

## Bundle Trust Board (Open Session) 10 June 2021

### 1 PROCEDURAL BUSINESS

#### 1.1 Welcome and Apologies for Absence

*To welcome those in attendance and to note any apologies for absence.*

#### 1.2 Declarations of Interest

*Members are reminded that they should declare any personal or business interests which they have in any matter or item to be considered at the meeting which may influence, or may be perceived to influence their judgement, including interests relating to the receipt of any gifts or hospitality received. Declarations should include as a minimum, personal direct and indirect financial interests, and normally also include such interests in the case of close family members. Any declaration must be made before the matter is considered or as soon as the Member becomes aware that a declaration is required.*

*The board noted the standing declarations of interest in respect of: (If in attendance)*

*Mr Emrys Davies, Retired Member of UNITE  
Professor Kevin Davies, Trustee of St John Wales  
Nathan Holman, Member of Llannon Community Council  
Ceri Jackson, Trustee of the Stroke Association*

### 2 TRUST BOARD ANNUAL ACCOUNTS PROCESS

#### 2.1 11:15 - Annual Accounts and Accountability Report 2020/21

ITEM 2.1 2020-21 Accounts and Accountability Report Executive Summary - TB 10 Jun....docx

ITEM 2.1a Appendix 1 - 2020-21 Accountability Report and Annual Accounts.pdf

ITEM 2.1b Letter of Representation 2020-21.docx

#### 2.2 11:45 - Audit Wales – Audit of Financial Statements Report 2020-21

ITEM 2.2 2434A2021-22\_WAST\_Audit\_of\_Accounts\_Report\_2020-21\_Final.pdf

### 3 OTHER BUSINESS ITEMS

#### 3.1 12:05 - Annual Performance report 2020/2021

ITEM 3.1 Performance Report SBAR 20210606.docx

ITEM 3.1a Performance Report hb 20210603 Trust Board (1006FINAL).docx

#### 3.2 12:20 - Annual Report 2020/2021

ITEM 3.2 BoardSBARAnnualReport202021June21preAWApproval.docx

ITEM 3.2a AnnualRepor 202021v1EVHMay21FINALDRAFTPREBOARD AW.docx

### 4 ANY OTHER BUSINESS

*To consider any other business to the agenda items listed above.*

### 5 DATE OF NEXT MEETING

*The next meeting of Trust Board will be 29 July 2021*



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AGENDA ITEM No	2.1
OPEN or CLOSED	Open
No of ANNEXES ATTACHED	1

## 2020/21 ANNUAL ACCOUNTS AND ACCOUNTABILITY REPORT

MEETING	Trust Board
DATE	10 <sup>th</sup> June 2021
EXECUTIVE	Director of Finance & Corporate Resources and Board Secretary
AUTHOR	Jill Gill, Financial Accountant and Mike Armstrong, Assistant Corporate Secretary
CONTACT	Chris Turley <a href="mailto:chris.turley2@wales.nhs.uk">chris.turley2@wales.nhs.uk</a> Keith Cox <a href="mailto:Keith.cox@wales.nhs.uk">Keith.cox@wales.nhs.uk</a>

### EXECUTIVE SUMMARY

The Trust submitted both its unaudited Draft Annual Accounts and its Draft Accountability Report for 2020/21 to the Welsh Government, in line with the agreed timetable.

The accounts for the year ended 31<sup>st</sup> March 2021 have been prepared to comply with International Financial Reporting Standards (IFRS) adopted by the European Union, in accordance with HM Treasury's FReM by the Welsh Ambulance Services 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.

The Accountability Report complies with Welsh Government reporting requirements.

Both documents were presented to Audit Committee on 3<sup>rd</sup> June 2021 where the Committee recommended for Trust Board approval. Since then they have been combined into one unified document, **Appendix 1**.

**RECOMMENDED: That the Trust's Annual Accounts and Accountability Report for 2020/21 be adopted and approved by the Trust Board.**

### KEY ISSUES/IMPLICATIONS

The final audited accounts (**Appendix 1**) as presented demonstrate that the Trust has:

- Reported a retained surplus of £0.070 million for the year;
- Met its financial duty to break even over the 3 years 2018-2019 to 2020-2021;
- Expended Capital Investment funds of £16.211 million, thereby utilising 100% of the Trust's Capital Resource Limit;
- Achieved Public Sector Payments Policy (PSPP) of 97.2% within 30 days against the 95% target.

The requirement to achieve the administrative External Financing Target has been suspended for 2020/21.

As part of the Annual Accounts process, all NHS Wales bodies are required to submit a three part 'Accountability Report' (**Appendix 1**). The Accountability Report has been prepared as directed by the Welsh Government and has been subject to audit scrutiny.

### REPORT APPROVAL ROUTE

An update on the financial performance of the Trust as at Month 12 2020/21 and therefore the draft 2020/21 year end position (subject to audit) was provided to both the Finance & Performance Committee on 13<sup>th</sup> May 2021 and Trust Board on 27<sup>th</sup> May 2021.

The remuneration tables contained within the Accountability Report were circulated to the Remuneration Committee on 29<sup>th</sup> April 2021. Any issues raised by the Committee have been discussed with auditors and addressed.

The Annual Accounts and Accountability Report were presented to Audit Committee on 3<sup>rd</sup> June 2021, where they were recommended for Trust Board approval.

The final approved and audited Annual Accounts and Accountability Report are due to be submitted to Welsh Government by 11<sup>th</sup> June 2021 as a single unified document in line with the agreed timetable.

### REPORT APPENDICES

Appendix 1 – 2020-21 Accountability Report and Annual Accounts

### REPORT CHECKLIST

Confirm that the issues below have been considered and addressed		Confirm that the issues below have been considered and addressed	
EQIA (Inc. Welsh language)	NA	Financial Implications	Y
Environmental/Sustainability	NA	Legal Implications	Y
Estate	NA	Patient Safety/Safeguarding	NA
Ethical Matters	NA	Risks (Inc. Reputational)	NA
Health Improvement	NA	Socio Economic Duty	NA
Health and Safety	NA	TU Partner Consultation	NA

# WELSH AMBULANCE SERVICES NHS TRUST

## TRUST BOARD

### 2020/21 ANNUAL ACCOUNTS AND ACCOUNTABILITY REPORT

#### SITUATION

1. The Trust submitted its unaudited 2020/21 Draft Accounts on 30<sup>th</sup> April 2021 and its Draft Accountability Report for the financial year 2020/21 on 7<sup>th</sup> May 2021 to the Welsh Government, in line with the agreed timetable.

#### BACKGROUND

2. The accounts for the year ended 31 March 2021 have been prepared to comply with International Financial Reporting Standards (IFRS) adopted by the \*European Union, in accordance with HM Treasury's FReM by the Welsh Ambulance Services 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.

*\*Please note that following the withdrawal of the UK from the European Union this position is unchanged.*

3. The Accountability Report complies with Welsh Government reporting requirements.

#### ASSESSMENT

4. The Final Audited Accounts (**Appendix 1**) as presented demonstrate that the Trust has:
  - a) As per the draft accounts, continued to report a retained surplus of £0.070 million for the year.
    - 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.
    - The Trust is therefore deemed to have met its financial duty to break even over the 3 years 2018/19 to 2020/21 as shown below.

<b>Annual financial performance</b>				<b>2018-19 to 2020-21</b>
	<b>2018-19 £000</b>	<b>2019-20 £000</b>	<b>2020-21 £000</b>	<b>Financial duty £000</b>
Retained surplus	57	45	70	172
Less Donated asset / grant funded revenue adjustment	0	0	0	0
Adjusted surplus/ (Deficit)	<u>57</u>	<u>45</u>	<u>70</u>	<u>172</u>

- b) External Financing Limit (EFL); Due to the circumstances that arose as a result of Coronavirus COVID-19, namely
- the suspension of the National Loan Fund temporary deposit facility, and
  - the requirement to issue year-end capital adjustments,
- the requirement to achieve the administrative External Financing Target has again been suspended for 2020-21.
- c) Expended Capital Investment funds of £16.211 million, thereby utilising 100% of the Trust's Capital Resource Limit; and
- d) Achieved Public Sector Payments Policy (PSPP) of 97.2% within 30 days, against the 95% target.
5. To aid discussion and understanding, it is also planned that some of the key financial values within the accounts will be presented to Board, along with explanations for any of the key movements from the previous financial year.
6. The initial draft accounts were subsequently amended by the Trust and audited by the Audit Wales (AW) team. Adjustments between draft and final accounts were largely minimal and / or presentational and did not result in a change to the retained surplus position. It should be pointed out however that there remains one item raised by AW that is unadjusted as follows:
- Note 23 Provisions - includes £134,000 relating to a provision for potential staff exit packages. This was included following a precedent set during 2020/21 for an exit package situation relating to a previous secondment situation, and one which therefore may well arise again. AW disagree that this meets the absolute criteria for a provision and that only a contingent liability should have been disclosed. However, given the Trust's materiality threshold for these accounts set by AW being c£2.4m and that this item represents c0.05% of the Trust's turnover in 2020/21, this item has not been adjusted on the grounds of materiality. Whilst such unadjusted items are not uncommon, it is the first one that the Trust has had for a few years, and as such a form of words agreeing to the remaining position in relation to this has also been agreed with AW.

