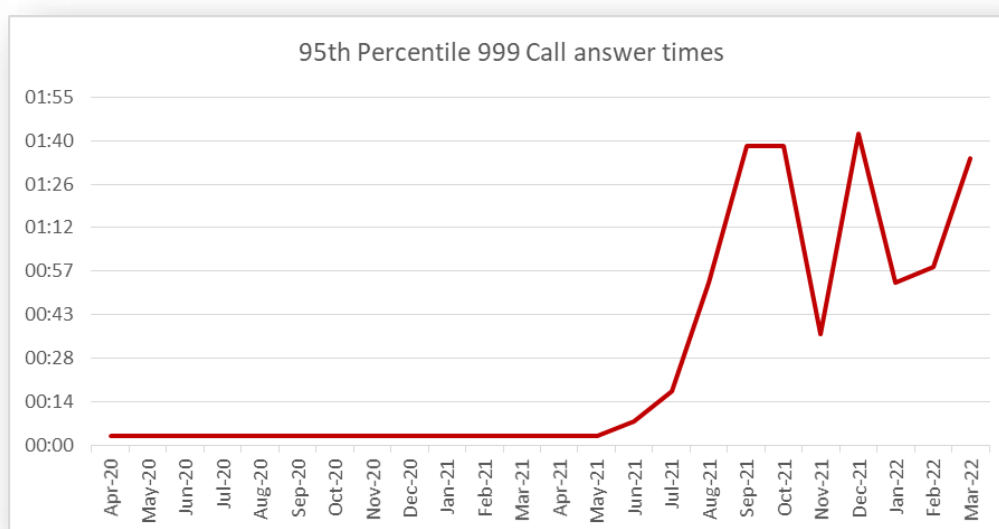


One of the factors in response times is demand. 111 demand has increased significantly, but this can be attributed to the service going live across Wales (bringing higher than expected demand in the North) alongside government



announcements relating to the pandemic, which have the effect of creating spikes in demand, and also an increasing use of the service which is increasingly seen as the “Gateway to Care” across the system.

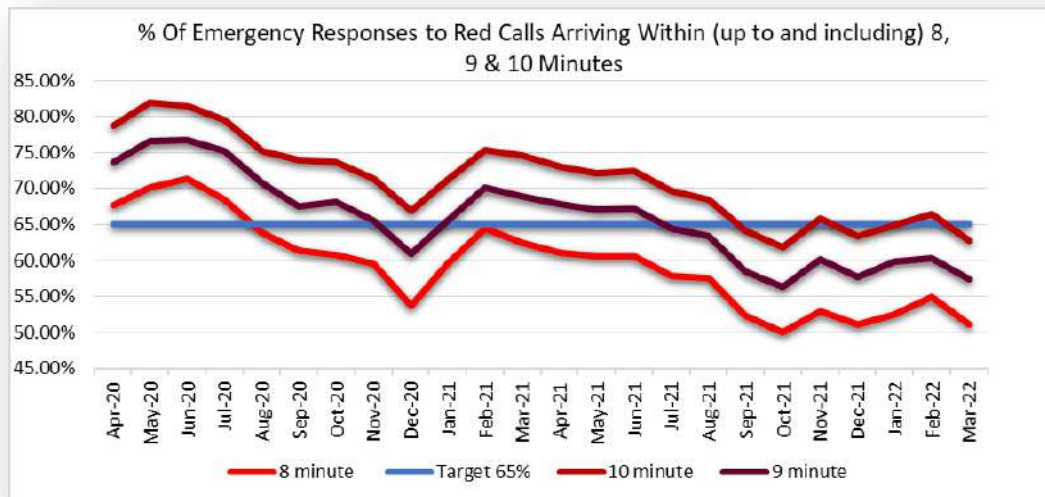
Within the **999 service**, the Trust assesses the quality of the service it provides through a range of response times metrics, clinical indicators, and outcome measures. Call answering performance began to worsen during the summer as the Trust moved to a sustained period of maximum escalation with the 95<sup>th</sup> percentile of calls increasing from three seconds to 53 seconds. Some additional call taking capacity was built in through the year, and may be required into the future, subject to levels of activity and funding availability. 999 demand can be driven by repeat callers seeking an update when in-community wait times extend.



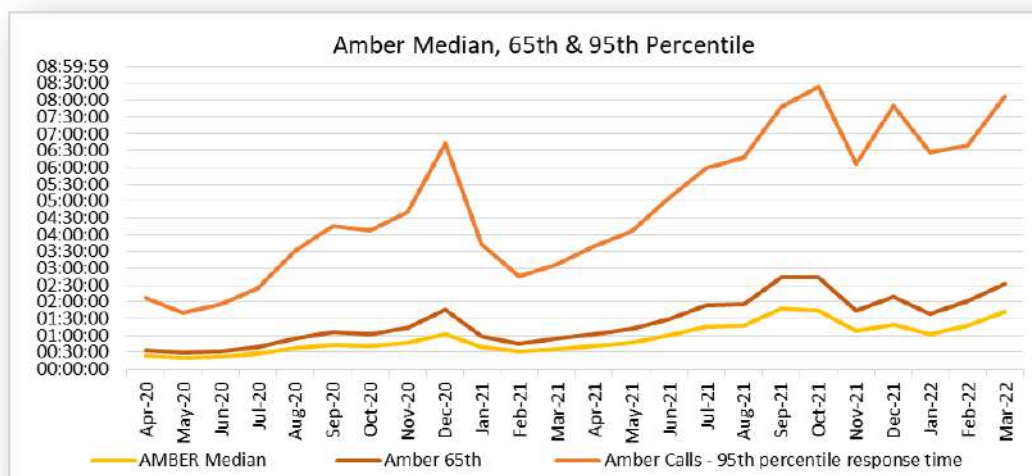
The headline patient metric for the Trust is Red 8 performance; this is the percentage of Red – immediately life threatening – incidents responded to within eight minutes. The Trust has unfortunately seen a continued deterioration in performance against the Red eight minute target, together with lengthening response times for its Amber calls which includes stroke and heart attacks. The Trust knows that the bulk of patient safety incidents occur in the Amber category, and that these long response times directly impact on patient outcomes. The Trust believes strongly that this is one of the greatest clinical risks that the system faces, and that it needs to collaboratively and urgently address this so that patients are not left alone for hours in the community with no clinical assessment or treatment.

The Trust did not achieve the Red eight minute 65% Welsh Government target throughout 2021/22, this target is monthly





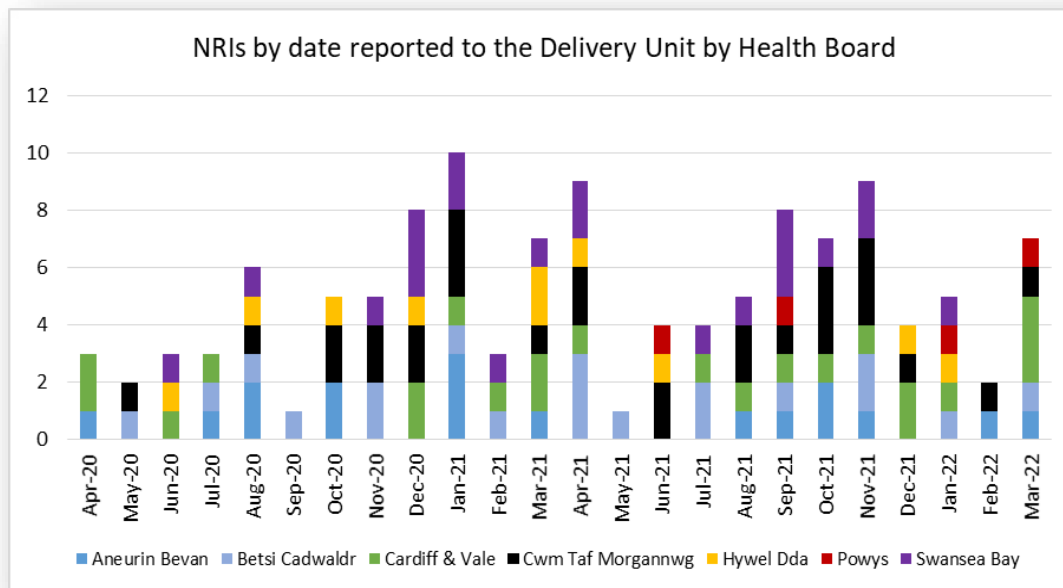
For 2021/22, the Trust's Amber performance achieved was one hour and 16 minutes (median); one hour and 56 minutes (65<sup>th</sup> percentile); and six hours and 22 minutes (95<sup>th</sup> percentile).



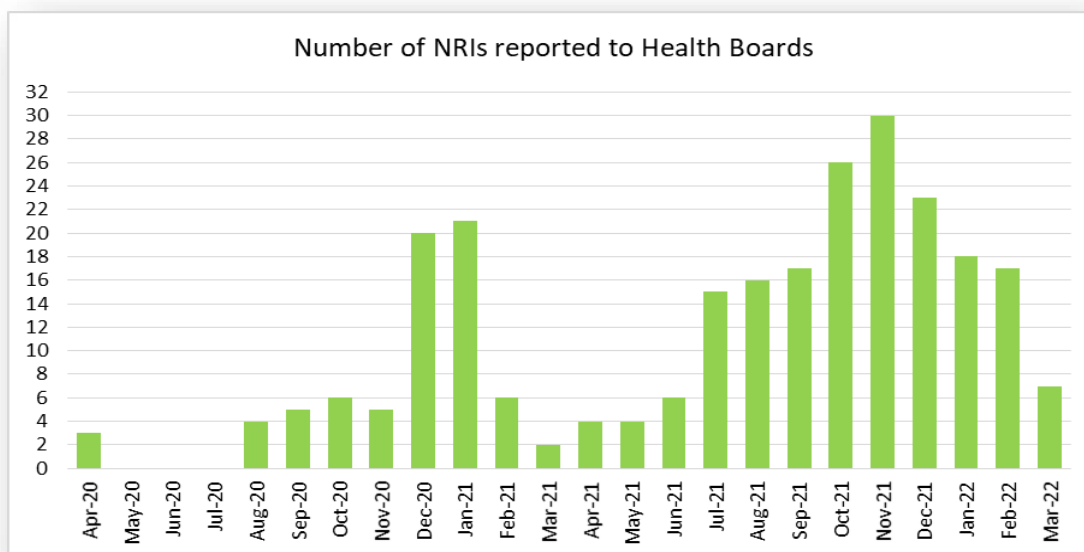
There are many reasons for these longer response times, which include increases in Red demand and overall acuity, a loss of capacity through increased sickness absence, and a loss of capacity through hospital handover delays. During quarter three and four the Trust received MACA support to help mitigate the loss of capacity which at peak was 250+ UK Armed Forces personnel. During the pandemic, the Trust also prioritised its conveying capacity (Emergency Ambulances - EAs) over Rapid Response Vehicles (RRV) which influences Red response times, and staff are also required to don and doff Level 3 PPE in line with Infection Prevention and Control (IPC) guidance, which can add minutes to the response time.

The Trust actively encourages a positive safety culture and sees all incidents/events as an opportunity for learning and improvement. There were 4,558 patient safety incidents, near misses and hazards reported in 2021/22, compared to 2,550 in 2020/21.

The Trust is seeing higher levels of National Reportable Incidents (NRIs); and also, higher levels of serious incidents referred to health boards for them to investigate. There were 65 patient NRIs in 2021/22 compared with 56 in 2020/21. This is too many and reflects the pressure in the health care system. Most, but not all of these NRIs relate to the Trust's 999 service.

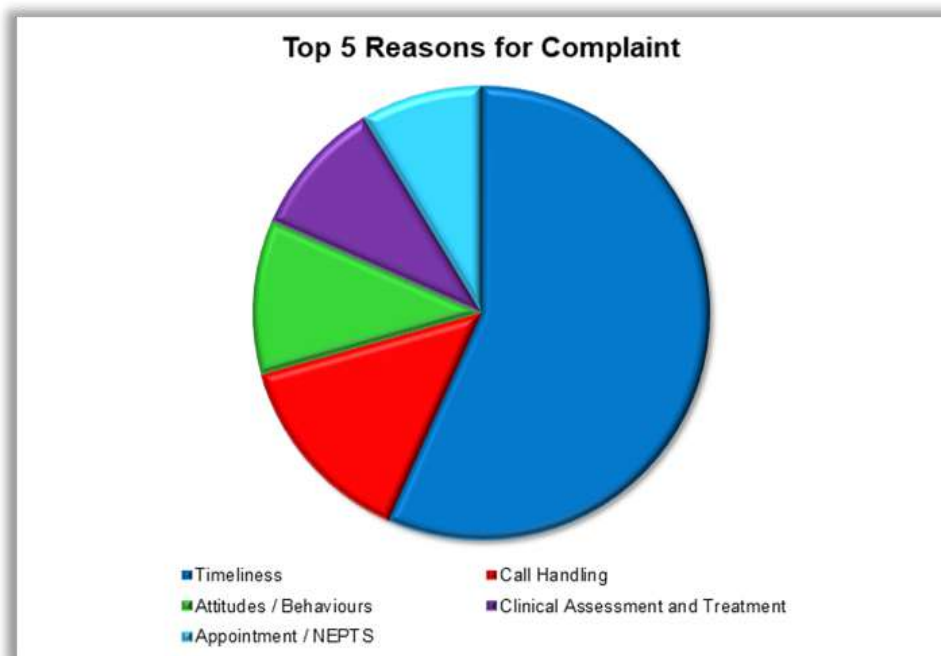


Incidents referred to Health Boards have more than doubled in the last year reflecting the severe pressures in the system. They are often due to long waits in the community because of handover delays at hospitals. There were 184 incidents referred to Health Boards in 2021/22 compared to 72 in 2020/21.



In 2021/22, there were 5,939 patient waits of 12 hours or over, compared to 1,850 in 2020/21.

The Trust has a 75% target for responding to patient concerns within 30 days, this was not achieved in 2021/22. There were 983 concerns received in 2021/22 compared to 725 in 2020/21. The majority of concerns related to timeliness of the Trust's response and a breakdown is provided below of the top five concerns:



43 cases were referred to the Public Service Ombudsman Wales (PSOW) and 15 cases remain currently open as follows:

- Eleven cases are with the PSOW's office for consideration and/or investigation;
- Two cases have been returned to the Trust to undertake further work, to complete an early resolution without the need for a full investigation by the PSOW;
- One case is at the draft report stage, where the Trust has accepted the content of the draft report, which does not uphold the complaint against the Trust; and
- One case has been received, but not yet actioned by the Trust (this is a request for sight of the complaints file).

The majority of the issues raised with the PSOW relate to timeliness of ambulance response.

The Trust received two Regulation 28 (Prevention of Future Deaths) reports during 2021/22. One case relates to the timeliness of response and the second case

relates to assessment and prioritisation of the call. The Trust has developed improvement plans in response to both cases and shared these with the respective Coroners.

A multidisciplinary panel is in place that meets on at least a weekly basis to review and discuss incidents to ensure appropriate investigations are undertaken. The Trust frequently undertakes joint investigations with health boards' colleagues to ensure the investigation and subsequent learning and improvements cover the whole of the patient pathway.

Learning and improving from incidents/events is discussed in the Patient Safety and Experience Monitoring and Learning Group with oversight from the Quality, Patient Experience and Safety Committee, which is a sub-committee of the Trust Board. Some examples of learning and improvements include:

- Sharing of clinical practice notices;
- Updates to education and training programmes;
- Improvements in clinical pathways;
- Improve conveyance communication around pre-alert; and
- Improvements to clinical documentation and roll out of an electronic patient care record (ePCR).

The Trust's Patient Experience & Community Involvement (PECI) Team remains committed to its programme of continuous engagement with our people and communities, allowing it to provide information and supporting evidence to relevant forums about people's experiences and expectations of services delivered by the Trust.

Through this engagement the Trust has also been able to feedback to communities about how their experiences have been shared and what difference their voices have made.

We use different ways to collect service user feedback and experience which includes community engagement work, social media activity and our involvement in public health. Some examples of our work this year and feedback includes:

What was good?

The Trust's 'Blue Light Hub' app continues to be recognised as an innovative way to engage with young people about using 999 services.

- *This recognition resulted in nationwide coverage about the app when the Trust was invited to appear on Crime Watch live on BBC One. This coverage helped boost app downloads and highlighted the importance of children and young people being confident to access the right service in an emergency.*

What could be improved?

The Trust was challenged by a visually impaired member of the public to create more accessible resources which support our Cardiopulmonary Resuscitation (CPR) and First Aid messaging.

- *This challenge has been duly accepted and we have started the process of speaking to sensory loss organisations about how they feel this information should be delivered, with an aim of developing customised resources for this community.*

In Wales, 80% of cardiac arrests occur in the home, so knowing what to do and being familiar with CPR and how to use a defibrillator can improve the chances of survival for a loved one. Throughout February 2022, the Trust ran the annual month-long #Defibuary Twitter campaign that raises awareness about CPR and defibrillators.

This year the campaign aimed to familiarise people with the symptoms of a heart attack and cardiac arrest, know how to treat these two different emergencies by equipping people with skills and confidence through a specially developed Welsh Ambulance Service video demonstrating how to perform effective CPR and use a defibrillator. The video was shared extensively through the Trust's social media platforms and was viewed over 3,500 times.

The Trust's continued engagement with the public is important to ensure ongoing conversations on what it is doing and why, especially during this continued period of time when the Trust is experiencing increased demand and is at high levels of escalation.

The Patient Experience and Community Involvement Team participated in a three-day online event around co-production in mental health services, which included local, national and international speakers, workshops and creative activities. The co-production of a Mental Health Helplines leaflet developed by the Trust and the Cardiff and Vale Mental Health Forum, has been held up as an example of good practice.



As COVID-19 restrictions begun to ease, the Trust has been able to resume some face-to-face engagement in the community, through a blended approach which incorporates some online engagement sessions to promote key messages is how the Trust foresees itself working for the near future. This blended approach will ensure it:

- Continues to remain visible in communities and build community trust;
- Supports people to make informed decisions on access to health care services;
- Informs people on what the Trust is doing to ensure they receive good/safe services; and
- Builds a repository of feedback and experiences to influence service plans.

The Safeguarding Team continues to provide assurances that the Trust fulfils its legislative and statutory responsibilities in relation to safeguarding children and adults, ensuring that the well-being of children and adults are at the heart of everything it does.

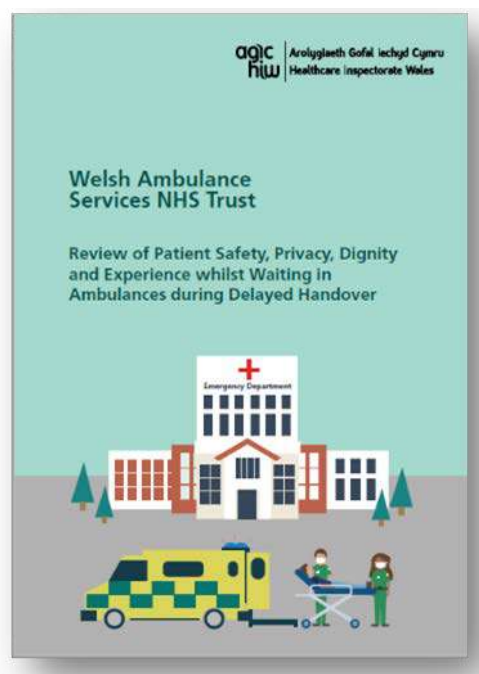
During 2021/22 the Safeguarding Team have:

- Noted an increase in safeguarding reports submitted by Trust staff through the Docworks electronic safeguarding reporting system, both through iPads and desktop facilities;
- Expanded the functionality of Docworks to include a new referral pathway with all three regions of the Fire and Rescue Service across Wales. This enables staff to identify fire safety hazards within a patient/service user's home environment;
- Digitalised the Live Fear Free Referral Pathway to the Live Fear Free Helpline through Docworks, which helps to support victims/survivors of domestic abuse, domestic violence and sexual violence; and
- Developed Trust specific seven minute briefings to disseminate key safeguarding messages and learning in relation to safeguarding practice.

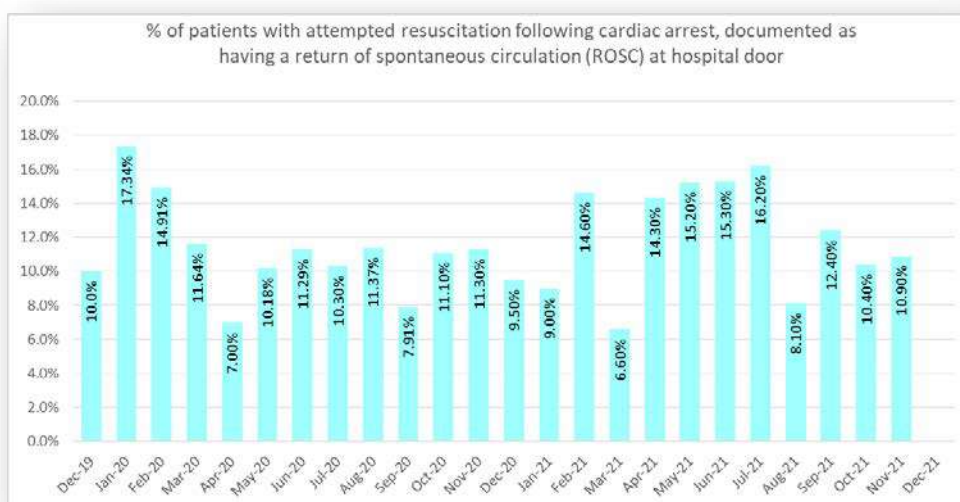


Healthcare Inspectorate Wales is the independent inspectorate and regulator of healthcare in Wales. An inspection of the Trust was undertaken covering the period April 2020 to 31 March 2021. The report 'Review of Patient Safety, Privacy, Dignity and Experience whilst Waiting in Ambulances during Delayed Handover' was subsequently published in 2022. The report includes all emergency departments across Wales and includes a number of recommendations.

Following publication of the report the Emergency Ambulance Services Committee recently set up a task and finish group chaired by the Deputy Chief Ambulance Services Commissioner to respond to the recommendations. The membership of the group includes clinical and operational representatives from each of the seven Health Boards, representatives from the Trust and Welsh Government.



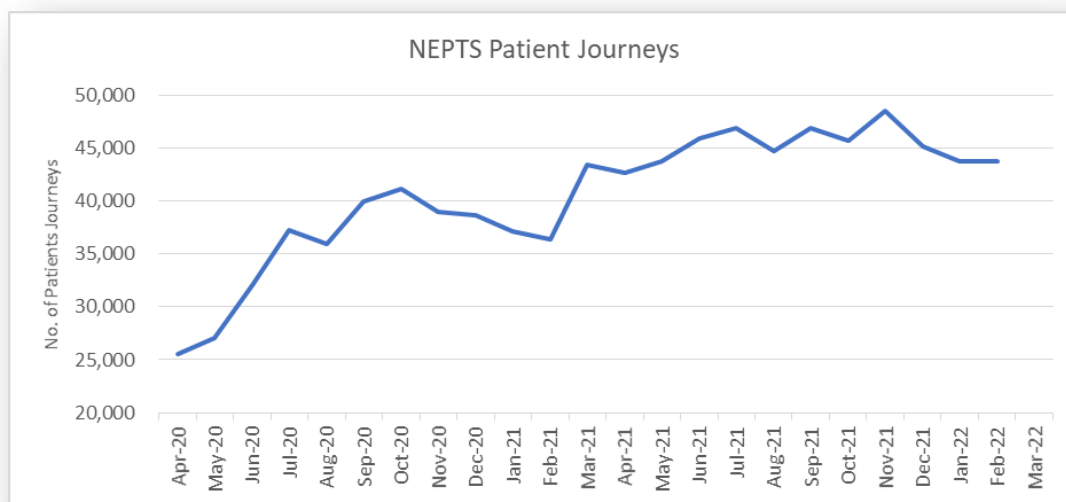
One of the clinical outcomes the Trust measures is the percentage of patients who have return of spontaneous circulation, and this remains lower than the Trust would want at 12.9% for the period April 2021 to November 2022, albeit an increase from 10.0% compared to the same period in 2020/21.



Whilst there are many factors outside of the Trust's direct control, it has developed a new service proposal, the Cymru High Acuity Response Unit (CHARU), to improve outcomes in this area, but this proposal is currently not funded. The deployment of the senior paramedic role is well underway through which it is expected to improve clinical oversight and leadership, uplifting clinical capability amongst the Trust's emergency medical services workforce.

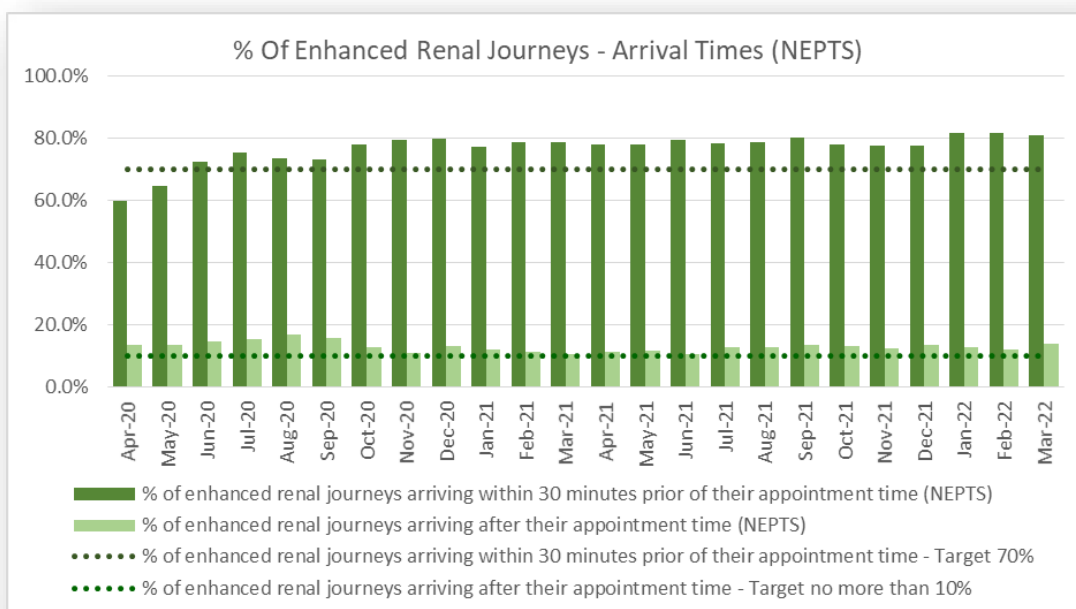
Of the other seven clinical outcomes the Trust measures, four of the outcomes achieved the 95% target in the period April 2021 to November 2022. During this period, the ones that did not meet targets were: the percentage of older people with suspected hip fracture who are documented as receiving appropriate care bundle (including analgesia) at 88.2%; the percentage of ST segment elevation myocardial infarction (STEMI) patients who are documented as receiving appropriate STEMI care bundle at 78.6%; and the percentage of hypoglycaemic patients who are documented as receiving the appropriate care bundle at 89.6%.

In relation to the Trust's **Ambulance Care**, demand has not recovered to pre-pandemic levels. Whilst renal and oncology demand has been stable, outpatient demand is down and discharge and transfer variable. A further consideration for Ambulance Care is that social distancing reduces the number of patients who can be conveyed per journey. The total number of non-emergency patient journeys undertaken in 2021/22 was 497,570, compared to 433,524 in 2020/21 and 670,353 in 2019/20.



This has impacted on transport capacity and led to in-year investment of £2m as part of winter planning, which ceased on 31 March 2022. As a result, the quality of the service as measured through the various arrival/collection times indicators has been more stable with in-bound renal performance being achieved in every month in 2021/22. 79.1% of renal journeys arrived within 30 minutes prior of their appointment time (target 70%) and 12.6% of renal journeys arrived after their appointment (target no more than 10%) in 2021/22.





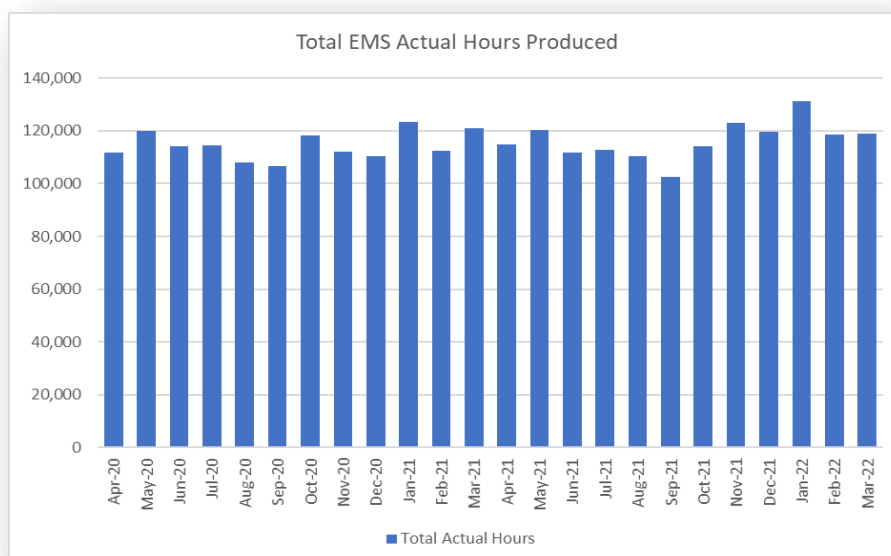
Discharge and transfer journeys also achieved the 70% target with 80% of journeys collected less than 60 minutes after their booked ready time.

Oncology performance remains off target with 55.1% of oncology journeys arriving within 30 minutes prior to their appointment time. This is recognised as an area of difficulty within the NEPTS Demand and Capacity Review, which is being considered further through the Ambulance Care Transformation Programme.

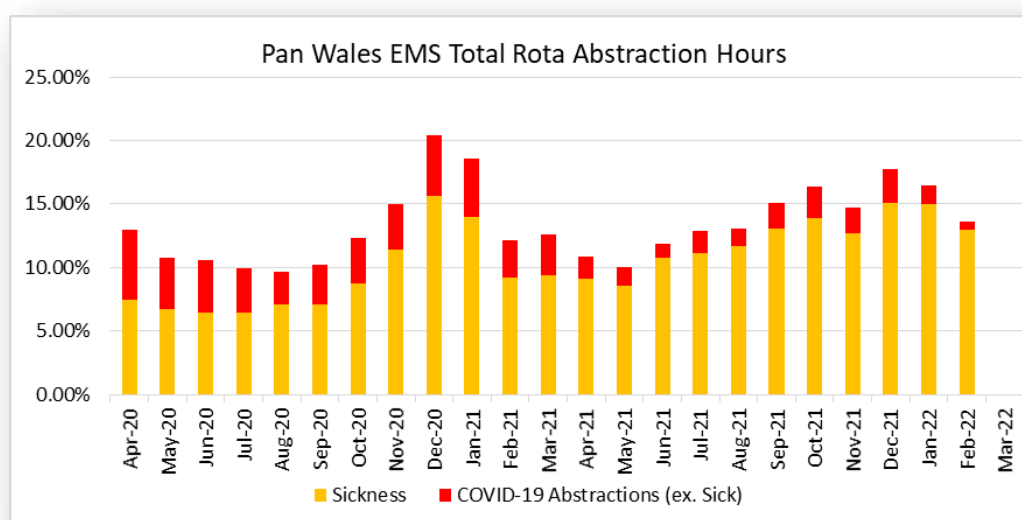
#### 1.4.4 Our People

In relation to the Trust's workforce, the indicators reviewed at Board relate to whether the Trust has the right workforce capacity in place to meet demand, how the Trust is keeping staff safe and well, and how they are being developed. More detailed and numerous indicators are also considered at the People & Culture Committee.

In relation to the Emergency Medical Service (EMS), the EMS Demand and Capacity review in 2019 determined the required capacity to respond to demand based on a 30% abstraction assumption, with levels of investment provided by EASC to increase whole time equivalents (WTEs) by 263 over two years. The Trust achieved 204 WTEs against this relief gap target, but also recruited 36 Paramedics into the Clinical Support Desk and five mental health professionals. This is a significant milestone for the Trust that will bear fruit in the medium term; however, as the graph below demonstrates, despite having more staff in post, the Trust has not been able to produce many more hours, other than in the last quarter because of military aid. In 2021/22, 1,398,128 hours were produced compared to 1,372,175 hours in 2020/21.



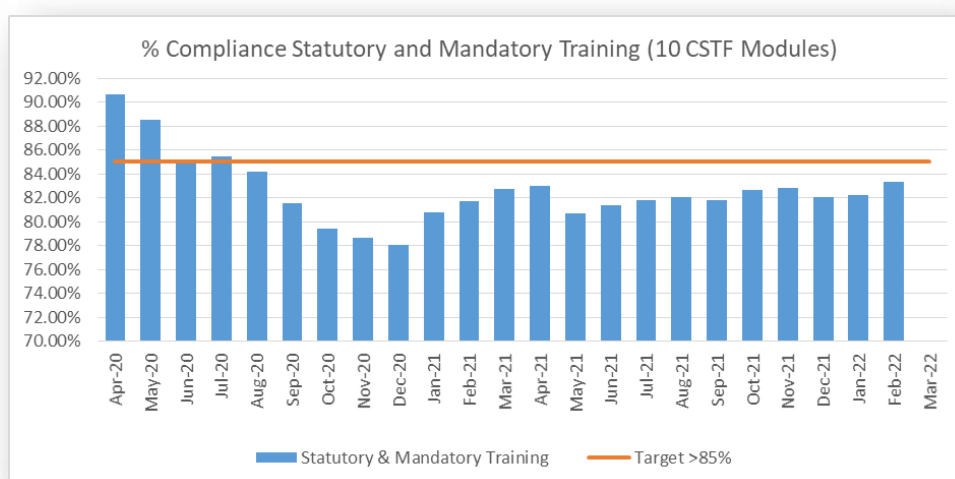
A key factor in the Trust's ability to ensure capacity to meet the demand is the impact of abstractions, and this also provides an indicator of our people's well-being. The significant impact of the last two years on our people at all levels in the Trust cannot be underestimated. To support the workforce there has been an ongoing focus on wellbeing activities across all areas of the Trust including those in frontline and support roles. Despite this, sickness has remained one of the key causes for rota abstraction. The graph overleaf shows the levels of abstraction due to sickness and due to COVID-19 factors. In 2021/22, 12.2% of abstractions were due to sickness and 1.7% were due to COVID-19.



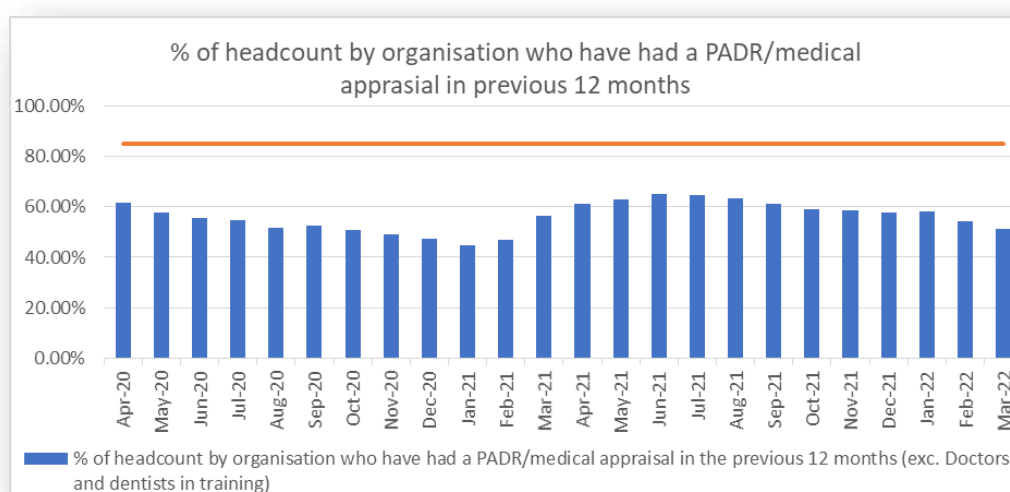
Similar pictures are seen in 111 and Ambulance Care, with a 14% abstraction due to sickness in the 111 service in 2021/22. The Trust knows that this will need to be a major focus of its plan going forward. The full sickness rates can be found within the Accountability Report.