7. AW have provided a report that indicates that it is the intention of the Auditor General for Wales to issue an unqualified certificate and report on the 2020/21 financial statements, citing that they provide a true and fair view of the Trust's finances in the 2020/21 financial year.
8. A final draft of the accounts was presented to Audit Committee on 3<sup>rd</sup> June 2021. At the time of this meeting there remained a very small number of outstanding presentational adjustments to be made to the final version of the accounts that are now presented to Board for final adoption and approval. For completeness, the adjustments actioned to the version of the accounts that Audit Committee received are as follows:
  - In note 17, an updated split in relation to the current and non-recurrent receivables relating to the WRP, and
  - Some updated values in note 33 in relation to 3<sup>rd</sup> party transactions.
9. As part of the Annual Accounts process, all NHS Wales bodies are also required to submit an 'Accountability Report' (**Appendix 1**) that consists of three parts:-
  - i. A Corporate Governance Report (which includes the Annual Governance Statement that historically was produced as a standalone document)
  - ii. A Remuneration and Staff Report, and
  - iii. A Parliamentary Accountability and Audit report
10. The Accountability Report has been prepared as directed by the Welsh Government and has also been subject to audit scrutiny.
11. Following Trust Board approval, the final approved and audited annual accounts and accountability report are due to be submitted to Welsh Government by 11th June 2021 as one single unified document in line with the agreed timetable.

**RECOMMENDED: That the Trust's Annual Accounts and Accountability Report for 2020/21 be adopted and approved by the Trust Board.**



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# **ACCOUNTABILITY REPORT AND ANNUAL ACCOUNTS**

## **2020-21**



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# ACCOUNTABILITY REPORT

## 2020-21



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## Introduction

The Accountability Report is part of a suite of reports which form the Trust's Annual Report and Accounts. 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 Annual 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.



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# **CORPORATE GOVERNANCE REPORT**

## **2020-21**

## Introduction

This Corporate Governance Report is a key feature of the Welsh Ambulance Services NHS Trust Annual Report and Accounts. The 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 have 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:** This requires the Accountable Officer, Chairman and Director of Finance 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 Annual 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.

## 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.

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

### 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 Annual Governance Statement which forms part of this Corporate Governance Report.

The composition of the Trust Board, the names of the Directors forming the Audit Committee and information on personal data related breaches and incidents are also provided in the Annual Governance Statement.

### Company Directorships

The following declarations of interest with regards to company directorships and other significant interests were submitted in 2020-21. Voting Members of the Trust are marked with an asterisk in the Table below.

Name	Position	Declaration
Martin Woodford *	Trust Chairman and Non-Executive Director	None
Emrys Davies *	Non-Executive Director	Director and Chair, NRML (Newport Road Maintenance Ltd). Retired Member of Unite.
Kevin Davies *	Non-Executive Director	St John Volunteer COVID 19 Vaccination Programme (CTMUHB and C&VUHB). Trustee St John Ambulance Cymru. Patron Motivation and Learning Trust. Chair ABF The Soldiers Charity (Glamorgan). Member RCN.
Bethan Evans *	Non-Executive Director	Managing Director (Employed) at My Choice Healthcare Ltd. Non Executive Board Member at RHA (Social Housing Association). Company Director Moorlands Rehabilitation (Staffordshire) Ltd. Company Director My Choice Healthcare South Wales Limited. Company Director Homes of Excellence Healthcare Limited. Company Director Springfield (Bargoed) Limited.
Pamela Hall *	Non-Executive Director (left the Trust 31/12/20)	None

Name	Position	Declaration
Paul Hollard *	Non-Executive Director	Independent consultant providing occasional services to NHS Wales organisations and Welsh Government
Joga Singh *	Non-Executive Director	Geldards LLP, paid employment Sikh Council of Wales, voluntary role. Member of the Law Society and Employment Lawyers Association.
Martin Turner *	Non-Executive Director	Director and shareholder Martin Turner Associates Ltd,
Jason Killens *	Chief Executive	Honorary Professorship at Swansea University.
Brendan Lloyd *	Medical Director and Deputy Chief Executive (Interim)	None
Claire Roche *	Executive Director of Quality and Nursing	None
Christopher Turley *	Executive Director of Finance and Corporate Resources	None
Claire Vaughan *	Executive Director of Workforce and OD	None
Lee Brooks	Director of Operations	Partner employed by Welsh Ambulance Services NHS Trust.
Andy Haywood	Director of Digital	None
Estelle Hitchon	Director of Partnership and Engagement	None
Rachel Marsh	Director of Strategy, Planning and Performance	None
Andy Swinburn	Associate Director of Paramedicine	Consultancy work as an Advisor to the College of Paramedics.
Keith Cox	Board Secretary	Magistrate Cardiff and Vale.

Note: The Trust Board is the Corporate Trustee of the Welsh Ambulance Services NHS Trust Charity. All voting members of the Trust collectively act as corporate trustee of the charity. In addition, four Non-Executive Directors have roles on the Charitable Funds Committee.

## 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.

### **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.



## 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

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.

As Accountable Officer I can confirm that as far as I am aware there is no relevant audit information of which Welsh Ambulance Services NHS 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.

Chief Executive ..... Dated 10 June 2021  
(Jason Killens)

## 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:

Chairman ..... Dated 10 June 2021

Chief Executive ..... Dated 10 June 2021

Director of Finance  
and Corporate Resources ..... Dated 10 June 2021

# The Annual Governance Statement

## Introduction

This Annual Governance Statement is a key feature of the Welsh Ambulance Services NHS Trust annual report and accounts. It demonstrates how we managed and controlled resources in 2020-21 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.

Information on our performance over the last twelve months is set out in the Trust's 2020-21 Annual Report. Looking forward, our targets and ambitions are explained in the Trust's 'Integrated Medium Term Plan (IMTP) 2021-2024' which continues the programme of reviewing and updating our IMTP on a rolling three-year cycle.

All the above documents are made available at the point of publication on the Trust's website: [www.ambulance.wales.nhs.uk](http://www.ambulance.wales.nhs.uk)

## Who we are and what we do

The Welsh Ambulance Service was established in 1998, with NHS Direct Wales becoming part of the Trust in April 2007. Our clinically-led organisation provides a service to some three million people across Wales, an area of almost 8,000 square miles, spread across a diverse and challenging urban, coastal and rural landscape.

We attend more than 250,000 emergency calls a year and transport over 1.3 million non-emergency patients to over 200 treatment centres throughout England and Wales. We employ almost 3,400 people of which approximately 70% are within our emergency medical services (which includes our Clinical Contact Centres), and around 640 staff in our Non-Emergency Patient Transport Service. Our patient facing services are supported by approximately 500 staff in our corporate and support functions and by our valued extended volunteer workforce, which includes over 1,000 Community First Responders and 300 Volunteer Car Drivers.

We operate from 90 ambulance stations, three contact centres, three regional offices and five vehicle workshops. We also have our own National Training College to ensure our staff maintain high levels of performance and receive regular professional development.

We are also the host for the 111 service, which is an amalgamation of NHS Direct Wales and the front end call handling and clinical triage elements of the GP out-of-hours services.

## Emergency Ambulance Services Committee

In July 2013, in response to the recommendations of the McClelland Review, the Minister for Health and Social Services announced a package of reforms which established revised accountability and delivery arrangements for the provision of emergency ambulance services in Wales. The revised arrangements came into being on 1 April 2014 with the establishment of the Emergency Ambulance Services

Committee as a joint committee of the seven local health boards (LHBs).  
(<http://www.wales.nhs.uk/easc/about-us>)

The Committee is formed by the Chief Executives of the seven local health boards and presided over by an independent Chairperson appointed by the Minister. The Emergency Ambulance Services Committee (EASC) has appointed a Chief Ambulance Services Commissioner to undertake a lead role in supporting the local health boards in commissioning emergency ambulance services from the Trust within the context of the wider unscheduled care system (and from 2016 Non Emergency Patient Transport Services in Wales). The arrangements effectively create a commissioner/provider relationship in which the seven local health boards are collectively responsible for securing the provision of an effective emergency ambulance service for Wales. The Trust therefore is responsible for supplying the urgent and emergency medical services that the local health boards require against a robust commissioning framework.

The Trust has ensured during the course of the year that it works closely with partner organisations such as local health boards, local authorities, other emergency service providers, and Community Health Councils, to exploit opportunities for joint working and to improve the service we provide to the public in Wales.