Other indicators of how the Trust is keeping its staff safe and well include vaccination rates and statutory/mandatory training levels. As of 31 March 2022 95% of patient facing staff have received a COVID-19 booster vaccine, 94% are double jabbed and 85% have received their booster; however, the flu vaccination level for the Trust was 41% and whilst flu has not significantly affected the Trust this year, the aim is to increase the figure going forward.

In March 2022 Statutory & Mandatory Training rates had not achieved the 85% target overall with the completed level at 84.2%. It is worth noting that sustained and prolonged periods at high escalation (REAP 3 and REAP 4) levels, meant that front line delivery has been prioritised which would have had an impact on these metrics. The Working Safely Transformation Plan sets out to improve this.



In terms of staff development, the Trust reviews levels of Personal Appraisal and Development reviews (PADR) as the best way of representing development at a high level, and in March 2022 levels remained largely static at 51.5%. They continue to remain below the 85% target, despite a revised 'lite' approach during the pandemic.



## 1.4.5 Finance & Value

The Trust reviews a number of indicators which aim to demonstrate how it provides a service in line with statutory financial duties, and of high value and efficiency. This area of the performance report will be strengthened over time as the value based health care programme continues.

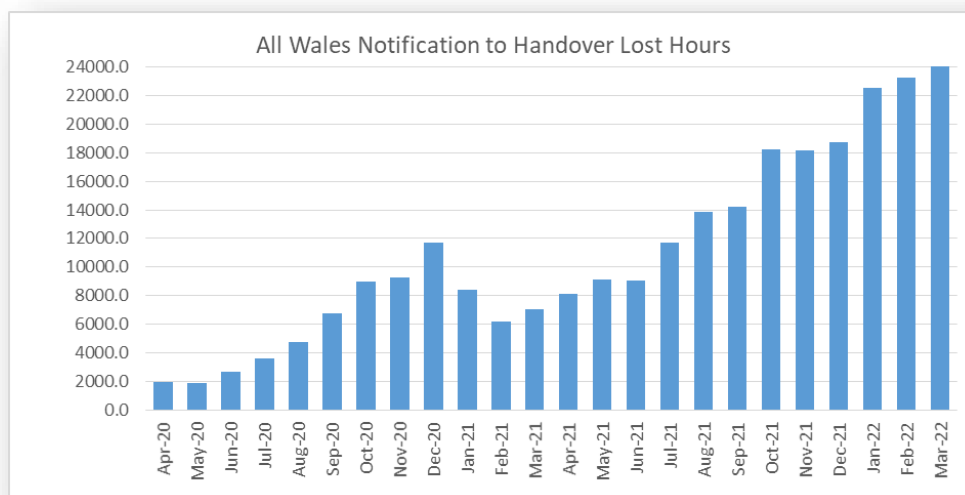
The Trust achieved financial balance in 2021/22, with a small revenue surplus of £0.075m and met its statutory duty to breakeven during this financial year. Further information can be found in the Trust's annual accounts and financial statements.

In relation to the value and efficiency of its service, the Trust developed in the last year, a utilisation measure for the EMS service, which it is working on with commissioners to make best use of it both as a tool to review retrospective performance, but also to look ahead, forecast performance and take mitigating actions where necessary.

The Trust measures the number of hours that are lost post production as these potentially indicate areas where efficiency could be improved. There are many legitimate reasons for crews needing to stand down post production and the Trust benchmarked well on Post Production Lost Hours (PPLHs) in the 2019 EMS Demand & Capacity Review with the exception of return to base meal breaks. Some concerns were raised about the accuracy of the data which are currently being resolved.

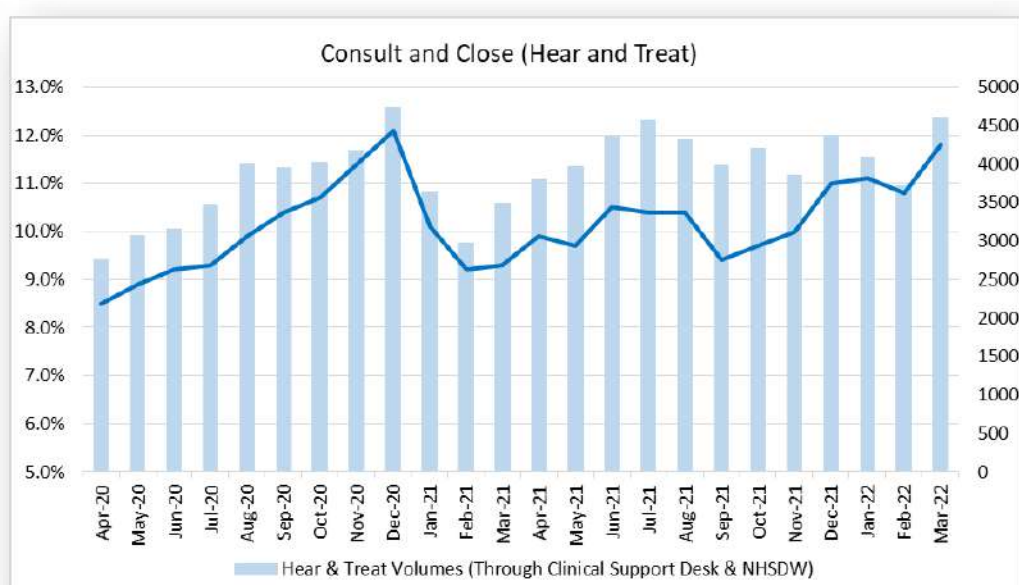
#### 1.4.6 Partnerships & System Contribution

The Trust aims to consider both its impact on the wider system, but also the wider system's impact on its service. Handover lost hours were already extremely high and Wales was an international outlier before the pandemic. The levels seen this winter were unprecedented. In March 2022 the Trust lost over 24,000 ambulance hours, equivalent to 48,000 people hours or 4,000 twelve hour shifts. This position has worsened month on month throughout 2021/22 with a total of 191,214 ambulance hours lost.



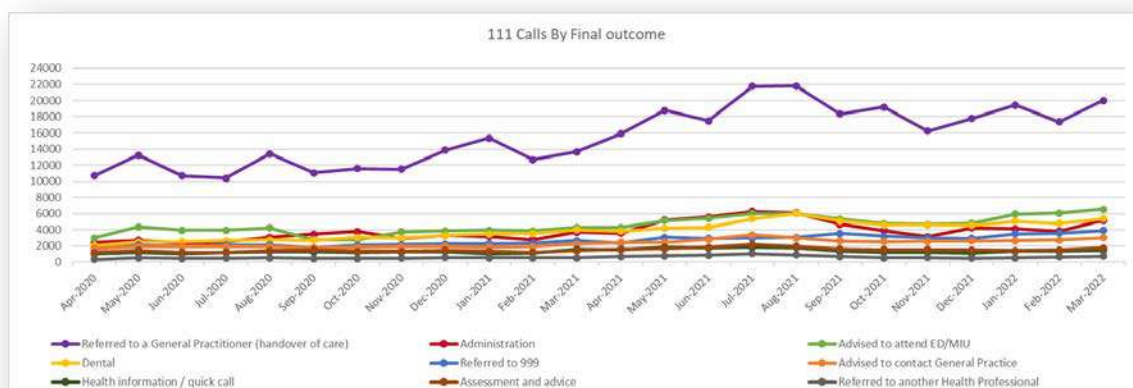
The Trust is aware that Health Boards are introducing urgent and emergency care escalation frameworks, and that there has been strong messaging from Welsh Government and the Minister for Health & Social Services that this must be tackled as a matter of priority; however, given the scale of the challenge and its links to wider system pressures, the Trust is having to plan on the basis that these levels will remain high for many months which is beyond its control, but these extreme levels will continue to cause significant patient harm. The six goals policy handbook sets out an expectation of no handover being longer than an hour by 2025.

The Trust is committed to transforming its services to become more sustainable, to get patients to the right service, in the right place, every time, and to reduce the reliance on emergency departments as the default location for definitive urgent and emergency care. One of the areas where the Trust already supports the system in reducing demand is in consult and close (previously known as 'hear and treat') through the work of the Clinical Support Desk (CSD) and 111. In 2021/22, 10.4% of calls were ended following telephone assessment through CSD and 111.



The CSD has expanded this year to include an additional 36 WTE paramedics and five WTE mental health practitioners, although it must be noted that the lack of funding for the 36 WTE uplift has meant that the Trust has had to hold open 46 vacancies in the EMS response workforce. The 2019 EMS Demand and Capacity review benchmarked a consult and close (previously hear and treat) rate for the Trust of 10.2%, which was achieved in 2021/22, and with the expansion as described, the Trust is developing a trajectory to 15% in 2022/23. The Trust also monitors its 'see and treat' rates which have broadly remained static. The Trust's ambition, articulated through the 'inverting the triangle' work it has been doing, again is to increase this shift left activity.

In relation to the Trust's 111 service, one of the success factors for NHS 111 Wales is getting the patient to the right service, first time. At the moment, the Trust measure outcomes in terms of where patients are directed, but further work is required to identify whether these are the most appropriate and best outcomes.



### 1.4.7 Infection Prevention & Control (IPC)

The IPC Team continues to balance COVID-19 work demands along with emerging business as usual activities.

Successful recruitment took place in October 2021 increasing the IPC establishment to four WTE staff. This is an important step for the Trust both in terms of resilience and succession planning.

A main project within the IPC Team over the last year has been to improve fit testing within the Trust. Fit testing is a series of steps used to determine the suitability of a respirator mask for a specific user, as each respirator model will fit on the face of a user differently and mask fit testing helps to assure the best and safest fit. The two new members of the team are now certified by the British Standards Institute as competent fit testers, required by Health and Safety regulations; consequently, the process of fit testing within the Trust has been updated to comply with the required standards. Over several months fit testers currently performing this role within the Trust have been quality assured by the IPC team and the Electronic Staff Register (ESR) of fit testers updated. In addition, all documentation and training has been updated and are reflected in both the Fit Testing and Respiratory Protection Standard Operating Procedures.

Guidance for COVID-19 has changed many times over the last year and the IPC Team have ensured that these changes have been communicated and kept up to date to ensure the safety of staff and patients.

The IPC post pandemic plan includes:

- The reintroduction of the IPC Governance Structure, with a new membership and terms of reference for the IPC Strategic Group;
- Policy Updates;
- A review of all Standard Operating Procedures;
- A review of guidance documents for business as usual;

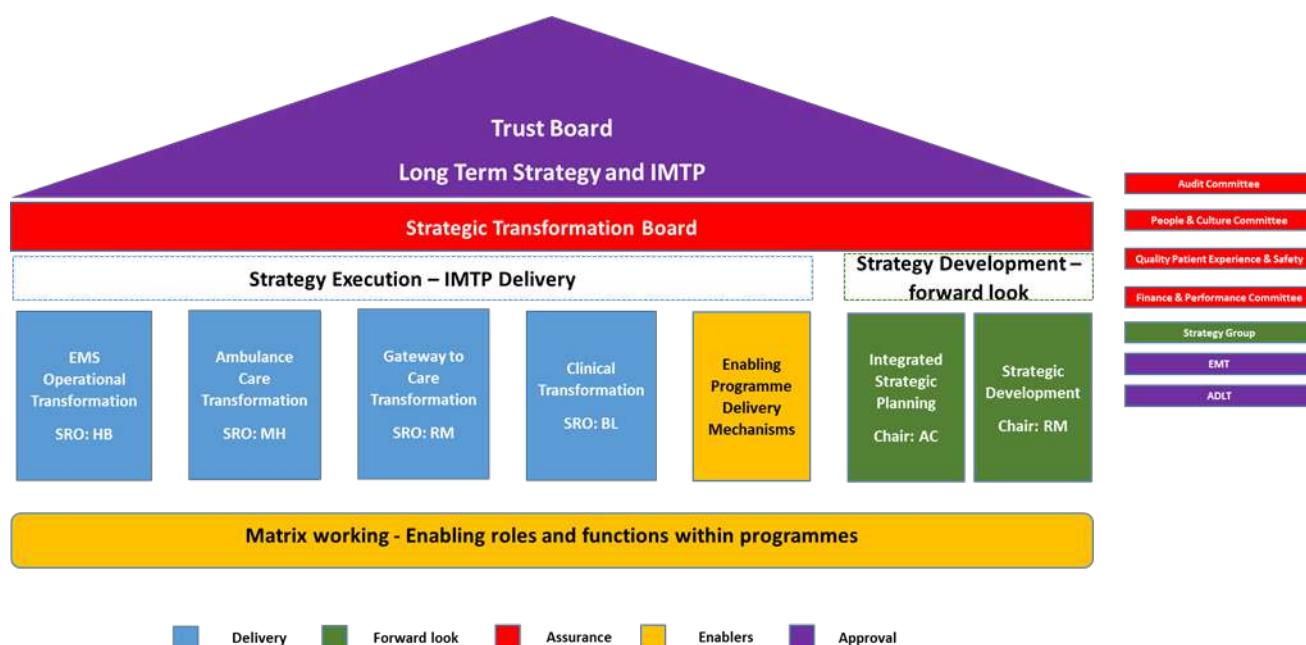


- A review of standards for hand washing, bare below the elbow, premise and vehicle cleaning standards;
- IPC risk assessment;
- Education and Training based on the new framework recently published by Welsh Government; and
- Audits namely premises, vehicles and standard IPC practices, this will include updated audit tools.

Over the course of the pandemic IPC has remained centre stage for many actions and it is important that appropriate and necessary standards are maintained when returning to business as usual activities, the IPC team will reinforce these standards by promoting safe, clean care and visible leadership throughout the Trust to support staff and managers.

### 1.4.8 IMTP Delivery

The IMTP is delivered through its core services transformation programmes and enabling workstreams which report into the Strategic Transformation Board (STB). STB continued to meet regularly (every six weeks) during the ongoing pandemic response and recovery, delivering significant transformation in spite of the increased pressure across the urgent and emergency care system.



The infographic overleaf shows the extent of delivery across the planned and emergent projects throughout 2021/22.

## IMTP Deliverables 2021/22

<p><b>EMS</b></p> <p>Official launch of South Wales Major Trauma Network</p> <p>Appointed the Trust's first National Volunteer Manager</p> <p>Developed the concept of CHARUs</p> <p>Duty Operations Manager and Senior Paramedic roles recruited into</p> <p>Recruited an additional 127 WTE to achieve fully staffed rotas in 2022/2023</p> <p>Creation and recruitment of the UK's first rotational Palliative Care Paramedic role</p> <p>Worked alongside Military, St Johns and Fire &amp; Rescue colleagues</p>	<p><b>AMBULANCE CARE</b></p> <p>Positive evaluation of The Grange University Hospital transfer service</p> <p>Creation of the NEPTS Quality Framework and QA Award</p> <p>NEPTS Demand &amp; Capacity review completed</p> <p>Completion of all transfers of work into WAST, making WAST the sole provider of NEPT services across Wales</p>	<p>NHS 111 Wales service successfully rolled out in CTMUHB and BCUHB</p> <p>Health Board GPs now accessing C3 stack to triage patients (PTAS)</p> <p>Recruitment of the first 111 Consultant Clinician and Senior Clinical Specialists</p> <p>Contract awarded to replace the CSD triage tool with a fully digital integrated system (ECNS)</p> <p>Recruited 36 CSD Clinicians</p> <p><b>GATEWAY TO CARE</b></p> <p>Additional Call Handlers recruited to reduce call waits and abandonment rates</p> <p>Working collaboratively with partners on the implementation of 111 as a single point of access for Mental Health Crisis Response</p>
<p><b>RESILIENCE</b></p> <p>Delivered multi-agency JESIP training to Operational/Tactical Commanders</p> <p>Supported increased activity related to COVID-19 through various pandemic management structures</p> <p>Operational, Tactical and Strategic Command training completed following Operations Directorate restructure</p> <p>Implemented online training via OnClick for major incidents and Loggists</p>	<p><b>CLINICAL TRANSFORMATION</b></p> <p><b>MEDICAL/CLINICAL</b></p> <p>12 Independent Prescribers now operational</p> <p>Over 85% of frontline Clinicians completed major trauma e-learning module</p> <p>4 new Palliative Care Paramedics working across Communities in SBUHB</p> <p>Just In Case Medicines approved for every emergency vehicle</p> <p>2020-2025 Clinical Strategy approved</p> <p>Appointed a Consultant Paramedic</p> <p>Graduation of 23 Advanced Paramedic Practitioners</p>	<p>2020-2025 Environmental Strategy approved</p> <p>Fleet and Estates forward plans approved by Trust Board and endorsed by Welsh Government</p> <p>Re-profiled Fleet in alignment with EMS Operational Transformation</p> <p>Vehicle procurement BJC endorsed by Welsh Government</p> <p>Reduced tail pipe carbon emissions</p> <p><b>INFRASTRUCTURE</b></p> <p>Opening of Minaeron Ambulance Station (Aberaeron)</p> <p>Blackweir Operations staff relocated to Cardiff Ambulance Station</p> <p>Additional Estates capacity to support growth in EMS delivered</p> <p>Relocated Cefn Coed staff from site, ready for disposal</p>
<p><b>OUR PEOPLE</b></p> <p>Relocation of Education &amp; Training to our immersive learning environment at Matrix House</p> <p>Virtual Crew Rooms: TASC facilitated virtual spaces to meet with colleagues</p> <p>Mind over Mountains collaborations: walking and talking in beautiful Wales</p> <p>Establishment of Allyship Programme to promote inclusion</p> <p>Wellbeing dog visits for staff</p> <p>Renewed our Behaviours Framework</p> <p>Provision of centralised learning resources available to staff</p> <p>Live Life to the Full: group sessions to promote own wellbeing and coping skills</p> <p>Road to Recovery Group established to support #TeamWAST colleagues with long Covid and chronic conditions</p> <p>Project Zen: Wellbeing space created, to relax and recharge</p>	<p><b>QUALITY/NURSING</b></p> <p>Mental Health and Dementia Plan completed and approved by the Board</p> <p>57 symptom checkers now live</p> <p>Contract for Level 1 Falls in place and established</p> <p>Roll out of National Falls Refresh</p> <p><b>IMPROVING PATIENT QUALITY</b></p> <p>Sign Language interpreters now present during Trust Board</p> <p>The Trust is an Employers for Carers organisation</p> <p>National roll out of the ePCR</p> <p>Wholesale redevelopment of the national 111 website</p> <p>Mobile Data Vehicle Full Business Case was approved</p> <p>111 telephony platform upgraded</p> <p><b>DIGITAL</b></p> <p>Successful awarding of over £2m funding to accelerate digital transformation</p>	<p><b>CORPORATE</b></p> <p>New Operations Directorate structure now in place</p> <p>Establishment of Transformation Programme Structure</p> <p><b>FINANCE</b></p> <p>Achieved financial balance and £16m Capital Expenditure Limit</p> <p>Delivered £2.8m in savings</p> <p><b>PARTNERSHIPS &amp; ENGAGEMENT</b></p> <p>Bid submitted to obtain Trust University status</p> <p>Improved efforts to provide information in both Welsh and English</p> <p>Now a member of 5 Regional Partnership Boards. Invitation received from Powys RPB in 2021/2022</p> <p><b>PLANNING</b></p> <p>Appointed first ever Director of Paramedicine to the Trust Board</p> <p>Developed Quality and Performance management Framework</p>



## 1.5 Delivering in Partnership

Strong and effective partnerships remain critical to the overall success of the Trust, something which continues to have been keenly evidenced through a further pandemic year in 2021/22.

While 2020/21 was a year in which the Trust needed to break new partnership ground, given the unprecedented challenges being faced, 2021/22 was one where many of those newer relationships began to be consolidated, while more established relationships continued to be a mainstay of its partnership work.

During 2021/22, the Trust welcomed support once again from military colleagues to help us maintain the delivery of its services in the face of extreme pressures, both in terms of demand and the availability of adequate staffing to meet those demands.

The Trust were delighted to be able to reinstate the work of its Community First Responders mid-year, as well as its co-responders in Mid Wales Fire and Rescue Service.

Throughout the year, the Trust has worked closely with a range of partners and stakeholders, some of them well-established, but some more recent, to ensure that the service could continue to maintain its services to patients while maintaining the safety of our people, as Wales remained in the grip of COVID-19.

The Trust also continued working with partners in UK government on the running of mobile testing units and with its established third sector partners, St John Ambulance Cymru.

2021/22 also saw the Trust take some significant steps towards gaining University Trust Status, which will help us redefine its relationships with higher and further education as it moves forward into the post-pandemic era, and everything that this will mean in terms of workforce, service configuration, harnessing technology, optimising opportunity for our people and the quality of services it provides to the people of Wales.

In an unprecedented emergency such as that posed by COVID-19, it would be simply unsustainable to work unilaterally. So much of what has been achieved during the last couple of years has been down to brilliant people, across so many different organisations, coming together to do brilliant and innovative things when the situation could not have been more serious – a real testament to the power of people and partnerships to move mountains.

And while the Trust continued to make a full contribution as members of statutory bodies like Regional Partnership Boards, the real power of partnership has been seen in so many of our people, working with its Trade Unions, coming together across the Trust to work much more laterally to create innovative solutions.

As the Trust moves forward into what it hopes will be a sustained phase of recovery and redefinition, the key will be to ensure that those relationships and partnerships are sustained and become embedded into its ways of working.

## 1.6 Workforce Management & Well-being

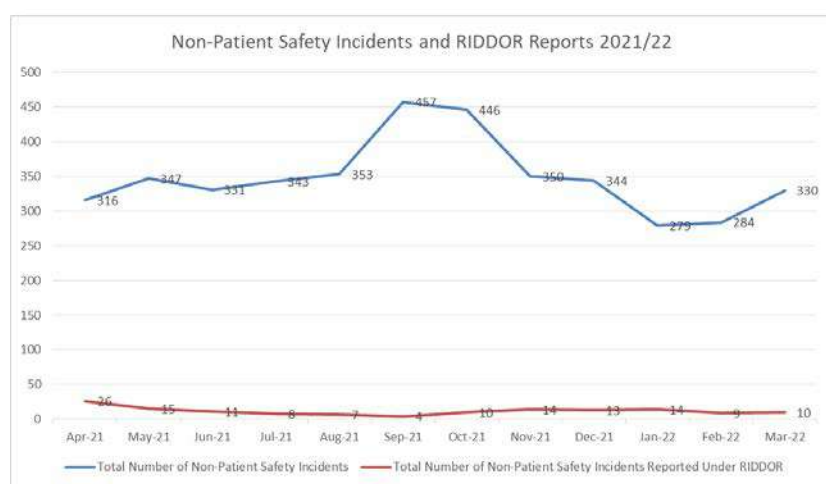
### 1.6.1 Staff Well-being

The Trust has continued to build on its strong focus toward the well-being of its staff. 2021-2022 has continued to see an increase in the size of the Occupational Health and Wellbeing Team. This has seen an expansion in the team in North Wales to ensure that the service provided is equitable in all areas of Wales. The plans contained in the Health and Wellbeing Strategy 2020-2024 have continued to move forward, and staff are now able to access Wellbeing apps in both Welsh and English, 24 hour access to an Employee Assistance Programme provider and access to an in-house psychologist undertaking psychological interventions for severe and complex mental health referrals/complex post-traumatic stress disorder, as well as providing education opportunities for paramedic students and staff. Drop in sessions with 111/CCC staff, various online workshops around psychological and physical issues are delivered and the Women's Health Group and the Road to Recovery Long COVID Group continue to provide positive support for specific staff groups.

The Trust has worked with the Association of Ambulance Chief Executives on reducing suicide risk and increasing awareness and established a peer support network with supervision, which is growing. Wellbeing is now integrated into leadership development and training courses and manager's consultation sessions for issues relating to mental health and wellbeing of staff or themselves have been set up. Leadership Development has recommenced after being paused until 2022.

### 1.6.2 Health & Safety

2021/22 continued to be a challenging year for the Trust in regard to ensuring the health, safety and welfare of its staff. This was due to the ongoing requirements due to the COVID-19 pandemic and the increase in demand on its staff during the winter period.



During the year there were 4,180 Non Patient Safety Incidents recorded by the Trust's staff, the two highest incidents recorded were for issues surrounding meal breaks and shifts as well as violence and aggression incidents where no physical

injury was recorded. Of the Non Patient Safety Incidents recorded 141 incidents were reported to the Health and Safety Executive (HSE) under the Reporting of Injuries, Disease and Dangerous Occurrences Regulation 2013 (RIDDOR). Of these incidents the highest numbers were recorded for moving and handling patients as well as slip, trip and fall incidents.

The adjustments made to the RIDDOR reporting process made in the 2020/21 financial year has resulted in improvements in the timely reporting of incidents to the HSE; however, further improvements are being investigated as the current performance is still outside of the reporting requirements set by the HSE.

Resource within the department continued to be a challenge throughout the year with staff being recruited on temporary contracts whilst a business case was created setting out the staffing requirements for the Health and Safety Department to meet the current and future demands of the Trust. During the year many of the duties required of the Health and Safety Team have been fulfilled by staff either recruited or seconded to the Working Safely Programme.

Throughout the year there has been the continual need to support areas with the workplace risk assessments required as a result of the COVID-19 pandemic. The risk assessment template has seen two revisions to aid the quality of the assessments and these have made a positive impact on Trust premises. The completion rate for the first revision was 100%, whilst the completion rate for the second revision is high the Safety Team are assisting the areas where there are questions outstanding.

The last quarter of the year saw the introduction of COVID-19 Champions in a number of the Trust premises with volunteers assessing the COVID-19 controls in place for the buildings and engaging in positive safety conversations with individuals regarding person behaviours.

The Working Safely Programme “Pump Prime” phase started in October 2021 with the aim of delivering a range of safety products to improve the safety performance and culture across the Trust. By January 2022 the roles required for this phase of the programme were filled with a mix of individuals on fixed term contracts and staff seconded as Staff Officers.

The governance arrangements for the programme have been established with the setting up of a Dynamic Delivery Group to steer the progress of the products being developed and the establishment of the Strategic Programme Board to ensure the programme delivers on its IMTP requirements.

To date the programme has delivered a number of different products such as an improved Display Screen Equipment and risk assessment process for the Trust that will be implemented during the 2022/23 financial year.

### **1.6.3 COVID-19 Vaccination**

In August 2020, the Chief Medical Officer commenced system planning for the delivery of vaccinations in accordance with Joint Committee on Vaccination and Immunisation guidelines; arrangements were agreed for the Trust’s people to be

vaccinated by the Health Board in which they reside. This continued throughout 2021/22 and as of 31st March 2022, 95% and 94% of front line staff had received their first and second vaccinations respectively, and 85% had received their booster vaccination. The Trust is indebted to the seven population serving Health Boards and Velindre University Health Board who have provided this service to and for the Trust's people.

#### **1.6.4 COVID-19 Staff Fatalities**

There were 1,022 reports of staff members testing positive for COVID-19 during the 2021/22 financial year thankfully no staff died as a result of the infection.

#### **1.6.5 Workforce Planning**

Workforce planning continues to play a key role in the Trust's ability to achieve its strategic objectives. The last few years have seen close working with its colleagues in education, planning and with key stakeholders both within and without the whole organisation to ensure availability of fully trained and capable staff working at their optimum to ensure positive patient experience. This year saw continuation of recruitment and training activity following on from the EMS Demand and Capacity Review. This has resulted in the numbers below being added to the total workforce.

Significant recruitment activity took place during 2021/2022 for almost 700 hires, including:

- over 120 hires for the EMS;
- over 80 hires for the EMS Coordination service;
- over 220 hires for the 111 service; and
- over 150 hires for the Ambulance Care directorate.

The Trust also received the following support from its volunteers:

- Volunteer Car Service Drivers: Twelve new drivers & 22 returned to service;
- Community First Responders: 36 new Community First Responders; and
- Alternative responders: Eleven Fire Stations in Mid Wales & West Fire Rescue Service online for Out of Hospital Cardiac Arrest & Non-Injured Falls.

The resultant change in workforce numbers is reflected in the Accountability Report contained within this Annual Report.

## 1.7 Decision Making & Governance

### 1.7.1 Trust's Governance & Accountability Framework

Details on the Trust's governance and accountability arrangements are set out in the Accountability Report contained within this Annual Report.

### 1.7.2 Ambulance Commissioning

A key aspect of the Trust's accountability and governance is that the Trust is a commissioned service for EMS and NEPTS. The commissioning is undertaken by EASC, on behalf of Health Boards, who are also supported by the CASC and the National Collaborative Commissioning Unit. EASC, and its supporting committees, have continued to meet through the pandemic period, with one or two exceptions during periods of maximum escalation. Similarly, the monthly CASC Assurance meeting has continued to function through most of 2021/22, again with one or two exceptions for maximum escalation periods. Right through the pandemic period the Trust has maintained its weekly dialogue with the CASC on quality, performance, governance and financial commitments.

The Trust has received financial support from EASC during 2021/22, in particular:-

- Five WTE mental health practitioners, again into the Clinical Support Desk;
- 81 WTEs (in addition to the 136 WTEs in 2020/21) towards closing the relief gap for the EMS response workforce; and
- A range of in-year mitigations to support tactical seasonal plans, including funding for patient cohorting at a number of emergency departments, additional support for the Ambulance Care service (which includes NEPTS) and the procurement of St John Ambulance Cymru support.

EASC sets the Trust a range of "commissioning intentions" linked to the funding package, what is referred to as the "resource envelope". The Trust provides a "Provider Report" to every EASC meeting and also more detailed information to its sub-committees. The Trust has made good progress on the 2021/22 commissioning intentions and reported its progress on the 2021/22 commissioning intentions to the 21 April 2022 EASC Management Group.

Further information on EASC and the Trust can be found [here](#).

The Trust continues to operate a collaborative and open style of working with the CASC and his team.

### 1.7.3 Well-being of Future Generations (Wales) Act 2015

Whilst the Trust is not one of the 44 organisations named in the Well-being of Future Generations (Wales) Act 2015, the Trust has a long-standing commitment to working within the spirit of the act.

The Trust's focus on collaboration and on making decisions which are sustainable continues to be evidenced by its commitment to working in partnership with a range of organisations.

More particularly in 2021/22, the Trust has focused on the further development of its long-term strategy, which will be framed around the sustainable goals as it looks to “invert” its services and deal with many more patients either by remote or on-scene triage, treatment and referral.

Similarly, whilst the Trust does not participate in Public Service Boards, it is now a member of five of seven Regional Partnership Boards (RPBs) (or their subsets), having added Powys RPB to the list in 2021/22.

The Trust's membership provides positive opportunities for further long-term strategic alliances which will deliver benefit for our patients and communities more broadly as it moves forward.

2021/22 saw the launch of Welsh Government's “Six Goals for Urgent and Emergency Care” as part of the Programme for Government, which reflects the tenets of the Well-being of Future Generations Act.

As the Trust moves forward into 2022/23, the Trust will have a significant role to play in the delivery of the six goals, many of which support the long-term ambitions of the organisation.

#### **1.7.4 Welsh Language Regulations**

On 30 May 2019, the Trust moved from implementing its Welsh Language Scheme under the Welsh Language Act 1993 to implementing Welsh Language Standards which are a set of statutory requirements which clearly identify its responsibilities to provide excellent bilingual services. These can be accessed via the Welsh Language Standards section on the Trust's website.

The Trust continues to strive towards ensuring that the Standards are embedded within its processes and systems to ensure that the Welsh language is treated no less favourably than the English language in its services and operations and that members of the public, learners and staff are able to interact with the Trust in the language of their choice. Overall, the process of implementing the Standards has had a positive effect on the Welsh language within the Trust and an increased number of staff are engaging in the language in the workplace, supported by initiatives such as the national Cymraeg Gwaith scheme. In addition, the Trust has strengthened its capacity to provide services to patients in Welsh for its 111 Service via a new front end messaging and options menu and recruitment of Welsh speaking call handlers in North Wales. 111 Service staff are supported with a new bespoke training package on Welsh language requirements and operational skills. In order to strengthen the Trust's long-term outcome in the delivery of an “Active Offer” as an integral part of service delivery, work has commenced on the development of a bilingual skills strategy.

The Trust will report progress on key actions to achieve its ambitions and statutory obligations for the Welsh language in its Annual Welsh Language Report,

where a range of statistics such as Welsh Language complaints, staff numbers with Welsh Language skills and recruitment numbers requiring Welsh Language can be found. This will be published on the Trust's website.

#### **1.7.5 Sustainability Report**

Carbon emissions data will no longer be reported via the Sustainability Report as an addendum to this report, but via the Welsh Public Sector Net Zero Carbon reporting structure, discussions are still underway regarding metrics and format. Communication of this data needs to be agreed with all parties.

## 1.8 Conclusions & Look Forward

2021/22 has been another extraordinary year for the Trust as it has continued to respond to the global pandemic. There is no doubt that the Trust's staff have stepped up to the challenge, as have the Trust's partners.

Whilst the Trust has stepped up to the challenge, patient experience and safety in 2021/22 were not at the levels the Trust, or its stakeholders, aspire to. The reasons are complex and multiple, with some directly related to COVID-19 and others due to underlying fundamentals that were a problem pre-pandemic.

As the Trust moves forward into 2022/23 it will continue to monitor and respond to the needs of COVID-19 at a tactical level, whilst continuing to progress its strategic transformation programmes designed to modernise the Trust and the service it provides to patients and people in Wales. The Trust's IMTP 2022-25 provides further details on the Trust's strategic plans.

Finally, the Trust is acutely aware of the impact of COVID-19 on the communities it serves and also its own staff, both those colleagues who have passed and those recovering from COVID-19; the Trust will continue its emphasis on well-being and work to support those affected.



## 1.9 Links to Further Information

The Trust reports delivery against its IMTP throughout the year and reports on performance to every Trust Board meeting through the Integrated Quality & Performance Report.

For further information and to view these reports please click on the following links:-

Board Date	Board Agenda Item	Link to Board Papers
27 May 2021	3.1	<a href="#">Bundle Trust Board (Open Session) 27 May 2021 (wales.nhs.uk)</a>
29 July 2021	3.2	<a href="#">Bundle Trust Board (Open Session) 29 July 2021 (wales.nhs.uk)</a>
30 Sept 2021	2.1 and 3.1	<a href="#">Bundle Trust Board (Open Session) 30 September 2021 (wales.nhs.uk)</a>
25 Nov 2021	11 and 12	<a href="#">Bundle Trust Board (Open Session) 25 November 2021 (wales.nhs.uk)</a>
27 Jan 2022	12 and 14	<a href="#">Bundle Trust Board (Open Session) 27 January 2022 (wales.nhs.uk)</a>
24 Mar 2022	9 and 10	<a href="#">Bundle Trust Board (Open Session) 24 March 2022 (wales.nhs.uk)</a>

Ambulance Quality Indicators (AQIs): Each Health Board receives a performance indicator dashboard, from Welsh Government, to ensure consistent reporting in their annual reports. The Trust is not a Health Board and is a commissioned service by EASC; consequently, Welsh Government do not issue a dashboard to the Trust. Whilst no dashboard exists, the Trust is amongst the most transparent ambulance services in the World, with the publication of the quarterly AQIs by EASC.

[Home - Emergency Ambulance Services Committee \(nhs.wales\)](#)

Performance Report Contact Details: Should you require any further information on this Performance Report, please contact Hugh Bennett, Assistant Director, Commissioning & Performance on [hugh.bennett2@wales.nhs.uk](mailto:hugh.bennett2@wales.nhs.uk).

## PART 2 – ACCOUNTABILITY REPORT

The Accountability Report is intended to meet key accountability requirements to the Welsh Government. The requirements of the Accountability Report are based on the matters required to be dealt with in a Directors' Report, as set out in Chapter 5 of Part 15 of the Companies Act 2006 and Schedule 7 of SI 2008 No 410, and in a Remuneration Report, as set out in Chapter 6 of the Companies Act 2006 and Schedule 8 of SI 2008 No 410.

The requirements of the Companies Act 2006 have been adapted for the public sector context as set out in the Government Financial Reporting Manual (FReM). It will therefore cover such matters as directors' salaries and other payments, governance arrangements and audit certificate and report. The Accountability Report will be signed and dated by the Accountable Officer.

The Accountability Report consists of three main parts. These are:

**The Corporate Governance Report:** This Report explains the composition and organisation of the Trust's Board and governance structures and how they support the achievement of the Trust's objectives. The Corporate Governance Report itself is in three main parts; the Directors' Report, the Statement of Accounting Officer's Responsibilities and the Governance Statement.

**The Remuneration and Staff Report:** The Remuneration and Staff Report contains information about senior managers' remuneration. It will detail salaries and other payments, the Trust's policy on senior managers' remuneration and whether there were any exit payments or other significant awards to current or former senior managers. In addition, the Remuneration and Staff Report sets out the membership of the Trust's Remuneration Committee, and staff information with regards to numbers, composition and sickness absence, together with expenditure on consultancy and off payroll expenditure.

**Parliamentary Accountability and Audit Report:** The Parliamentary Accountability and Audit Report provides information on such matters as regularity of expenditure, fees and charges, and the audit certificate and report.

## 2.1 Corporate Governance Report

This Corporate Governance Report details the composition of the Trust's Board and governance structures and how they support the achievement of the Trust's objectives. The Report explains the management and control of resources and the extent to which the Trust complies with its own governance requirements, including how the Trust has monitored and evaluated the effectiveness of its governance arrangements. It is intended to bring together in one place matters relating to governance, risk and control.

The Corporate Governance Report therefore aims to provide the reader with a clear understanding of the organisation and its internal control structure, the stewardship of the organisation and an explanation of the risks the organisation is exposed to. Where there are weaknesses reported in the Report, an explanation is provided on how these are being addressed.

The Corporate Governance Report consists of three main parts. These are:

**The Directors' Report:** This provides details of the Board and Executive Team who have authority or responsibility for directing and controlling the major activities of the Trust during the year. Some of the information which would normally be shown here is provided in other parts of the Annual Report and Accounts and this is highlighted where applicable.

**The Statement of Accounting Officer's Responsibilities and Statement of Directors' Responsibilities in Respect of the Accounts:** This requires the Accountable Officer, Chair and Director of Finance and Corporate Resources to confirm their responsibilities in preparing the financial statements and that the Annual Report and Accounts, as a whole, is fair, balanced and understandable

**The Governance Statement:** This is the main document in the Corporate Governance Report. It explains the governance arrangements and structures within the Trust and brings together how the organisation manages governance, risk and control.

## 2.1.1 The Directors' Report







The Directors' Report provides details of the Board, Executive Team and any other individuals who were Directors of the Trust and have or had authority or responsibility for directing and controlling the major activities of the Trust at any point during the year.

Where information normally presented in this report is discussed elsewhere in the Annual Report and Accounts this will be cross-referenced to the information.

### (a) Details of Chair, Chief Executive and other Directors




The details of the Chair, Chief Executive and any other individuals who were Directors of the Trust at any point during the financial year, and up to the date that the Annual Report and Accounts were approved, are provided in the Governance Statement which forms part of this Corporate Governance Report.

The composition of the Trust Board and the names of the Directors forming the Audit Committee are also provided in the Governance Statement. Board Members are listed below, together with in-year changes.

Voting Members of the Board 2021/22			
<b>Martin Woodford</b> 	<b>Trust Board Chair</b> Remuneration Committee Chair Champion for Governance and Risk	<b>Prof Kevin Davies</b> 	<b>Vice Chair</b> Chair of Charitable Funds and Academic Partnerships Committees Champion for operational delivery; academic partnerships; armed forces and veterans; mental health; research
<b>Emrys Davies</b> 	<b>Non-Executive Director</b> Chair of Finance & Performance Committee Champion for Welsh language	<b>Bethan Evans</b> 	<b>Non-Executive Director</b> Chair of Quality, Patient Experience and Safety Committee Champion for Quality, patient experience and safety
<b>Paul Hollard</b> 	<b>Non-Executive Director</b> Chair of People and Culture Committee Champion for workforce and organisational development; Trade Union relationships; children and young people; older persons; raising concerns	<b>Ceri Jackson</b> 	<b>Non-Executive Director</b> Champion for digital and transformation; partnerships and engagement; charitable fundraising

<b>Joga Singh</b> 	<b>Non-Executive Director</b> Champion for environment and sustainability; resource and value for money	<b>Martin Turner</b> 	<b>Non-Executive Director</b> Chair of Audit Committee Champion for strategy development; governance and risk
<b>Jason Killens</b> 	<b>Chief Executive Officer</b> Accountable Officer	<b>Wendy Herbert</b> 	<b>Executive Director of Quality &amp; Nursing (Interim) (rom 7 March 2022)</b> Caldicott Guardian Champion for children and young people; Putting Things Right Executive lead for Quality, Patient Experience and Safety Committee
<b>Brendan Lloyd</b> 	<b>Executive Medical Director</b>	<b>Claire Roche</b> 	<b>Executive Director of Quality &amp; Nursing (from 1 April 2021 to 4 March 2022)</b> Caldicott Guardian Champion for children and young people; Putting Things Right Executive lead for Quality, Patient Experience and Safety Committee
<b>Chris Turley</b> 	<b>Executive Director of Finance and Corporate Resources</b> Joint executive lead for Finance and Performance Committee Executive lead for Charitable Funds and Audit Committees Fire safety champion	<b>Claire Vaughan</b> 	<b>Executive Director of Workforce &amp; Organisational Development</b> Executive lead for People and Culture Committee Executive lead for Remuneration Committee Champion for violence and aggression

## Non-Voting Members of the Board 2021/22

<b>Lee Brooks</b> 	<b>Director of Operations</b> Champion for emergency planning	<b>Craig Brown</b> 	<b>Trade Union Representative at Board (RCN)</b>
<b>Keith Cox</b> 	<b>Board Secretary (from 1 April 2021 to 1 August 2021)</b> Champion for Welsh language	<b>Andy Haywood</b> 	<b>Director of Digital</b> Senior Information Risk Officer Armed Forces Champion Chair NHS Wales Digital Directors Peer Group National Digital Lead for 6 Goals of Urgent and Emergency Care Board.
<b>Estelle Hitchon</b> 	<b>Director of Partnerships &amp; Engagement</b> Women's equality champion Executive lead for Academic Partnerships Committee	<b>Rachel Marsh</b> 	<b>Director of Strategy, Planning and Performance</b> Joint executive lead for Finance and Performance Committee
<b>Trish Mills</b> 	<b>Board Secretary (from 2 August 2021)</b> Champion for Welsh language	<b>Andy Swinburn</b> 	<b>Director of Paramedicine</b>
<b>Craig Brown</b>	<b>Trade Union Representative at Board</b> (from September 2021)	<b>Nathan Holman</b>	<b>Trade Union Representative at Board</b> (until July 2021)
<b>Hugh Parry</b>	<b>Trade Union Representative at Board</b> (until November 2021)	<b>Damon Turner</b>	<b>Trade Union Representative at Board</b> (from January 2022)

The changes made amongst Board members during 2021/22 are set out below. These changes had no detrimental impact on the balance of the Board or on collective decision making.

- Martin Woodford's contract as Trust Chair was extended by Welsh Government from 31 March 2022 to 30 September 2022.
- Joga Singh, Non-Executive Director was re-appointed for a second term to 8 December 2025.

- Ceri Jackson was an interim appointment to the Board, and she was appointed as substantive Non-Executive Director from 1 April 2022 following advertising of that vacancy.
- Emrys Davies' contract as a Non-Executive Director finished on 31 March 2022 after serving two terms on the Board.
- Claire Roche, Executive Director of Quality and Nursing left the Trust on 4 March 2022 and Wendy Herbert was appointed as Interim Executive Director of Quality and Nursing from 7 March 2022.
- Andy Swinburn was appointed to the new post of Director of Paramedicine on 1 November 2021 (previously Associate Director of Paramedicine).
- Keith Cox, Board Secretary left the Trust on 1 August 2021 and was replaced as Board Secretary by Trish Mills on 2 August 2022.
- Trade Union representatives at the Board were Nathan Holman (until July 2021), Hugh Parry (until November 2021), Craig Brown (from September 2021) and Damon Turner (from January 2022)

## (b) Declarations of Interest

The register of declarations of interest for Directors are as follows:

Name	Position	Declaration
Martin Woodford	Trust Chair and Non-Executive Director	Nil declaration.
Kevin Davies	Vice Chair and Non-Executive Director	Colonel Commandant Queen Alexandra's Royal Army Nursing Corps. Trustee Queen Alexandra's Charity. Trustee St John Ambulance Cymru. Patron Motivation and Learning Trust. Chair ABF The Soldiers Charity (Glamorgan). Member Royal College Nursing.
Emrys Davies	Non-Executive Director	Director and Chair, NRML (Newport Road Maintenance Ltd.) Retired member of Unite.
Bethan Evans	Non-Executive Director	Managing Director (Employed) at My Choice Healthcare Limited. Non-Executive Board Member at RHA (Social Housing Organisation) Company Directorships: <ul style="list-style-type: none"> <li>- Moorlands Rehabilitation (Staffordshire) Limited.</li> <li>- My Choice Healthcare South Wales Limited</li> <li>- Homes of Excellence Healthcare Limited.</li> <li>- Springfield (Bargoed) Limited.</li> <li>- Homes of Excellence Limited</li> <li>- Victoria House Care Limited</li> <li>- My Choice Healthcare (Three) Limited</li> <li>- My Choice Healthcare (Four) Limited</li> </ul>
Paul Hollard	Non-Executive Director	Independent consultant providing occasional services to NHS Wales organisations and Welsh Government.
Ceri Jackson	Non-Executive Director	Self-employed Management Consultant primarily working in third sector. (Not undertaking any contracts for NHS, would



Name	Position	Declaration
		consult Trust Chair prior to undertaking any contracts.) Associate Director of SamKat Ltd in my capacity as self-employed management consultant. (Not undertaking any NHS contracts as part of this role and would consult Trust Chair prior to undertaking any contracts.) Stroke Association Trustee, Chair Wales Advisory Group. Stroke Association has contracts with the NHS to deliver services. Volunteer role. Cardiff Institute for the Blind Trustee (trading as Sight Life). The charity has a contract with Cardiff and the Vale Health Board to provide services. Volunteer role. Partner employed by Arjo (global supplier of medical devices and equipment).
Joga Singh	Non-Executive Director	Geldards LLP, paid employment. Membership of the Law Society and the Employment Lawyers Association. Member of the Fairness Inclusion and Respect Committee for the Institute of Civil Engineers in Wales, voluntary role. Independent Member of the South Wales Police Ethics Committee, 2 – 3 days a year.
Martin Turner	Non-Executive Director	Director and shareholder Martin Turner Associates Ltd.
Jason Killens	Chief Executive	Nil declaration
Brendan Lloyd	Executive Medical Director	National Professional Advisor (Ambulance Services) at Care Quality Commission, one day a week for six months from 1 February 2022.
Claire Roche	Executive Director of Quality and Nursing (to 6 March 2022)	Nil declaration.
Wendy Herbert	Interim Executive Director of Quality and Nursing (from 7 March 2022)	Nil declaration
Chris Turley	Executive Director of Finance and Corporate Resources	Treasurer of Royal Gwent Hospital League of Friends.
Claire Vaughan	Executive Director of Workforce and OD	(Voluntary) Independent Sub-Committee Member for Aberystwyth University
Lee Brooks	Director of Operations	Partner employed by Welsh Ambulance Services NHS Trust.
Andy Haywood	Director of Digital	Nil declaration.
Estelle Hitchon	Director of Partnerships and Engagement	Nil declaration
Rachel Marsh	Director of Strategy, Planning and Performance	Nil declaration
Andy Swinburn	Director of Paramedicine	Strategic Advisor to the College of Paramedics.
Keith Cox	Board Secretary (to 1 August 2021)	Magistrate Cardiff and Vale.
Trish Mills	Board Secretary (from 2 August 2021)	Nil declaration.

### **(c) Personal Data Related Incidents**

Information on personal data related incidents which have been formally reported to the Information Commissioner's office and "serious untoward incidents" involving data loss or confidentiality breaches are detailed in the Governance Statement which forms part of this Corporate Governance Report.

### **(d) Environmental, Social and Community Issues**

The Trust is aware of the potential impact its operation has on the environment and it is committed to:

- ensuring compliance with all relevant legislation and Welsh Government Directives;
- sharing the Welsh Government's ambition for public bodies to be carbon neutral by 2030;
- working in a manner that protects the environment for future generations by ensuring that long term and short term environmental issues are considered;
- preventing pollution and reducing potential environmental impact; and
- maintaining for the foreseeable future its ISO 14001 environmental management accreditation.

The Trust is aware that the COVID-19 pandemic has impacted on service provision not only from an operation point of view but also environmental; with an increase of both domestic and clinical waste, plus an increase in frontline vehicle journeys

The Performance Report provides details of the work of the Patient Engagement Community Involvement Team and our volunteers during 2021/22. The Trust continues to work to create and nurture a sustained relationship with communities that stimulates interest, encourages involvement and builds the trust needed to achieve service improvement and ensure quality services accordant with community need.

### **(e) Cost Allocation and Charging Requirements**

The Directors confirm that they have complied with the cost allocation and charging requirements set out in HM Treasury guidance.

## **2.1.2 Statement of Accountable Officer's Responsibilities**

The Accountable Officer is required to confirm that, as far as they are aware, there is no relevant audit information of which the Trust's auditors are unaware, and the Accountable Officer has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Trust's auditors are aware of that information.

The Accountable Officer is also required to confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and that they take personal responsibility for the Annual Report and Accounts and the judgments required for determining that it is fair, balanced and understandable.

### **Statement**

The Welsh Ministers have directed that the Chief Executive should be the Accountable Officer to the Trust.

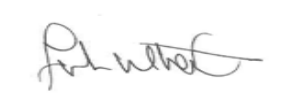
The relevant responsibilities of Accountable Officers, including their responsibility for the propriety and regularity of the public finances for which they are answerable, and for the keeping of proper records, are set out in the Accountable Officer's Memorandum issued by the Welsh Government

As Accountable Officer I can confirm that as far as I am aware there is no relevant audit information of which the Trust's auditors are unaware and that I have taken all the steps that I ought to have taken to ensure that I and the auditors are aware of relevant audit information.

I can confirm that the Annual Report and Accounts as a whole are fair, balanced and understandable and I take personal responsibility for these and the judgement required for doing so.

I can confirm that I am responsible for authorising the issue of the financial statements on the date they were certified by the Auditor General for Wales.

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.



Chief Executive  
Jason Killens

Dated: 13 June 2022

### 2.1.3 Statement of Directors' Responsibilities in respect of the accounts

The Directors are required under the National Health Service Act (Wales) 2006 to prepare accounts for each financial year. The Welsh Ministers, with the approval of the Treasury, direct that these accounts give a true and fair view of the state of affairs of the Trust and of the income and expenditure of the Trust for that period.

In preparing those accounts, the Directors are required to:

- apply on a consistent basis accounting principles laid down by the Welsh Ministers with the approval of the Treasury
- make judgements and estimates which are responsible and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the account

The Directors confirm that they have complied with the above requirements in preparing the accounts.

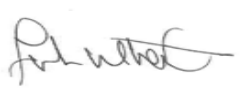
The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the authority and to enable that the accounts comply with requirements outlined in the above mentioned direction by the Welsh Ministers.

#### By Order of the Board

##### Signed:



Chair  
Martin Woodford  
Dated: 13 June 2022



Chief Executive  
Jason Killens  
Dated: 13 June 2022



Director of Finance and Corporate Resources  
Chris Turley  
Dated: 13 June 2022

## **2.1.4 The Governance Statement**

This Governance Statement demonstrates how we managed and controlled resources in 2021/22 and the extent to which we complied with our own governance requirements. In doing so, it brings together all disclosures relating to governance, risk and control.

### **(a) Scope of Responsibility**

The Trust Board is accountable for governance, risk management and internal control in the organisation. The Chief Executive (and Accountable Officer) of the Trust has responsibility for maintaining appropriate governance structures and procedures. This includes ensuring that the Trust has a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives, whilst also safeguarding the public funds and this organisation's assets. For the year ended 31 March 2022 and through to the date of approval of the Annual Report and Accounts, these have been carried out in accordance with the responsibilities assigned by the Accounting Officer of NHS Wales.

The Executive Management Team assists the Chief Executive in discharging his accountabilities and meet weekly for formative discussions, support and decision making. A similar structure is mirrored for Assistant Directors in the Assistant Directors Leadership Team. The Executive Management Team meets more formally with the wider leadership management groups and has strong links to all relevant governance forums inside and outside of the Trust.

The Annual Report outlines the different ways the Trust has had to work both internally and with partners in response to the unprecedented pressure in planning and providing services. It explains arrangements for ensuring standards of governance are maintained, risks are identified and mitigated and assurance has been sought and provided. Where necessary, additional information is provided in the Governance Statement, however the intention has been to reduce duplication where possible. It is therefore necessary to review other sections in the Annual Report alongside this Governance Statement

### **(b) Governance Framework**

Governance describes the ways that organisations ensure they run themselves efficiently and effectively. It also describes the ways organisations are open and accountable to the people they serve for the work they do.

For the Trust, good governance is about creating a framework within which we:

- Provide our patients with good quality healthcare services.
- Are transparent in the ways we are responsible and accountable for our work.
- Ensure we continually improve the ways we work.

Good governance is maintained by the structures, systems and processes we put in place to ensure the proper management of our work, and by the ways we expect our staff to work. It's also about how we scrutinise our performance and deal with poor

practice and other issues, and how we identify and manage risks, whether in terms of patient care, to our staff, or to the organisation as a whole.

The Trust's governance framework houses the structures, systems, processes, and behaviours NHS Wales health bodies have for ensuring good governance, and they include:

- Standing Orders, which incorporates the Schedule of Matters Reserved to the Board and Delegated, and the Standing Financial Instructions;
- The requirement for a statutory Board and the Committees that support the Board;
- How line managers operate, including codes of conduct and accountability;
- Business planning;
- Procedural guidance for staff;
- Risk register and assurance frameworks;
- Internal audit; and
- Scrutiny by external assessors including the Welsh Government, Health Inspectorate Wales, Audit Wales and other stakeholders.

The Trust has agreed Standing Orders for the regulation of proceedings and business. These are designed to translate the statutory requirements set out in the NHS (Wales) Act 2006 and the National Health Service Trusts (Membership and Procedure) Regulations 1990 (SI 1990 No. 2024), into day to day operating practice. Together with the accompanying Scheme of Matters Reserved to the Board; Scheme of Delegation to Officers and Others; and Standing Financial Instructions (all referred to as the 'Standing Orders'), they provide the regulatory framework for the business conduct of the Trust and define its ways of working.

In January 2022, the Board approved revisions to the Standing Orders in line with the review undertaking of the Model Standing Orders, Scheme of Reservation and Delegation, and the Standing Financial Instructions by Welsh Government. The Standing Orders and accompanying documents can be found in the [publications](#) section of our website.

Governance Practice Notes have been developed to aid in the interpretation of parts of the Standing Orders and to provide consistency of approach. These included matters related to the affixing of the Trust's common seal; procedure with respect to Chair's actions; and how we conduct Board and Committee business in private session. These Governance Practice Notes were approved by the Audit Committee in March 2022.

### Trust Board

The Board is accountable for governance, risk management and internal controls. It focuses on the following key areas:

- **Strategy:** Developing the strategy, vision, and purpose of the Trust. Identifying priorities, establishing goals and objectives, finding resources, and allocating funds to support the decisions that need to be made around strategic planning.

- Embedding Ethical Behaviour: The Board shapes the culture of the Trust in several ways, including by the way in which it engages with staff, the public and stakeholders, the way it manages its agenda, by the nature of the debate at the Board and the relative emphasis given to different performance criteria, by the visibility of its members in the organisation, and by where it chooses to invest time and resources. Board members must live up to the highest ethical standards of integrity and probity.
- Quality: Sets organisation wide expectations and accountability for high performance. Ensures that all staff understand their role in the effective and high-quality provision of care in a governance framework that ensures a balance between trust, constructive debate, and effective challenge in a culture of openness and learning.
- Managing Risk: The Board is responsible for managing risk and ensuring there is a robust system of internal controls in place and that they are sighted on the mitigations in place for the principal risks to the delivery of the strategy.
- Gaining Assurance on the Delivery of Strategy and Performance: Holding to account, and being held to account, for the delivery of the strategy in accordance with the strategic and performance frameworks developed by the Board, and focuses on strategy, performance, culture and behaviours. Board Members have responsibility for the strategic direction of the Trust, and provide leadership and direction, ensuring sound governance arrangements are in place. The Board is also responsible for promoting an open culture with a view to ensuring high standards.

The Board is comprised of the Chair, Vice Chair, six Non-Executive Directors and five Executive Directors, and holds scheduled meetings bi-monthly, with an additional meeting to approve the Annual Report and Accounts, and an Annual General Meeting. The Trust Board met in public seven times in 2021/22 and seven times in private session where matters of confidentiality and/or commercial sensitivity were discussed. The Board is supported by the Board Secretary (who acts as principal adviser on all aspects of corporate governance within the Trust), five further (non-voting) Directors and two Trade Union partner representatives.

Board meetings in 2021/22 were appropriately constituted and were quorate. The Trust did not stand down any of the scheduled Board or Board Committee meetings during 2021/22, other than the Local Partnership Forum which operated under the pandemic governance structure as the Trade Union Partnership Cell. In accordance with the Public Bodies (Admissions to Meetings) Act 1960 the Trust is required to meet in public. As a result of the public health risk linked to the pandemic there have been limitations on public gatherings and it has not therefore been possible to allow the public to attend meetings of our Board and Committees. However, to ensure business was conducted in as open and transparent manner as possible members of the public, staff and stakeholders have been able to join our public Board and Committee meetings via Zoom and Teams, and have the opportunity to send questions in for consideration by the Board prior to those meetings. Board meetings



are livestreamed on the Trust's Facebook page and retained there for further reference.

Details of meeting dates and members attendance can be found in Appendix 1. Agendas for public sessions are published on the Trust's website seven days before the meeting.

The Trust held its Annual Meeting virtually on 29 July 2021 via Zoom and this too was livestreamed on the Trust's Facebook page.

The key focus of the Board during the year was delivery of performance and quality assurance and improvement during the COVID-19 pandemic whilst at the same time ensuring the Trust maintained pace in terms of strategic transformation.

Issues associated with the COVID-19 pandemic remained as key matters for the Board throughout the year and as reported in the 2020/21 Annual Report, a governance structure was established to respond to the pandemic which included a number of cells and groups across the operational, tactical and strategic levels of the organisation. Decisions and actions were recorded and maintained in the form of action logs and meeting notes with key decisions escalated where necessary.

Examples of the key governance and control matters addressed by the Board during 2021/22 were:

- Audit Wales Annual Report;
- Charitable Funds accounts;
- Financial, quality and performance reports;
- Integrated medium term plan – delivery and refresh;
- Quality and performance management framework;
- Incidents;
- Risk and board assurance framework;
- Standing orders, scheme of reservation and delegation, standing financial instructions;
- Strategic transformation programmes: structure and governance;
- Trust Annual Report, accounts and governance statements; and
- Welsh language Annual Report

Further details on the working of the Trust Board in 2021/22 can be found [here](#).

The Board Development Programme continued in 2021/22 with a focus on understanding, learning and reflection. Sessions were well attended and designed to stimulate discussion on strategic initiatives; shape culture and behaviours; strengthen system and partnership working; enhance knowledge of the regulatory environment; and allow for more detailed briefing of complex issues ahead of formal meetings. An external facilitator worked with the Board during the year on its long term collective development and effectiveness.

The Welsh Ambulance Services NHS Trust Charity (registration number 1050084) is registered as a charity with the Charity Commission for England and Wales. The

Trust is a corporate body in its own right. The Trust Board acts as the Corporate Trustee of the Charity.

The Corporate Trustee is responsible for the general control, management, and administration of its charity, as well as setting its strategic aims and objectives. Oversight of the Charity is carried out by the Charitable Funds Committee.

The Charity Annual Report and Accounts for 2020/21 are contained [here](#).

## Board Committees

The Board has seven standing Board Committees, each chaired by a Non-Executive Director. Committees have a key role in relation to the system of governance and assurance, scrutiny, assessment of current risks and quality and performance monitoring. Committee papers and Minutes for each meeting are contained in the [Committee](#) section of the Trust's website.

The Committee structure is as follows:



Committee Chairs prepare a highlight report for the Board which is based on an 'alert, advise, assure' model. This is circulated to the Board following each meeting and discussed at the Board meeting following that Committee meeting. Minutes of Committee meetings are also presented to the Board once approved by the relevant Committee.

As well as reporting to the Board, Committees work together on behalf of the Board to ensure that cross-reporting and consideration takes place and assurance and advice is provided to the Board and the wider organisation.

Each Board Committee has an Executive Director lead who works closely with the Chair of that Committee and the Board Secretary in agenda setting, business cycle planning and to support good quality, timely information being relayed to the Committee.

The terms of reference for each of the Board Committees are set out in the Trust's Standing Orders and a summary of each of the Committee's responsibilities is given below. The Trust completed a comprehensive review and update of the terms of reference for each Board Committee during 2021/22, with the revised terms of reference approved by each Committee during March 2022 and for presentation to the Board on 26 May 2022.

Each Committee prepared an annual report of its business and effectiveness, with the annual reports and revised terms of reference for each Committee being accessed via this [link](#).

The **Audit Committee** is a key source of assurance to the Board that the organisation has effective controls in place to manage the risks to achieving its strategic objectives and reviewing governance and assurance processes. The Committee met four times during 2021/22 and considered the following key governance and control matters:

- Review and endorsement for Board approval of the Annual Accounts, Accountability Report and Governance Statement;
- Agreed the internal and external audit plans for the year;
- Received internal and external audit reports and monitored progress against the audit recommendations tracker;
- Received the Head of Internal Audit Opinion;
- Agreed the Annual Counter Fraud Plan and monitored counter fraud activities
- Monitored the development of the risk management improvement programme;
- Reviewed the Board Assurance Framework and Corporate Risk Register;
- Endorsed approval of the revised Standing Orders;
- Reviewed losses and special payments, tender updates and waiver reports;
- Oversight of COVID-19 enquiry preparations.

Further details on the working of the Audit Committee in 2021/22 can be found [here](#).

The **Remuneration Committee** provides advice and assurance to the Board in relation to the Trust's arrangements for the remuneration and terms of service for staff, in particular senior staff. The Committee meets in closed session and met seven times during 2021/22.

The **Academic Partnerships Committee** is a new Committee (established July 2020) to the Trust's corporate governance structure, and as such its purpose and role is still forming and will continue to do so over the next twelve months as the Trust pursues University Trust Status. The Committee met four times in 2021/22 and the following key matters were discussed:

- Advance practice and specialist working, consult and close and service transformation, including research
- Decarbonisation, fleet modernisation and sustainability
- Digitisation enabling better outcomes
- University Trust Status submission

Further details on the working of the Academic Partnerships Committee can be found [here](#).

The purpose of the **Charitable Funds Committee** is to make and monitor arrangements for the control and management of the Trust's charitable funds. The Committee met five times during 2021/22 when it discussed a number of issues, including the Charitable Funds Annual Report and Accounts and the development of

the charity's first strategy. The Committee also reviewed and refreshed the bursary scheme and the Bids Panel authority and membership.

Further details on the working of the Charitable Funds Committee in 2021/22 can be found [here](#).

The **Finance and Performance Committee** supports the Board by providing assurance with regards to the Trust's statutory financial and planning responsibilities and has a monitoring role in the delivery and performance of business functions across the Trust. The Committee met six times during 2021/22 and the following key matters were considered:

- Assurance for major incident arrangements;
- Business justification case – fleet replacement programme;
- Capital programme 2021/22 updates;
- Finance performance reports;
- Quality and performance management framework;
- Integrated quality and performance report;
- Policy approvals e.g., fire safety;
- Board Assurance Framework and Corporate Risk Register relevant to its remit;
- Transfer of Non-Trust NEPTS work to the Trust – Cwm Taf Morgannwg University Health Board

Further details on the working of the Finance and Performance Committee in 2021/22 can be found [here](#).

The **People and Culture Committee** supports the Board by providing assurance to the Board with regards to all matters pertaining to its workforce, both paid and volunteer. The Committee provides assurance to the Board of its leadership arrangements, behaviours and culture, training, education and development, equality, diversity and inclusion agenda, and Welsh Language. The Committee met four times during 2021/22 and the following key matters were considered:

- Committee assurance framework;
- Facilities agreement for trade union partners;
- People and culture strategy;
- Trust behaviours roll-out;
- Policy approvals e.g., pay progression, secondments
- Revised procedure for NHS staff to raise concerns;
- Staff suspension updates;
- Welsh language progress/updates;
- Integrated Quality and Performance Report
- Performance Management Framework;
- Workforce performance scorecards;
- Minutes of sub-committees;
- Audit recommendations relevant to its remit;
- Board Assurance Framework and Corporate Risk Register relevant to its remit.

Further details on the working of the People and Culture Committee in 2021/22 can be found [here](#).

The **Quality, Patient Experience and Safety Committee** supports the Trust Board by providing assurance with regards to the Trust's clinical governance arrangements, in particular those for safeguarding and improving the quality and safety of patient centred healthcare. The Committee met four times during 2021/22 and the following key matters were considered:

- Quality strategy 2021/24;
- Incident reporting and lessons learned;
- Integrated Quality and Performance Report;
- Performance Management Framework;
- Older persons framework;
- Patient experience and community involvement highlight reports;
- Policy approvals e.g., adverse incident reporting;
- Safeguarding Annual Report.
- Audit recommendations relevant to its remit;
- Board Assurance Framework and Corporate Risk Register relevant to its remit.
- Deep dive: losses and special payments;
- Health Inspectorate Wales: clinical contact centre patient safety review;

Further details on the working of the QuEST Committee in 2021/22 can be found [here](#).

### Advisory Groups

In support of the Board, the Trust has established the Local Partnership Forum as a forum where the Trust Executives, Trade Unions and Professional Organisations work together to improve the Trust's services for the people of Wales. It is the principal partnership forum for the discussion of national priorities and strategies and where key stakeholders engage with each other to inform, debate and seek to agree local priorities on workforce and health service issues.

During the pandemic the Local Partnership Forum was stood down and a Trade Union Partnership Cell under the pandemic structure was formed. This Cell was jointly chaired by the Executive and the Trade Union to support and enable consistent and timely sharing of information, and to enable discussion and a representative view from all Trade Unions to facilitate timely and effective decision making. The Advisory Group will reform under new terms of reference in 2022.

The Trust does not have a stakeholder reference group or a healthcare professionals' forum (as defined in the IFRS NHS Wales Manual for Accounts) as these are not applicable to the Trust.

### Joint and All Wales Committees

The Welsh Health Specialised Services Committee was established in 2010 to ensure fair and equal access across NHS Wales to the full range of specialised

services. The Committee is hosted by Cwm Taf Morgannwg University Health Board and regular activity reports are received by the Board. The Trust is not a member of the Committee but is a regular attendee.

The Emergency Ambulance Services Committee is a joint committee of the seven Health Boards, with the three NHS Trusts as associate members, and was established in April 2014. It has responsibility for the planning and commissioning of emergency ambulance services on an all-Wales basis. The Committee is hosted by Cwm Taf Morgannwg University Health Board and regular activity reports are received by the Board.

The NHS Wales Shared Services Partnership Committee was established in 2012 and is hosted by Velindre NHS Trust. It looks after the shared functions for NHS Wales, such as procurement, recruitment and legal services. Regular activity reports of the Committee are received by the Board.

Reports from these Committees are included in each Board pack.

### Chairs Working Group

Supporting the formal Board and Committee structure is a Chairs' Working Group that meets at the start of each quarterly business cycle. The Group is comprised of the Trust Board Chair, the Chairs of the Board Committees, Executive leads for Committees and the Board Secretary. Its purpose is to promote discussion on a range of issues that affect the Board and its Committees including but not limited to:

- New and revised governance procedures that affect Committees and the Board;
- Standardisation of practice at Committees, including reporting, papers and flow of communication;
- Approach and timing of the annual review of effectiveness of Committees and evaluation of the Board;
- Reflections from meetings with a view to continuous learning and application of best practice governance principles;
- Committee membership; and
- Cross-cutting Committee work to ensure appropriate range of responsibilities across Committee and to reduce duplication.

### Improvements to the Governance Framework

During 2021/22 a number of improvements have been made to the Trust's governance framework including the following:

- Committee highlight reports in an 'alert, advise, assure' model which enhance assurance to Board;
- Introduction of new templates for the Board and Committees for the agenda and action logs;
- The Board Secretary attending all Committees to support the development of highlight reports to the Board and cross-referencing of actions across Committees;

- Revised terms of reference and mapping of the full extent of Board responsibilities across Committees;
- Governance Practice Notes to aid in the application of Standing Orders;
- Revised articulation of key risks;
- Monthly Board development sessions focused on strategy, culture and behaviours, and regulatory environment; and
- Development of the Board induction programme for new Board members.

### **(c) 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 risks; it can therefore only provide reasonable and not absolute assurances 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, 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 for the year ended 31 March 2022 and up to the date of approval of the Annual Report and Accounts.

### **(d) Capacity to handle risk**

The Trust is committed to actively and effectively managing risk as a key element in the successful delivery of its business, objectives, and service provision to the public and remains committed to ensuring staff throughout the organisation are trained and equipped to identify, analyse, evaluate, treat and escalate risks.

Managing risk is a key, collective responsibility for the Trust Board and remains an integral part of our governance arrangements to further strengthen and positively impact the development of the Trust's future strategic ambition and provide clarity on the risks that would prevent us from achieving our organisational objectives.

The Chief Executive, as Accountable Officer, has overall responsibility for ensuring that the Trust has an effective risk management framework and system of internal control in place; however, Directors have responsibility for the ownership and management of principal and operational risks within their portfolios.

The Board Secretary has responsibility for leading on the design, development and implementation of the Risk Management and Board Assurance Framework that provides a line of sight to the controls and related assurances, and the actions the Trust will take to mitigate the risks.

The Risk Management Strategy and Framework 2018-2021 is in place and will be revised and developed as one component part of the Trust's risk transformation programme as set out in the Integrated Medium Term Plan (IMTP) 2022/2025. The risk transformation programme was reviewed and supported by the Audit Committee in December 2021.



Alongside the Strategy and Framework, the Risk Register Development Guide describes the Trust processes to assess and treat risk through local, directorate and corporate risk registers. The Datix Risk Management System is used to manage the risks on these registers and the Guide allows risk owners to apply appropriate inherent, current and target risk scores using a 5 x 5 matrix for likelihood and consequence. The frequency of monitoring and levels of escalation are set out in these documents to enable lower rated risk to be managed locally by the risk owner and delegated officers, teams and managers best placed to mitigate the risks.

Whilst risk is inherent in many of our activities, the Trust will not accept risks that materially impair the ability to deliver services to a high standard of safety and quality, its reputation or those that may cause any disrepute with its stakeholders.

The Trust, which operates as part of a publicly funded healthcare system in Wales, does not have unlimited resources and therefore it determines the appropriateness and cost of resources required to address principal risks. This is a major influence in determining the risk appetite of the organisation which is set and developed by the Board. Separate and distinct risk appetite statements will be developed as part of the risk management transformation programme.