## 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 2021 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 Trust's Annual Report outlines the different ways we have 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 Annual 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 Annual Governance Statement.

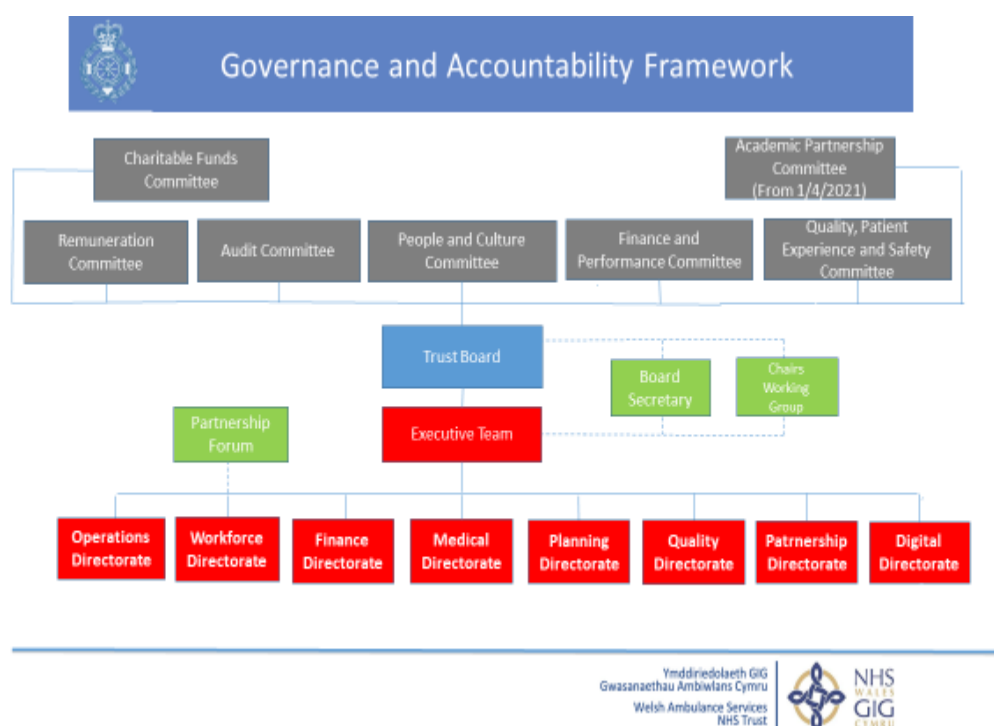
The Board is the senior leadership team and has final oversight for the Trust's governance and assurance systems and sets strategic objectives, monitors progress, agrees actions to achieve these objectives and ensures that appropriate controls are in place and are working properly throughout the organisation. To do this, the Board is supported by a number of committees that have been established in accordance with the Trust's Standing Orders and Standing Financial Instructions, and these comply with NHS (Wales) regulations.

During 2020-21, a small number of appointments and changes of personnel were made amongst Board members and senior staff of the Trust, and are set out below.

- Pamela Hall resigned her position as a Non-Executive Director and left the Trust on 31 December 2020. This resulted in a Non-Executive Director vacancy for the period 1 January 2021 through to 31 March 2021. Ceri Jackson was appointed as an Interim Non Executive Director by Welsh Government and took up post on 1 April 2021.
- Emrys Davies contract as a Non-Executive Director was extended by 12 months by Welsh Government with a revised completion date of 31 March 2022.

With regards to the first bullet point above, it should be noted that in order to ensure the Board and its Committees remained quorate and stable during the first quarter of 2021, that the Trust Board approved on 28 January 2021 a revised schedule of Non-Executive Director Committee membership. In addition, Trust Board agreed on 28 January 2021 to cover a vacant Non-Executive Director Finance and Performance Committee role on rotation, and to operate Charitable Funds Committee with one Non-Executive Director vacancy.

The table below sets out the Board governance and accountability framework that was introduced in April 2019 and amended in July 2020 when Trust Board approved the establishment of a new Academic Partnership Committee with responsibility for developing and overseeing academic partnership and benefits realisation in such areas as research and development, education and training and innovation. Terms of reference and membership of the Committee were approved by Trust Board in July 2020 with the first meeting of the Committee scheduled for 27 April 2021, with quarterly meetings programmed in the Trust's calendar of meetings thereafter.



## Trust Board

The Trust Board is scheduled to meet six times per year in public and comprises individuals from a range of backgrounds, disciplines and areas of expertise. The Board comprises of the Chair, Vice Chair and six other independent members (Non-Executive Directors) and the Chief Executive and four Executive Directors. The Board is supported by the Board Secretary, who acts as principal adviser on all aspects of corporate governance within the Trust, four further (non-voting) Directors and the Associate Director of Paramedicine. Two trade union partners also attend Board meetings.

All Trust Board meetings in 2020-21 were appropriately constituted and were quorate. In addition to the scheduled six meetings of the Trust Board, an extra seven meetings were held in April 2020, May 2020, June 2020, July 2020, August 2020, October 2020, and November 2020 due to urgent business (details of meeting dates and members attendance is listed in **Appendix 1**). Agendas for 'open' Board sessions were published on the Trust's website seven days before the meeting, with the meetings streamed live via Facebook and Zoom for members of the public to listen to discussions and to understand how decisions had been reached. On occasions the Trust Board was required to hold 'closed' sessions where private and confidential information was discussed. Whilst the public were not entitled to attend, the Minutes of the meetings were published on the Trust's website.

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 were key matters for the Board throughout the year and at the Trust Board meeting on 26 March 2020, it was confirmed that the Trust's Pandemic Plan had been triggered. 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. A report explaining how Trust Board and Committee responsibilities were discharged during the Covid-19 pandemic response phase was assessed by Trust Board at its meeting on 28 May 2020 <https://www.ambulance.wales.nhs.uk/en/396>. A summary of the required changes to Board and Committee governance resulting from the Covid-19 pandemic are listed in Appendix 1.

Examples of the key governance and control matters addressed by the Trust Board (open session) during 2020-21 were:

- Audit Wales structured assessment and annual report;
- Annual report, accounts and governance statements;
- Committee terms of reference review and Minutes of committees;
- Digital, health and wellbeing, and environment strategies;
- Integrated medium term plan – delivery and refresh;
- Integrated quality and performance reports;

- Quality, safety and patient experience integrated reports;
- Risk and Board assurance framework; and
- United Kingdom's exit from the European Union – preparedness/risks.

## **Board Development**

The Board Development Programme continued in 2020-21 with quarterly meetings that consisted of three key areas: development of the board collectively and individually; statutory and essential knowledge based development and training (e.g. socio-economic duty); and thirdly, strategic discussion.

## **Board Committees**

The Board has established six standing Board Committees (seven from 1 April 2021), chaired by Non-Executive Directors, that have key roles in relation to the system of governance and assurance, decision making, scrutiny, development discussions, an assessment of current risks and performance monitoring. Committee papers and Minutes for each meeting are published on the Trust's website.

Formal business updates are presented by Committees to each Trust Board meeting and Minutes of Committee meetings are presented to the Board once approved by the relevant 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 2020-21, with the revised terms of reference approved by Trust Board on 25 March 2021. To strengthen the Trust's governance processes, the following wording was added to the Terms of Reference for all Board Committees.

"The Audit Committee has overall responsibility for ensuring that corporate risks are identified and are being properly managed within the Trust. The Audit Committee also has responsibility for ensuring that there are processes in place to address and take forward audit recommendations. Nevertheless, each risk from the corporate risk register, and each recommendation from the audit tracker, will be allocated to an appropriate Board Committee who will be responsible for ensuring that the Trust is managing and progressing each item as planned. Regular reports will be provided to individual Committees on those items for which they have responsibility and overall Trust-wide progress reports will be presented to each Audit Committee."

Supporting the formal Board and Committee structure is a Chairs' Working Group that meets at the start of each quarterly business cycle to prevent duplication or lack of reporting across the Trust.

The following paragraphs provide highlights of reports received by Committees throughout the year. These highlights provide evidence of the Trust's governance framework working in practice.

## **Audit Committee**

The Audit Committee supports the Trust Board by critically reviewing governance and assurance processes. The Committee met four times during 2020-21 (details of meeting dates and members attendance is listed in **Appendix 1**).

Examples of the key governance and control matters considered by the Audit Committee during 2020-21 were:

- Annual accounts, accountability report and annual governance statement;
- Audit recommendation trackers;
- Board assurance framework and corporate risk register;
- Counter fraud annual report and progress reports;
- Internal and external audit reports, opinion and operational plans;
- Losses and special payments; and
- Tender update and waiver reports.

### Charitable Funds Committee

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 twice during 2020-21 when it discussed a number of issues, including the Charitable Funds Annual Report and Accounts, and an update on the bursary scheme that provides support to staff through continuing professional development.