In two key areas the Trust's risk appetite is risk averse, which means that risks will be eliminated or reduced to the lowest practical level should they impact negatively upon:

- The quality and safety (including physical and/or psychological harm) of its patients, workforce, and the public, and
- Compliance with statutory duty, regulatory compliance, or accreditation.

Internal and external factors are putting services under severe pressure which presents risks to patient safety and delivery of agreed plans for service transformation. The highest rated risks on the Corporate Risk Register below seek to mitigate these and continue to be closely monitored by management, Board Committees and Trust Board.

### Risk Profile

The risk profile of the Trust, described in the table below, is subject to senior management scrutiny. As at the 24 March 2022 Trust Board meeting there were eleven organisational wide risks scoring 15 or above on the Trust's Corporate Risk Register which can be viewed via [this link](#).

CORPORATE RISK REGISTER: Summary					
RISK ID	RISK	RISK CATEGORY	EXECUTIVE OWNER	CURRENT RISK SCORE	ASSURANCE COMMITTEE
223	The Trust's inability to reach patients in the community causing patient harm and death	Service Delivery	Director of Operations	25 (5x5)	Quality, Patient Experience and Safety Committee

CORPORATE RISK REGISTER: Summary					
RISK ID	RISK	RISK CATEGORY	EXECUTIVE OWNER	CURRENT RISK SCORE	ASSURANCE COMMITTEE
224	Significant handover delays outside A&E impacts on access to definitive care being delayed and affects the trust's ability to provide a safe and effective service	Quality & Safety	Director of Quality & Nursing	25 (5x5)	Quality, Patient Experience and Safety Committee
160	High sickness absence rates impacting on patient safety, staff wellbeing and the trust's ability to provide a safe and effective service	Resource Availability	Director of Workforce & Organisational Development	20 (5x4)	People and Culture Committee
199	Failure to embed an interdependent and mature health and safety culture which could cause harm and a breach in compliance with Health & Safety statutory legislation	Statutory Duties	Director of Quality & Nursing	20 (4x5)	Audit Committee; Quality, Patient Experience and Safety Committee
139	Failure to Deliver our Statutory Financial Duties in accordance with legislation	Statutory Duties	Director of Finance and Corporate Resources	16 (4x4)	Finance and Performance Committee
244	Impact on EMS CCC service delivery due to estates constraints	Service Delivery	Director of Operations	16 (4x4)	Finance and Performance Committee
311	Failure to manage the cumulative impact on estate of the EMS Demand & Capacity Review, the NEPTS Review and GUH	Resource Availability	Director of Finance & Corporate Resources	16 (4x4)	Finance and Performance
458	A confirmed commitment from EASC and/or Welsh Government required regarding funding for recurrent costs of commissioning	Service Delivery	Director of Finance and Corporate Resources	16 (4x4)	Finance and Performance Committee
201	Trust Reputation	Stakeholder Relationships	Director of Partnerships and Engagement	15 (3x5)	People & Culture Committee
245	Inability to maintain safe & effective services during a disruptive challenge due to insufficient capacity in EMS CCCs.	Service Delivery	Director of Operations	15 (3x5)	Finance & Performance Committee

CORPORATE RISK REGISTER: Summary					
RISK ID	RISK	RISK CATEGORY	EXECUTIVE OWNER	CURRENT RISK SCORE	ASSURANCE COMMITTEE
260	A significant and sustained cyber-attack on the Trust, NHS Wales and interdependent networks resulting in denial of service and loss of critical systems	Service Delivery	Director of Digital	15 (3x5)	Finance & Performance Committee

The timely review of risk and associated mitigation plans has been impacted by the challenges faced as a result of our operational response to the pandemic with some review dates having passed their identified review date. These risks have, nevertheless, been subject to scrutiny and challenge by the Trust Board and relevant Board Committees. This area for improvement has been acknowledged by the operational risk leads.

Risks 223, 224 and 160 were exacerbated by the pandemic however they have been subject to regular review throughout.

#### Risk Assessment and Risk Review Process

The Trust's Assistant Director Leadership Team (ADLT), Executive Management Team (EMT), Audit Committee and Trust Board regularly received, considered, and commented on the Corporate Risk Register during 2021/2022. Furthermore, risks relevant to the remit of the Finance & Performance, People and Culture and the Quality, Safety and Patient Experience Committees were reported at each meeting for scrutiny and challenge.

On each occasion, commentary was provided to explain progress made by the Trust (including partners and stakeholders as appropriate) to mitigate existing risks and to set out all new and emerging risks to the organisation.

The ADLT continue to review the risk assessments on all new corporate risks in addition to reviewing any changes to existing corporate risks and mitigating actions. Each of these risks have been developed by the delegated, responsible officers and the risk owners and agreed at Directorate Business Meetings prior to review by ADLT and the activity is then reported to the EMT, relevant Board Committees and Trust Board.

The Trust recognises that managing several of its key risks relies on close partnership working with stakeholders (e.g., Health Boards) to ensure risks are understood and mitigating actions are carried out in partnership where necessary. The highest scoring risks are regularly shared across peer networks such as the Directors of Nursing and are discussed at the All Wales Chief Executive's forum. In addition to this, as part of the Trust's risk maturity, the ambition is to undertake joint discussion on corporate risks at national risk management forum meetings.

The Trust receives information from a variety of other sources which helps inform the Trust's risks and mitigating actions. These sources include feedback from patients and the public, concerns raised with the Trust and serious adverse incidents.

The Audit Wales Structured Assessment Phase 2 Report, received in November 2021 noted the following in relation to the management of risk in the Trust:

*"We found that the Trust has taken steps to further strengthen its risk management arrangements".*

Internal Audit undertook a further, planned audit on risk management in Quarter 4 2021/22, with the overall objective to provide assurance that the Trust has a robust risk management and assurance framework arrangements in place to address both strategic and operational risks. That review concluded that there was reasonable assurance on risk management and assurance arrangements for the Trust, with four recommendations raised, one of which was a high priority, two medium and two low. The areas highlighted to strengthen will form part of the Risk Management Improvement Programme under the IMTP 2022/25.

### Board Assurance Framework

The Trust Board and Committees have received the Board Assurance Framework (BAF) throughout the year alongside the Corporate Risk Register, following its approval by the Executive Management Team.

In Quarter 4 an exercise was carried out to re-articulate the highest rated risks in an 'if, then, resulting in' methodology to more fully describe the risk and its potential impact. The Trust took this opportunity to review all controls and assurances against these risks and describe the actions planned to mitigate the gaps. The risk owners, EMT and the Board were fully engaged in the process and were updated on this work as it matured. In March 2022 the Audit Committee agreed to pause the formal reporting of the BAF until its June meeting to allow this work to take place. The ADLT, EMT, Trust Board and Committees will continue to receive reports on the Corporate Risk Register during this time.

### Risk Management Training

The continuing impact of the COVID-19 pandemic has meant that face to face training has been paused, however, the Trust has been committed to continuing to deliver risk training throughout the pandemic and since January 2021, the Head of Risk/Deputy Board Secretary, has delivered virtual training sessions at the Assistant Directors Leadership Team meeting, Directorate business meetings, and at the Duty Operations Managers induction programme.

The training captured the fundamentals of risk management including the identification and escalation of risk and how to manage risks via the Datix Risk Management System.

The Head of Risk/Deputy Board Secretary is working with colleagues across NHS Wales to develop a consistent training needs analysis and risk training modules that

will align to the new Once for Wales System for Risk Management, which is scheduled to be implemented within the Trust in Quarter 3 of 2022.

### Risk Management Improvement Programme – Focus for 2022/2023

A risk management transformation programme has been designed to further strengthen and positively impact the development of the Trust's future strategic ambition which is highlighted in our IMTP as one of the fundamentals of a quality driven, clinically led, value focussed organisation.

The Trust remains committed to implementing a positive risk management culture through delivery of our risk management transformation and areas of significant focus during 2022 are:

- A refresh of the risk management strategy and associated procedures with a focus on strengthening the articulation and management of risk;
- Developing a risk management policy;
- Developing and embedding a revised Board Assurance Framework;
- Developing a programme of training and education for the whole organisation;
- Establishing a programme of Board education on risk management including the development of risk appetite statements; and
- Implementing the Once for Wales Risk Management System (Datix) and aligned training programmes.

In addition to this transformation programme, work is ongoing to consider and develop potential new risks for inclusion on the Corporate Risk Register as follows:

- Patient Safety/Putting Things Right Team
- NHS decarbonisation
- Supply chain issues – digital equipment
- Securing stakeholder support to deliver the strategy and IMTP
- Capacity to deliver change (IMTP)
- Ongoing impact of COVID and increasing demand for services (IMTP)

### Emergency Preparedness/COVID-19 Risks

The need to plan and respond to the COVID-19 pandemic has continued to present several challenges to the Trust throughout 2021/22. A number of new and emerging risks related to the pandemic were identified. As required by the Civil Contingencies Act 2004, the organisation has a major incident and business continuity plan in place, however the scale and impact of the pandemic has been unprecedented and the Trust has utilised its pandemic plan to assist in the response throughout the Pandemic.

The Trust has developed an Incident Response Plan to replace our Major Incident Plan which considers the national risk register, the local resilience forum risk register, NHS Wales's guidance and UK ambulance service guidance documents. This plan includes the Trust's response to counter terrorism incidents, mass casualty incidents and incidents that require specific actions to be taken, such as responding to airports and railway incidents.

Aligned to the Incident Response Plan, a new Command Policy has been developed and implemented to support the Trust Commanders, along with an Incident Notification and Escalation Procedure that clearly defines types of incidents and the response required. These plans have been tested in both the exercise and live environments, including the declaration of Business Continuity Incidents, Critical Incidents and trust Extraordinary Incidents, along with planning for incidents that the Trust management team anticipated an impact on the Trust, such as Storm Eunice, Public Order Incidents and the EU Exit. Our Resource Escalation Action Plan (REAP) has been revised to align with other UK Ambulance Trusts, alongside our Clinical Safety Plan which allows us to dynamically manage the demands on the service.

Our Senior Pandemic Team took on a dual remit over the winter period by addressing the significant challenges of the Omicron variant alongside the pressures associated with the winter period. Additional support cells have aided the logistical challenges associated with the deployment of the military through the MACA arrangements from October 2021 until March 2022. A range of tactics to support welfare arrangements for staff have been deployed alongside additional capacity tactics such as St John Ambulance Cymru Urgent Care Service capacity, and cohorting at key hospital sites through private ambulance providers to aid the offload at hospital sites. Staffing abstractions have presented a significant challenge because of the Omicron variant, particularly in our contact centre environments. Several new and innovative tactics were deployed to mitigate the impact of these abstractions including the deployment of COVID Champions to act as a visible reminder on infection, prevention and control measures.

The organisation continues to work closely with a wide range of partners, including the Welsh Government as it continues with its response, and planning into the recovery phase. The Trust has developed clear 'Monitor to Recovery' criteria which will be underpinned by robust risk management arrangements and the ability to identify, assess and mitigate risks which may impact on the ability of the organisation to achieve its strategic objectives.

The Trust has sustained a full Hazardous Area Response Team (HART) and increased its Specialist Operational Response Team (SORT). A further expansion to the SORT has been outlined in a Business Case that has been submitted to Welsh Government for consideration in line with the expansion that has already been funded in England.

The Trust has continued to work in partnership, through Local Resilience Forums (LRF), to address and mitigate the wide impacts of the pandemic on the population and our organisation. We have been key members of the four LRF Strategic Coordination Groups, Tactical Coordination Groups, and their subgroups, and as we reach a point where we enter formally into a recovery position, our Business Continuity and Recovery Team will work to develop working practices beyond the acute phase of the pandemic, into a "living with COVID" state.

The Trust continues to engage and support at a national and local level to remain prepared, with the ability to respond to any likely impact on the organisation and population. The Trust remains vigilant to the monitoring of any outbreaks locally,

and the emergence of any new variants, with confidence in its ability to stand up structures at short notice which is now tried and tested.

## **(e) The Control Framework**

### Quality Governance Arrangements

Over 2021/22, regular reporting of quality governance has continued to provide assurance to the Quality, Patient Experience and Safety Committee (QuEST). The quarterly quality reports have ensured continued compliance with the Health and Care Standards and Commissioning Framework. Over the period, the Trust has continued to engage with Welsh Government and wider system partners in developing the Duty of Quality and Duty of Candour requirements, arising from the Health and Social Care (Quality & Engagement) (Wales) (Act) 2020. The legislation is due to be enforced from April 2023.

In 2021, the Trust Board approved the Quality Strategy 2021-24 which sets out our high-level ambitions to ensure our services are safe, effective, and provide positive experiences. The QuEST committee have overseen the development of the implementation framework for this strategy, including the development of functions and forums to integrate the citizens' voice, the design and development of quality leadership roles and management systems; and, enabling a positive quality-focused and learning culture across the organisation.

As is evident in the Performance Report, the year continued to be operationally challenging, presenting significant risks to the organisation and our patients. Hospital handover delays continue to impact on the availability and responsiveness of ambulance resources across our communities. Patients and staff have endured excessive waits from arriving at hospital to being taken into the department. Not only is this a very poor patient and staff experience, it further increases clinical risks to our patients through being delayed to receive treatment and, sometimes, not receiving their basic nursing needs. Regrettably, this challenge generates further risk to the communities we serve. Whilst finite ambulance resources are unable to respond due to hospital handover delays, patients awaiting an emergency ambulance response are not receiving a timely service. This has resulted in multiple serious adverse incidents, resulting in actual harm and death of patients waiting in the community.

The Trust has a Clinical Audit Programme which contributes to improving the level of care delivered to patients. In 2020, the programme was put on hold due to the pandemic and was fully reinstated by mid-2021 as part of the recovery plan, and four audits were then completed by March 2022. Some of the factors that influence audit topics include the efficacy of treatment for specific conditions, new initiatives, pilot projects, and identifying themes and trends from adverse incidents. Recommendations and actions resulting from clinical audits are included on an action tracker, with progress of the programme and action tracker monitored by various groups and the QuEST committee.

The Clinical Audit and Effectiveness Team provides data for monthly clinical indicators that are reported on within the Trust and form part of the Ambulance Quality Indicators produced by the Emergency Ambulance Services



Committee. These indicators measure specific criteria to demonstrate the level of care delivered to patients, compliance to these is monitored and improvement plans developed as required. The indicators include stroke, STEMI (heart attack), hip fracture, hypoglycaemia (diabetes) and ROSC (return of spontaneous circulation from cardiac arrest). The implementation of the electronic Patient Clinical Record from November 2021 will provide the Trust with an opportunity to report on a wider range of data, combine time-based measures with clinical data and to link this data with the wider healthcare to look at outcomes.

The Trust continues to strive to raise quality and safety issues to the surface, ensuring Committee and Executive oversight of key issues and risks. Over 2021/22, the Board and Executive team have continued to elevate and inform system partners and stakeholders of the challenges across the urgency and emergency care system.

#### Information Governance Arrangements (Including Data Security)

The Trust operates a robust information governance framework and has a statutory responsibility to ensure that effective information governance controls and arrangements are in place, whilst remaining accountable for handling personal data during the COVID-19 public health emergency.

An Information Governance Steering Group is established and receives reports on information governance matters and developments. In addition, the Trust has an established suite of information governance and information security policies and procedures which continue to serve, inform, and guide the organisation to ensure compliance is met in practice. The QuEST Committee has oversight of information governance.

As part of the COVID-19 pandemic response, NHS Wales were issued with a Notice under Regulation 3(4) of the National Health Service (Control of Patient Information Regulations) 2002 (COPI) to require NHS Wales to share confidential patient information with organisations entitled to process this information under COPI for COVID-19 purposes. A number of data sharing agreements were implemented and these agreements will be subject to review on cessation of the COPI notice currently extended to 30 June 2022.

A Welsh Information Governance Toolkit annual self-assessment was submitted in 2021/22 and following the previous reporting year's submission, an Improvement Plan has been developed and is subject to ongoing monitoring by the Information Governance team and Information Governance Steering Group. However, as a result of the impact of COVID-19, progress on some areas of the improvement plan have been delayed, whilst focus has remained on ensuring current and planned projects within the Trust continue to meet compliance requirements. The Improvement Plan will be revised to include the 2021/22 annual submission results.

During the reporting period, the Trust received 'Substantial Assurance' following an Internal Audit of the Mobile Testing Units as part of a COVID-19 initiative, providing assurance to the Trust on the Information Governance arrangements in place.

The Trust uses the Datix System to capture data breaches via the incident module. Each reported data protection incident is reviewed and assessed in accordance with

the NHS Wales Breach Assessment Guidelines, and remedial actions taken where required. During the reporting period, a total number of four incidents were reported to the Information Commissioner's Office (ICO). Following notification, no further action was taken by the ICO.

### Corporate Governance Code Compliance

An assessment against the Corporate Governance in Central Government Departments: Code of Good Practice 2017, has been completed using the "Comply" or "Explain" approach. Whilst there is no requirement to comply with all elements of the Corporate Governance Code for Central Government Departments, an assessment was undertaken in March 2022 against the main principles as they relate to an NHS public sector organisation in Wales. The Trust is satisfied that it is complying with the main principles of, and is conducting its business in an open and transparent manner in line with, the Code. There were no reported/identified departures from the Corporate Governance Code during the year.

### **(f) Planning Arrangements**

In accordance with expectations from Welsh Government, the Trust submitted its 2022/25 Integrated Medium Term Plan (IMTP) on 31 March 2022 following its approval by the Board on 24 March 2022.

Further details on the Trust's IMTP and planning arrangements are set out in the Performance Report contained within this Annual Report.

### **(g) Disclosure Statements**

The Trust confirms that in accordance with the requirements of the Governance Statement:

- Control measures are in place to ensure that all the Trust's obligations under equality, diversity and human rights legislation are complied with. The Strategic Equality Plan 2020/2024 sets out the Trust's meaningful commitment to work with staff and volunteers to help them recognise, promote and celebrate equality, diversity and inclusion. It also outlines how the Trust will ensure the people who use ambulance services, including those with protected characteristics, have equal access and outcomes.
- 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.
- Whilst specific risk assessments and carbon reduction delivery plans were not developed in 2021/22 in relation to the impact of climate change on business continuity, the wider Trust's Decarbonisation Strategy is developed to ensure that the Trust's obligation under the Climate Change Act and the adaptation

reporting requirements are complied with. The implementation of this strategy is overseen by the Finance and Performance Committee.

- The Trust had no reported serious untoward incidents during 2021/22 in relation to data security.

### Quality of Data

Quality of data generated and utilised by the Trust's core service areas is considered a collective responsibility but overseen by the Digital Directorate. Through a mature data pipeline, robust processes, and expert-in-the-loop data checks, the Trust maintains a strong level of data quality throughout. Where information-related anomalies do occur, these are investigated collaboratively by a domain expert, informatics analyst, and our data quality lead.

On a monthly basis, the Trust reports key metrics of performance to Welsh Government in an Official Statistics Release. These submissions require thorough checks across all dimensions of data quality (namely: accuracy, completeness, consistency, validity, timeliness and uniqueness), both at the call / incident level and as aggregated to the higher-level views. This exercise can also involve investigation to data entries at the most granular level, whereby any issues in system, process or reporting can be identified and fixes proposed, demonstrating that data quality within the Trust takes on a full end-to-end approach.

Similarly, intelligence is offered to the Board through a variety of reports which first pass through appropriate committees at differing levels of granularity for review and discussion. This means any data presented to Board will have undergone several rounds of interrogation prior. In future it could be possible for this intelligence to be accompanied by individual data quality scores per metric or topic.

### Ministerial Directions

Ministerial Directions are published by Welsh Government as part of their health and social care publications and can be found [here](#). There were no Ministerial Directions imposed on the Trust during the period 1 April 2021 to 31 March 2022.

### Welsh Health Circulars

Welsh Health Circulars provide a streamlined, transparent and traceable method of communication between NHS Wales and NHS organisations. The Circulars relate to different areas such as policy, performance and delivery, planning, legislation, workforce, finance, quality and safety, governance, information technology, science, research, public health and letters to health professionals.

A number of Circulars were received during the year and these are assigned to a lead Director who is responsible for the implementation of required actions.

## **(h) Review of Effectiveness**

As Accountable Officer for the Trust, the Chief Executive has responsibility for reviewing the effectiveness of the system of internal control. The review of the system of internal control is informed by the work of the internal auditors, and the executive officers within the Trust who have responsibility for the development and maintenance of the internal control framework, and comments made by external auditors (Audit Wales) in their audit letter and other reports. All of which have effectively carried out their duties and responsibilities during 2021/22.

Standing Orders, Committee terms of reference, and the Governance Code require that Boards should routinely assess the effectiveness of their governance arrangements, of which the Board's Committees form an integral part. The Board reviewed its effectiveness during Board Development sessions in October 2021 with external facilitators, and by way of its compliance with the Governance Code.

Each Board Committee has undergone extensive effectiveness reviews in Quarter 4 of 2021/22 resulting in changes to terms of reference and membership to strengthen assurance and scrutiny to the Board.

The Chair's performance is evaluated annually by the Minister for Health and Social Services. Annual performance appraisal for the Vice Chair, Chief Executive and Non-Executive Directors is carried out by the Chair, and for the Executive Directors by the Chief Executive.

### Health Inspectorate Wales

Under the Joint Escalation and Intervention Arrangements, Health Inspectorate Wales meets with Welsh Government and Audit Wales twice a year to discuss the overall assessment of the Trust.

Two tripartite meetings were held in 2021/22 and on both occasions the escalation status of the Trust remained unchanged at 'routine arrangements'.

The most recent meeting in March 2022 noted concerns and issues to be addressed relating to handover and response time and the impact on patient experience; actions to address quality and governance measures; plans in place for capacity issues when the military exit in March 2022; and the ongoing relationship between management, the Trade Unions and staff.

### Internal Audit

Internal Audit provides the Accountable Officer and the Board, through the Audit Committee, with a flow of assurance on the system of internal control. The Accountable Officer commissioned a programme of audit work which was delivered in accordance with Public Sector Internal Audit standards by the NHS Wales Shared Services Partnership. The scope of this work is agreed with the Audit Committee and is focussed on significant risk areas and local improvement priorities.


The overall opinion by the Head of Internal Audit on governance, risk management and control is a function of this risk based audit programme and contributes to the

picture of assurance to the Board in reviewing effectiveness and supporting our drive for continuous improvement.

The programme has been impacted by the need to respond to the COVID-19 pandemic with some audits deferred, cancelled or curtailed as the organisation responded to the pandemic. The Head of Internal Audit is satisfied that there has been sufficient internal audit coverage during the reporting period in order to provide the Head of Internal Audit Annual Opinion. In forming the Opinion, the Head of Internal Audit has considered the impact of the audits that have not been fully completed.

The Trust develops an annual Internal Audit plan in conjunction with Internal Auditors. The plan is risk based which directs the reviews to areas where management and the Audit Committee considers there may be potential weaknesses. In this regard, the Trust expects to receive some limited assurance reports and these should not detract from the overall progress the Trust continues to make.

The Head of Internal Audit has concluded:

	<p>The Trust Board can take <b>reasonable assurance</b> that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to moderate impact on residual risk exposure until resolved.</p>
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This conclusion is consistent to the Reasonable Assurance Head of Internal Audit Opinion reported in the Trust's 2020/21 Governance Statement.

The 2021/22 reasonable assurance conclusion is derived from 21 Internal Audit reviews.

Internal Audit Assurance Conclusion	Number of Reports
No Assurance	0
Limited Assurance	2
Reasonable Assurance	16
Substantial Assurance	2
Advisory	1
<b>Total</b>	<b>21</b>

For the fifth consecutive year there has been no 'No Assurance' Internal Audit Reports of Trust business. Set out below are two reports that had a conclusion of Limited Assurance that were reported to Audit Committee during 2021/22.

### *NEPTS – Transfer of Operations*

The review by Internal Audit sought to provide assurance that the capturing, reporting and monitoring of benefits realised reflected those identified at the outset of the transfer project. The review concluded that many of the outset benefits may have been realised now that the transfer had been completed, but that the Trust needed to undertake an exercise to support and demonstrate this.

Three recommendations for action were identified, of which two were categorised as high priority (to complete the mapping exercise of the expected benefits; and to ensure documentation is maintained and that effective handover is provided to ensure that knowledge is not lost). A management action plan was agreed by Audit Committee in March 2022 and progress will be monitored by the Committee during 2022/23.

### *Waste Management*

The audit was undertaken to assess the Trust's compliance with relevant waste management legislation and guidance, and progress towards agreed national and local waste reduction targets.

Seven recommendations were identified, of which six were categorised as high priority; these are in relation to waste process documents, operational responsibility for clinical waste management at each site, compliance issues, clinical waste transfer arrangements and waste audits.

Copies of all Internal Audit reports and progress reports can be obtained in the Audit Committee papers section on the Trust's website. The full Head of Internal Audit Report 2021-22 can also be found via this link having been considered by Audit Committee at the 7 June 2022 meeting.

### External Audit – Audit Wales

The Auditor General for Wales is the Trust's statutory external auditor and since 1 April 2020 the Auditor General for Wales and the Wales Audit Office are known collectively as Audit Wales. Audit Wales scrutinises the Trust's financial systems and processes, performance management, key risk areas and the Internal Audit function.

Reports are produced by Audit Wales in line with an Audit Committee approved annual programme of work and include a management response by the Trust for reports which contain recommendations. All Audit Wales reports are considered by the Audit Committee and their recommendations are subsequently recorded in the Trust's audit recommendations tracker which is subsequently reported to each Audit Committee meeting to provide assurance on their implementation.

The key annual governance report on Trust matters produced by Audit Wales is the Structured Assessment. In 2021 the Audit Wales Structured Assessment work was designed in the context of the ongoing response to the COVID-19 pandemic and was undertaken in two phases:

- Phase 1: considered the planning arrangements underpinning the development and delivery of the Trust's operational plan for quarters three and four of 2020-21
- Phase 2: considered how corporate governance and financial management arrangements adapted over the year.

The Phase 1 report was considered and agreed by Audit Committee in June 2021. It concluded that the *“Trust has continued to adapt and refine its planning approach to respond to new requirements, the challenges of the COVID-19 pandemic and maintain oversight of its long-term ambitions. However, as a result of operational pressures some aspects of monitoring and reporting of plan progress were paused or altered during the year and there is scope to clarify these arrangements going forward”*.

The Phase 2 report key messages were that the *“Trust has continued to develop its corporate governance, planning and financial management arrangements in the context of significant service delivery pressures which are compromising the effectiveness and safety of emergency ambulance services and longer-term service transformation”*. The report added that *“the Trust continues to improve governance, risk management and quality and safety assurance arrangements, but it has yet to revise its performance management framework. It has good arrangements for developing plans. However, issues both within its control and otherwise mean services are under severe pressure presenting risks to patient safety and delivery of agreed plans for service transformation”*.

With regards to managing financial resources, the Phase 2 Structured Assessment stated that *“the Trust has succeeded in meeting its financial objectives for 2020/21 and continues to improve financial controls and there are good reporting arrangements in place. However, the Trust should continue to monitor and consider contingencies to prevent spending pressures or the non-reimbursement of additional COVID-19 related expenditure risking future objectives.”*

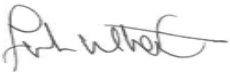
The Phase 2 Structured Assessment was considered and agreed by Audit Committee in December 2021 and whilst there were no formal recommendations in either the Phase 1 or Phase 2 Structured Assessments, progress on the issues set out above will be monitored and, where appropriate, reported to Audit Committee during 2022/23.

## **(i) Conclusion**

As indicated throughout this statement, the need to plan and respond to COVID-19 has had a significant impact on the organisation, wider NHS and society as a whole. It has required a dynamic response which has presented a number of opportunities in addition to risks. The need to respond and recover from the pandemic will be with the organisation and wider society throughout 2021/22 and beyond. I will ensure our Governance Framework considers and responds to this need.

As Accountable Officer for the Welsh Ambulance Services NHS Trust, I confirm that the statements made in this report are correct for the year ended 31 March 2022 and up to the date of approval of the Annual Report and Accounts, that there have been

no significant internal or governance issues and I confirm that there were sound systems of internal control in place to support the delivery of the Trust's policy aims and objectives.



Chief Executive:  
Jason Killens

Date: 13 June 2022



## (j) Governance Statement Appendices

### Appendix 1 - Board and Committee Membership and Attendance

The Board has been constituted to comply with the National Health Service (Wales) Act 2006 and the National Health Service Trusts (Membership and Procedure) Regulations 1990 (SI 1990 No. 2024). In addition to responsibilities and accountabilities set out in terms and conditions of appointment, Board members also fulfil a number of champion roles where they act as ambassadors for these matters.

The table below sets out the number of meetings that each Board member has attended during 2021/22 (Committee attendance figures as recorded in Committee Highlight Reports presented to Trust Board).

Name	Position	Board and Committee Record of Attendance (Actual Attendance of Total Held Meetings)	Champion Roles
Martin Woodford	Trust Board Chair	Trust Board (Public): 7 of 7 Trust Board (Closed): 7 of 7 Remuneration Committee: 7 of 7	Governance and risk.
Kevin Davies	Vice Chair	Trust Board (Public): 7 of 7 Trust Board (Closed): 6 of 7 Academic Partnership Committee: 4 of 4 Charitable Funds Committee: 4 of 5 People and Culture Committee: 2 of 4 Quality, Patient Experience & Safety Committee: 4 of 4 Remuneration Committee: 3 of 7	Operational delivery Academic partnerships Armed forces and veterans Mental health Research.
Emrys Davies	Non-Executive Director	Trust Board (Public): 7 of 7 Trust Board (Closed): 7 of 7 Audit Committee: 4 of 4 Charitable Funds Committee: 5 of 5 Finance and Performance Committee: 6 of 6 Quality, Patient Experience & Safety Committee: 4 of 4	Welsh Language
Bethan Evans	Non-Executive Director	Trust Board (Public): 7 of 7 Trust Board (Closed): 7 of 7 Charitable Funds Committee: 5 of 5 Finance and Performance Committee: 6 of 6 People and Culture Committee: 4 of 4 Quality, Patient Experience & Safety Committee: 4 of 4	Quality, safety and patient experience
Paul Hollard	Non-Executive Director	Trust Board (Public): 7 of 7 Trust Board (Closed): 7 of 7 Academic Partnership Committee: 4 of 4 Audit Committee: 4 of 4 People and Culture Committee: 4 of 4 Quality, Patient Experience & Safety Committee: 4 of 4	Workforce and organisational development Trade union relationships Children and young people Older persons Raising concerns (staff).
Ceri Jackson	Non-Executive Director	Trust Board (Public): 7 of 7 Trust Board (Closed): 6 of 7 Charitable Funds Committee: 5 of 5 Finance and Performance Committee: 5 of 6 Quality, Patient Experience & Safety Committee: 3 of 4	Digital and transformation Partnerships and engagement Charitable fundraising
Joga Singh	Non-Executive Director	Trust Board (Public): 3 of 7 Trust Board (Closed): 2 of 7 Charitable Funds Committee: 5 of 5 Finance and Performance Committee: 5 of 6 Quality, Patient Experience & Safety Committee: 3 of 4 Remuneration Committee: 4 of 7	Environment and sustainability Resources and value for money.
Martin Turner	Non-Executive Director	Trust Board (Public): 7 of 7 Trust Board (Closed): 5 of 7 Academic Partnership Committee: 2 of 4 Audit Committee: 4 of 4 Remuneration Committee: 4 of 7	Strategy development Governance and risk
Voting Executive Directors			

Name	Position	Board and Committee Record of Attendance (Actual Attendance of Total Held Meetings)	Champion Roles
Jason Killens	Chief Executive	Trust Board (Public): 7 of 7 Trust Board (Closed): 7 of 7 Remuneration Committee: 5 of 7	
Brendan Lloyd	Executive Medical Director	Trust Board (Public): 7 of 7 Trust Board (Closed): 7 of 7 Quality, Patient Experience & Safety Committee: 2 of 4	
Chris Turley	Executive Director Finance and Corporate Resources	Trust Board (Public): 7 of 7 Trust Board (Closed): 7 of 7 Audit Committee: 4 of 4 Charitable Funds Committee: 5 of 5 Finance and Performance Committee: 6 of 6	Fire safety.
Claire Roche (to 4/3/22)	Executive Director Quality and Nursing	Trust Board (Public): 6 of 6 Trust Board (Closed): 4 of 5 Quality, Patient Experience & Safety Committee: 4 of 4	Caldicott guardian Children and young people Putting things right (and patient safety).
Wendy Herbert (from 7/3/22)	Executive Director Quality and Nursing	Trust Board (Public): 1 of 1 Trust Board (Closed): 2 of 2	Caldicott guardian Children and young people Putting things right (and patient safety).
Claire Vaughan	Executive Director Workforce and OD	Trust Board (Public): 6 of 7 Trust Board (Closed): 4 of 7 Academic Partnership Committee: 1 of 4 Charitable Funds Committee: 3 of 5 People and Culture Committee: 4 of 4 Remuneration Committee: 5 of 7	Violence and aggression.
Non-Voting Executive Directors			
Lee Brooks	Director of Operations	Trust Board (Public): 5 of 7 Trust Board (Closed): 4 of 7 Audit Committee: 1 of 4 Finance and Performance Committee: 5 of 6 People and Culture Committee: 4 of 4 Quality, Patient Experience & Safety Committee: 2 of 4	Emergency planning.
Andy Haywood	Digital Director	Trust Board (Public): 6 of 7 Trust Board (Closed): 6 of 7	
Estelle Hitchon	Director of Partnerships and Engagement	Trust Board (Public): 7 of 7 Trust Board (Closed): 6 of 7 Academic Partnership Committee: 4 of 4 People and Culture Committee: 4 of 4	
Rachel Marsh	Director of Strategy, Planning and Performance	Trust Board (Public): 6 of 7 Trust Board (Closed): 7 of 7 Finance and Performance Committee: 6 of 6	
Andy Swinburn	Director of Paramedicine	Trust Board (Public): 7 of 7 Trust Board (Closed): 6 of 7	
Board Secretary			
Keith Cox (to 1/8/21)	Board Secretary	Trust Board (Public): 3 of 3 Trust Board (Closed): 1 of 1 Academic Partnership Committee: 1 of 1 Audit Committee: 1 of 1 Charitable Funds Committee: 1 of 1 People and Culture: 1 of 1 Remuneration Committee: 1 of 1	Welsh language
Trish Mills (from 2/8/21)	Board Secretary	Trust Board (Public): 4 of 4 Trust Board (Closed): 6 of 6 Academic Partnership Committee: 3 of 3 Audit Committee: 3 of 3 Charitable Funds Committee: 4 of 4 Finance and Performance Committee: 4 of 4 People and Culture Committee: 3 of 3 Quality, Patient Experience & Safety Committee: 3 of 3 Remuneration Committee: 6 of 6	Welsh language.

## Appendix 2 - Board and Committee Meeting Dates

The following Table sets out the dates of all Board and Committee meetings held in 2021/22. All Trust Board and Board Committee meetings in 2021/22 were quorate.

Meeting Title	Meeting Dates 2021-22
Trust Board (Public)	27/5/21, 10/6/21, 29/7/21, 30/9/21, 25/11/21, 27/1/22, 24/3/22.
Trust Board (Closed)	21/5/21, 30/9/21, 25/11/21, 16/12/21, 27/1/22, 25/2/22, 24/3/22.
Academic Partnership Committee	27/4/21, 21/9/21, 9/12/21, 8/3/21
Audit Committee	3/6/21, 16/9/21, 2/12/21, 3/3/22
Charitable Funds Committee	3/6/21, 26/8/21, 4/11/21, 17/1/22, 10/2/22.
Finance and Performance Committee	13/5/21, 22/7/21, 23/9/21, 18/11/21, 20/1/22, 17/3/22,
People and Culture Committee	11/5/21, 7/9/21, 30/11/21, 22/2/22.
Quality, Patient Experience & Safety Committee	7/5/21, 9/9/21, 16/11/21, 17/2/22.
Remuneration Committee	10/6/21, 25/8/21, 7/10/21, 21/10/21, 7/12/21, 7/3/22, 21/3/22.