In 2019 a Bids Panel was established as a formal group of the Charitable Funds Committee to consider and approve applications in respect of the Trust's charitable funds. The Bids Panel replaced the former Charitable Funds Advisory Group and met five times during 2020-21.

### Finance and Performance Committee

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 seven times during 2020-21 (details of meeting dates and members attendance is listed in **Appendix 1**).

Examples of key governance and control matters considered by the Finance and Performance Committee during 2020-21 were:

- Capital programme updates;
- Committee assurance and audit recommendation tracker reports;
- Deep dive of tender cost variations;
- Finance performance reports and savings delivery updates;
- Integrated quality and performance report;
- Policy approvals e.g. vehicle disposals, emergency operations demand management;
- Strategic Outline Programmes for Estates and Fleet;
- Transfer of Non WAST NEPTS work to WAST; and



- Vehicle replacement and operational communications programmes.

### People and Culture Committee

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 2020-21 (details of meeting dates and members attendance is listed in **Appendix 1**).

Examples of key governance and control matters considered by the People and Culture Committee during 2020-21 were

- Covid-19 staff survey;
- People and culture strategy;
- Policy approvals e.g. violence and aggression;
- Safeguarding the mental well-being of Trust staff;
- Seasonal planning/campaigns 2020-21;
- Staff suspension updates;
- Well-being strategy;
- Welsh language progress/updates; and
- Workforce performance scorecards

### Quality, Patient Experience and Safety Committee (QuEST)

The Quality, Patient Experience and Safety Committee supports the Trust Board by providing assurance with regards to the Trust's clinical governance policies and procedures, in particular the arrangements for safeguarding and improving the quality and safety of patient centred healthcare. The Committee met four times during 2020-21 (details of meeting dates and members attendance is listed in **Appendix 1**).

Examples of key governance and control matters considered by the Quality, Patient Experience and Safety Committee during 2020-21 were:

- Annual quality statement and quarterly quality assurance reports;
- Clinical audit programme;
- Clinical Contact Centre Clinical review;
- Deep dive of corporate risks;
- Demand management plan;
- Monthly integrated performance reports;
- Quality Strategy 2020-23
- Patient experience and community involvement highlight reports; and
- Policy approvals e.g. Putting Things Right, safer handling, information risk.

### Remuneration Committee

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 eight times during 2020-21.

### Trust Board and Committee Membership

The membership of the Trust Board and its Committees is set out in **Appendix 1**, together with the dates of meetings and attendance in 2020-21. This appendix also provides further information on the Trust's constitution and how it complies with NHS (Wales) regulations. The table below sets out the Non-Executive Director representation on the Trust Board and its Committees at 31 March 2021.

	Emrys Davies	Kevin Davies	Bethan Evans	Paul Hollard	Joga Singh	Martin Turner	Martin Woodford	Vacancy
Academic Partnership (from 1/4/21)		Chair		✓		✓		
Audit	✓			✓	✓	Chair		
Charitable Funds	✓	Chair	✓					✓
Finance and Performance	Chair		✓		✓			✓
People and Culture		✓	✓	Chair	✓			
Quality, Patient Experience and Safety (QuEST)	✓	✓	Chair	✓				
Remuneration		✓			✓	✓	Chair	
Trust Board	✓	✓	✓	✓	✓	✓	Chair	✓

### Senior Management Structure

The table below sets out the senior management structure of the Trust as at 31 March 2021. Executive Directors (Trust Board Members) are marked with an asterisk.



### Advisory Groups

In support of the Board, the Trust has established the Welsh Ambulance Service Partnership Team 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 2020-21, as part of the pandemic emergency arrangements, the Partnership Forum meetings were suspended and replaced by a Trade Union Partnership Cell which met at least weekly during the pandemic. These, more agile arrangements, allowed for more frequent discussions and quicker, more informed decisions and agreements. These arrangements have proved popular and discussions are taking place as to whether the Trust goes back to the previous Partnership Forum model or whether it adopts a model similar to that operated during the pandemic. A decision on the preferred model of working is expected to be agreed by the end of the first quarter of 2021-22.

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.

## **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 2021 and up to the date of approval of the annual report and accounts.

The Trust recognises that, as a result of the Covid-19 pandemic emergency, some changes to the Trust's internal controls were necessary in order to allow the Trust to respond quickly and effectively to the emergency, whilst at the same time maintaining good governance. As stated previously in this report, a paper detailing the changes that were made was presented to the Trust Board on 28 May 2020. This can be viewed in the following link <https://www.ambulance.wales.nhs.uk/en/396>.

## **Capacity to handle risk**

The Trust sees active and integrated risk management as a key element in the successful delivery of its business and remains committed to ensuring staff throughout the organisation are trained and equipped to assess, manage, escalate and report risks.

## **Risk Management Strategy and Framework**

The Trust's Risk Management Strategy and Framework 2018/21 is due to be refreshed during 2021 to reflect upon the maturing risk management culture within the organisation. The strategy is aligned to the Trust's Integrated Medium Term Plan and our strategic aims with clearly defined priorities to incrementally move the risk maturity of the organisation forward.

Our strategy describes the systems that the Trust uses to embed risk management throughout the organisation to provide assurance that risks are effectively managed with sound internal control, assurance and escalation processes is in place. This provides the Board with assurance about the way in which the organisation manages risk.

The current version of the Trust's Risk Management Strategy and Framework can be found via Audit Committee, Item 4.2, 5 March 2020 on this link

<https://www.ambulance.wales.nhs.uk/en/215>

### **Risk Appetite**

The Trust recognises that effective risk management is a key component of corporate and clinical governance and is integral to the delivery of our objectives in service provision to the public. 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 or its reputation or cause any disrepute with its stakeholders.

However, it should be recognised that, in common with other NHS Providers, the Trust does not have unlimited resources and therefore it determines the appropriateness and cost of resources required to address key risks. This is a major influence in determining the risk appetite of the organisation which is set and developed by the Board.

### **Risk Profile**

The risk profile of the Trust is subject to continuous, senior management scrutiny and revision and, as of 25 March 2021, the Trust Board was informed that there were eleven strategic risks scoring 15 or above on the Trust's Corporate Risk Register, with the two highest scoring risks of 25 due to pressure in the unscheduled care system and the emergence of long handover delays at hospital emergency departments.

The organisation's risks were assessed using the NHS Wales risk management 5 x 5 scoring matrix, i.e. the likelihood of the hazard happening multiplied by the impact or consequence.

<b>RISK</b>	<b>RISK CATEGORY</b>	<b>DIRECTORATE</b>	<b>CURRENT RISK SCORE</b>	<b>COMMITTEE</b>
Unable to attend patients in community who require See & Treat	Service Delivery	Operations	<b>25 (5x5)</b>	QuESt
Patients delayed on ambulances outside A&E Departments	Quality & Safety	Operations	<b>25 (5x5)</b>	QuESt

RISK	RISK CATEGORY	DIRECTORATE	CURRENT RISK SCORE	COMMITTEE
Business continuity for recording digital patient clinical records	Business Continuity	Medical and Clinical	<b>20 (5x4)</b>	Finance and Performance
Impact on EMS CCC service delivery due to estates constraints	Service Delivery	Operations	<b>20 (5x4)</b>	Finance and Performance
Compliance with Health and Safety legislation	Statutory Duties	Quality, Safety & Patient Experience	<b>20 (4x5)</b>	Audit; QuEST
Increased risk of personal injury claims citing COVID exposure	Statutory Duties	Quality, Safety & Patient Experience	<b>20 (5x4)</b>	QuEST
High Sickness Absence Rates	Resource Availability	Workforce & Organisational Development	<b>16 (4x4)</b>	People and Culture
On-call CCA ability to cover 24/7 command	Business Continuity	Operations	<b>16 (4x4)</b>	People and Culture
Failure to manage the cumulative impact on estate of the EMS Demand & Capacity Review, the NEPTS Review and GUH	Resource Availability	Finance & Corporate Resources	<b>16 (4x4)</b>	Finance and Performance
Trust Reputation	Stakeholder Relationships	Partnerships and Engagement	<b>15 (3x5)</b>	Trust Board
Inability to maintain safe & effective services during a disruptive challenge due to insufficient capacity in EMS CCCs.	Service Delivery	Operations	<b>15 (3x5)</b>	Finance & Performance

### Risk Review Process

The Trust's Executive Management Team, Audit Committee and Trust Board regularly received, considered, and commented on the Risk Register during 2020-21. In addition, risks assigned to the Finance & Performance, People and Culture and the Quality, Safety and Patient Experience Committees were presented at each meeting. 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. These mitigating actions are explained further in the Trust's Board Assurance Framework Report (see below). The following link (Trust Board, Item 3.4, 25 March 2021) explains the mitigating actions in place to the risks set out in the table above <https://www.ambulance.wales.nhs.uk/en/422>.