## **2.2 Modern Slavery Act 2015 – Transparency in Supply Chains**

The Trust has signed up to and is fully committed to the Welsh Government Code of Practice Ethical Employment in Supply Chains. This has been established by the Welsh Government to support the development of more ethical supply chains to deliver contracts for the Welsh public sector and third sector organisations in receipt of public funds. The procurement function is a key area for ethical employment in supply chains. This is run by NHS Wales Shared Services Partnership (NWSSP) and is a Committee of Velindre University NHS Trust. More information can be found on the work done on the Health Board's behalf by NWSSP on the Shared Services Partnership website

## 2.3 Remuneration and Staff Report

The Remuneration and Staff Report contains information about senior manager's remuneration. It will detail salaries and other payments, the Trust's policy on senior managers remuneration and whether there were any exit payments or other significant awards to current or former senior managers.

The definition of senior managers is: 'those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS body. This means those who influence the decisions of the entity as a whole rather than the decisions of individual directorates or departments'.

For the Trust, the senior managers are considered to be the Boards members, i.e., the Executive and Non-Executive Directors including the Chair and Chief Executive; five further (non-voting) Directors, and the Board Secretary.

In addition to presenting data on senior managers' remuneration, the Remuneration and Staff Report sets out the membership of the Trust's Remuneration Committee, and staff information with regards to numbers, composition and sickness absence, together with expenditure on consultancy and off payroll expenditure.

### Membership of the Remuneration Committee

Details of the members of the Remuneration Committee are shown in the Governance Statement.

### Statement of Policy on the Remuneration of Senior Managers

All senior managers pay and terms and conditions of service have been, and will be, determined by the Remuneration Committee within the framework set by the Welsh Government. Performance of senior managers is assessed against personal objectives and the overall performance of the Trust. The process sets objectives for the year and assesses individual performance against the objectives. The Trust does not make performance or other related bonus payments.

In keeping with the Welsh Government directive on pay for senior managers in NHS Wales, a 3% consolidated pay uplift was applied for employees from 1 April 2021. Whilst this uplift had been applied to all pay scales for individuals holding executive and senior posts, some senior staff of the Trust are on individually negotiated spot rates and where these staff were in post before 1 April 2021, the 3% pay uplift was also applied.

### Policy on Duration of Contracts and Notice Periods

The Trust utilises permanent and fixed term contracts of employment as well as secondment opportunities.

The Chair and other Non-Executive Directors can be appointed up to four year terms, which may be extended to a maximum of eight years in total. Senior managers are appointed to permanent contracts in line with Welsh Government

guidance and are required to give three months' notice of termination of employment.

For other staff on the Trust, the contractual notice employees are required to give to the Trust and which employees are entitled to receive, is as follows: Bands 1-6 = 4 weeks; Bands 7 = 8 weeks; Bands 8 & 9 = 12 weeks

The notice provisions for Pay Bands 1-7 outlined above are the normal notice periods of notice. However, these provisions do not override the statutory notice requirements the Trust is required to provide employees. According to length of service employees may be entitled to a greater period of notice and receive 1 weeks' notice for each completed year of service up to and including a maximum of 12 weeks' notice after 12 years of continuous employment.

This refers to the notice periods employees must give; however, this does not preclude individuals requesting an earlier release from their post. This does not affect the right of either party to terminate the contract without notice by reason of the conduct of the other party. The Trust may, depending on circumstances, pay salary in lieu of notice.

#### Senior Manager Contracts and Awards

Details of senior manager contracts are shown in the tables below. There was no payment for early termination to senior managers' contracts during 2021/22.

#### Remuneration Relationship

Details of the Trust's remuneration relationship are set out in Note 10.6 of the 2021/22 Annual Accounts.

#### Senior Managers in Post 2021/22

Name	Position Title	Assignment Category	Start Date in Position	Fixed Term End Date
Martin Woodford	Non-Executive Director/ Trust Chair	Fixed Term	7 April 2014	31 September 2022
Emrys Davies	Non-Executive Director	Fixed Term	1 April 2014	31 March 2022
Kevin Davies	Non-Executive Director/ Trust Vice Chair	Fixed Term	5 January 2015	31 December 2022
Bethan Evans	Non-Executive Director	Fixed Term	6 December 2019	5 December 2022
Paul Hollard	Non-Executive Director	Fixed Term	1 April 2016	31 March 2024
Ceri Jackson	Non-Executive Director	Fixed Term	1 April 2021	31 March 2026
Joga Singh	Non-Executive Director	Fixed Term	9 December 2019	8 December 2025
Martin Turner	Non-Executive Director	Fixed Term	13 December 2019	12 December 2023
Jason Killens	Chief Executive Officer	Permanent	Prior to 1 April 2021	Not Applicable
Wendy Herbert	Executive Director	Permanent	7 March 2022	Not Applicable

Name	Position Title	Assignment Category	Start Date in Position	Fixed Term End Date
Brendan Lloyd	Executive Director	Permanent	Prior to 1 April 2021	Not Applicable
Claire Roche	Executive Director	Permanent	Prior to 1 April 2021	Not Applicable
Christopher Turley	Executive Director	Permanent	Prior to 1 April 2021	Not Applicable
Claire Vaughan	Executive Director	Permanent	Prior to 1 April 2021	Not Applicable
Lee Brooks	Director	Permanent	Prior to 1 April 2021	Not Applicable
Keith Cox	Board Secretary	Permanent	Prior to 1 April 2021	Not Applicable
Andy Haywood	Director	Permanent	Prior to 1 April 2021	Not Applicable
Estelle Hitchon	Director	Permanent	Prior to 1 April 2021	Not Applicable
Rachel Marsh	Director	Permanent	Prior to 1 April 2021	Not Applicable
Trish Mills	Board Secretary	Permanent	2 August 2021	Not Applicable
Andy Swinburn	Director	Permanent	1 December 2021	Not Applicable

Further details of the contract arrangements of the Trust's senior managers in 2021/22 can be found in the Remuneration Table (and Notes) set out later in this Remuneration and Staff Report.

#### Senior Managers seconded from the Trust during 2021/22

Name	Position Title	Assignment Category	Start Date in Position	Secondment Date
Hannah Evans (Note 1)	Director	Permanent	Prior to 1 April 2021	6 August 2018

#### Senior Managers who left the Trust during 2021/22

Name	Position Title	Assignment Category	Start Date in Position	Leaving Date
Keith Cox	Board Secretary	Permanent	Prior to 1 April 2021	1 August 2021
Hannah Evans (Note 1)	Director	Permanent	Prior to 1 April 2021	16 July 2021
Claire Roche	Executive Director	Permanent	Prior to 1 April 2021	4 March 2022

Note 1: Hannah Evans initially left the Trust on external secondment to Swansea Bay University Health Board on 6 August 2018 and subsequently left the Trust's staffing establishment on 16 July 2021 for employment with Cardiff and Vale University Health Board.

## Hutton Report Information

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director/employee in their organisation and the 25th percentile, median and 75th percentile remuneration of the organisation's workforce. The 2021/22 financial year is the first year disclosures in respect of the 25th percentile pay ratio and 75th percentile pay ratio are required.

	2021-22	2021-22	2021-22		2020-21	2020-21	2020-21
	£0	£0	£0		£0	£0	£0
	Chief Executive	Employee	Ratio		Chief Executive	Employee	Ratio
<b>Total pay and benefits</b>							
25th percentile pay ratio	162,500	24,565	6.62:1		167,500	22,945	7.3:1
Median pay	162,500	31,805	5.11:1		167,500	30,523	5.49:1
75th percentile pay ratio	162,500	44,814	3.63:1		167,500	42,287	3.96:1
<b>Salary component of total pay and benefits</b>							
25th percentile pay ratio	167,500	21,777	7.69:1		167,500	21,142	7.92:1
Median pay	167,500	24,882	6.73:1		167,500	24,157	6.93:1
75th percentile pay ratio	167,500	39,027	4.29:1		167,500	33,779	4.96:1
	Highest Paid Director*	Employee	Ratio		Highest Paid Director*	Employee	Ratio
<b>Total pay and benefits</b>							
25th percentile pay ratio	162,500	24,565	6.62:1		167,500	22,945	7.3:1
Median pay	162,500	31,805	5.11:1		167,500	30,523	5.49:1
75th percentile pay ratio	162,500	44,814	3.63:1		167,500	42,287	3.96:1
<b>Salary component of total pay and benefits</b>							
25th percentile pay ratio	167,500	21,777	7.69:1		167,500	21,142	7.92:1
Median pay	167,500	24,882	6.73:1		167,500	24,157	6.93:1
75th percentile pay ratio	167,500	39,027	4.29:1		167,500	33,779	4.96:1

In 2021/22, 0 (2020/2021, 0) employees received remuneration in excess of the highest-paid director.

Remuneration for all staff ranged from £18,576 to £167,500 (2020/21 £18,185 to £167,500). The all staff range includes directors (including the highest paid) and excludes pension benefits of all employees.

\*In terms of these disclosures, the Chief Executive is also the highest paid director.

Financial year summary: NHS and social care financial recognition scheme bonus of £735 payment to reward eligible NHS staff has not been included in the NHS Remuneration Report calculations. This bonus payment is not a contractual payment, but a one off payment to reward eligible staff for their commitment and tireless efforts in the most challenging circumstances.

The total pay and benefits figure for the Chief Executive/Highest Paid Director is lower than the salary component due to a salary sacrifice scheme.

Following the change of presentation of the disclosure note, a new methodology has been implemented resulting in a different report having to be utilised, this has resulted in the median pay for 2020/21 increasing by £1,510 from the figure disclosed in the 2020/21 accounts. The reason behind this increase is that the new report takes their gross salary as at 31 March 2022 whereas the previous report calculated their cumulative gross pay.



<b>Percentage Changes</b>	<b>2020-21</b>		<b>2019-20</b>
	<b>to</b>		<b>to</b>
	<b>2021-22</b>		<b>2020-21</b>
% Change from previous financial year in respect of Chief Executive	<b>%</b>		<b>%</b>
Salary and allowances	<b>-3.0</b>		<b>3.1</b>
Performance pay and bonuses	<b>0</b>		<b>0</b>
% Change from previous financial year in respect of highest paid director*			
Salary and allowances	<b>-3.0</b>		<b>3.1</b>
Performance pay and bonuses	<b>0</b>		<b>0</b>
Average % Change from previous financial year in respect of employees taken as a whole			
Salary and allowances	<b>3.6</b>		<b>4.7</b>
Performance pay and bonuses	<b>0</b>		<b>0</b>

Salary and Pension entitlements of senior managers											
A) Remuneration											
Name and Title	2021-22					2020-21					
	Salary	Bonus Payments	Benefits in Kind	Pension benefits	Total	Salary	Bonus Payments	Benefits in Kind	Pension benefits	Total	
	(bands of £5000)	(bands of £5000)	Rounded to the nearest £100	Rounded to the nearest £1000	(bands of £5000)	(bands of £5000)	(bands of £5000) (Note 14)	Rounded to the nearest £100	Rounded to the nearest £1000	(bands of £5000)	
Martin Woodford (Chairman)	40-45				40-45	40-45				40-45	
Kevin Davies (Non Executive Director / Vice Chairman)	15-20				15-20	15-20				15-20	
Pamela J Hall (Non Executive Director) (Note 1)						5-10				5-10	
Emrys Davies (Non Executive Director)	5-10				5-10	5-10				5-10	
Paul Hollard (Non Executive Director)	5-10				5-10	5-10				5-10	
Martin Turner (Non Executive Director)	5-10				5-10	5-10				5-10	
Anoop Joga Singh (Non Executive Director)	5-10				5-10	5-10				5-10	
Bethan Evans (Non Executive Director)	5-10				5-10	5-10				5-10	
Ceri Jackson (Non Executive Director) (Note 2)	5-10				5-10						
Jason Killens (Chief Executive) (Note 3)	160-165		600	35	195-200	160-165	0-5	4,600	41	210-215	
Christopher Turley (Executive Director of Finance & Corporate Resources) (Note 4)	105-110		-	10	115-120	110-115	0-5	2,500	57	170-175	
Dr Brendan Lloyd (Executive Medical Director) (Note 5)	135-140		-		135-140	155-160	0-5	2,100		160-165	
Claire Vaughan (Executive Director of Workforce & OD)	95-100		-	36	135-140	95-100	0-5	-	26	120-125	
Claire Roche (Executive Director of Quality and Nursing) (Note 6)	100-105		1,800	54	155-160	105-110	0-5	2,300	214	325-330	
Gail Wendy Herbert (Interim Director of Quality and Nursing) (Note 7)	5-10		-	6	10-15						
Estelle Hitchon (Director of Partnership & Engagement) (Note 8)	95-100		-		95-100	90-95	0-5	-	11	100-105	
Rachel Marsh (Director of Strategy Performance & Planning) (Note 9)	100-105		-	46	150-155	100-105	0-5	-	52	155-160	
Lee Brooks (Director of Operations) (Note 10)	115-120		4,200	27	145-150	115-120	0-5	4,200	27	150-155	
Andrew Haywood (Director of Digital Services)	110-115		-	28	135-140	105-110	0-5	-	26	130-135	
Andrew Swinburn (Director of Paramedicine) (Note 11)	100-105		400	84	185-190	90-95	0-5	7,700	21	120-125	
Patricia Mills (Board Secretary) (Note 12)	60-65		-	14	75-80						
Keith Cox (Board Secretary) (Note 13)	40-45		-	0	40-45	90-95	0-5	-		90-95	
Note 1 - Pamela J Hall retired on 31st December 2020											
Note 2 - Ceri Jackson joined the Trust as Non Executive Director on 1st April 2021											
Note 3 - Jason Killens' salary excludes £4,785 sacrificed in respect of NHS Fleet Solutions. 2020-21 salary included an accrual of £3,093 for annual leave sold prior to 31st March 2021											
Note 4 - Christopher Turley's salary includes £3,112 in terms of annual leave sold and excludes £10,612 sacrificed in respect of NHS Fleet Solutions. 2020-21 salary included an accrual of £3,022 for annual leave sold prior to 31st March 2021 and excluded £5,306 sacrificed in respect of NHS Fleet Solutions											
Note 5 - Brendan Lloyd's tenure as Interim Deputy Chief Executive ended on 31st December 2021. Brendan retired on 31st December 2021, returning on 1st January 2022 to the role of Executive Medical Director on a 0.5 FTE basis. Salary full year equivalent is 75-80 (bands of £5000). 2020-21 salary included an accrual of £4,173 for annual leave sold prior to 31st March 2021											
Note 6 - Claire Roche left the Trust on 4th March 2022. 2020-21 salary included an accrual of £2,056 for annual leave sold prior to 31st March 2021											
Note 7 - Gail Wendy Herbert was appointed Interim Director of Quality and Nursing from 7th March 2022. Salary full year equivalent is 110-115 (bands of £5000)											
Note 8 - Estelle Hitchon chose to leave the pension scheme on 31st October 2020. Salary includes £2,005 in terms of annual leave sold											
Note 9 - Rachel Marsh's 2020-21 salary included an accrual of £3,124 for annual leave sold prior to 31st March 2021											
Note 10 - Lee Brooks' 2020-21 salary included £4,008 paid in terms of annual leave sold and an accrual of £3,012 for annual leave sold prior to 31st March 2021											
Note 11 - Andrew Swinburn was appointed Director of Paramedicine on 1st December 2021. Salary full year equivalent is 110-115 (bands of £5000). Salary includes £3,811 paid in terms of annual leave sold. 2020-21 salary included £673 paid in terms of annual leave sold											
Note 12 - Patricia Mills joined the Trust as Board Secretary on 2nd August 2021. Salary full year equivalent is 90-95 (bands of £5000)											
Note 13 - Keith Cox retired on 1st August 2021											
Note 14 - The one off non-consolidated non-pensionable bonus payment of £735 gross, payable to all directly employed NHS staff with at least one month's continuous service in the NHS in Wales between 17 March 2020 and 28 February 2021. The payment does not apply to Board Chairs and Non-Executive Directors											

B) Pension Benefits								
Name and title	Real increase in pension at age 60 (bands of £2,500)	Real increase in Lump sum at aged 60 related to real increase in pension (bands of £2,500)	Total accrued pension at age 60 at 31 March 2022 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2022 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2022	Cash Equivalent Transfer Value at 31 March 2021	Real increase in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Jason Killens (Chief Executive)	0-2.5	-2.5-0	50-55	115-120	859	805	27	33
Christopher Turley (Executive Director of Finance & Corporate Resources)	0-2.5	-2.5-0	45-50	100-105	863	829	15	22
Dr Brendan Lloyd (Medical Director / Interim Deputy Chief Executive) *	-35--32.5	-100--97.5	-	0	-	-	17	25
Claire Vaughan (Executive Director of Workforce & OD)	0-2.5	0-2.5	25-30	45-50	474	430	28	21
Estelle Hitchon (Director of Partnership & Engagement) **	-32.5--30	-65--62.5	0	0	-	557	559	-
Claire Roche (Executive Director of Quality and Nursing)	2.5-5	2.5-5	40-45	110-115	890	810	56	21
Gail Wendy Herbert (Interim Executive Director of Quality and Nursing)	0-2.5	0-2.5	35-40	95-100	759	663	5	1
Rachel Marsh (Director of Strategy Performance & Planning)	2.5-5	0-2.5	45-50	60-65	736	676	43	21
Lee Brooks (Director of Operations)	0-2.5	0	30-35	0	354	323	12	24
Andrew Haywood (Director of Digital Services)	0-2.5	0	5-10	0	78	56	7	23
Andrew Swinburn (Director of Paramedicine)	2.5-5	7.5-10	35-40	85-90	726	632	77	20
Patricia Mills (Board Secretary)	0-2.5	0	0-5	0	39	16	7	12
Keith Cox (Board Secretary) ***	0	0	0	0	-	-	-	-
*Dr Brendan Lloyd re-joined the pension scheme from 1st September 2020 and left the scheme on 31st December 2021								
** Estelle Hitchon chose to leave the pension scheme on 31st October 2020								
***Keith Cox chose not to be covered by the NHS pension arrangements in the prior year, as well as the current reporting year until retirement on 1st August 2021								

## Staff Numbers

An analysis of staff numbers by category during 2021/22 are set out below. The figures relate to the average number of employees under contract of service in each month of the financial year, divided by 12 (and rounded to nearest WTE). These figures have been calculated to include inward secondments and agency staff and to reconcile with the financial accounts.

Category	2021/22	2020/21*
Additional Clinical Services	2,064	1,755
Additional Professional, Scientific & Technical	2	1
Administrative, Clerical and Board Members	581	558
Allied Health Professionals	1,052	1,106
Estates & Ancillary	62	62
Medical & Dental	1	1
Nursing and Midwifery	207	170
<b>Total</b>	<b>3,969</b>	<b>3,653</b>

\*Note: The 2020/21 figures have similarly been re-calculated to include inward secondments and agency staff to reconcile with the 2020/21 financial accounts.

## Staff Composition

An analysis of the number of persons of each sex who are senior managers of the Trust (i.e., Non-Executive Directors, Executive Directors, Directors, Board Secretary) as at 31 March 2022 are set out below (excludes secondees out of the Trust). This compares to a Trust wide staff composition of 49% female, 51% male.

Gender	Headcount	%
Female	7	37
Male	12	63
<b>Total</b>	<b>19</b>	<b>100</b>

### Sickness Absence Data

	2021/22	2020/21
Days lost (long term)	100,910.74	65,017.51
Days lost (short term)	50,050.55	31,864.22
<b>Total days lost</b>	<b>150,961.30</b>	<b>96,881.73</b>
Total staff years	329.20	302.85
Average working days lost	23.96	16.79
Total staff employed in period (headcount)	4,231	3,907
Total staff employed in period with no absence (headcount)	1,035	1,496
<b>Percentage staff with no sick leave</b>	<b>24.04%</b>	<b>36.61%</b>

Note 1: The percentage and total number of staff without absence in the year has been sourced from the standard Electronic Staff Record (ESR) Business Intelligence (BI) report. With regard to the reporting in relation to the percentage of staff with 'no sickness', the standard BI report excludes new entrants and also bank and locum assignments. Therefore, the number of staff who have had a whole year with no sickness absence is being divided into a smaller number than the total headcount at the end of the year.

Note 2: "Total staff employed in period with no absence (headcount)" is purely sickness absence and does not include those isolating/shielding due to COVID-19.

The Trust continues to performance manage absence robustly and has implemented a number of actions in 2021/2022. These include:

- A project plan for improving attendance has been developed and rollout has started. The plan has seven work streams to deliver, including additional coaching and development for managers to support their teams more effectively;
- Sickness audits;
- Pilot to report sickness absence to line managers rather than Resourcing;
- Quarterly checks of GRS and ESR data were undertaken to ensure consistency across both systems;
- Regular meetings continued to take place to manage sickness absence within the Trust in all regions across Wales;
- Regular case reviews were undertaken across EMS to discuss complex sickness cases and alternative duties arrangements;
- Face to face fortnightly drop in workshops for anxiety, trauma, wellbeing and mental health awareness are being held in 111NHSDW and Clinical Contact Centre sites across the Trust;

- Staff continue to utilise and engage with the Employee Assistance Programme and the Thrive App. Other wellbeing offers such as Silvercloud and Health for Health Professionals are also offered for psychological support;
- Occupational Health and Wellbeing provided ad hoc support to managers and colleagues where colleagues had suffered the bereavement of a colleague;
- Occupational Health continued to monitor Datix for musculo-skeletal incidents to inform staff of the Trust's fast track physiotherapy service, which has continued to see a rise in staff access;
- The 'road to recovery' support group meet weekly with a range of invited speakers to offer support to staff who are currently unwell due to long COVID;
- A fortnightly women's health group (previously menopause café) is held virtually to give information and offer a safe area of peer support to women within the Trust. Speakers in 2021 included the Endometriosis Society, dermatologists, nutritionists and a sleep expert;
- Investment in occupational health and wellbeing in 2021 has allowed an increase in the wellbeing and nursing contingent in North Wales, thus increasing access to face to face services and expansion of the service in this area; and
- Health promotion activities have expanded with regular internal communication campaigns, and the occupational health and wellbeing van visits accident and emergency departments in South Wales weekly offering TRiM and wellbeing support as well as supporting health campaigns for staff.

#### Staff Policies Applied During the Year

The Trust has a policy framework in place which covers policies, procedures and processes and how these should be introduced, amended, replaced and approved. These policies address all matters relating to the Trust and cover such issues as employment, health and safety and infection control. The Trust has policies on recruitment and selection, training and flexible working and a treating people fairly strategy. All these are designed to ensure that equality and diversity issues are fully considered in the recruitment, selection and employment of staff. Staff can access these policy documents through the Trust's Intranet.

#### Other Employee Matters

During 2021/2022 the Trust launched an Ally Programme to help create a more inclusive, compassionate and culturally responsible workforce in line with the organisation's Strategic Equality Objectives. The programme encompasses allyship to all underrepresented groups and communities and promotes self-guided learning, reflective practice, and courageous dialogue. 93% of staff have completed the Trust's mandatory equality and human rights training, called 'Treat Me Fairly'.

The Trust has continued to support working carers and is an active member of Carers UK's business forum, Employers for Carers. Our membership includes access to [efcdigital.org](https://efcdigital.org) which offers a range of resources that can help us support our staff who juggle work and caring responsibilities. Further, the Trust has an established Flexible Working Policy to help create a more flexible workplace to enable the recruitment and retention of staff and to facilitate a healthy work-life

balance that is essential to the health and wellbeing of our workforce. We have supported and celebrated numerous days and events, such as International Women's Day, Black History Month as well as LGBT History Month and more.

In January 2022 we appointed a Head of Inclusion and Engagement with a focus on leading the Equality, Diversity and Inclusion agenda in line with Intermediate Medium Term Plan deliverables.

During 2021/22 the Trust Board undertook a development session on the Socio-Economic Duty which prompted a review of the Equality Impact Assessment (EqIA) template to incorporate the duty and for this to become an equality and health impact assessment. A small task and finish group is being established to take this work forward in 2022/23.

As part of our wider equality, diversity and inclusion work, we have continued to provide employment information to inform national strategies, such as nurse staffing forecasts and information to inform the national mental health workforce plan for Wales.

#### Expenditure on Consultancy

Expenditure during 2021/22 in respect of consultancy costs was £0.878m (2020/21 £0.434m) across the following areas:

	£
Finance	3,450
Human Resources, Training and Education	88,761
IT/IS	22,004
Legal Services	30
Marketing and Communication	24,900
Organisation and Change Management	537,194
Programme and Project Management	26,864
Property and Construction	73,937
Strategy	99,974
Technical	648
<b>Total</b>	<b>877,762</b>

#### Off-Payroll Engagements

The Trust has a nil return in 2021/22 for off-payroll engagements. This is consistent to that reported in 2020/21.

### Exit Packages

The Trust has a cost of £0.292m in 2021/22 for six staff exit packages. This compares to a return of £0.306m in 2020/21. Exit packages are described in Note 10.5 within the financial statements.



## 2.4 Parliamentary Accountability and Audit Report

The Parliamentary Accountability and Audit Report provides information on such matters as regularity of expenditure, fees and charges, and the audit certificate and report.

### Regularity of expenditure

The Trust is required to ensure regularity of its income and expenditure. Sufficient evidence of the assurance of this has been provided as part of the audit of the accounts process and the audit certificate for the accounts concludes that in all material respects, the expenditure and income in the financial statements have been applied to the purposes intended by Welsh Parliament and that the financial transactions recorded in the financial statements conform to the authorities which govern them. The Trust confirms its expenditure for the year is regular.

### Fees and charges

The Trust is required by Welsh Government to ensure that the full cost of providing commercial services is passed on in its fees and charges and confirms that proper controls were in place in 2021/22 over how, when and at what level charges were levied. The Trust confirms its fees and charges are in accordance with Welsh Government requirements.

### Material remote contingent liabilities

The Trust has no material remote contingent liabilities within its 2021/22 accounts. This is consistent to that reported in 2020/21.

### Audit certificate and report

The certificate and report of the Auditor General to the Welsh Parliament is attached on the following pages.

## **The Certificate and independent auditor's report of the Auditor General for Wales to the Senedd**

### **Opinion on financial statements**

I certify that I have audited the financial statements of the Welsh Ambulance Services NHS Trust for the year ended 31 March 2022 under Section 61 of the Public Audit (Wales) Act 2004. These comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Cash Flow Statement and the Statement of Changes in Taxpayers' Equity and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual.

In my opinion the financial statements:

- give a true and fair view of the state of affairs of the Welsh Ambulance Services NHS Trust as at 31 March 2022 and of its surplus for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual; and
- have been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

### **Opinion on regularity**

In my opinion, in all material respects, the expenditure and income in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

### **Basis of opinions**

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the trust in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

### **Conclusions relating to going concern**

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of

accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **Other Information**

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Chief Executive is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

## **Report on other requirements**

### **Opinion on other matters**

In my opinion, the part of the remuneration report to be audited has been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

In my opinion, based on the work undertaken in the course of my audit:

- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and Governance Statement has been prepared in accordance with Welsh Ministers' guidance;
- the information given in the Foreword, Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Foreword, Performance Report and Accountability Report has been prepared in accordance with Welsh Ministers' guidance.

### **Matters on which I report by exception**

In the light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, I have not identified material misstatements in the Foreword, Performance Report, Accountability Report and Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements and the audited part of the Remuneration Report are not in agreement with the accounting records and returns;
- information specified by HM Treasury or Welsh Ministers regarding remuneration and other transactions is not disclosed; or I have not received all the information and explanations I require for my audit.

## Responsibilities

### **Responsibilities of Directors and the Chief Executive for the financial statements**

As explained more fully in the Statements of Directors' and Chief Executive's Responsibilities, the Directors and the Chief Executive are responsible for the preparation of financial statements which give a true and fair view and for such internal control as the Directors and Chief Executive determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors and Chief Executive are responsible for 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 deemed inappropriate.

### **Auditor's responsibilities for the audit of the financial statements**

My 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 an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management, the audited entity's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Welsh Ambulance Services NHS Trust's policies and procedures concerned with:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following area: management override; and
- Obtaining an understanding of the Welsh Ambulance Services NHS Trust's framework of authority as well as other legal and regulatory frameworks that the Welsh Ambulance Services NHS Trust operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Welsh Ambulance Services NHS Trust.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit Committee and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Welsh Ambulance Services NHS Trust's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

### **Responsibilities for regularity**

The Chief Executive is responsible for ensuring the regularity of financial transactions.

I am required to obtain sufficient evidence to give reasonable assurance that the expenditure and income have been applied to the purposes intended by the Senedd and the financial transactions conform to the authorities which govern them.

**Report**

I have no observations to make on these financial statements.

Adrian Crompton  
Auditor General for Wales  
15 June 2022

24 Cathedral Road  
Cardiff  
CF11 9LJ

The maintenance and integrity of the Welsh Ambulance Services NHS Trust's website is the responsibility of Accounting Officer; the work carried out by auditors does not involve consideration of these matters and accordingly auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

## PART 3 – FINANCIAL STATEMENTS



# Welsh Ambulance Services NHS Trust

## Foreword

These accounts for the period ended 31 March 2022 have been prepared to comply with International Financial Reporting Standards (IFRS) adopted by the European Union, in accordance with HM Treasury's FReM by Public Health Wales NHS Trust under schedule 9 section 178 Para 3 (1) of the National Health Service (Wales) Act 2006 (c.42) in the form in which the Welsh Ministers, with the approval of the Treasury, directed.

## Statutory background

The Trust was established in 1998. Spread over an area of almost 8000 square miles and serving a population of over 3 million, our diverse area encompasses tranquil rural retreats, busy seaside resorts and large urban boroughs.

Our varied and modern services are tailor-made for each community's differing environmental and medical needs, from cycles to fast response cars, frontline ambulances and nurses in our control centres.

We attend more than 250,000 emergency calls a year, over 50,000 urgent calls and transport over 1.3 million non-emergency patients to over 200 treatment centres throughout England and Wales.

Our dedicated staff are our biggest asset, and we employ in the region of 4000 people. Approximately 70% of our workforce is within our emergency medical services which include our Clinical Contact Centres, and around 640 staff work in our Non-Emergency Patient Transport Service (NEPTS). Our patient facing services are also supported by colleagues working within our corporate and support functions (approximately 500 staff) and our valued extended volunteer workforce, including over 1,000 Community First Responders (CFRs) and circa 300 Volunteer Car Drivers.

We operate from over 100 buildings including ambulance stations, three control centres, three regional offices and five vehicle workshops.

We also have our own National Training College to ensure our staff remain at the top of their game and receive regular professional development.

We provide access to high quality, on-going training, regular continuous professional development opportunities and personal annual development reviews.

We are also the host for the 111 service, which is an amalgamation of NHS Direct Wales (a 24 hour health advice and information service for the public) and the front end call handling and clinical triage elements of the GP out-of-hours services.

## Performance Management and Financial Results

This Welsh Health Circular WHC/2016/054 replaces WHC/2015/014 'Statutory and Administrative Financial Duties of NHS Trusts and Local Health Boards' and further clarifies the statutory financial duties of NHS Wales bodies and is effective for 2020-2021 onwards. The annual financial duty has been revoked and the statutory breakeven duty has reverted to a three year duty, with the first assessment of this duty in 2016-2017.

Under the National Health Services (Wales) Act 2006 the financial obligations of the NHS Trust are contained within Schedules 4 2(1) and 4 2(2). Each NHS trust must ensure that its revenue is not less than sufficient, taking one financial year with another, to meet outgoings properly chargeable to the revenue account. The first assessment of performance against the 3-year statutory duty under Schedules 4 2(1) and 4 2(2) was at the end of 2016-2017, being the first three year period of assessment.



STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2022

	Note	2021-22 £000	2020-21 £000
Revenue from patient care activities	3	261,570	232,768
Other operating revenue	4	14,889	8,988
Operating expenses	5.1	(276,398)	(241,847)
<b>Operating (deficit)/surplus</b>		<b>61</b>	<b>(91)</b>
Investment revenue	6	14	5
Other gains and losses	7	129	175
Finance costs	8	56	(19)
<b>Consolidated Total</b>			
<b>Retained surplus</b>	2.1.1	<b>260</b>	<b>70</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to net operating costs:</b>			
Net gain/(loss) on revaluation of property, plant and equipment		1,016	522
Net gain/(loss) on revaluation of intangible assets		0	0
Net gain/(loss) on revaluation of financial assets		0	0
Movements in other reserves		0	0
Net gain/(loss) on revaluation of PPE and Intangible assets held for sale		0	0
Impairments and reversals		(96)	(643)
Transfers between reserves		0	0
Reclassification adjustment on disposal of available for sale financial assets		0	0
<b>Sub total</b>		<b>920</b>	<b>(121)</b>
<b>Items that may be reclassified subsequently to net operating costs</b>			
Net gain/(loss) on revaluation of financial assets held for sale		0	0
<b>Sub total</b>		<b>0</b>	<b>0</b>
<b>Total other comprehensive income for the year</b>		<b>920</b>	<b>(121)</b>
<b>Total comprehensive income for the year</b>		<b>1,180</b>	<b>(51)</b>

The notes on pages 6 to 76 form part of these accounts.

**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022**

		Note	31 March 2022	31 March 2021
			£000	£000
<b>Non-current assets</b>	Property, plant and equipment	13	95,594	89,390
	Intangible assets	14	3,231	3,463
	Trade and other receivables	17.1	790	2,278
	Other financial assets	18	0	0
	<b>Total non-current assets</b>		<b>99,615</b>	<b>95,131</b>
<b>Current assets</b>	Inventories	16.1	1,826	1,628
	Trade and other receivables	17.1	17,148	14,481
	Other financial assets	18	0	0
	Cash and cash equivalents	19	18,708	18,468
			<b>37,682</b>	<b>34,577</b>
	Non-current assets held for sale	13.2	130	130
	<b>Total current assets</b>		<b>37,812</b>	<b>34,707</b>
<b>Total assets</b>			<b>137,427</b>	<b>129,838</b>
<b>Current liabilities</b>	Trade and other payables	20	(35,752)	(28,521)
	Borrowings	21	(1,364)	(1,616)
	Other financial liabilities	22	0	0
	Provisions	23	(4,402)	(6,949)
	<b>Total current liabilities</b>		<b>(41,518)</b>	<b>(37,086)</b>
<b>Net current assets/(liabilities)</b>			<b>(3,706)</b>	<b>(2,379)</b>
<b>Total assets less current liabilities</b>			<b>95,909</b>	<b>92,752</b>
<b>Non-current liabilities</b>	Trade and other payables	20	0	0
	Borrowings	21	0	(1,059)
	Other financial liabilities	22	0	0
	Provisions	23	(10,058)	(11,887)
	<b>Total non-current liabilities</b>		<b>(10,058)</b>	<b>(12,946)</b>
<b>Total assets employed</b>			<b>85,851</b>	<b>79,806</b>
<b>Financed by Taxpayers' equity:</b>				
	Public dividend capital		81,219	76,354
	Retained earnings		(5,701)	(5,961)
	Revaluation reserve		10,333	9,413
	Other reserves		0	0
	<b>Total taxpayers' equity</b>		<b>85,851</b>	<b>79,806</b>

The financial statements were approved by the Board on 13th June 2022 and signed on behalf of the Board by:

Chief Executive : Jason Killens..... 

Date: 13th June 2022

The notes on pages 6 to 76 form part of these accounts.

# STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

2021-22	Public Dividend Capital £000	Retained earnings £000	Revaluation reserve £000	Total £000
<b>Changes in taxpayers' equity for 2021-22</b>				
Balance as at 31 March 2021	76,354	(5,961)	9,413	79,806
<b>Adjustment</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Balance at 1 April 2021</b>	<b>76,354</b>	<b>(5,961)</b>	<b>9,413</b>	<b>79,806</b>
Retained surplus/(deficit) for the year		260		260
Net gain/(loss) on revaluation of property, plant and equipment		0	1,016	1,016
Net gain/(loss) on revaluation of intangible assets		0	0	0
Net gain/(loss) on revaluation of financial assets		0	0	0
Net gain/(loss) on revaluation of assets held for sale		0	0	0
Net gain/(loss) on revaluation of financial assets held for sale		0	0	0
Impairments and reversals		0	(96)	(96)
Other reserve movement		0	0	0
Transfers between reserves		0	0	0
Reclassification adjustment on disposal of available for sale financial assets		0	0	0
Reserves eliminated on dissolution	0			0
Total in year movement	0	260	920	1,180
New Public Dividend Capital received	9,530			9,530
Public Dividend Capital repaid in year	(4,665)			(4,665)
Public Dividend Capital extinguished/written off	0			0
Other movements in PDC in year	0			0
<b>Balance at 31 March 2022</b>	<b>81,219</b>	<b>(5,701)</b>	<b>10,333</b>	<b>85,851</b>

The notes on pages 6 to 76 form part of these accounts.

# STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

2020-21	Public Dividend Capital £000	Retained earnings £000	Revaluation reserve £000	Total £000
<b>Changes in taxpayers' equity for 2020-21</b>				
<b>Balance at 31 March 2020</b>	76,309	(6,209)	9,712	79,812
<b>Adjustment</b>	0	0	0	0
<b>Balance at 1 April 2020</b>	76,309	(6,209)	9,712	79,812
Retained surplus/(deficit) for the year		70		70
Net gain/(loss) on revaluation of property, plant and equipment		0	522	522
Net gain/(loss) on revaluation of intangible assets		0	0	0
Net gain/(loss) on revaluation of financial assets		0	0	0
Net gain/(loss) on revaluation of assets held for sale		0	0	0
Net gain/(loss) on revaluation of financial assets held for sale		0	0	0
Impairments and reversals		0	(643)	(643)
Other reserve movement		0	0	0
Transfers between reserves		178	(178)	0
Reclassification adjustment on disposal of available for sale financial assets		0	0	0
Reserves eliminated on dissolution	0			0
Total in year movement	0	248	(299)	(51)
New Public Dividend Capital received	835			835
Public Dividend Capital repaid in year	(790)			(790)
Public Dividend Capital extinguished/written off	0			0
Other movements in PDC in year	0			0
<b>Balance at 31 March 2021</b>	76,354	(5,961)	9,413	79,806

The notes on pages 6 to 76 form part of these accounts.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	Note	2021-22 £000	2020-21 £000
Operating surplus/(deficit)	SOCI	61	(91)
Movements in working capital	30	(593)	(450)
Other cash flow adjustments	31	25,662	20,659
Provisions utilised		(6,963)	(2,504)
Interest paid		(44)	(19)
<b>Net cash inflow (outflow) from operating activities</b>		<b>18,123</b>	<b>17,595</b>
<b>Cash flows from investing activities</b>			
Interest received		14	5
(Payments) for property, plant and equipment		(21,339)	(22,259)
Proceeds from disposal of property, plant and equipment		158	291
(Payments) for intangible assets		(270)	171
Proceeds from disposal of intangible assets		0	0
Payments for investments with Welsh Government		0	0
Proceeds from disposals with Welsh Government		0	0
(Payments) for financial assets.		0	0
Proceeds from disposal of financial assets.		0	0
<b>Net cash inflow (outflow) from investing activities</b>		<b>(21,437)</b>	<b>(21,792)</b>
<b>Net cash inflow (outflow) before financing</b>		<b>(3,314)</b>	<b>(4,197)</b>
<b>Cash flows from financing activities</b>			
Public Dividend Capital received		9,530	835
Public Dividend Capital repaid		(4,665)	(790)
Loans received from Welsh Government		0	0
Other loans received		0	0
Loans repaid to Welsh Government		0	0
Other loans repaid		0	0
Other capital receipts		0	0
Capital elements of finance leases and on-SOFP PFI		(1,311)	(1,962)
Cash transferred (to)/from other NHS Wales bodies		0	0
<b>Net cash inflow (outflow) from financing activities</b>		<b>3,554</b>	<b>(1,917)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>240</b>	<b>(6,114)</b>
<b>Cash [and] cash equivalents at the beginning of the financial year</b>	19	<b>18,468</b>	<b>24,582</b>
<b>Cash [and] cash equivalents at the end of the financial year</b>	19	<b>18,708</b>	<b>18,468</b>

The notes on pages 6 to 76 form part of these accounts.

## **Notes to the Accounts**

### **1. Accounting policies**

The Minister for Health and Social Services has directed that the financial statements of NHS Trusts (NHST) in Wales shall meet the accounting requirements of the NHS Wales Manual for Accounts. Consequently, the following financial statements have been prepared in accordance with the 2021-2022 Manual for Accounts. The accounting policies contained in that manual follow the 2021-2022 Financial Reporting Manual (FReM), in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 except for IFRS 16 Leases, which is deferred until 1 April 2022; to the extent that they are meaningful and appropriate to the NHS in Wales.

Where the NHST Manual for Accounts permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the NHST for the purpose of giving a true and fair view has been selected. The particular policies adopted by the NHST are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

#### **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 and inventories.

#### **1.2 Acquisitions and discontinued operations**

Activities are considered to be 'acquired' only if they are taken on from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another.

#### **1.3 Revenue**

Revenue in respect of services provided is recognised when, and to the extent that, performance occurs, and is measured at the fair value of the consideration receivable.

From 2018-2019, IFRS 15 Revenue from Contracts with Customers has been applied, as interpreted and adapted for the public sector, in the FReM. It replaces the previous standards IAS 11 Construction Contracts and IAS 18 Revenue and related IFRIC and SIC interpretations. The potential amendments identified as a result of the adoption of IFRS 15 are significantly below materiality levels.

Income is accounted for applying the accruals convention. Income is recognised in the period in which services are provided. Where income is received from third parties for a specific activity to be delivered in the following financial year, that income will be deferred.

Only non-NHS income may be deferred.

## **1.4 Employee benefits**

### **Short-term employee benefits**

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave 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.

### **Retirement benefit costs**

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is 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, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The latest NHS Pension Scheme valuation results indicated that an increase in benefit required a 6.3% increase (14.38% to 20.68%) which was implemented from 1 April 2019.

As an organisation within the full funding scope, the joint (in NHS England and NHS Wales) transitional arrangement operated from 2019-2020 where employers in the Scheme would continue to pay 14.38% employer contributions under their normal monthly payment process, and in Wales the additional 6.3% would be funded by Welsh Government directly to the Pension Scheme administrator, the NHS Business Services Authority (BSA, the NHS Pensions Agency).

However, NHS Wales organisations are required to account for **their staff** employer contributions of 20.68% in full and on a gross basis, in their annual accounts. Payments made on their behalf by Welsh Government are accounted for on a notional basis. For detailed information see Note 37.1 'Other Information' on page 74 of these accounts.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the NHS Wales organisation commits itself to the retirement, regardless of the method of payment.

Where employees are members of the Local Government Superannuation Scheme, which is a defined benefit pension scheme this is disclosed. The scheme assets and liabilities attributable to those employees can be identified and are recognised in the NHS Wales organisation's accounts. The assets are measured at fair value and the liabilities at the present value of the future obligations. The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The expected gain during the year from scheme assets is recognised within finance income. The interest cost during the year arising from the unwinding of the discount on the scheme liabilities is recognised within finance costs.

### **NEST Pension Scheme**

An alternative pensions scheme for employees not eligible to join the NHS Pensions scheme has to be offered. The NEST (National Employment Savings Trust) Pension scheme is a defined contribution scheme and therefore the cost to the NHS body of participating in the scheme is equal to the contributions payable to the scheme for the accounting period.

### **1.5 Other expenses**

Other operating expenses for goods or services are recognised when, and to the extent that, they have been received. They are measured at the fair value of the consideration payable.

### **1.6 Property, plant and equipment**

#### **Recognition**

Property, plant and equipment is capitalised if:

- 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 will be supplied to, the NHS Wales organisation;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- 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 a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- items form part of the initial equipping and setting-up cost of a new building, vehicle or unit, irrespective of their individual or collective cost.

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



## **Valuation**

All property, plant and equipment are measured initially at cost, representing the cost 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.

Land and buildings used for services or for administrative purposes are stated in the Statement of Financial Position (SoFP) at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued. NHS Wales' organisations have applied these new valuation requirements from 1 April 2009.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

In 2017-2018 a formal revaluation exercise was applied to land and properties. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure.

References in IAS 36 to the recognition of an impairment loss of a revalued asset being treated as a revaluation decrease to the extent that the impairment does not exceed the amount in the revaluation surplus for the same asset, are adapted such that only those impairment losses that do not result from a clear consumption of economic benefit or reduction of service potential (including as a result of loss or damage resulting from normal business operations) should be taken to the revaluation reserve. Impairment losses that arise from a clear consumption of economic benefit should be taken to the Statement of Comprehensive Income (SoCI).

From 2015-2016, IFRS 13 Fair Value Measurement must be complied with in full. However IAS 16 and IAS 38 have been adapted for the public sector context which limits the circumstances under which a valuation is prepared under IFRS 13. Assets which are held for their service potential and are in use should be measured at their current value in existing use. For specialised assets current value in existing use should be interpreted as the present value of the assets remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential. Where there is no single class of asset that falls within IFRS 13, disclosures should be for material items only.

In accordance with the adaptation of IAS 16 in table 6.2 of the FReM, for non-specialised assets in operational use, current value in existing use is interpreted as market value for existing use which is defined in the RICS Red Book as Existing Use Value (EUV).

Assets which were most recently held for their service potential but are surplus should be valued at current value in existing use, if there are restrictions on the NHS organisation or the asset which would prevent access to the market at the reporting date. If the NHS organisation could access the market then the surplus asset should be used at fair value using IFRS 13. In determining whether such an asset which is not in use is surplus, an assessment should be made on whether there is a clear plan to bring the asset back into use as an operational asset. Where there is a clear plan, the asset is not surplus and the current value in existing use should be maintained. Otherwise the asset should be assessed as being surplus and valued under IFRS13.

Assets which are not held for their service potential should be valued in accordance with IFRS 5 or IAS 40 depending on whether the asset is actively held for sale. Where an asset is not being used to deliver services and there is no plan to bring it back into use, with no restrictions on sale, and it does not meet the IAS 40 and IFRS 5 criteria, these assets are surplus and are valued at fair value using IFRS 13.

### **Subsequent expenditure**

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any carrying value of the item replaced is written-out and charged to the SoCI. As highlighted in previous years the NHS in Wales does not have systems in place to ensure that all items being "replaced" can be identified and hence the cost involved to be quantified. The NHS in Wales has thus established a national protocol to ensure it complies with the standard as far as it is able to which is outlined in the capital accounting chapter of the Manual For Accounts. This ensures that asset carrying values are not materially overstated.

For All Wales Capital Schemes that are completed in a financial year, NHS Wales organisations are required to obtain a revaluation during that year (prior to them being brought into use) and also similar revaluations are needed for all Discretionary Building Schemes completed which have a spend greater than £0.5m. The write downs so identified are then charged to operating expenses.

## **1.7 Intangible assets**

### **Recognition**

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the NHS Wales organisation; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use
- the intention to complete the intangible asset and use it
- the ability to use the intangible asset
- how the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the intangible asset and use it
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

### **Measurement**

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

### **1.8 Depreciation, amortisation and impairments**

Freehold land, assets under construction and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the NHS Wales organisation expects to obtain economic benefits or service potential from the asset. This is specific to the NHS Wales organisation and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over the shorter of the lease term and estimated useful lives.

At each reporting period end, the NHS Wales organisation checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

Impairment losses that do not result from a loss of economic value or service potential are taken to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to the SoCI. Impairment losses that arise from a clear consumption of economic benefit are taken to the SoCI. The balance on any revaluation reserve (up to the level of the impairment) to which the impairment would have been charged under IAS 36 are transferred to retained earnings.

### **1.9 Research and Development**

Research and development expenditure is charged to operating costs in the year in which it is incurred, except insofar as it relates to a clearly defined project, which can be separated from patient care activity and benefits there from can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the SoCI on a systematic basis over the period expected to benefit from the project.

### **1.10 Non-current assets held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the SoCI. On disposal, the balance for the asset on the revaluation reserve is transferred to retained earnings.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead it is retained as an operational asset and its economic life adjusted. The asset is derecognised when it is scrapped or demolished.

### **1.11 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.

#### **1.11.1 The NHS Wales organisation as lessee**

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in calculating the NHS Trust's surplus/deficit charged.

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.

Where a lease is for land and buildings, the land and building components are separated and individually assessed as to whether they are operating or finance leases.

#### **1.11.2 The NHS Wales organisation as lessor**

Amounts due from lessees under finance leases are recorded as receivables at the amount of the NHS Wales organisation net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the NHS Wales organisation's net investment outstanding in respect of the 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 on a straight-line basis over the lease term.

### **1.12 Inventories**

Whilst it is accounting convention for inventories to be valued at the lower of cost and net realisable value using the weighted average or "first-in first-out" cost formula, it should be recognised that the NHS is a special case in that inventories are not generally held for the intention of resale and indeed there is no market readily available where such items could be sold. Inventories are valued at cost and this is considered to be a reasonable approximation to fair value due to the high turnover of stocks. Work-in-progress comprises goods in intermediate stages of production. Partially completed contracts for patient services are not accounted for as work-in-progress.

### **1.13 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 (SoCF), cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the cash management.

### **1.14 Provisions**

Provisions are recognised when the NHS Wales organisation has a present legal or constructive obligation as a result of a past event, it is probable that the NHS Wales organisation will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using the discount rate supplied by HM Treasury.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the NHS Wales organisation has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the NHS Wales organisation has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

#### **1.14.1 Clinical negligence and personal injury costs**

The Welsh Risk Pool Services (WRPS) operate a risk pooling scheme which is co-funded by the Welsh Government with the option to access a risk sharing agreement funded by the participating NHS Wales bodies. The risk sharing option was implemented in 2021-22, 2020-21 and 2019-2020.

#### **1.15 Financial Instruments**

From 2018-2019 IFRS 9 Financial Instruments is applied, as interpreted and adapted for the public sector, in the FReM. The principal impact of IFRS 9 adoption by NHS Wales organisations is a change to the calculation basis for bad debt provisions: changing from an incurred loss basis to a lifetime expected credit loss (ECL) basis.

#### **1.16 Financial assets**

Financial assets are recognised on the SoFP when the NHS Wales organisation becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

The accounting policy choice allowed under IFRS 9 for long term trade receivables, contract assets which do contain a significant financing component (in accordance with IFRS 15), and lease receivables within the scope of IAS 17 has been withdrawn and entities should always recognise a loss allowance at an amount equal to lifetime Expected Credit Losses.

All entities applying the FReM should utilise IFRS 9's simplified approach to impairment for relevant assets.

IFRS 9 requirements required a revised approach for the calculation of the bad debt provision, applying the principles of expected credit loss, using the practical expedients within IFRS 9 to construct a provision matrix.

#### **1.16.1 Financial assets are initially recognised at fair value**

Financial assets are classified into the following categories: financial assets 'at fair value' through SoCI; 'held to maturity investments'; 'available for sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

#### **1.16.2 Financial assets at fair value through SoCI**

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through SoCI. They are held at fair value, with any resultant gain or loss recognised in the SoCI. The net gain or loss incorporates any interest earned on the financial asset.

#### **1.16.3 Held to maturity investments**

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

#### **1.16.4 Available for sale financial assets**

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to the SoCI on de-recognition.

#### **1.16.5 Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.



Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the net carrying amount of the financial asset.

At the SOFP date, the NHS Wales organisation assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the expenditure and the carrying amount of the asset is reduced directly, or through a provision of impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the expenditure to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

#### **1.16.6 Other financial assets**

Listed investments are stated at market value. Unlisted investments are included at cost as an approximation to market value. Quoted stocks are included in the balance sheet at mid-market price, and where holdings are subject to bid / offer pricing their valuations are shown on a bid price. The shares are not held for trading and accordingly are classified as available for sale. Other financial assets are classified as available for sale investments carried at fair value within the financial statements.

### **1.17 Financial liabilities**

Financial liabilities are recognised on the SOFP when the NHS Wales organisation becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired. Loans from Welsh Government are recognised at historical cost.

#### **1.17.1 Financial liabilities are initially recognised at fair value through SoCI**

Financial liabilities are classified as either financial liabilities at fair value through the SoCI or other financial liabilities.

### **1.17.2 Financial liabilities at fair value through the SoCI**

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the SoCI. The net gain or loss incorporates any interest earned on the financial asset.

### **1.17.3 Other financial liabilities**

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

### **1.18 Value Added Tax (VAT)**

Most of the activities of the NHS Wales organisation are outside the scope of VAT and, in general, output VAT does not apply and input VAT 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 VAT is charged or input VAT is recoverable, the amounts are stated net of VAT.

### **1.19 Foreign currencies**

Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. Resulting exchange gains and losses are taken to the SoCI. At the SoFP date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date.

### **1.20 Third party assets**

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the NHS Wales organisation has no beneficial interest in them. Details of third party assets are given in the Notes to the accounts.

### **1.21 Losses and Special Payments**

Losses and special payments are items that the Welsh Government 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 each individual case is handled.

Losses and special payments are charged to the relevant functional headings in the SoCI on an accruals basis, including losses which would have been made good through insurance cover had the NHS Wales organisation not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, the note on losses and special payments is compiled directly from the losses register which is prepared on a cash basis.

The NHS Wales organisation accounts for all losses and special payments gross (including assistance from the WRPS).

The NHS Wales organisation accrues or provides for the best estimate of future payouts for certain liabilities and discloses all other potential payments as contingent liabilities.

All claims for losses and special payments are provided for, where the probability of settlement of an individual claim is over 49%. Where reliable estimates can be made, incidents of clinical negligence against which a claim has not, as yet, been received are provided in the same way. Expected reimbursements from the WRP are included in debtors. For those claims where the probability of settlement is between 6-49%, 25% of the defence costs are provided for with the remaining liabilities being disclosed as a contingent liability.

### **1.22 Pooled budget**

The NHS Wales organisation has not entered into pooled budgets with Local Authorities.

### **1.23 Critical Accounting Judgements and key sources of estimation uncertainty**

In the application of the accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or the period of the revision and future periods if the revision affects both current and future periods.

#### **1.24 Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the SoFP date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Significant estimations are made in relation to on-going clinical negligence and personal injury claims. Assumptions as to the likely outcome, the potential liabilities and the timings of these litigation claims are provided by independent legal advisors. Any material changes in liabilities associated with these claims would be recoverable through the WRPS.

#### **1.25 Provisions for legal or constructive obligations for clinical negligence, personal injury & defence costs**

The NHS Wales organisation provides for legal or constructive obligations for clinical negligence, personal injury and defence costs that are of uncertain timing or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation.

Claims are funded via the WRPS which receives an annual allocation from Welsh Government to cover the cost of reimbursement requests submitted to the bi-monthly WRPS Committee. Following settlement to individual claimants by the NHS Wales organisations, the full cost is recognised in year and matched to income (less a £25K excess) via a WRPS debtor, until reimbursement has been received from the WRPS Committee.

### Probable & Certain Cases – Accounting Treatment

A provision for these cases is calculated in accordance with IAS 37. Cases are assessed and divided into four categories according to their probability of settlement:

<b>Remote</b>	Probability of Settlement	0 – 5%
	Accounting Treatment	Contingent Liability
<b>Possible</b>	Probability of Settlement	6% - 49%
	Accounting Treatment	Defence Fee - Provision*
		Contingent Liability for all other estimated expenditure
<b>Probable</b>	Probability of Settlement	50% - 94%
	Accounting Treatment	Full Provision
<b>Certain</b>	Probability of Settlement	95% - 100%
	Accounting Treatment	Full Provision

\* Defence fee costs are provided for at 25%.

The provision for probable and certain cases is based on case estimates of individual reported claims received by Legal & Risk Services within NHS Wales Shared Services Partnership.

The solicitor will estimate the case value including defence fees, using professional judgement and from obtaining counsel advice. Valuations are then discounted for the future loss elements using individual life expectancies and the Government Actuary's Department actuarial tables (Ogden tables) and Personal Injury Discount Rate of -0.25%.

Future liabilities for certain & probable cases with a probability of 95%-100% and 50%-94% respectively are held as a provision on the Trust's balance sheet. Cases typically take a number of years to settle, particularly for high value cases where a period of development is necessary to establish the full extent of the injury caused.

### 1.26 Discount Rates

Where discount is applied, a disclosure detailing the impact of the discounting on liabilities to be included for the relevant notes. The disclosure should include where possible undiscounted values to demonstrate the impact. An explanation of the source of the discount rate or how the discount rate has been determined to be included.

### 1.27 Private Finance Initiative (PFI) transactions

The Trust has no PFI arrangements.

### 1.28 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the NHS Wales organisation, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the NHS Wales organisation. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

Remote contingent liabilities are those that are disclosed under Parliamentary reporting requirements and not under IAS 37 and, where practical, an estimate of their financial effect is required.

### 1.29 Absorption accounting

Transfers of function are accounted for as either by merger or by absorption accounting, dependent upon the treatment prescribed in the FReM. Absorption accounting requires that entities account for their transactions in the period in which they took place with no restatement of performance required.

For transfers of functions involving NHS Wales Trusts in receipt of PDC the double entry for the fixed asset NBV value and the net movement in assets is PDC.

### 1.30 Accounting standards that have been issued but not yet been adopted

The following accounting standards have been issued and or amended by the IASB and IFRIC but have not been adopted because they are not yet required to be adopted by the FReM:

IFRS14 Regulatory Deferral Accounts - Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable.

IFRS 16 Leases is to be effective from 1 April 2022.

IFRS 17 Insurance Contracts, Application required for accounting periods beginning on or after 1 January 2021, but not yet adopted by the FReM: early adoption is not therefore permitted.

### **1.31 Accounting standards issued that have been adopted early**

During 2021-2022 there have been no accounting standards that have been adopted early. All early adoption of accounting standards will be led by HM Treasury.

### **1.32 Charities**

Following Treasury's agreement to apply IAS 27 to NHS Charities from 1 April 2013, the Trust has established that as it is the corporate trustee of the Welsh Ambulance Services NHS Trust Charitable Fund it is therefore considered for accounting standards compliance to have control of the Welsh Ambulance Services NHS Trust Charitable Fund as a subsidiary.

The determination of control is an accounting standard test of control and there has been no change to the operation of the Welsh Ambulance Services NHS Trust Charitable Fund or its independence in its management of charitable funds.

However the organisation has with the agreement of the Welsh Government adopted the IAS 27(10) exemption to consolidate. Welsh Government as the ultimate parent of the NHS Wales organisations will disclose the Charitable Accounts in the Welsh Government Consolidated Accounts. Details of the transactions with the charity are included in the related parties notes.

### **1.33 Subsidiaries**

Material entities over which the NHS Wales organisation has the power to exercise control so as to obtain economic or other benefits are classified as subsidiaries and are consolidated. Their income and expenses; gains and losses; assets, liabilities and reserves; and cash flows are consolidated in full into the appropriate financial statement lines. Appropriate adjustments are made on consolidation where the subsidiary's accounting policies are not aligned with the NHS Wales organisation or where the subsidiary's accounting date is before 1 January or after 30 June.

Subsidiaries that are classified as 'held for sale' are measured at the lower of their carrying amount or 'fair value less costs to sell'.

### **1.34 Borrowing costs**

Borrowing costs are recognised as expenses as they are incurred.

### **1.35 Public Dividend Capital (PDC) and PDC dividend**

PDC represents taxpayers' equity in the NHS Wales organisation. At any time the Minister for Health and Social Services with the approval of HM Treasury can issue new PDC to, and require repayments of, PDC from the NHS Wales organisation. PDC is recorded at the value received. As PDC is issued under legislation rather than under contract, it is not treated as an equity financial instrument.

From 1 April 2010 the requirement to pay a public dividend over to the Welsh Government ceased.



## 2. Financial Performance

### 2.1 STATUTORY FINANCIAL DUTIES

Under the National Health Services (Wales) Act 2006 the financial obligations of the NHS Trust are contained within Schedules 4 2(1) and 4(2).

The Trust is required to achieve financial breakeven over a rolling 3 year period.

Welsh Health Circular WHC/2016/054 replaced WHC/2015/014 'Statutory and Financial Duties of Local Health Boards and NHS Trusts' and further clarifies the statutory financial duties of NHS Wales bodies.

#### 2.1.1 Financial Duty

	Annual financial performance			2019-20 to 2021-22 Financial duty £000
	2019-20 £000	2020-21 £000	2021-22 £000	
Retained surplus	45	70	260	375
Less Donated asset / grant funded revenue	0	0	(185)	(185)
Adjusted surplus/ (Deficit)	45	70	75	190

The Welsh Ambulance Services NHS Trust has met its financial duty to break even over the 3 years 2019-2020 to 2021-2022.

#### 2.1.2 Integrated Medium Term Plan (IMTP)

Due to the pandemic, the process for the 2020-23 integrated plan was paused in spring 2020 temporary planning arrangement were implemented

As a result the extant planning duty for 2021-22 remains the requirement to submit and have approved a 2019-22 integrated plan, as set out in the NHS Wales Planning Framework 2019-22.

The Welsh Ambulance Services NHS Trust submitted a 2019-22 integrated plan in accordance with the planning framework.

The Minister for Health and Social Services extant approval.

Status	<b>Approved</b>
Date	18/04/2019

The Welsh Ambulance Services NHS Trust has therefore met its statutory duty to have an approved financial plan.

## 2. Financial Performance (cont)

### 2.2 ADMINISTRATIVE REQUIREMENTS

#### 2.2.1. External financing

Due to circumstances that arose as a result of the COVID-19 pandemic, the requirement to achieve the External Financing Target has been suspended for 2021-22. It is expected to be reintroduced for 2022-23.

#### 2.3. Creditor payment

The Trust is required to pay 95% of the number of non-NHS bills within 30 days of receipt of goods or a valid invoice (whichever is the later). The Trust has achieved the following results:

	2021-22	2020-21
Total number of non-NHS bills paid	49,800	48,451
Total number of non-NHS bills paid within target	48,400	47,079
Percentage of non-NHS bills paid within target	97.2%	97.2%
<b>The Trust has met the target.</b>		

3. Revenue from patient care activities	2021-22	2020-21
	£000	£000
Local health boards	41,034	35,433
Services Committees (WHSSC & EASC)	185,589	172,180
Welsh NHS Trusts	745	751
Welsh Special Health Authorities	0	0
Foundation Trusts	0	0
Other NHS England bodies	136	127
Other NHS Bodies	0	0
Local Authorities	0	2
Welsh Government	29,908	21,658
Welsh Government - Hosted Bodies	0	0
Non NHS:		
Private patient income	0	4
Overseas patients (non-reciprocal)	0	0
Injury Costs Recovery (ICR) Scheme	193	194
Other revenue from activities	3,965	2,419
<b>Total</b>	<b>261,570</b>	<b>232,768</b>
Welsh Government Covid 19	12,810	13,811

Included within Non NHS: Other revenue from activities £3.965m above is £1.796m from Department of Health & Social Care and £1.781m from Health Security Agency, total £3.577m. This relates to funding provided for Covid 19 Mobile Testing Units (MTU), (2020/21 £2.354m).

Injury Cost Recovery (ICR) Scheme income:

	2021-22	2020-21
	%	%
To reflect expected rates of collection ICR income is subject to a provision for impairment of:	23.76	22.43

4. Other operating revenue	2021-22	2020-21
	£000	£000
Income generation	0	0
Patient transport services	0	0
Education, training and research	1,329	685
Charitable and other contributions to expenditure	0	0
Receipt of Covid Items free of charge from other NHS Wales Organisations	0	1,946
Receipt of Covid Items free of charge from other organisations	0	0
Receipt of donations for capital acquisitions	185	0
Receipt of government grants for capital acquisitions	0	0
Non-patient care services to other bodies	0	0
Rental revenue from finance leases	0	127
Rental revenue from operating leases	141	0
Other revenue:		
Provision of pathology/microbiology services	0	0
Accommodation and catering charges	0	0
Mortuary fees	0	0
Staff payments for use of cars	79	128
Business unit	0	0
Scheme Pays Reimbursement Notional	0	0
Other	13,155	6,102
<b>Total</b>	<b>14,889</b>	<b>8,988</b>
<b>Total Patient Care and Operating Revenue</b>	<b>276,459</b>	<b>241,756</b>

Other revenue comprises:

Personal injury benefit scheme (PIBS)	132	921
Air Ambulance paramedic funding	0	0
Hazardous Area Response Team (HART)	2,570	2,457
Other minor services income	4,317	2,086
Funding for impairments (as funds flow monies)	6,136	638

**Total**

<b>13,155</b>	<b>6,102</b>
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<b>5. Operating expenses</b>	<b>2021-22</b>	<b>2020-21</b>
<b>5.1 Operating expenses</b>	<b>£000</b>	<b>£000</b>
Local Health Boards	131	228
Welsh NHS Trusts	914	837
Welsh Special Health Authorities	0	0
Goods and services from other non Welsh NHS bodies	0	0
WHSSC/EASC	0	0
Local Authorities	0	0
Purchase of healthcare from non-NHS bodies	12,599	8,694
Welsh Government	374	312
Other NHS Trusts	0	0
Directors' costs	1,835	1,625
Operational Staff costs	189,878	172,004
Single lead employer Staff Trainee Cost	0	0
Collaborative Bank Staff Cost	0	0
Supplies and services - clinical	6,801	7,228
Supplies and services - general	2,336	3,245
Consultancy Services	878	434
Establishment	4,373	3,544
Transport	16,995	13,462
Premises	12,216	9,207
Impairments and Reversals of Receivables	0	0
Depreciation	15,190	13,707
Amortisation	1,750	1,821
Impairments and reversals of property, plant and equipment	6,135	638
Impairments and reversals of intangible assets	0	0
Impairments and reversals of financial assets	0	0
Impairments and reversals of non current assets held for sale	0	0
Audit fees	163	150
Other auditors' remuneration	0	0
Losses, special payments and irrecoverable debts	843	1,409
Research and development	0	0
Other operating expenses	2,987	3,302
<b>Total</b>	<b>276,398</b>	<b>241,847</b>

On 1st April 2019 employer pension contributions increased by 6.3%. Welsh Government funded this by making payment directly to the NHS Pensions Agency on the Trust's behalf. Further detail is provided in note 37.1.

**5. Operating expenses (continued)**

**5.2 Losses, special payments and irrecoverable debts:**

<b>Charges to operating expenses</b>	<b>2021-22</b>	<b>2020-21</b>
<b>Increase/(decrease) in provision for future payments:</b>	<b>£000</b>	<b>£000</b>
Clinical negligence;-		
Secondary care	310	2,237
Primary care	0	0
Redress Secondary Care	262	330
Redress Primary Care	0	0
Personal injury	(688)	1,563
All other losses and special payments	0	0
Defence legal fees and other administrative costs	171	274
Structured Settlements Welsh Risk Pool	0	0
Gross increase/(decrease) in provision for future payments	55	4,404
Contribution to Welsh Risk Pool	0	0
Premium for other insurance arrangements	0	0
Irrecoverable debts	37	(28)
<b>Less: income received/ due from Welsh Risk Pool</b>	<b>751</b>	<b>(2,967)</b>
<b>Total charge</b>	<b>843</b>	<b>1,409</b>

Personal injury includes £0.126m in respect of permanent injury benefits (2020-21 £0.915m). This expenditure includes a charge of £0.099m relating to the change in the rate at which the provision for future payments is calculated.

The Contribution to Welsh Risk Pool is disclosed in Note 5.1 for 2021-22.

	<b>2021-22</b>	<b>2020-21</b>
	<b>£</b>	<b>£</b>
Permanent injury included within personal injury:	125,783	914,891

<b>6. Investment revenue</b>	<b>2021-22</b>	<b>2020-21</b>
<b>Rental revenue :</b>	<b>£000</b>	<b>£000</b>
PFI finance lease revenue:		
Planned	0	0
Contingent	0	0
Other finance lease revenue	0	0
<b>Interest revenue:</b>		
Bank accounts	14	5
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	0	0
<b>Total</b>	<b>14</b>	<b>5</b>

<b>7. Other gains and losses</b>	<b>2021-22</b>	<b>2020-21</b>
	<b>£000</b>	<b>£000</b>
Gain/(loss) on disposal of property, plant and equipment	0	0
Gain/(loss) on disposal of intangible assets	0	0
Gain/(loss) on disposal of assets held for sale	129	175
Gain/(loss) on disposal of financial assets	0	0
Gains/(loss) on foreign exchange	0	0
Change in fair value of financial assets at fair value through income statement	0	0
Change in fair value of financial liabilities at fair value through income statement	0	0
Recycling of gain/(loss) from equity on disposal of financial assets held for sale	0	0
<b>Total</b>	<b>129</b>	<b>175</b>

<b>8. Finance costs</b>	<b>2021-22</b>	<b>2020-21</b>
	<b>£000</b>	<b>£000</b>
Interest on loans and overdrafts	0	0
Interest on obligations under finance leases	44	68
Interest on obligations under PFI contracts:		
Main finance cost	0	0
Contingent finance cost	0	0
Interest on late payment of commercial debt	0	0
Other interest expense	0	0
<b>Total interest expense</b>	<b>44</b>	<b>68</b>
Provisions unwinding of discount	(100)	(49)
Periodical Payment Order unwinding of discount	0	0
Other finance costs	0	0
<b>Total</b>	<b>(56)</b>	<b>19</b>

## 9. Operating leases

### 9.1 Trust as lessee

Operating lease payments represent rentals payable by Welsh Ambulance Services NHS Trust for properties and equipment.

<b>Payments recognised as an expense</b>	<b>2021-22</b>	<b>2020-21</b>
	<b>£000</b>	<b>£000</b>
Minimum lease payments	<b>2,027</b>	1,969
Contingent rents	<b>0</b>	0
Sub-lease payments	<b>0</b>	0
<b>Total</b>	<b>2,027</b>	<b>1,969</b>

<b>Total future minimum lease payments</b>	<b>2021-22</b>	<b>2020-21</b>
Payable:	<b>£000</b>	<b>£000</b>
Not later than one year	<b>1,842</b>	1,637
Between one and five years	<b>4,167</b>	2,303
After 5 years	<b>1,798</b>	1,802
<b>Total</b>	<b>7,807</b>	<b>5,742</b>

Total future sublease payments expected to be received	<b>0</b>	0
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## 9. Operating leases (continued)

### 9.2 Trust as lessor

The Trust leases part of Vantage Point House to Aneurin Bevan LHB in respect of their GP Out of Hours service.

#### Rental Revenue

Receipts recognised as income	2021-22 £000	2020-21 £000
Rent	0	0
Contingent rent	0	0
Other	143	121
<b>Total rental revenue</b>	<b>143</b>	<b>121</b>

Total future minimum lease payments	2021-22 £000	2020-21 £000
<b>Receivable:</b>		
Not later than one year	0	0
Between one and five years	0	0
After 5 years	1	1
<b>Total</b>	<b>1</b>	<b>1</b>



## 10. Employee costs and numbers

						2021-22	2020-21
10.1 Employee costs	Permanently	Staff on	Agency	Specialist	Other	£000	£000
Operational Staff	employed	Inward	Staff	Trainee	Staff		
	staff	Secondment		(SLE)			
	£000	£000	£000	£000	£000	£000	£000
Salaries and wages	157,003	494	1,754	0	0	159,251	145,090
Social security costs	15,091	0	0	0	0	15,091	12,857
Employer contributions to NHS Pensions Scheme	17,902	0	0	0	0	17,902	15,903
Other pension costs	6	0	0	0	0	6	2
Other post-employment benefits	0	0	0	0	0	0	0
Termination benefits	292	0	0	0	0	292	306
<b>Total</b>	<b>190,294</b>	<b>494</b>	<b>1,754</b>	<b>0</b>	<b>0</b>	<b>192,542</b>	<b>174,158</b>

### Of the total above:

Charged to capital	956	652
Charged to revenue	191,586	173,506
<b>Total</b>	<b>192,542</b>	<b>174,158</b>

Net movement in accrued employee benefits (untaken staff leave total accrual included in note above) **673** 1,466

The net movement in accrued employee benefits footnote above includes Covid 19 Net movement in accrued employee benefits **673** 1,466

## 10.2 Average number of employees

						2021-22	2020-21
	Permanently	Staff on	Agency	Specialist	Other	Total	Total
	Employed	Inward	Staff	Trainee	Staff		
		Secondment		(SLE)			
	Number	Number	Number	Number	Number	Number	Number
Administrative, clerical and board members	557	9	15	0	0	581	558
Medical and dental	1	0	0	0	0	1	1
Nursing, midwifery registered	207	0	0	0	0	207	170
Professional, scientific and technical staff	2	0	0	0	0	2	1
Additional Clinical Services	2,058	0	6	0	0	2,064	1,755
Allied Health Professions	1,052	0	0	0	0	1,052	1,106
Healthcare scientists	0	0	0	0	0	0	0
Estates and Ancillary	62	0	0	0	0	62	62
Students	0	0	0	0	0	0	0
<b>Total</b>	<b>3,939</b>	<b>9</b>	<b>21</b>	<b>0</b>	<b>0</b>	<b>3,969</b>	<b>3,653</b>

The average number is calculated using the full time equivalent (FTE) of employees.

## 10.3. Retirements due to ill-health

	2021-22	2020-21
Number	5	3
Estimated additional pension costs £	348,066	150,929

The estimated additional pension costs of these ill-health retirements have been calculated on an average basis and are borne by the NHS Pension Scheme.

## 10.4 Employee benefits

Employee benefits refer to non-pay benefits which are not attributable to individual employees, for example group membership of a club. The trust does not operate any employee benefit schemes.

10.5 Reporting of other compensation schemes - exit packages

	2021-22	2021-22	2021-22	2021-22	2020-21
				Number of departures where special payments have been made	
Exit packages cost band (including any special payment element)	Number of compulsory redundancies Whole numbers only	Number of other departures Whole numbers only	Total number of exit packages Whole numbers only	Whole numbers only	Total number of exit packages Whole numbers only
less than £10,000	0	0	0	0	0
£10,000 to £25,000	0	1	1	0	0
£25,000 to £50,000	0	3	3	0	2
£50,000 to £100,000	0	2	2	0	1
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	1
more than £200,000	0	0	0	0	0
Total	0	6	6	0	4

	2021-22	2021-22	2021-22	2021-22	2020-21
				Cost of special element	
Exit packages cost band (including any special payment element)	Cost of compulsory redundancies £	Cost of other departures £	Total cost of exit packages £	included in exit packages £	Total cost of exit packages £
less than £10,000	0	0	0	0	0
£10,000 to £25,000	0	22,191	22,191	0	0
£25,000 to £50,000	0	131,053	131,053	0	63,551
£50,000 to £100,000	0	138,628	138,628	0	66,417
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	176,244
more than £200,000	0	0	0	0	0
Total	0	291,872	291,872	0	306,212

Exit costs paid in year of departure	Total paid in year 2021-22 £	Total paid in year 2020-21 £
Exit costs paid in year	171,637	239,796
Total	171,637	239,796

Redundancy, voluntary early release, and other departure costs have been paid in accordance with the provisions of the relevant schemes / legislation. Where the Trust has agreed early retirements or compulsory redundancies, 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 (see note 10.3 for details of ill health retirement costs).

The disclosure reports the number and value of exit packages agreed in the year in line with the Welsh Government manual for accounts. The costs disclosed above exclude costs relating to Payments in Lieu of Notice (PILON).

## 10.6 Fair Pay disclosures

### 10.6.1 Remuneration Relationship

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director /employee in their organisation and the 25th percentile, median and 75th percentile remuneration of the organisation's workforce. The 2021-22 financial year is the first year disclosures in respect of the 25th percentile pay ratio and 75th percentile pay ratio are required.

	2021-22 £000 Chief	2021-22 £000 Employee	2021-22 £000 Ratio	2020-21 £000 Chief	2020-21 £000 Employee	2020-21 £000 Ratio
<b>Total pay and benefits</b>	<b>Executive</b>	<b>Employee</b>	<b>Ratio</b>	<b>Executive</b>	<b>Employee</b>	<b>Ratio</b>
25th percentile pay ratio	162,500	24,565	6.62:1	167,500	22,945	7.3:1
Median pay	162,500	31,805	5.11:1	167,500	30,523	5.49:1
75th percentile pay ratio	162,500	44,814	3.63:1	167,500	42,287	3.96:1
<b>Salary component of total pay and benefits</b>						
25th percentile pay ratio	167,500	21,777	7.69:1	167,500	21,142	7.92:1
Median pay	167,500	24,882	6.73:1	167,500	24,157	6.93:1
75th percentile pay ratio	167,500	39,027	4.29:1	167,500	33,779	4.96:1
	<b>Highest Paid</b>			<b>Highest Paid</b>		
<b>Total pay and benefits</b>	<b>Director *</b>	<b>Employee</b>	<b>Ratio</b>	<b>Director *</b>	<b>Employee</b>	<b>Ratio</b>
25th percentile pay ratio	162,500	24,565	6.62:1	167,500	22,945	7.3:1
Median pay	162,500	31,806	5.11:1	167,500	30,523	5.49:1
75th percentile pay ratio	162,500	44,814	3.63:1	167,500	42,287	3.96:1
<b>Salary component of total pay and benefits</b>						
25th percentile pay ratio	167,500	21,777	7.69:1	167,500	21,142	7.92:1
Median pay	167,500	24,882	6.73:1	167,500	24,157	6.93:1
75th percentile pay ratio	167,500	39,027	4.29:1	167,500	33,779	4.96:1

In 2021-22, 0 (2020-21, 0) employees received remuneration in excess of the highest-paid director.

Remuneration for all staff ranged from £18,576 to £167,500 (2020-21, £18,185 to £167,500).

The all staff range includes directors (including the highest paid director) and excludes pension benefits of all employees.

\*In terms of these disclosures, the Chief Executive is also the highest paid director.

### Financial Year Summary

NHS and social care financial recognition scheme bonus of £735 payment to reward eligible NHS staff has not been included in the NHS Remuneration Report calculations. This bonus payment is not a contractual payment, but a one off payment to reward eligible staff for their commitment and tireless efforts in the most challenging circumstances.

The total pay and benefits figure for the Chief Executive/Highest Paid Director is lower than the salary component due to a salary sacrifice scheme.

Following the change of presentation of the disclosure note, a new methodology has been implemented resulting in a different report having to be utilised, this has resulted in the median pay for 2020-21 increasing by £1,510 from the figure disclosed in the 2020-21 accounts. The reason behind this increase is that the new report takes their gross salary as at 31st March 2022 whereas the previous report calculated their cumulative gross pay.

10.6.2 Percentage Changes	2020-21 to 2021-22	2019-20 to 2020-21
% Change from previous financial year in respect of Chief Executive	%	%
Salary and allowances	-3.0	3.1
Performance pay and bonuses	0	0
% Change from previous financial year in respect of highest paid director		
Salary and allowances	-3.0	3.1
Performance pay and bonuses	0	0
Average % Change from previous financial year in respect of employees taken as a whole		
Salary and allowances	3.6	4.7
Performance pay and bonuses	0	0

## 11. Pensions

### 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](http://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 for Health and Social Care 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 2022, is based on valuation data as 31 March 2021, updated to 31 March 2022 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.

## 11. Pensions (continued)

### 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 to 20.6% of pensionable pay.

The 2016 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. There was initially a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

HMT published valuation directions dated 7 October 2021 (see [Amending Directions 2021](#)) that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the NHS Pensions website at <https://www.nhsbsa.nhs.uk/nhs-pension-scheme-accounts-and-valuation-reports>.

### c) National Employment Savings Trust (NEST)

NEST is a workplace pension scheme, which was set up by legislation and is treated as a trust-based scheme. The Trustee responsible for running the scheme is NEST Corporation. It's a non-departmental public body (NDPB) that operates at arm's length from government and is accountable to Parliament through the Department for Work and Pensions (DWP).

NEST Corporation has agreed a loan with the Department for Work and Pensions (DWP). This has paid for the scheme to be set up and will cover expected shortfalls in scheme costs during the earlier years while membership is growing.

NEST Corporation aims for the scheme to become self-financing while providing consistently low charges to members.

Using qualifying earnings to calculate contributions, currently the legal minimum level of contributions is 8% of a jobholder's qualifying earnings, for employers whose legal duties have started. The employer must pay at least 3% of this.

The earnings band used to calculate minimum contributions under existing legislation is called qualifying earnings. Qualifying earnings are currently those between £6,240 and £50,000 for the 2021-2022 tax year (2020-2021 £6,240 and £50,000).

Restrictions on the annual contribution limits were removed on 1st April 2017.

## 12. Public Sector Payment Policy

### 12.1 Prompt payment code - measure of compliance

The Welsh Government requires that trusts pay all their trade creditors in accordance with the CBI prompt payment code and Government Accounting rules. The Welsh Government has set as part of the trust financial targets a requirement to pay 95% of the number of non-NHS creditors within 30 days of delivery or receipt of a valid invoice, whichever is the later.

	2021-22 Number	2021-22 £000	2020-21 Number	2020-21 £000
<b>NHS</b>				
Total bills paid in year	995	7,609	889	7,578
Total bills paid within target	923	6,848	806	6,937
Percentage of bills paid within target	92.8%	90.0%	90.7%	91.5%
<b>Non-NHS</b>				
Total bills paid in year	49,800	124,384	48,451	106,133
Total bills paid within target	48,400	122,353	47,079	104,195
Percentage of bills paid within target	97.2%	98.4%	97.2%	98.2%
<b>Total</b>				
Total bills paid in year	50,795	131,993	49,340	113,711
Total bills paid within target	49,323	129,201	47,885	111,132
Percentage of bills paid within target	97.1%	97.9%	97.1%	97.7%

12.2 The Late Payment of Commercial Debts (Interest) Act 1998	2021-22 £	2020-21 £
Amounts included within finance costs from claims made under legislation	0	0
Compensation paid to cover debt recovery costs under legislation	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

### 13. Property, plant and equipment :

#### 2021-22

	Land	Buildings, excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & machinery	Transport Equipment	Information Technology	Furniture and fittings	Total
Cost or valuation	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>At 1 April 2021</b>	<b>8,598</b>	<b>21,069</b>	<b>0</b>	<b>17,182</b>	<b>22,597</b>	<b>78,399</b>	<b>35,731</b>	<b>1,848</b>	<b>185,424</b>
Indexation	174	988	0	0	0	0	0	0	1,162
Additions - purchased	0	344	0	26,071	2	461	965	0	27,843
Additions - donated	0	0	0	185	0	0	0	0	185
Additions - government granted	0	0	0	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	(29)	0	0	0	0	0	0	0	(29)
Reclassifications	300	12,710	0	(20,176)	1,901	1,863	1,980	32	(1,390)
Revaluation	0	(96)	0	0	0	0	0	0	(96)
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	(6,136)	0	0	0	0	0	0	(6,136)
Reclassified as held for sale	0	0	0	0	(118)	(4,227)	0	0	(4,345)
Disposals other than by sale	0	0	0	0	(5,314)	(452)	(442)	(49)	(6,257)
<b>At 31 March 2022</b>	<b>9,043</b>	<b>28,879</b>	<b>0</b>	<b>23,262</b>	<b>19,068</b>	<b>76,044</b>	<b>38,234</b>	<b>1,831</b>	<b>196,361</b>
<b>Depreciation</b>									
<b>At 1 April 2021</b>	<b>0</b>	<b>3,105</b>	<b>0</b>	<b>0</b>	<b>16,203</b>	<b>47,335</b>	<b>28,113</b>	<b>1,278</b>	<b>96,034</b>
Indexation	0	146	0	0	0	0	0	0	146
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	(1)	0	0	0	0	0	0	(1)
Reclassified as held for sale	0	0	0	0	(118)	(4,227)	0	0	(4,345)
Disposals other than by sale	0	0	0	0	(5,314)	(452)	(442)	(49)	(6,257)
Charged during the year	0	931	0	0	2,333	8,571	3,167	188	15,190
<b>At 31 March 2022</b>	<b>0</b>	<b>4,181</b>	<b>0</b>	<b>0</b>	<b>13,104</b>	<b>51,227</b>	<b>30,838</b>	<b>1,417</b>	<b>100,767</b>
<b>Net book value</b>									
<b>At 1 April 2021</b>	<b>8,598</b>	<b>17,964</b>	<b>0</b>	<b>17,182</b>	<b>6,394</b>	<b>31,064</b>	<b>7,618</b>	<b>570</b>	<b>89,390</b>
<b>Net book value</b>									
<b>At 31 March 2022</b>	<b>9,043</b>	<b>24,698</b>	<b>0</b>	<b>23,262</b>	<b>5,964</b>	<b>24,817</b>	<b>7,396</b>	<b>414</b>	<b>95,594</b>
<b>Net book value at 31 March 2022 comprises :</b>									
Purchased	9,043	24,698	0	23,262	5,944	24,662	7,396	414	95,419
Donated	0	0	0	0	20	155	0	0	175
Government Granted	0	0	0	0	0	0	0	0	0
<b>At 31 March 2022</b>	<b>9,043</b>	<b>24,698</b>	<b>0</b>	<b>23,262</b>	<b>5,964</b>	<b>24,817</b>	<b>7,396</b>	<b>414</b>	<b>95,594</b>
<b>Asset Financing:</b>									
Owned	9,043	24,698	0	23,262	5,964	24,817	5,809	414	94,007
Held on finance lease	0	0	0	0	0	0	1,587	0	1,587
On-SoFP PFI contract	0	0	0	0	0	0	0	0	0
PFI residual interest	0	0	0	0	0	0	0	0	0
<b>At 31 March 2022</b>	<b>9,043</b>	<b>24,698</b>	<b>0</b>	<b>23,262</b>	<b>5,964</b>	<b>24,817</b>	<b>7,396</b>	<b>414</b>	<b>95,594</b>

The net book value of land, buildings and dwellings at 31 March 2022 comprises :

	£000
Freehold	30,806
Long Leasehold	2,935
Short Leasehold	0
<b>Total</b>	<b>33,741</b>

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2017. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. Trusts are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

A chartered surveyor was used during the 2021/22 financial year to value an asset that became operational during the year.

### 13. Property, plant and equipment :

#### 2020-21

	Land	Buildings, excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & machinery	Transport Equipment	Information Technology	Furniture and fittings	Total
Cost or valuation	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>At 1 April 2020</b>	8,772	20,649	0	22,100	20,959	67,473	32,423	1,833	174,209
Indexation	0	585	0	0	0	0	0	0	585
Additions - purchased	0	170	0	13,192	5	1,388	661	1	15,417
Additions - donated	0	0	0	0	0	0	0	0	0
Additions - government granted	0	0	0	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	0	0	0	835	0	0	0	0	835
Reclassifications	0	715	0	(18,945)	1,633	13,798	2,709	14	(76)
Revaluation	(153)	(490)	0	0	0	0	0	0	(643)
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	(21)	(560)	0	0	0	0	(62)	0	(643)
Reclassified as held for sale	0	0	0	0	0	(4,260)	0	0	(4,260)
Disposals other than by sale	0	0	0	0	0	0	0	0	0
<b>At 31 March 2021</b>	<b>8,598</b>	<b>21,069</b>	<b>0</b>	<b>17,182</b>	<b>22,597</b>	<b>78,399</b>	<b>35,731</b>	<b>1,848</b>	<b>185,424</b>
<b>Depreciation</b>									
<b>At 1 April 2020</b>	0	2,165	0	0	14,170	44,154	24,953	1,087	86,529
Indexation	0	63	0	0	0	0	0	0	63
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	(5)	0	(5)
Reclassified as held for sale	0	0	0	0	0	(4,260)	0	0	(4,260)
Disposals other than by sale	0	0	0	0	0	0	0	0	0
Charged during the year	0	877	0	0	2,033	7,441	3,165	191	13,707
<b>At 31 March 2021</b>	<b>0</b>	<b>3,105</b>	<b>0</b>	<b>0</b>	<b>16,203</b>	<b>47,335</b>	<b>28,113</b>	<b>1,278</b>	<b>96,034</b>
<b>Net book value</b>									
<b>At 1 April 2020</b>	8,772	18,484	0	22,100	6,789	23,319	7,470	746	87,680
<b>Net book value</b>									
<b>At 31 March 2021</b>	<b>8,598</b>	<b>17,964</b>	<b>0</b>	<b>17,182</b>	<b>6,394</b>	<b>31,064</b>	<b>7,618</b>	<b>570</b>	<b>89,390</b>
<b>Net book value at 31 March 2021 comprises :</b>									
Purchased	8,598	17,964	0	17,182	6,394	31,064	7,618	570	89,390
Donated	0	0	0	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0	0	0	0
<b>At 31 March 2021</b>	<b>8,598</b>	<b>17,964</b>	<b>0</b>	<b>17,182</b>	<b>6,394</b>	<b>31,064</b>	<b>7,618</b>	<b>570</b>	<b>89,390</b>
<b>Asset Financing:</b>									
Owned	8,598	17,964	0	17,182	6,394	31,064	4,968	570	86,740
Held on finance lease	0	0	0	0	0	0	2,650	0	2,650
On-SoFP PFI contract	0	0	0	0	0	0	0	0	0
PFI residual interest	0	0	0	0	0	0	0	0	0
<b>At 31 March 2021</b>	<b>8,598</b>	<b>17,964</b>	<b>0</b>	<b>17,182</b>	<b>6,394</b>	<b>31,064</b>	<b>7,618</b>	<b>570</b>	<b>89,390</b>
<b>The net book value of land, buildings and dwellings at 31 March 2021 comprises :</b>									
									£000
Freehold									23,688
Long Leasehold									2,874
Short Leasehold									0
<b>Total</b>									<b>26,562</b>

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2017. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. LHBs are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.



### 13. Property, plant and equipment :

#### Disclosures:

#### i) Donated Assets

The NHS Trust received the following donated assets during the year:

EMS Fully Equipped Ambulance	£0.185 million
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#### ii) Valuations

The Trust's land and Buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2017. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. A chartered surveyor was used during the 2021/22 financial year to value an asset that became operational during the year.

The Trust is required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in operation.

#### iii) Asset Lives

Tangible fixed assets are depreciated at rates calculated to write them down to estimated residual value on a straight line basis over their estimated useful lives. No depreciation is provided on freehold land, assets in the course of construction and assets surplus to requirements.

Equipment lives range from six to eight years.

Buildings are depreciated on useful lives as determined by the Valuation Office Agency.

#### iv) Compensation and Write downs

£6.136 million was received from the Welsh Assembly Government in respect of compensation for assets impaired during the year. This is included in the income statement.

v) The Trust does not hold any property where the value is materially different from its open market value.

#### vi) Assets Held for Sale or sold in the period.

Assets becoming classified as held for sale are shown in Note 13.2. Those sold in the period are detailed below.

#### Gain/(Loss) on Sale

Asset description	Reason for sale	Gain/(Loss) on sale £000
Vehicles	No longer serviceable	113
Equipment	No longer serviceable	16
		<u>129</u>

### 13.2 Non-current assets held for sale

	Land	Buildings, including dwellings	Other property plant and equipment	Intangible assets	Other assets	Total
	£000	£000	£000	£000	£000	£000
<b>Balance b/f 1 April 2021</b>	<b>130</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>130</b>
Plus assets classified as held for sale in year	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0
Less assets sold in year	0	0	0	0	0	0
Plus reversal of impairments	0	0	0	0	0	0
Less impairment for assets held for sale	0	0	0	0	0	0
Less assets no longer classified as held for sale for reasons other than disposal by	0	0	0	0	0	0
<b>Balance c/f 31 March 2022</b>	<b>130</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>130</b>
<b>Balance b/f 1 April 2020</b>	<b>246</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>246</b>
Plus assets classified as held for sale in year	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0
Less assets sold in year	(116)	0	0	0	0	(116)
Plus reversal of impairments	0	0	0	0	0	0
Less impairment for assets held for sale	0	0	0	0	0	0
Less assets no longer classified as held for sale for reasons other than disposal by	0	0	0	0	0	0
<b>Balance c/f 31 March 2021</b>	<b>130</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>130</b>

As at 31st March 2022, one property is included within this category.

The property included became surplus to requirement following the relocation of staff to new office accommodation during the latter part of the 2018/19 financial year. The sale of the property was originally anticipated to take place during the financial year 2021/22 but as a result of delays caused by events outside of the Trust's control the sale is now anticipated to take place during the financial year 2022/23.

Within Note 13 there is £4.227m of Transport equipment and £0.118m of Plant & Machinery that is reclassified as held for sale. These relate wholly to fully depreciated vehicles and equipment which are then sold at auction. The gain on sale of these assets within the year is included in full within Note 13 (vi) (£0.129m).

#### 14. Intangible assets

	Computer software purchased	Computer software internally developed	Licenses and trade-marks	Patents	Development expenditure internally generated	Total
Cost or valuation	£000	£000	£000	£000	£000	£000
<b>At 1 April 2021</b>	<b>11,570</b>	<b>0</b>	<b>4,589</b>	<b>0</b>	<b>0</b>	<b>16,159</b>
Revaluation		0			0	0
Reclassifications	788	0	602	0	0	1,390
Reversal of impairments	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Additions						
- purchased	128	0	0	0	0	128
- internally generated	0	0	0	0	0	0
- donated	0	0	0	0	0	0
- government granted	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	0	0	0	0	0	0
Disposals other than by sale	(1,213)	0	(679)	0	0	(1,892)
<b>At 31 March 2022</b>	<b>11,273</b>	<b>0</b>	<b>4,512</b>	<b>0</b>	<b>0</b>	<b>15,785</b>
<b>Amortisation</b>						
<b>At 1 April 2021</b>	<b>9,448</b>	<b>0</b>	<b>3,248</b>	<b>0</b>	<b>0</b>	<b>12,696</b>
Revaluation		0			0	0
Reclassifications	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Charged during the year	1,036	0	714	0	0	1,750
Reclassified as held for sale	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	0	0	0	0	0	0
Disposals other than by sale	(1,213)	0	(679)	0	0	(1,892)
<b>Accumulated amortisation at 31 March 2022</b>	<b>9,271</b>	<b>0</b>	<b>3,283</b>	<b>0</b>	<b>0</b>	<b>12,554</b>
<b>Net book value At 1 April 2021</b>	<b>2,122</b>	<b>0</b>	<b>1,341</b>	<b>0</b>	<b>0</b>	<b>3,463</b>
<b>Net book value At 31 March 2022</b>	<b>2,002</b>	<b>0</b>	<b>1,229</b>	<b>0</b>	<b>0</b>	<b>3,231</b>
<b>Net book value</b>						
Purchased	2,002	0	1,229	0	0	3,231
Donated	0	0	0	0	0	0
Government granted	0	0	0	0	0	0
Internally Generated	0	0	0	0	0	0
<b>At 31 March 2022</b>	<b>2,002</b>	<b>0</b>	<b>1,229</b>	<b>0</b>	<b>0</b>	<b>3,231</b>

# 14. Intangible assets

	Computer software purchased	Computer software internally developed	Licenses and trade-marks	Patents	Development expenditure internally generated	Total
Cost or valuation	£000	£000	£000	£000	£000	£000
<b>At 1 April 2020</b>	11,419	0	4,589	0	0	16,008
Revaluation		0			0	0
Reclassifications	76	0	0	0	0	76
Reversal of impairments	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Additions						
- purchased	75	0	0	0	0	75
- internally generated	0	0	0	0	0	0
- donated	0	0	0	0	0	0
- government granted	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	0	0
<b>At 31 March 2021</b>	11,570	0	4,589	0	0	16,159
<b>Amortisation</b>						
<b>At 1 April 2020</b>	8,352	0	2,523	0	0	10,875
Revaluation		0			0	0
Reclassifications	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Charged during the year	1,096	0	725	0	0	1,821
Reclassified as held for sale	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	0	0
<b>Accumulated amortisation at 31 March 2021</b>	9,448	0	3,248	0	0	12,696
Net book value						
At 1 April 2020	3,067	0	2,066	0	0	5,133
<b>Net book value</b>						
<b>At 31 March 2021</b>	2,122	0	1,341	0	0	3,463
<b>Net book value</b>						
Purchased	2,122	0	1,341	0	0	3,463
Donated	0	0	0	0	0	0
Government granted	0	0	0	0	0	0
Internally Generated	0	0	0	0	0	0
<b>At 31 March 2021</b>	2,122	0	1,341	0	0	3,463

#### 14. Intangible assets

##### Disclosures:

##### i) Donated Assets

Welsh Ambulance Services NHS Trust has not received any donated intangible assets during the year.

##### ii) Recognition

Intangible assets acquired separately are initially recognised at fair value.

##### iii) Asset Lives

The useful lives of all intangible fixed assets held are finite and where applicable are in line with the terms of the individual license.

## 15. Impairments

Impairments in the period arose from:	2021-22		2020-21	
	Property, plant & equipment	Intangible assets	Property, plant & equipment	Intangible assets
	£000	£000	£000	£000
Loss or damage from normal operations	0	0	0	0
Abandonment of assets in the course of construction	0	0	0	0
Over specification of assets (Gold Plating)	0	0	0	0
Loss as a result of a catastrophe	0	0	0	0
Unforeseen obsolescence	0	0	0	0
Changes in market price	0	0	0	0
Other	6,135	0	638	0
Reversal of impairment	0	0	0	0
<b>Impairments charged to operating expenses</b>	<b>6,135</b>	<b>0</b>	<b>638</b>	<b>0</b>

### Analysis of impairments :

Operating expenses in Statement of Comprehensive Income	6,135	0	638	0
Revaluation reserve	96	0	643	0
<b>Total</b>	<b>6,231</b>	<b>0</b>	<b>1,281</b>	<b>0</b>

Included within the above total of £6.231m are the following items:-

- a review undertaken in connection with expenditure incurred on Trust buildings identified that a total impairment of £1.458m was required as there were instances where the value of the buildings had not been enhanced. Of this amount, £1.362m was charged to operating expenses.
- the remaining £4.773m relates to the amount spent on Cardiff MRD over and above the valuation received once the works to the property were complete. All of this amount was charged to operating expenses.

## 16. Inventories

### 16.1 Inventories

	<b>31 March</b>	31 March
	<b>2022</b>	2021
	<b>£000</b>	£000
Drugs	120	121
Consumables	1,439	1,265
Energy	0	0
Work in progress	0	0
Other	267	242
<b>Total</b>	<b>1,826</b>	<b>1,628</b>
<b>Of which held at net realisable value:</b>	<b>0</b>	<b>0</b>

### 16.2 Inventories recognised in expenses

	<b>31 March</b>	31 March
	<b>2022</b>	2021
	<b>£000</b>	£000
Inventories recognised as an expense in the period	0	0
Write-down of inventories (including losses)	0	0
Reversal of write-downs that reduced the expense	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

17. Trade and other receivables

17.1 Trade and other receivables

	31 March 2022 £000	31 March 2021 £000
<b>Current</b>		
Welsh Government	2,437	4,777
WHSSC & EASC	2,509	1,453
Welsh Health Boards	2,077	1,837
Welsh NHS Trusts	192	158
Welsh Special Health Authorities	8	19
Non - Welsh Trusts	15	0
Other NHS	24	6
2019-20 Scheme Pays - Welsh Government Reimbursement	0	0
Welsh Risk Pool Claim reimbursement:-		0
NHS Wales Secondary Health Sector	4,198	4,268
NHS Wales Primary Sector FLS Reimbursement	0	0
NHS Wales Redress	0	0
Other	0	0
Local Authorities	1	36
Capital debtors- Tangible	0	0
Capital debtors- Intangible	0	0
Other debtors	4,560	1,063
Provision for impairment of trade receivables	(291)	(259)
Pension Prepayments		
NHS Pensions Agency	0	0
NEST	0	0
Other prepayments	1,418	1,123
Accrued income	0	0
Sub-total	17,148	14,481
<b>Non-current</b>		
Welsh Government	0	0
WHSSC & EASC	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Non - Welsh Trusts	0	0
Other NHS	0	0
2019-20 Scheme Pays - Welsh Government Reimbursement	0	0
Welsh Risk Pool Claim reimbursement	0	0
NHS Wales Secondary Health Sector	406	1,831
NHS Wales Primary Sector FLS Reimbursement	0	0
NHS Wales Redress	0	0
Other	0	0
Local Authorities	0	0
Capital debtors- Tangible	0	0
Capital debtors- Intangible	0	0
Other debtors	384	447
Provision for impairment of trade receivables	0	0
Pension Prepayments		
NHS Pensions Agency	0	0
NEST	0	0
Other prepayments	0	0
Accrued income	0	0
Sub-total	790	2,278
<b>Total trade and other receivables</b>	<b>17,938</b>	<b>16,759</b>

The great majority of trade is with other NHS bodies. As NHS bodies are funded by Welsh Government, no credit scoring of them is considered necessary.

Other debtors includes £0.669m re Compensation Recovery Unit (2020-21 £0.731m).



**17.2 Receivables past their due date but not impaired**

	<b>31 March 2022 £000</b>	31 March 2021 £000
By up to 3 months	1,342	854
By 3 to 6 months	1	0
By more than 6 months	0	0
<b>Balance at end of financial year</b>	<b>1,343</b>	<b>854</b>

**17.3 Expected Credit Losses (ECL) Allowance for bad and doubtful debts**

	<b>31 March 2022 £000</b>	31 March 2021 £000
Balance at 1 April	(259)	(290)
Transfer to other NHS Wales body	0	0
Provision utilised (Amount written off during the year)	5	3
Provision written back during the year no longer required	0	0
(Increase)/Decrease in provision during year	(37)	28
ECL/Bad debts recovered during year	0	0
<b>Balance at end of financial year</b>	<b>(291)</b>	<b>(259)</b>

**17.4 Receivables VAT**

	<b>31 March 2022 £000</b>	31 March 2021 £000
Trade receivables	38	16
Other	0	0
<b>Total</b>	<b>38</b>	<b>16</b>

**18. Other financial assets**

	<b>31 March 2022 £000</b>	<b>31 March 2021 £000</b>
<b>Current</b>		
Shares and equity type investments		
Held to maturity investments at amortised costs	0	0
At fair value through SOCI	0	0
Available for sale at FV	0	0
Deposits	0	0
Loans	0	0
Derivatives	0	0
Other (Specify)		
Held to maturity investments at amortised costs	0	0
At fair value through SOCI	0	0
Available for sale at FV	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<b>Non-Current</b>		
Shares and equity type investments		
Held to maturity investments at amortised costs	0	0
At fair value through SOCI	0	0
Available for sale at FV	0	0
Deposits	0	0
Loans	0	0
Derivatives	0	0
Other (Specify)		
Held to maturity investments at amortised costs	0	0
At fair value through SOCI	0	0
Available for sale at FV	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**19. Cash and cash equivalents**

	<b>31 March 2022 £000</b>	31 March 2021 £000
Opening Balance	<b>18,468</b>	24,582
Net change in year	<b>240</b>	<b>(6,114)</b>
<b>Closing Balance</b>	<b>18,708</b>	18,468
<b>Made up of:</b>		
Cash with Government Banking Service (GBS)	<b>18,644</b>	18,424
Cash with Commercial banks	<b>60</b>	39
Cash in hand	<b>4</b>	5
<b>Total cash</b>	<b>18,708</b>	18,468
Current investments	<b>0</b>	0
<b>Cash and cash equivalents as in SoFP</b>	<b>18,708</b>	18,468
Bank overdraft - GBS	<b>0</b>	0
Bank overdraft - Commercial banks	<b>0</b>	0
<b>Cash &amp; cash equivalents as in Statement of Cash Flows</b>	<b>18,708</b>	18,468

In response to the IAS 7 requirement for additional disclosure, the changes in liabilities arising for financing activities are:

Lease Liabilities £1.311m reduction.

The movement relates to cash, no comparative information is required by IAS 7 in 2021-22.

<b>20. Trade and other payables at the SoFP Date</b>	<b>31 March</b>	<b>31 March</b>
	<b>2022</b>	<b>2021</b>
<b>Current</b>	<b>£000</b>	<b>£000</b>
Welsh Government	0	313
WHSSC & EASC	442	12
Welsh Health Boards	248	266
Welsh NHS Trusts	219	241
Welsh Special Health Authorities	35	325
Other NHS	95	0
Taxation and social security payable / refunds:		
Refunds of taxation by HMRC	0	0
VAT payable to HMRC	0	0
Other taxes payable to HMRC	1,589	1,454
National Insurance contributions payable to HMRC	2,192	1,997
Non-NHS trade payables - revenue	3,883	1,938
Local Authorities	8	155
Capital payables-Tangible	10,063	3,374
Capital payables- Intangible	104	246
Overdraft	0	0
Rentals due under operating leases	0	0
Obligations due under finance leases and HP contracts	0	0
Imputed finance lease element of on SoFP PFI contracts	0	0
Pensions: staff	2,450	2,190
Non NHS Accruals	13,931	15,780
Deferred Income:		
Deferred income brought forward	230	207
Deferred income additions	263	23
Transfer to/from current/non current deferred income	0	0
Released to the Income Statement	0	0
Other liabilities - all other payables	0	0
PFI assets – deferred credits	0	0
PFI - Payments on account	0	0
Sub-total	<b>35,752</b>	<b>28,521</b>

The Trust aims to pay all invoices within the 30 day period directed by the Welsh Government.

In respect of the Pensions figure shown above, £2.429m relates to the NHS Pension scheme (2020-21 £2.167m) and £0.021m to the NEST pension scheme (2020-21 £0.022m).

20. Trade and other payables at the SoFP Date (cont)

	31 March 2022 £000	31 March 2021 £000
<b>Non-current</b>		
Welsh Government	0	0
WHSSC & EASC	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Other NHS	0	0
Taxation and social security payable / refunds:		
Refunds of taxation by HMRC	0	0
VAT payable to HMRC	0	0
Other taxes payable to HMRC	0	0
National Insurance contributions payable to HMRC	0	0
Non-NHS trade payables - revenue	0	0
Local Authorities	0	0
Capital payables- Tangible	0	0
Capital payables- Intangible	0	0
Overdraft	0	0
Rentals due under operating leases	0	0
Obligations due under finance leases and HP contracts	0	0
Imputed finance lease element of on SoFP PFI contracts	0	0
Pensions: staff	0	0
Non NHS Accruals	0	0
Deferred Income:		
Deferred income brought forward	0	0
Deferred income additions	0	0
Transfer to/from current/non current deferred income	0	0
Released to the Income Statement	0	0
Other liabilities - all other payables	0	0
PFI assets –deferred credits	0	0
Payments on account	0	0
Sub-total	<u>0</u>	<u>0</u>
<b>Total</b>	<u><b>35,752</b></u>	<u><b>28,521</b></u>

<b>21. Borrowings</b>	<b>31 March</b>	<b>31 March</b>
<b>Current</b>	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Bank overdraft - Government Banking Service (GBS)	0	0
Bank overdraft - Commercial bank	0	0
Loans from:		
Welsh Government	0	0
Other entities	0	0
PFI liabilities:		
Main liability	0	0
Lifecycle replacement received in advance	0	0
Finance lease liabilities	1,364	1,616
Other	0	0
<b>Total</b>	<b>1,364</b>	<b>1,616</b>

<b>Non-current</b>		
Bank overdraft - GBS	0	0
Bank overdraft - Commercial bank	0	0
Loans from:		
Welsh Government	0	0
Other entities	0	0
PFI liabilities:		
Main liability	0	0
Lifecycle replacement received in advance	0	0
Finance lease liabilities	0	1,059
Other	0	0
<b>Total</b>	<b>0</b>	<b>1,059</b>

A finance lease contract was entered into with Airwave during 2007-08 in respect of the National Ambulance Radio Re-procurement Project. During the financial year 2019-20, the Airwave finance lease was extended to November 2022 due to the national replacement scheme being delayed. This is the only finance lease liability included within the above.