The e-risk platform on Datix developed in 2019-20 by the Trust was embedded across the organisation in 2020-21 and increased the risk review capabilities across the organisation. The Assistant Director Leadership Team (ADLT) reviewed the Corporate Risk Register regularly as part of the programme of work, assessing new risks and making recommendations to the Executive Management Team for approval.

The Trust recognises that managing a number of its key risks relies on partnership working with key stakeholders (e.g. local health boards). The Trust works closely with key stakeholders at various levels in both organisations to ensure risks are understood and mitigating actions are carried out in partnership where necessary. The Trust receives information from a variety of other sources which helps inform the Trust's risks and mitigating actions. These sources include (but not limited to) feedback from patients and the public, concerns raised with the Trust and serious adverse incidents.

### **Board Assurance Framework Report**

Trust Board and Audit Committee receive a composite report containing the Trust Corporate Risks, which are aligned to the strategic themes on the Board Assurance Framework. The report provides a platform to demonstrate how the Trust is continually improving its risk maturity in sourcing and controlling risks, in addition to providing strong internal and external assurances against the strategic themes described in the Integrated Medium Term Plan.

### **Trust Policies**

The Trust continues the cycle of work to ensure all Trust policies remain up to date and provide assurance to the Board that the Trust is complying with current legislation, is meeting mandatory requirements and is discharging its statutory duty. The Policy Group meets monthly and in partnership with Trade Union colleagues to facilitate the programme of work. In addition, a central policy register provides tighter governance processes around version control and to track policies through the system.

### **Emergency Preparedness/Covid-19 Risks**

As previously highlighted in this report, the need to plan and respond to the Covid-19 pandemic presented a number of challenges to the Trust in 2020-21. Having utilised our 'Major Incident Plan' and our 'Business Continuity Plan – Pandemic Influenza' to support management of the first wave, the subsequent debrief identified several lessons that the Trust needed to consider and implement where appropriate. As a result of the lessons identified a new Pandemic Plan was developed that was not specific to influenza and which gave flexibility to be able to meet and address the challenges faced. Alongside this new plan the Trust developed a suite of supporting pandemic documents relating to departmental functions such as Workforce and Organisational Development and Infection Prevention and Control and amended our pandemic structure to include additional 'cells' and teams to oversee specific areas of work to support the Trust response. We also implemented the role of an Evidence and Records Officer through our Corporate Governance team to ensure that we retained and securely stored all our physical and electronic records.

In addition, we moved away from the traditional Response to Recovery model when it became clear that the pandemic would not fall into the traditional linear model, and we introduced a two stage response phase which included a new Monitor Position. This acted as a bridge between the formal Response activities and the formal Recovery activities. This Monitor Position is where we moved to after wave one and wave two and it allowed us to step down some of the pandemic management functions in a controlled way and to manage them as part of the day-to-day business

but maintained the oversight of activity at tactical and strategic level and kept us in a state of readiness to resume the Response Position should that be required.

The Trust had a major incident and business continuity plan in place throughout the pandemic, as required by the Civil Contingencies Act 2004, but the scale and impact of the pandemic has been unprecedented, and we realised through the debrief process that we needed additional plans and guidance documents to manage the pandemic response.

The Trust is developing an Incident Response Plan (IRP) to replace our Major Incident Plan; this plan considers the national risk register, the local resilience forum risk register, NHS Wales guidance and UK ambulance service guidance documents. Aligned to this we have also produced a Command Policy and an Incident Notification and Escalation Procedure that clearly defines types of incidents and the response required. This was tested in December 2020 when we declared a Critical Incident using this new plan. Lessons learnt from the activation of the plan have been reviewed and where appropriate implemented within the Trust. Incident definitions are now consistent across all our incident management documentation including the Resource Escalation Action Plan, which was also amended following an assessment of the need to include pandemic related guiding triggers into our escalation procedures.

We have continued to work in partnership, through Local Resilience Forums (LRF), to address and mitigate the wide impacts of the pandemic. 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 continue to work with the Recovery Coordination Groups and the Trust through its work to support the “pause, rest and reset” of the Trusts activities, also set out in our new Integrated Medium Term Plan.

We continue to engage and support at a national and local level to prepare and respond to the likely impact on the organisation and population. To better understand and be able to forecast our demands, our planning teams have developed a suite of reports focussing on key metrics to provide early indication of an increase in Covid-19 related pressure and these are reviewed with regularity within the ‘Response-Monitor-Recovery’ framework.

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. We have 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.

### **Working with Partners/Stakeholders (Risks)**

As stated previously in this report, working with partner organisations is becoming a prominent factor and delivering services through partners can bring significant benefits and innovation. However, in doing so, the Trust recognises that it has less direct control than if delivering them alone. An environment where services and

projects are increasingly being delivered through partner organisations can lead to risks around failing to align agendas and ineffective communication.

## **The control framework**

### **Quality Governance**

For 2020-21, there has been no requirement to prepare a separate Annual Quality Statement (to which this report previously linked to for details of quality governance assurance). However, regular reporting of quality governance has continued to the Trusts Quality, Patient Experience and Safety Committee (QuEST) throughout the year providing insight and assurance on improving patient experience and outcomes. During 2020-21 we have ensured continued compliance with the Health and Care Standards and Commissioning Framework with the core quality requirements.

A 'Quality Governance Special Report' was produced for the QuEST Committee in May 2020 that gave a particular focus on the range of transformational activity that had taken place across the Trust since the start of the Covid-19 pandemic. The pandemic plan referred to previously in this report galvanised the Trust's already robust structure for good governance and identified opportunities to learn from this experience and to capture new processes and innovations going forward.

Quarterly reporting to the QuEST Committee has been aligned to the Trusts Quality Strategy and the Quality Governance Bill from Welsh Government. All quality governance reports are available to view on the Trust's website <https://www.ambulance.wales.nhs.uk/en/300>.

### **Board Level Self-Assessment**

The Board receives feedback, information and assurance from independent sources. Audit Wales, for example, carry out an annual assessment of our governance arrangements. This assessment not only helps inform the Board of the Trust's progress to date but also of development needs going forward. The Trust also has an effective Internal Audit plan which ensures all areas of the Trust has a level of independent assessment.

The Board has also been proactive in measuring its maturity and effectiveness. The Board and Committee Chairs meet regularly and discuss matters of common interest. Committee Chairs have taken time to examine, scrutinise and challenge the level, detail and scope of the information going to the Board and ensure this is timely and relevant.

All the Committees' terms of reference have been reviewed in the last twelve months and this was concluded in March 2020 with final Board approval.

During 2020-21, the Board undertook a development programme with an external training provider to help the Board develop to its next level of maturity. The training and development programme included supporting and equipping the Board to operate strategically, creatively and innovatively. Whilst Covid-19 restrictions limited the amount and type of training that could take place in 2020-21, further development sessions are nevertheless planned during 2021-22.



## UK Corporate Governance Code

The Trust is required to comply with the UK Corporate Governance Code: corporate governance in central government departments: code of good practice 2017. The information provided in this Governance Statement provides an assessment of how the Trust complies with the main principles of the Code as they relate to an NHS public sector organisation in Wales. This assessment has been informed by the Board level self-assessment as detailed above and also evidenced by internal and external audits. The Trust is following the spirit of the Code to good effect and is conducting its business openly and in line with the Code. The Board recognises that not all reporting elements of the Code are outlined in this Governance Statement but are reported more fully in the Trust's wider Annual Report.

There have been no reported departures from the Corporate Governance Code.

## Other control framework elements

The Trust confirms that in accordance with the requirements of the Annual 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, including the Trust's Strategic Equality Plan and Objectives, contained in our Treating People Fairly Plan, which we report on annually.
- as an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the scheme are in accordance with the scheme rules, and that member pension scheme records are accurately updated in accordance with the timescales detailed in the regulations.
- the Trust has undertaken risk assessments and confirms that carbon reduction delivery plans are in place in accordance with emergency preparedness and civil contingency requirements as based on UKCIP 2009 weather projections to ensure that the Trust's obligation under the Climate Change Act and the adaption reporting requirements are complied with.

## Integrated Medium Term Plan (IMTP)

The Trust's first Integrated Medium Term Plan for the three-year period from 2017-18 to 2019-20 was approved by the Cabinet Secretary for Health, Wellbeing and Sport in the Spring of 2017 and ensured the Trust met its statutory planning duty. All subsequent Welsh Government IMTP requirements and deadlines since 2017 have been met by the Trust.

In accordance with expectations from Welsh Government, the Trust submitted its Board approved 2020-23 IMTP on 31 January 2020, following Emergency Ambulance Services Committee approval on 28 January 2020 and a letter of support from the Chief Ambulance Services Commissioner.

The IMTP set out a refreshed set of deliverables for 2020-23, aligned to the Trust's Long Term Strategy, with clear delivery mechanisms and timescales. The IMTP built upon the progress of the 2019-22 IMTP and responded to what patients and colleagues said was important to them, as well as setting out the Trust's commitment to A Healthier Wales and the EASC commissioning intentions.

Despite positive informal feedback, the IMTP was not approved by the Minister for Health and Social Services prior to the implementation of the national pandemic response. Instead, during the pandemic response, Welsh Government required all NHS bodies in Wales to submit Board approved quarterly Operational Plans, setting out the key programmes of work and operational service requirements during the ongoing response to and recovery from the Covid-19 pandemic. The Trust met all requirements on this matter during 2020-21.

Throughout 2020-21 the Trust Board remained interested in progress against the IMTP and how this supported delivery of the Trust's longer term strategic ambitions. Regular update reports were presented to Trust Board and set out below are some IMTP headlines for 2020-21.

Full details on our performance during 2020-21 against our key performance indicators are set out in a range of public documents which includes the Monthly Integrated Quality & Performance Report which forms part of Trust Board papers and the Ambulance Quality Indicators which are published quarterly by the Emergency Ambulance Services Committee. The latest reports can be reviewed via this link <http://www.wales.nhs.uk/easc/ambulance-quality-indicators>.



The financial performance of the organisation for the last twelve months is detailed in the Trust's 2020-21 Annual Accounts. In summary, in accordance with Note 2 of the accounts for NHS Trusts, the organisation met its statutory financial breakeven duty set by Welsh Government. The Trust also met the Public Sector Performance Payment performance target in the payment of creditors of at least 95% paid within

30 days. Due to the circumstances that arose as a result of Covid-19, the suspension of the National Loan Fund temporary deposit facility, and the requirement to issue year-end capital adjustments, the requirement to achieve the administrative External Financing Target was suspended for 2020-21.

## Data security

The Trust had no reported “serious untoward incidents” during 2020-21 in relation to data security.

## Ministerial Directions

Ministerial Directions are published by Welsh Government as part of their health and social care publications. There were no Ministerial Directions imposed on the Trust during the period 1 April 2020 to 31 March 2021. However, the National Health Service (Temporary Disapplication of Tenure of Office) (Wales) (Coronavirus) Regulations 2020, dated 11 June 2020 included all NHS Wales organisations except the Trust and included the Trust’s commissioners (EASC). Details of the Ministerial Direction can be found via the following hyperlink.

[https://gov.wales/publications?keywords=&field\\_policy\\_areas%5B43%5D=43&%20All%20=All&publication\\_type%5B12%5D=12&published\\_after=01%2F04%2F2020&published\\_before=](https://gov.wales/publications?keywords=&field_policy_areas%5B43%5D=43&%20All%20=All&publication_type%5B12%5D=12&published_after=01%2F04%2F2020&published_before=)

Welsh Health Circulars were reintroduced in 2014-15 and the Trust has established a process to log and assess those that are applicable to the Trust. In accordance with Welsh Health Circular 2020/011, Trust Board on 30 July 2020 agreed a temporary amendment to Model Standing Orders, Reservation and Delegation of Powers. Details of the Circular are set out in Appendix 1.

## Indexation

In 2020-21 the NHS Estate has been valued using indices provided by the District Valuer and disclosed in the Manual for Accounts.

## 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 in their audit letter and other reports. All of which have effectively carried out their duties and responsibilities during 2020-21.

## Trust Board

As set out earlier in this report, the Board, functioning as a corporate decision body, regularly considered throughout 2020-21 assurance reports on the financial position of the Trust, performance updates, and details on concerns and claims. The following paragraphs provide examples of the work and reviews carried out by the

Trust's internal and external auditors, and show where the Trust received both assurances and where there were opportunities for improvement. In doing so, the Trust received reassurance over the quality of its data (financial and performance).

### Audit Committee

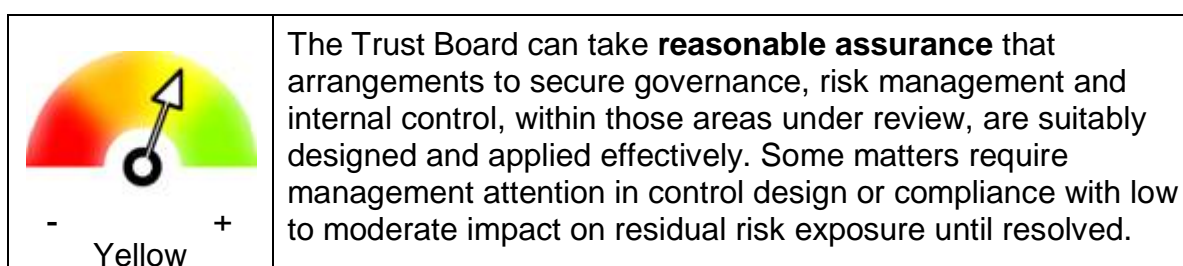
A key duty of the Audit Committee is to provide advice and assistance to the Board on the effectiveness of arrangements in place around strategic governance, assurance framework and processes for risk management and internal control.

### Internal Audit

Internal Audit provides the Board, through the Audit Committee, with regular assurance on the system of internal control. In 2020-21 the Trust 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 Head of Internal Audit has concluded:



This conclusion is consistent to the “reasonable assurance” Head of Internal Audit Opinion reported in the Trust's 2019-20 Annual Governance Statement.

During the 2020-21 financial year Internal Audit produced 17 reports on Trust activities, as summarised in the table below.

Internal Audit Assurance Conclusion	Number of Reports
No Assurance	0
Limited Assurance	1
Reasonable Assurance	6
Substantial Assurance	0

Advisory Reports (No Assurance Conclusion)	4
Not Yet Reported to Audit Committee (Due June 2021)	6
<b>Total</b>	<b>17</b>

The figures in the table above differ from the number of reports presented to Audit Committee in 2020-21 (14). This is due to four of the reports presented at the June 2020 Audit Committee meeting being concerned with Internal Audit work undertaken in 2019-20 and as such, these were taken into account in the 2019-20 Head of Internal Audit Opinion.

In addition, six of the reports included in the total above were completed after the last Audit Committee meeting of the 2020-21 business cycle (March 2021). These will be reported to Audit Committee in its first meeting in the 2021-22 business cycle (June 2021) or as soon as possible thereafter but whose assurance conclusion has been included in the 2020-21 Head of Internal Audit Opinion.

#### **‘No Assurance’ Internal Audit Reports**

For the fourth consecutive year, there has been no ‘No Assurance’ Internal Audit Reports of Trust business.

#### **‘Limited Assurance’ Internal Audit Reports**

Set out below is the one report that had a conclusion of ‘Limited Assurance’ that was reported to Audit Committee during 2020-21. (Note. The Trust develops an annual Internal Audit plan in conjunction with the internal auditors. The plan is risk based which directs the reviews to areas where management considers there may be potential weaknesses. In this regard, the Trust expects to receive a number of limited assurance reports and these should not detract from the overall progress the Trust continues to make.)

#### Job Evaluation

The review sought to provide the Trust with assurance that a suitable job evaluation framework was in place and provided a suitable mechanism to operate a rationale and fair pay structure.

Seven recommendations for action were identified, of which two were categorised as high priority (local process for job evaluation questionnaires (design), and strategic assessment (design)). A management action plan was agreed by Audit Committee in March 2021 and progress will be monitored by the Committee during 2021-22.

Copies of all Internal Audit reports and progress reports can be obtained in the Audit Committee papers section on the Trust’s website

<http://www.ambulance.wales.nhs.uk/en/215>. The full Head of Internal Audit Report 2020-21 can also be found via this link having been considered by Audit Committee at the June 2021 meeting.

The report below has been agreed with Trust officers with a ‘Limited Assurance’ conclusion but has yet to be presented to Audit Committee. This is scheduled for scrutiny in June 2021.

- Disaster Recovery



## **Auditor General for Wales Structured Assessment**

The 2020 Structured Assessment work was designed in the context of the response to the Covid-19 pandemic by NHS bodies with a key focus on the corporate arrangements for ensuring that resources were used efficiently, effectively and economically.

The Structured Assessment concluded that the Trust had maintained effective arrangements while responding to the challenges presented by Covid-19 and that the Trust had placed a strong emphasis on transparency and collaborative working in the conduct of its business. The Trust had quickly adapted its quality, safety and planning arrangements and continued to identify opportunities to improve and become more resilient.

There were no recommendations in the Structured Assessment but a number of improvement opportunities were noted throughout the report. Set out below are the key findings and challenges for the Trust from the work undertaken in 2020 by Audit Wales.