## 21.2 Loan advance/strategic assistance funding

	<b>31 March</b>	<b>31 March</b>
<b>Amounts falling due:</b>	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
In one year or less	0	0
Between one and two years	0	0
Between two and five years	0	0
In five years or more	0	0
Sub-total	0	0
Wholly repayable within five years	0	0
Wholly repayable after five years, not by instalments	0	0
Wholly or partially repayable after five years by instalments	0	0
Sub-total	0	0
Total repayable after five years by instalments	0	0

The Trust has not received a loan advance or strategic funding from the Welsh Government.

## 22. Other financial liabilities

	31 March 2022 £000	31 March 2021 £000
<b>Current</b>		
<b>Financial Guarantees</b>		
At amortised cost	0	0
At fair value through SoCI	0	0
Derivatives at fair value through SoCI	0	0
<b>Other</b>		
At amortised cost	0	0
At fair value through SoCI	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

	31 March 2022 £000	31 March 2021 £000
<b>Non-current</b>		
<b>Financial Guarantees</b>		
At amortised cost	0	0
At fair value through SoCI	0	0
Derivatives at fair value through SoCI	0	0
<b>Other</b>		
At amortised cost	0	0
At fair value through SoCI	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**23. Provisions**  
**2021-22**

**Current**

	At 1 April 2021	Structured settlement cases transferred to Risk Pool	Transfers to creditors	Transfers between current and non current	Transfers (to)/from other NHS body	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2022
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Clinical negligence:-										
Secondary Care	2,711	0	0	640	0	1,432	(1,963)	(1,470)	0	1,350
Primary Care	0	0	0	0	0	0	0	0	0	0
Redress Secondary Care	158	0	0	(14)	0	472	(212)	(210)	0	194
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	1,521	0	0	1,201	0	3,656	(375)	(4,344)	(99)	1,560
All other losses and special payments	0	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	313	0	0	91	0	470	(206)	(370)	0	298
Structured Settlements - WRPS	0	0	0	0	0	0	0	0	0	0
Pensions relating to: former directors	0		0	0	0	0	0	0	0	0
Pensions relating to: other staff	18		0	0	0	18	(9)	(11)	(1)	15
2019-20 Scheme Pays - Reimbursement	0		0	0	0	0	0	0	0	0
Restructurings	0		0	0	0	0	0	0		0
Other	2,228		0	0	0	2,759	(3,868)	(134)		985
<b>Total</b>	<b>6,949</b>	<b>0</b>	<b>0</b>	<b>1,918</b>	<b>0</b>	<b>8,807</b>	<b>(6,633)</b>	<b>(6,539)</b>	<b>(100)</b>	<b>4,402</b>

**Non Current**

Clinical negligence:-										
Secondary Care	640	0	0	(640)	0	348	0	0	0	348
Primary Care	0	0	0	0	0	0	0	0	0	0
Redress Secondary Care	0	0	0	14	0	10	(2)	(10)	0	12
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	11,096	0	0	(1,201)	0	0	(324)	0	0	9,571
All other losses and special payments	0	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	91	0	0	(91)	0	71	0	0	0	71
Structured Settlements - WRPS	0	0	0	0	0	0	0	0	0	0
Pensions relating to: former directors	0		0	0	0	0	0	0	0	0
Pensions relating to: other staff	60		0	0	0	0	(4)	0	0	56
2019-20 Scheme Pays - Reimbursement	0		0	0	0	0	0	0	0	0
Restructurings	0		0	0	0	0	0	0		0
Other	0		0	0	0	0	0	0		0
<b>Total</b>	<b>11,887</b>	<b>0</b>	<b>0</b>	<b>(1,918)</b>	<b>0</b>	<b>429</b>	<b>(330)</b>	<b>(10)</b>	<b>0</b>	<b>10,058</b>

**TOTAL**

Clinical negligence:-										
Secondary Care	3,351	0	0	0	0	1,780	(1,963)	(1,470)	0	1,698
Primary Care	0	0	0	0	0	0	0	0	0	0
Redress Secondary Care	158	0	0	0	0	482	(214)	(220)	0	206
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	12,617	0	0	0	0	3,656	(699)	(4,344)	(99)	11,131
All other losses and special payments	0	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	404	0	0	0	0	541	(206)	(370)	0	369
Structured Settlements - WRPS	0	0	0	0	0	0	0	0	0	0
Pensions relating to: former directors	0		0	0	0	0	0	0	0	0
Pensions relating to: other staff	78		0	0	0	18	(13)	(11)	(1)	71
2019-20 Scheme Pays - Reimbursement	0		0	0	0	0	0	0	0	0
Restructurings	0		0	0	0	0	0	0		0
Other	2,228		0	0	0	2,759	(3,868)	(134)		985
<b>Total</b>	<b>18,836</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,236</b>	<b>(6,963)</b>	<b>(6,549)</b>	<b>(100)</b>	<b>14,460</b>

**Expected timing of cash flows:**

	In year to 31 March 2023	Between 01-Apr-23 to 31 March 2027	Thereafter	Totals
	£000	£000	£000	£000
Clinical negligence:-				
Secondary Care	1,350	348	0	1,698
Primary Care	0	0	0	0
Redress Secondary Care	194	12	0	206
Redress Primary Care	0	0	0	0
Personal injury	1,560	1,911	7,660	11,131
All other losses and special payments	0	0	0	0
Defence legal fees and other administration	298	71	0	369
Structured Settlements - WRPS	0	0	0	0
Pensions - former directors	0	0	0	0
Pensions - other staff	15	50	6	71
2019-20 Scheme Pays - Reimbursement	0	0	0	0
Restructuring	0	0	0	0
Other	985	0	0	985
<b>Total</b>	<b>4,402</b>	<b>2,392</b>	<b>7,666</b>	<b>14,460</b>

"Other" provisions £0.985m (2020-21 £2.228m) relates to a provision of £0.599m in respect of an evaluation of recent employment legislation and case law affecting the calculation of annual leave payments for employees working in the NHS and £0.386m for dilapidation of leasehold premises.



### 23. Provisions (continued)

2020-21

	At 1 April 2020	Structured settlement cases transferred to Risk Pool	Transfers to creditors	Transfers between current and non current	Transfers (to)/from other NHS body	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2021
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Current</b>										
Clinical negligence:-										
Secondary Care	1,977	0	0	0	0	1,690	(863)	(93)	0	2,711
Primary Care	0	0	0	0	0	0	0	0	0	0
Redress Secondary Care	0	0	0	0	0	485	(172)	(155)	0	158
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	2,408	0	0	(1,100)	0	1,504	(786)	(456)	(49)	1,521
All other losses and special payments	0	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	312	0	0	(37)	0	607	(178)	(391)	0	313
Structured Settlements - WRPS	0	0	0	0	0	0	0	0	0	0
Pensions relating to: former directors	0	0	0	0	0	0	0	0	0	0
Pensions relating to: other staff	19	0	0	13	0	7	(15)	(6)	0	18
2019-20 Scheme Pays - Reimbursement	0	0	0	0	0	0	0	0	0	0
Restructurings	0	0	0	0	0	0	0	0	0	0
Other	2,577	0	0	0	0	137	(486)	0	0	2,228
<b>Total</b>	<b>7,293</b>	<b>0</b>	<b>0</b>	<b>(1,124)</b>	<b>0</b>	<b>4,430</b>	<b>(2,500)</b>	<b>(1,101)</b>	<b>(49)</b>	<b>6,949</b>
<b>Non Current</b>										
Clinical negligence:-										
Secondary Care	0	0	0	0	0	640	0	0	0	640
Primary Care	0	0	0	0	0	0	0	0	0	0
Redress Secondary Care	0	0	0	0	0	0	0	0	0	0
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	9,481	0	0	1,100	0	515	0	0	0	11,096
All other losses and special payments	0	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	0	0	0	37	0	66	(4)	(8)	0	91
Structured Settlements - WRPS	0	0	0	0	0	0	0	0	0	0
Pensions relating to: former directors	0	0	0	0	0	0	0	0	0	0
Pensions relating to: other staff	73	0	0	(13)	0	0	0	0	0	60
2019-20 Scheme Pays - Reimbursement	0	0	0	0	0	0	0	0	0	0
Restructurings	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>9,554</b>	<b>0</b>	<b>0</b>	<b>1,124</b>	<b>0</b>	<b>1,221</b>	<b>(4)</b>	<b>(8)</b>	<b>0</b>	<b>11,887</b>
<b>TOTAL</b>										
Clinical negligence:-										
Secondary Care	1,977	0	0	0	0	2,330	(863)	(93)	0	3,351
Primary Care	0	0	0	0	0	0	0	0	0	0
Redress Secondary Care	0	0	0	0	0	485	(172)	(155)	0	158
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	11,889	0	0	0	0	2,019	(786)	(456)	(49)	12,617
All other losses and special payments	0	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	312	0	0	0	0	673	(182)	(399)	0	404
Structured Settlements - WRPS	0	0	0	0	0	0	0	0	0	0
Pensions relating to: former directors	0	0	0	0	0	0	0	0	0	0
Pensions relating to: other staff	92	0	0	0	0	7	(15)	(6)	0	78
2019-20 Scheme Pays - Reimbursement	0	0	0	0	0	0	0	0	0	0
Restructurings	0	0	0	0	0	0	0	0	0	0
Other	2,577	0	0	0	0	137	(486)	0	0	2,228
<b>Total</b>	<b>16,847</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,651</b>	<b>(2,504)</b>	<b>(1,109)</b>	<b>(49)</b>	<b>18,836</b>

## 24 Contingencies

### 24.1 Contingent liabilities

Provision has not been made in these accounts for the following amounts:

	31 March 2022 £000	31 March 2021 £000
Legal claims for alleged medical or employer negligence;		
Secondary care	9,193	5,624
Primary Care	0	0
Secondary care - Redress	0	0
Primary Care - Redress	0	0
Doubtful debts	0	0
Equal pay cases	0	0
Defence costs	316	235
Other: Damage to third party equipment	0	0
<b>Total value of disputed claims</b>	<b>9,509</b>	<b>5,859</b>
Amount recovered under insurance arrangements in the event of these claims being successful	(8,290)	(4,848)
<b>Net contingent liability</b>	<b>1,219</b>	<b>1,011</b>

Other litigation claims could arise in the future due to known incidents. The expenditure which may arise from such claims cannot be determined and no provision has been made for them.

Liability for Permanent Injury Benefit under the NHS Injury Benefit Scheme lies with the employer. Individual claims to the NHS Pensions Agency could arise due to known incidents.

Contingent liabilities includes claims relating to alleged clinical negligence, personal injury and permanent injury benefits under the NHS Injury Benefits Scheme. The above figures include contingent liabilities for all Health Bodies in Wales.

### Pensions tax annual allowance - Scheme Pays arrangements 2019/2020

In accordance with a Ministerial Direction issued on 18 December 2019, the Welsh Government have taken action to support circumstances where pension tax rules are impacting upon clinical staff who want to work additional hours, and have determined that clinical staff who are members of the NHS Pension Scheme and who, as a result of work undertaken in the 2019/2020 tax year, face a charge on the growth of their NHS pension benefits, may opt to have this charge paid by the NHS Pension Scheme, with their pension reduced on retirement.

Welsh Government, on behalf of Welsh Ambulance Services NHS Trust, will pay the members who opt for reimbursement of their pension, a corresponding amount on retirement, ensuring that they are fully compensated for the effect of the deduction.

This scheme will be fully funded by the Welsh Government to the NHS Business Services Authority Pension Division, the administrators on behalf of the Welsh claimants.

Clinical staff have until 31 March 2022 to opt for this scheme and the ability to make changes up to 31 July 2026.

At the date of approval of these accounts, the indication was that there was very little take-up of the scheme by Welsh Ambulance Services NHS Trust staff, and there was insufficient data to enable a reasonable assessment of future take up to be made. As no reliable estimate can therefore be made to support the creation of a provision at 31 March 2022, the existence of an unquantified contingent liability is instead disclosed.

### 24.2. Remote contingent liabilities

	31 March 2022 £000	31 March 2021 £000
Guarantees	0	0
Indemnities	0	0
Letters of comfort	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

### 24.3 Contingent assets

	31 March 2022 £000	31 March 2021 £000
	0	0
	0	0
	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

The Trust has no contingent assets.

## 25. Capital commitments

Commitments under capital expenditure contracts at the statement of financial position sheet date were:

	<b>31 March</b>	31 March
	<b>2022</b>	2021
	<b>NHS Trust</b>	
	<b>£000</b>	£000
Property, plant and equipment	<b>12,914</b>	9,268
Intangible assets	86	232
<b>Total</b>	<b>13,000</b>	9,500

## 26. Losses and special payments

Losses and special payments are charged to the Income statement in accordance with IFRS but are recorded in the losses and special payments register when payment is made. Therefore this note is prepared on a cash basis.

### Gross loss to the Exchequer

Number of cases and associated amounts paid out during the financial year

	Amounts paid out during year to 31 March 2022	
	Number	£
Clinical negligence	10	1,962,859
Personal injury	67	699,804
All other losses and special payments	121	213,759
<b>Total</b>	<b>198</b>	<b>2,876,422</b>
FHoT losses and special payments	0	0
<b>Consolidated Total</b>	<b>198</b>	<b>2,876,422</b>

### Analysis of cases in excess of £300,000

Case Type	In year claims in excess of £300,000		Cumulative claims in excess of £300,000	
	Number	£	Number	£
<b>Cases in excess of £300,000:</b>				
Clinical negligence			1	704,493
Personal injury			1	378,967
Clinical negligence			1	632,585
Personal injury			1	4,314,610
Clinical negligence	1	558,681	1	708,810
Clinical negligence	1	523,880	1	523,880
Clinical negligence	1	425,780	1	425,780
<b>Sub-total</b>	<b>3</b>	<b>1,508,341</b>	<b>7</b>	<b>7,689,125</b>
<b>All other cases</b>	<b>195</b>	<b>1,368,081</b>	<b>567</b>	<b>9,385,730</b>
<b>Total cases</b>	<b>198</b>	<b>2,876,422</b>	<b>574</b>	<b>17,074,855</b>

## 27. Finance leases

### 27.1 Finance leases obligations (as lessee)

A contract was entered into with Airwave during 2007-08 in respect of the National Ambulance Radio Re-procurement Project. During the financial year 2019-20, the Airwave finance lease was extended to November 2022 due to the national replacement scheme being delayed.

This is the only asset included within 'Other' below.

#### Amounts payable under finance leases:

<b>LAND</b>	<b>31 March 2022 £000</b>	<b>31 March 2021 £000</b>
<b>Minimum lease payments</b>		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Less finance charges allocated to future periods	0	0
<b>Minimum lease payments</b>	<b>0</b>	<b>0</b>
Included in:		
Current borrowings	0	0
Non-current borrowings	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<b>Present value of minimum lease payments</b>		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
<b>Total present value of minimum lease payments</b>	<b>0</b>	<b>0</b>
Included in:		
Current borrowings	0	0
Non-current borrowings	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

# Welsh Ambulance Services NHS Trust Annual Accounts 2021-22

## 27.1 Finance leases obligations (as lessee) continued

### Amounts payable under finance leases:

#### BUILDINGS

	31 March 2022 £000	31 March 2021 £000
<b>Minimum lease payments</b>		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Less finance charges allocated to future periods	0	0
<b>Minimum lease payments</b>	<b>0</b>	<b>0</b>
Included in: Current borrowings	0	0
Non-current borrowings	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<b>Present value of minimum lease payments</b>		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
<b>Total present value of minimum lease payments</b>	<b>0</b>	<b>0</b>
Included in: Current borrowings	0	0
Non-current borrowings	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

#### OTHER

	31 March 2022 £000	31 March 2021 £000
<b>Minimum lease payments</b>		
Within one year	1,373	1,651
Between one and five years	0	1,066
After five years	0	0
Less finance charges allocated to future periods	(9)	(42)
<b>Minimum lease payments</b>	<b>1,364</b>	<b>2,675</b>
Included in: Current borrowings	1,364	1,616
Non-current borrowings	0	1,059
<b>Total</b>	<b>1,364</b>	<b>2,675</b>
<b>Present value of minimum lease payments</b>		
Within one year	1,364	1,616
Between one and five years	0	1,059
After five years	0	0
<b>Total present value of minimum lease payments</b>	<b>1,364</b>	<b>2,675</b>
Included in: Current borrowings	1,364	1,616
Non-current borrowings	0	1,059
<b>Total</b>	<b>1,364</b>	<b>2,675</b>

## 27.2 Finance lease receivables (as lessor)

The Trust has no finance lease receivables.

### Amounts receivable under finance leases:

	31 March 2022 £000	31 March 2021 £000
<b>Gross investment in leases</b>		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Less finance charges allocated to future periods	0	0
<b>Present value of minimum lease payments</b>	<b>0</b>	<b>0</b>
Included in:		
Current borrowings	0	0
Non-current borrowings	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<b>Present value of minimum lease payments</b>		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Less finance charges allocated to future periods	0	0
<b>Total present value of minimum lease payments</b>	<b>0</b>	<b>0</b>
Included in:		
Current borrowings	0	0
Non-current borrowings	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

### **27.3 Finance Lease Commitment**

The Welsh Ambulance Service NHS Trust extended the contract of the Airwave Finance Lease during 2019-20, this remains the only finance lease that the Trust has. The Airwave Finance Lease has been extended to November 2022 due to the national replacement being delayed.

### **28. Private finance transactions**

#### **Private Finance Initiatives (PFI) / Public Private Partnerships (PPP)**

The Trust has no PFI or PPP Schemes.



## 29. Financial Risk Management

IFRS 7, Derivatives and Other Financial Instruments, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities.

NHS Trusts are not exposed to the degree of financial risk faced by business entities. Financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IFRS 7 mainly applies. NHS Trusts have 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 NHS Trusts 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. The Trust treasury activity is subject to review by the Trust's internal auditors.

### **Liquidity risk**

The Trust's net operating costs are incurred under annual service agreements with various Health bodies, which are financed from resources voted annually by parliament. NHS Trusts also largely finance their capital expenditure from funds made available from the Welsh Government under agreed borrowing limits. NHS Trusts are not, therefore, exposed to significant liquidity risks.

### **Interest-rate risks**

The great majority of NHS Trust's financial assets and financial liabilities carry nil or fixed rates of interest. NHS Trusts are not, therefore, exposed to significant interest-rate risk.

### **Foreign currency risk**

NHS Trusts have no or negligible foreign currency income or expenditure and therefore are not exposed to significant foreign currency risk.

### **Credit Risk**

Because the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures are in receivables from customers as disclosed in the trade and other receivables note.

### **General**

The powers of the Trust to invest and borrow are limited. The Board has determined that in order to maximise income from cash balances held, any balance of cash which is not required will be invested. The Trust does not borrow from the private sector. All other financial instruments are held for the sole purpose of managing the cash flow of the Trust on a day to day basis or arise from the operating activities of the Trust. The management of risks around these financial instruments therefore relates primarily to the Trust's overall arrangements for managing risks to their financial position, rather than the Trust's treasury management procedures.

### 30. Movements in working capital

	31 March 2022 £000	31 March 2021 £000
(Increase) / decrease in inventories	(198)	(72)
(Increase) / decrease in trade and other receivables - non-current	1,488	(1,742)
(Increase) / decrease in trade and other receivables - current	(2,667)	(5,395)
Increase / (decrease) in trade and other payables - non-current	0	0
Increase / (decrease) in trade and other payables - current	7,231	998
<b>Total</b>	<b>5,854</b>	<b>(6,211)</b>
Adjustment for accrual movements in fixed assets - creditors	(6,547)	5,761
Adjustment for accrual movements in fixed assets - debtors	0	0
Other adjustments	100	0
<b>Total</b>	<b>(593)</b>	<b>(450)</b>

### 31. Other cash flow adjustments

	31 March 2022 £000	31 March 2021 £000
<b>Other cash flow adjustments</b>		
Depreciation	15,190	13,707
Amortisation	1,750	1,821
(Gains)/Loss on Disposal	0	0
Impairments and reversals	6,135	638
Release of PFI deferred credits	0	0
NWSSP Covid assets issued debited to expenditure but non-cash	0	0
NWSSP Covid assets received credited to revenue but non-cash	0	0
Donated assets received credited to revenue but non-cash	0	0
Government Grant assets received credited to revenue but non-cash	0	0
Non-cash movements in provisions	2,587	4,493
<b>Total</b>	<b>25,662</b>	<b>20,659</b>

**32. Events after reporting period**

These financial statements were authorised for issue by the Chief Executive and Accountable Officer on the date they were certified by the Auditor General for Wales.

### 33. Related Party transactions

The Trust is a body corporate established by order of the Welsh Minister for Health and Social Services.

The Welsh Government is regarded as a related party. During the year, the Trust has had a significant number of material transactions with the Welsh Government and with other entities for which the Welsh Government is regarded as the parent body, namely:

Related Party	Expenditure to related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Welsh Government	18	38,644	-	2,437
WHSSC/EASC	50	185,736	442	2,509
Aneurin Bevan University Health Board	348	13,756	78	496
Betsi Cadwaladr University Health Board	475	6,793	88	234
Cardiff & Vale University Health Board	34	4,771	8	400
Cwm Taf Morgannwg University Health Board	84	3,054	48	593
Hywel Dda University Health Board	417	5,343	19	170
Powys Teaching Health Board	52	1,497	-	25
Swansea Bay University Health Board	97	6,093	7	159
Public Health Wales NHS Trust	52	108	-	11
Velindre University NHS Trust	2,311	1,021	219	181
Health Education and Improvement Wales (HEIW)	22	407	-	-
Digital Health and Care Wales (DHCW)	758	208	35	8
Welsh Local Authorities	1,417	243	8	1
Cardiff University	22		-	-
Swansea University	79	132	-	8
Cardiff Metropolitan University	-		-	-
University of South Wales	20		-	-
University of Wales	43		2	-
Bangor University	1		-	-
Glyndwr University	-			-
	<b>6,300</b>	<b>267,806</b>	<b>954</b>	<b>7,232</b>

The Trust Board is the Corporate Trustee of the Welsh Ambulance Services NHS Trust Charity. All voting members of the Trust (marked with an asterisk in the table overleaf) can act as a corporate trustee of the charity. During the year receipts from the Charity amounted to £0.010m (2020/21: £0.010m) with no other transactions being made. Net assets of the charity amount to £0.544m.

The Welsh Government income shown above includes £6.136m relating to impairment funding and £4.865m that relates to PDC capital received during 2021/22.

### 33. Related Party transactions (continued)

A number of the Trust's members have declared interests in related parties as follows:

Name	Position	Declaration
Martin Woodford *	Trust Chair and Non-Executive Director	Nil declaration.
Kevin Davies *	Vice Chair and Non-Executive Director	Colonel Commandant Queen Alexandra's Royal Army Nursing Corps. Trustee Queen Alexandra's Charity. Trustee St John Ambulance Cymru. Patron Motivation and Learning Trust. Chair ABF The Soldiers Charity (Glamorgan). Member Royal College Nursing.
Emrys Davies *	Non-Executive Director	Director and Chair, NRML (Newport Road Maintenance Ltd.) Retired member of Unite.
Bethan Evans *	Non-Executive Director	Managing Director (Employed) at My Choice Healthcare Limited. Non-Executive Board Member at RHA (Social Housing Organisation) Company Directorships: <ul style="list-style-type: none"> <li>- Moorlands Rehabilitation (Staffordshire) Limited.</li> <li>- My Choice Healthcare South Wales Limited</li> <li>- Homes of Excellence Healthcare Limited.</li> <li>- Springfield (Bargoed) Limited.</li> <li>- Homes of Excellence Limited</li> <li>- Victoria House Care Limited</li> <li>- My Choice Healthcare (Three) Limited</li> <li>- My Choice Healthcare (Four) Limited</li> </ul>
Paul Hollard *	Non-Executive Director	Independent consultant providing occasional services to NHS Wales organisations and Welsh Government.
Ceri Jackson *	Non-Executive Director	Self-employed Management Consultant primarily working in third sector. (Not undertaking any contracts for NHS, would consult WAST Chair prior to undertaking any contracts.) Associate Director of SamKat Ltd in my capacity as self-employed management consultant. (Not undertaking any NHS contracts as part of this role and would consult WAST Chair prior to undertaking any contracts.) Stroke Association Trustee, Chair Wales Advisory Group. Stroke Association has contracts with the NHS to deliver services. Volunteer role. Cardiff Institute for the Blind Trustee (trading as Sight Life). The charity has a contract with Cardiff and the Vale Health Board to provide services. Partner employed by Arjo (global supplier of medical devices and equipment).

33. Related Party transactions (continued)

Interests in Related Parties (continued)		
Name	Position	Declaration
Joga Singh *	Non-Executive Director	Geldards LLP, paid employment. Membership of the Law Society and the Employment Lawyers Association. Member of the Fairness Inclusion and Respect Committee for the Institute of Civil Engineers in Wales, voluntary role. Independent Member of the South Wales Police Ethics Committee, 2 – 3 days a year.
Martin Turner *	Non-Executive Director	Director and shareholder Martin Turner Associates Ltd.
Jason Killens *	Chief Executive	Nil declaration
Brendan Lloyd *	Executive Medical Director	National Professional Advisor (Ambulance Services) at Care Quality Commission, one day a week for six months from 1 February 2022.
Claire Roche *	Executive Director of Quality and Nursing (to 6 March 2022)	Nil declaration.
Wendy Herbert *	Interim Executive Director of Quality and Nursing (from 7 March 2022)	Nil declaration
Chris Turley *	Executive Director of Finance and Corporate Resources	Treasurer of Royal Gwent Hospital League of Friends.
Claire Vaughan *	Executive Director of Workforce and OD	(Voluntary) Independent Sub-Committee Member for Aberystwyth University
Lee Brooks	Director of Operations	Partner employed by Welsh Ambulance Services NHS Trust.
Andy Haywood	Director of Digital	Nil declaration.
Estelle Hitchon	Director of Partnerships and Engagement	Nil declaration
Rachel Marsh	Director of Strategy, Planning and Performance	Nil declaration
Andy Swinburn	Director of Paramedicine	Strategic Advisor to the College of Paramedics.
Keith Cox	Board Secretary (to 1 August 2021)	Magistrate Cardiff and Vale.
Trish Mills	Board Secretary (from 2 August 2021)	Nil declaration.

Voting Members of the Trust are marked with an asterisk \* in the Table above.

No other Trust members provided declarations of interest in related parties during the period.

**33. Related Party transactions (continued)**

Material transactions between the Trust and related parties disclosed on pages 69 and 70 during 2021-22 were as follows (unless already reported on page 68) :	Payments to related party	Receipts from related party	Amounts owed to related party	Amounts due from related party
	£000	£000	£000	£000
St John Ambulance	3,326	0	86	0
<b>TOTAL</b>	<b>3,326</b>	<b>0</b>	<b>86</b>	<b>0</b>

**34. Third party assets**

The Trust has no third party assets.

**35. Pooled budgets**

The Welsh Ambulance Services NHS Trust has no pooled budgets.



### **36. Operating Segments**

The Trust's primary remit is the provision of Ambulance and Unscheduled Care services throughout Wales and this is viewed as the only segment that is recognisable under this legislation.

The Chief Operating Decision Maker (CODM) is considered to be the Trust Board. The CODM receives a variety of information in a variety of formats dealing with various aspects of ambulance service and NHS Direct Wales performance. The Trust however considers the provision of services to be ultimately generic, in terms of geography and service.

The Trust therefore is deemed to operate as one segment.

### 37. Other Information

#### 37.1. 6.3% Staff Employer Pension Contributions - Notional Element

The value of notional transactions is based on estimated costs for the twelve month period 1 April 2021 to 31 March 2022. This has been calculated from actual Welsh Government expenditure for the 6.3% staff employer pension contributions between April 2021 and February 2022 alongside Trust data for March 2022.

Transactions include notional expenditure in relation to the 6.3% paid to NHS BSA by Welsh Government and notional funding to cover that expenditure as follows:

	2021-22	2020-21
<b>STATEMENT OF COMPREHENSIVE INCOME</b>		
<b>FOR THE YEAR ENDED 31 MARCH 2022</b>	<b>£000</b>	<b>£000</b>
Revenue from patient care activities	7,841	6,966
Operating expenses	7,841	6,966
<b>3. Analysis of gross operating costs</b>		
<b>3. Revenue from patient care activities</b>		
Welsh Government	7,841	6,966
Welsh Government - Hosted Bodies	-	-
<b>5.1 Operating expenses</b>		
Directors' costs	76	59
Staff costs	7,765	6,907

37. Other Information (continued)

37.2 Other (continued)

Welsh Government Covid 19 Funding

Details of Covid 19 Pandemic Welsh Government funding amounts provided to NHS Wales

	Total 2021-22 £000	Total 2020-21 £000	
<b>Capital</b>			
Capital Funding Field Hospitals		-	
Capital Funding Equipment & Works	200	1,491	
Capital Funding other (Specify)	-	-	
<b>Welsh Government Covid 19 Capital Funding</b>	<b>200</b>	<b>1,491</b>	
			<b>As previously reported in 2020-21 £000</b>
<b>Revenue</b>			
Sustainability Funding			6218
C-19 Pay Costs Q1 (Future Quarters covered by SF)			2143
Field Hospital (Set Up Costs, Decommissioning & Consequential losses)			0
Bonus Payment			3655
Independent Health Sector			0
Stability Funding	5,368	12,016	
Covid Recovery	-	-	
Cleaning Standards	400	-	
PPE (including All Wales Equipment via NWSSP)	966	-	
Testing / TTP- Testing & Sampling - Pay & Non Pay	-	-	
Tracing / TTP - NHS & LA Tracing - Pay & Non Pay	-	-	
Extended Flu Vaccination / Vaccination - Extended Flu Programme	-	-	
Mass Covid-19 Vaccination / Vaccination - COVID-19	-	-	
Annual Leave Accrual - Increase due to Covid	-	1,777	
Urgent & Emergency Care	6,076	-	
Private Providers Adult Care / Support for Adult Social Care Providers	-	-	
Hospices	-	-	
Other Mental Health / Mental Health	-	-	
Other Primary Care	-	-	
Social Care	-	-	
Other	-	18	
<b>Welsh Government Covid 19 Revenue Funding</b>	<b>12,810</b>	<b>13,811</b>	

During 2021/22 £3.577m (2020/21 £2.354m) revenue funding was provided for Covid -19 Mobile testing Units (MTU) as follows:-

- DHSC (Dept Health & Social Care) £1.796m
- UK HSA (Health Security Agency) £1.781m

### 37. Other Information (continued)

#### 37.3 Changes to accounting standards not yet effective - IFRS 16 Impact

IFRS 16 Leases supersedes IAS 17 Leases and is effective in the public sector from 1 April 2022. IFRS 16 provides a single lessee accounting model and requires a lessee to recognise right-of-use assets and liabilities for leases with a term more than 12 months unless the underlying value is of low value. The FRoM makes two public sector adaptations

- The definition of a contract is expanded to include intra UK government agreements that are not legally enforceable;
- The definition of a contract is expanded to included agreements that have nil consideration.

IFRS 16 gives a narrower definition of a lease than IAS 17 and IFRIC 4 by requiring that assets and liabilities will be recognised initially at the discounted value of minimum lease payments. After initial recognition, right of use assets will be depreciated on a straight line basis and interest recognised on the liabilities. Except where modified for revaluation where material, the cost model will be applied to assets other than peppercorn leases which will be measured on a depreciated replacement cost basis. The right of use asset in a peppercorn lease is accounted for similarly to a donated asset.

As required by the FRoM IFRS 16 will be implemented using the accumulated catch up method.

The right of use assets and leasing obligation have been calculated and indicated that the total discounted value of right of use assets and liabilities under IFRS 16 is higher than the value of minimum lease commitments under IAS 17. The impact of implementation is an

- increase in expenditure £0.145m;
- increase in assets of £13.007m and liabilities of £11.871m.

These figures are calculated before intercompany eliminations are made, these will have a material impact on the figures.

#### Right of Use (RoU) Assets Impact

	Property £000	Non Property £000	Total £000
<b>Statement of financial Position</b>			
<b>RoU Asset Recognition</b>			
+ Transitioning Adjustment	11,466	66	11,532
+ As at 1 April 2022	11,466	66	11,532
+ Renewal / New RoU Assets 2022-23	2,964	-	2,964
- Less (Depreciation)	- 1,453	- 36	- 1,489
+ As at 31 March	12,977	30	13,007
<b>RoU Asset Liability</b>			
- Transitioning Adjustment	- 10,078	- 66	- 10,144
- As at 1 April 2022	- 10,078	- 66	- 10,144
- Renewal / New RoU Liability 2022-23	- 2,944	-	- 2,944
+ Working Capital	1,306	36	1,342
- Interest	- 124	- 1	- 125
- As at 31 March	- 11,840	- 31	- 11,871
<b>Charges</b>			
<b>Expenditure</b>			
RoU Asset depreciation (1)	- 1,453	- 36	- 1,489
Interest on obligations under RoU Asset leases (2)	- 125	- 1	- 126
	- 1,578	- 37	- 1,615

**THE NATIONAL HEALTH SERVICE IN WALES ACCOUNTS DIRECTION GIVEN BY  
WELSH MINISTERS IN ACCORDANCE WITH SCHEDULE 9 SECTION 178 PARA 3(1) OF  
THE NATIONAL HEALTH SERVICE (WALES) ACT 2006 (C.42) AND WITH THE  
APPROVAL OF TREASURY**

**NHS TRUSTS**

1. Welsh Ministers direct that an account shall be prepared for the financial year ended 31 March 2010 and subsequent financial years in respect of the NHS Wales Trusts in the form specified in paragraphs [2] to [7] below.

**BASIS OF PREPARATION**

2. The account of the NHS Wales Trusts shall comply with:

(a) the accounting guidance of the Government Financial Reporting Manual (FReM), which is in force for the financial year for which the accounts are being prepared, as detailed in the NHS Wales Trust Manual for Accounts;

(b) any other specific guidance or disclosures required by the Welsh Government.

**FORM AND CONTENT**

3. The account of the Trust for the year ended 31 March 2010 and subsequent years shall comprise a foreword, an income statement, a statement of financial position, a statement of cash flows and a statement of changes in taxpayers' equity as long as these statements are required by the FReM and applied to the NHS Wales Manual for Accounts, including such notes as are necessary to ensure a proper understanding of the accounts.

4. For the financial year ended 31 March 2010 and subsequent years, the account of the Trust shall give a true and fair view of the state of affairs as at the end of the financial year and the operating costs, changes in taxpayers' equity and cash flows during the year.

5. The account shall be signed and dated by the Chief Executive.

**MISCELLANEOUS**

6. The direction shall be reproduced as an appendix to the published accounts.

7. The notes to the accounts shall, inter alia, include details of the accounting policies adopted.

Signed by the authority of Welsh Ministers

Signed : Chris Hurst

Dated : 17.06.2010

1 Please see regulation 3 of the 2009 No 1558(W.153); NATIONAL HEALTH SERVICE,