### Governance Arrangements

The Trust maintained generally effective governance arrangements during its response to Covid-19 including a focus on quality; however, it could make further improvements in terms of the recording of decisions and risk management:

- the Trust acted quickly to implement its Pandemic Plan and adapted the Plan as needed;
- the Board and committees sought to conduct business with openness and transparency during 2019-20, including in relation to Covid-19, although the publication of some committee minutes was delayed;
- the Trust was largely able to continue its usual Board and committee business during the pandemic;
- the Trust continued to demonstrate a commitment to learning and continuous improvement;
- the Trust continued to review and manage its risks, including in relation to Covid-19, and was improving its risk reporting arrangements;
- the Trust had effective systems for assuring the quality and safety of its services and staff wellbeing.

### Managing Financial Resources

The Trust had effective financial controls and reporting arrangements, although expenditure in relation to Covid-19 posed a risk to financial balance during 2020-21:

- the Trust met its statutory financial duties for 2019-20, although performance for individual savings schemes remained variable and performance for 2020-21 was dependent on additional income for Covid-19 related expenditure;
- the Trust's financial controls had not changed significantly and although it was capturing and tracking Covid-19 related expenditure there was scope to formalise sign-off processes.

### Operational Planning

The Trust had developed responsive operational plans which considered the resources required and were routinely monitored and reported, alongside continued development of other key strategic plans:

- the Trust had developed responsive operational plans that reflect Welsh Government guidance, while continuing to progress other key strategic plans;
- the Trust had developed mechanisms for ensuring a flexible workforce that can respond to possible future peaks of the pandemic, alongside taking steps to support the wellbeing of its workforce;
- the Trust had effective arrangements for the oversight and scrutiny of delivery of key plans.

The Structured Assessment was considered and agreed by Audit Committee on 17 September 2020 and progress by the Trust on the issues set out above will be monitored by the Committee during 2021-22.

## **Accountable Officer Statement**

As indicated throughout this statement, the need to plan and respond to the 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 2021 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.

**Signed by Chief Executive:**

**Date: 10 June 2021**

## Board and Committee Membership and Attendance

### Board and Committee Membership

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 (in a formal capacity) during 2020-21. The table excludes the four Directors, the Associate Director of Paramedicine, and the Board Secretary who form part of the Trust's senior management structure but who do not have voting rights at Board meetings.

Name	Position	Board and Committees Attended
<b>Section 1 Chair and Non-Executive Directors</b>		
Martin Woodford	Trust Chairman	<b>Trust Board Chair, Remuneration Committee Chair</b> Trust Board (14), Remuneration (8), Chairs Action (9)
Emrys Davies	Non-Executive Director	<b>Quality, Patient Experience and Safety Committee (QuEST) Chair to 31/12/20, Finance and Performance Chair from 1/1/21</b> Trust Board (14), Audit (4), Finance and Performance (7), QuEST (4), Remuneration (3), Chairs Action (9)
Kevin Davies	Non-Executive Director	<b>Trust Board Vice Chair, Charitable Funds Committee Chair</b> Trust Board (14), Charitable Funds (2), People and Culture (4), QuEST (4), Remuneration (4), Chairs Action (5)
Bethan Evans	Non-Executive Director	<b>Quality, Patient Experience and Safety Committee (QuEST) Chair from 1/1/21</b> Trust Board (13), Charitable Funds (2), Finance and Performance (7), People and Culture (4), QuEST (4), Chairs Action (2)
Pamela Hall	Non-Executive Director (To 31 December 2020)	<b>Audit Committee Chair to 31/12/20</b> Trust Board (9), Audit (3), Remuneration (5)
Paul Hollard	Non-Executive Director	<b>People and Culture Committee Chair</b> Trust Board (13), Audit (4), Charitable Funds (2), Finance and Performance (1), People and Culture (4), QuEST (4), Remuneration (1), Chairs Action (5)
Joga Singh	Non-Executive Director	Trust Board (10), Audit (4), Finance and Performance (7), People and Culture (3), Remuneration (6), Chairs Action (1)
Martin Turner	Non-Executive Director	<b>Finance and Performance Committee Chair to 31/12/20, Audit Committee Chair from 1/1/21</b>



Name	Position	Board and Committees Attended
		Trust Board (14), Audit (4), Finance and Performance (5), Remuneration (6), Chairs Action (2)
<b>Section 2 Chief Executive and Executive Directors (as required by Terms of Reference)</b>		
Jason Killens	Chief Executive	Trust Board (14), Remuneration (8), Chairs Action (9)
Claire Roche	Executive Director Quality and Nursing	Trust Board (14), QuEst (4), Chairs Action (1)
Chris Turley	Executive Director Finance & Corporate Resources	Trust Board (14), Audit (4), Charitable Funds (2), Finance and Performance (7), People and Culture (4), Chairs Action (5)
Brendan Lloyd	Executive Director Medical and Deputy Chief Executive (Interim)	Trust Board (14), QuEst (4)
Claire Vaughan	Executive Director (Workforce and OD)	Trust Board (14), Charitable Funds (2), People and Culture (4), Remuneration (8), Chairs Action (3)

All Committees are regularly supplemented by Executive Directors and Directors (Non-voting Board Members) to those listed in the terms of reference depending on the item under scrutiny or review.

### **Board and Committee Meetings (Covid-19)**

In accordance with the Public Bodies (Admissions to Meetings) Act 1960 the organisation is required to meet in public. However, as a result of the public health risk linked to the Covid-19 pandemic, the UK and Welsh Government stopped public gatherings of more than two people and therefore it was not possible to allow the public to attend meetings of our board and committees from March 2020. To ensure business was conducted in as open and transparent manner as possible during this time the following actions were taken:

- The Trust Board meetings of 26 March 2020, 30 April 2020 (extraordinary meeting) and 18 May 2020 (extraordinary meeting) were held as closed/virtual access meetings. The Minutes of the meetings were made available to the public on the Trust's website. An assessment was made at each meeting to ensure that decisions were time critical and could not be held over until it was possible to allow members of the public to attend.
- Trust Board meetings since 28 May 2020 have been held remotely with live video coverage available to the public (with recordings of the meeting kept on the Trust's website) of Board open sessions. Members of the public were invited prior to the meetings to send in questions for the Board to consider, and British Sign Language interpreters attended Trust Board meetings from 26 November 2020.
- Trust Board on 26 March 2020 discussed that during the Covid-19 pandemic that there could be occasions whereby financial approval would be required above the Chief Executive's financial limit. It was agreed that the process for Chair's action, which had the same financial limit as the Board, would be utilised going forward. The Board recognised that Chair's actions would be on an infrequent basis and that the information to support them would be concise and relevant. As a result, nine Chairs' action meetings (one of which was subsequently rescinded) were held during 2020-21 to deal with urgent

business. The action notes arising from the meetings were presented to Trust Board throughout the year for ratification. Details of the meeting dates are shown in the Table at the bottom of this appendix.

- The scheduled People and Culture Committee on 21 April 2020 was rescheduled to 2 June 2020 and held as a closed virtual access meeting. The Minutes of the meeting were made available to the public on the Trust's website.
- The Audit Committee meeting scheduled for 21 May 2020 was postponed until 18 June 2020. This was due to the annual accounts timetable being put back one month by Welsh Government.
- The Charitable Funds Committee meeting scheduled for 11 February 2021 was cancelled due to the unavailability of members and attendees resulting from workload pressures. The planned business of the meeting has been carried forward to the next scheduled meeting of the Committee to be held on 3 June 2021.

### **Directorate and Locality Champions**

In December 2017, Trust Board received a paper that set out the directorate and geographic area that each Non-Executive Director had lead responsibility for. This included the board champion duties that fall within each respective directorate and Non-Executive Director lead roles outside of the directorate champion roles.

Since December 2017 a number of appointments and changes of personnel have been made amongst Board members and senior staff of the Trust, thereby making the list of Non-Executive Director champions set out above as being outdated. As at 31 March 2021, a revised set of Non-Executive Director and Executive Director Board Champion responsibilities are in preparation with the aim for these to be considered by Trust Board early in 2021-22.

### **Governance Framework**

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 and together with the adoption of a scheme of matters reserved to the Board; a scheme of delegations to officers and others; and Standing Financial Instructions, they provide the regulatory framework for the business conduct of the Trust and define its 'ways of working'. These documents together with the range of corporate policies set by the Board make up the Trust's Governance Framework.

In accordance with Welsh Health Circular 2020/011, Trust Board on 30 July 2020 agreed a temporary amendment to Model Standing Orders, Reservation and Delegation of Powers. This required the Trust to hold an AGM in public no later than 30 November 2020 and ceased to have effect on 31 March 2021. From 1 April 2021, the Trust's Standing Orders reverted back to the requirement that the Trust must hold an AGM in public no later than the 31 July each year

The Trust's governance structure accords with the governance e-manual and the Welsh Government's citizen-centred governance principles and Standards for Health Services in Wales, together with its planning and performance management

frameworks. These arrangements comply with the principles included in HM Treasury's "Corporate Governance in Central Government Departments: Code of Good Practice 2011".

### **Board and Committee Timetable**

The Board has a cycle of business that supports the Governance Framework. This cycle of business ensures appropriate sequencing of meetings to schedule business satisfactorily throughout the year. The calendar runs from April to March each year to link with the financial timetable. The Trust has an established forward plan of business which is reviewed by the Management Team and Board/Committee Chairs on a regular basis and at pre-agenda meetings. In addition, annual plans of business are part of the standard agenda for review at Board and Committees.

The following table provides the dates of Board and Committee meetings for 2020-21 (including Annual Meeting). All meetings were quorate.

	<b>Board and Committee Meetings 2020-21</b>
<b>Trust Annual Meeting</b>	1/10/20 (1 Meeting)
<b>Trust Board</b>	30/4/20, 18/5/20, 28/5/20, 25/6/20, 2/7/20, 30/7/20, 17/8/20, 1/10/20, 16/10/20, 11/11/20, 26/11/20, 28/1/21, 24/3/21, 25/3/21 (14 Meetings)
<b>Audit Committee</b>	18/6/20, 17/9/20, 3/12/20, 4/3/21 (4 Meetings)
<b>Charitable Funds Committee</b>	2/6/20, 3/9/20 (2 Meetings)
<b>Finance and Performance Committee</b>	21/5/20, 19/6/20, 16/7/20, 15/9/20, 19/11/20, 14/1/20, 11/3/21 (7 Meetings)
<b>People and Culture Committee</b>	2/6/20, 14/7/20, 13/10/20, 4/2/21 (4 Meetings)
<b>QuEST Committee</b>	12/5/20, 8/9/20, 1/12/20, 23/2/21 (4 Meetings)
<b>Remuneration Committee</b>	13/4/20, 5/6/20, 11/8/20, 22/10/20, 8/12/20, 17/12/20, 9/3/21, 23/3/21 (8 Meetings)
<b>Academic Partnership Working Group</b>	8/10/20, 30/11/20 (2 Meetings)
<b>Board Development</b>	16/6/20, 22/9/20, 17/12/20, 18/2/21 (4 Meetings)
<b>Chair's Action</b>	7/4/20, 13/4/20, 17/4/20, 5/6/20, 9/9/20, 23/10/20, 21/12/20 (action subsequently rescinded), 24/2/21, 12/3/21 (9 Meetings)



**GIG**  
CYMRU  
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Ymddiriedolaeth GIG  
Gwasanaethau Ambiwylans Cymru  
Welsh Ambulance Services  
NHS Trust

# REMUNERATION AND STAFF REPORT

## 2020-21

## Introduction

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; four further (non-voting) Directors, the Associate Director of Paramedicine, and the Board Secretary.

In addition to presenting data on senior manager's 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 and Terms of Services Committee

Details of the members of the Remuneration and Terms of Services Committee are shown in the Annual Governance Statement.

## Statement of Policy on the Remuneration of Senior Managers

All senior manager 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 2% consolidated pay uplift was applied for employees from 1 April 2020. 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 2020, the 2% 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 Welsh Ambulance Services NHS 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 Welsh Ambulance Services NHS 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 one payment for early termination to a senior manager contract (Patricia Roseblade) during 2020-21.

### Remuneration Relationship

Details of the Trust's remuneration relationship are set out in Note 10.6 of the 2020-21 Annual Accounts.

### Senior Managers in Post 2020-21

Name	Position Title	Assignment Category	Start Date in Position	Fixed Term End Date
Martin Woodford	Non-Executive Director/ Trust Chairman	Fixed Term	7 April 2014	31 March 2022
Emrys Davies	Non-Executive Director	Fixed Term	1 April 2014	31 March 2022
Kevin Davies	Non-Executive Director/ Trust Vice Chairman	Fixed Term	5 January 2015	31 December 2022
Bethan Evans	Non-Executive Director	Fixed Term	6 December 2019	5 December 2022
Pamela Hall	Non-Executive Director	Fixed Term	1 April 2014	Left the Trust 31 December 2020
Paul Hollard	Non-Executive Director	Fixed Term	1 April 2016	31 March 2024
Joga Singh	Non-Executive Director	Fixed Term	9 December 2019	8 December 2021
Martin Turner	Non-Executive Director	Fixed Term	13 December 2019	12 December 2023
Jason Killens	Chief Executive Officer	Permanent	Prior to 1 April 2020	Not Applicable
Brendan Lloyd	Executive Director/ Interim Deputy CEO	Permanent	Prior to 1 April 2020	Not Applicable
Claire Roche	Executive Director	Permanent	Prior to 1 April 2020	Not Applicable
Christopher Turley	Executive Director	Permanent	Prior to 1 April 2020	Not Applicable
Claire Vaughan	Executive Director	Permanent	Prior to 1 April 2020	Not Applicable
Keith Cox	Board Secretary	Permanent	Prior to 1 April 2020	Not Applicable
Lee Brooks	Director	Permanent	Prior to 1 April 2020	Not Applicable
Andy Haywood	Director	Permanent	Prior to 1 April 2020	Not Applicable
Estelle Hitchon	Director	Permanent	Prior to 1 April 2020	Not Applicable
Rachel Marsh	Director	Permanent	Prior to 1 April 2020	Not Applicable

Name	Position Title	Assignment Category	Start Date in Position	Fixed Term End Date
Andy Swinburn	Associate Director of Paramedicine	Permanent	Prior to 1 April 2020	Not Applicable

Further details of the contract arrangements of the Trust's senior managers in 2020-21 can be found in the Remuneration Table (and Notes) set out on pages 43 and 44 of this report.

#### Senior Managers who left the Trust during 2020-21

Name	Position Title	Assignment Category	Start Date in Position	Leaving Date
Patricia Roseblade (Note 1)	Deputy Chief Executive/ Director of Finance & ICT (Supernumerary)	Permanent	Prior to 1 April 2020	31 August 2020
Pamela Hall	Non-Executive Director	Fixed Term	1 April 2014	31 December 2020

#### Senior Managers seconded from the Trust during 2020-21

Name	Position Title	Assignment Category	Start Date in Position	Leaving Date
Hannah Evans (Note 2)	Director	Permanent	Prior to 1 April 2020	6 August 2018
Patricia Roseblade (Note 1)	Deputy Chief Executive/ Director of Finance & ICT (Supernumerary)	Permanent	Prior to 1 April 2020	15 October 2018

Note 1: Patricia Roseblade left the Trust on 15 October 2018 on an initial secondment to Powys Teaching Health Board before commencing a Welsh Government funded secondment with Swansea Bay University Health Board on 18 April 2019. Funding for the Swansea Bay University Health Board secondment ended on 31 August 2020 at which point in time Mrs Roseblade exited the employment of the Trust. In accordance with requirements, the Trust sought Welsh Government approval for the settlement payment prior to confirming the settlement offer to Mrs Roseblade. Mrs Roseblade was paid a settlement within the range £175-£180k which included £23k as a payment in lieu of notice.

Note 2: Hannah Evans left the Trust on external secondment to Swansea Bay University Health Board on 6 August 2018.

#### Hutton Report Information

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

The banded remuneration of the highest-paid director in post at 31 March 2021 in the Welsh Ambulance Services NHS Trust in the financial year 2020-21 was £165k to £170k (2019-20, £160k to £165k). This was 5.77 times (2019-20, 5.40 times) the median remuneration of the workforce, which was £29,013 (2019-20, £30,091).



	2020-21	2019-20
Band of Highest paid Director's Total Remuneration £000	165-70	160-165
Median Total Remuneration £000	29	30
Ratio	5.77	5.40

In 2020-21, 0 (2019-20, 0) employees received remuneration in excess of the highest-paid director.

Remuneration ranged from £18,185 to £167,500 (2019-20 £17,562 to £162,500).

The reason for the increase in remuneration together with the upward rise in ratio and the decrease in median remuneration compared to 2019-20 are the result of the 2% pay increase for Directors and a larger recruitment drive of staff below the median remuneration value of 2019-20.

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

The NHS one off non-consolidated non-pensionable bonus of £735 is not included within total remuneration as payment was not made until May 2021, this will therefore be included in the 2021/22 report.

Overtime payments are included for the calculation of both elements of the relationship

## Salary and Pension Entitlements of Senior Managers

A) Remuneration									
Name and Title	2020-21					2019-20			
	Salary (bands of £5000)	Bonus Payments (bands of £5000) (Note 15)	Benefits in Kind Rounded to the nearest £100	Pension benefits £'000 (to nearest £1000)	Total (bands of £5000)	Salary (bands of £5000)	Benefits in Kind Rounded to the nearest £100	Pension benefits £'000 (to nearest £1000)	Total (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	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) (Note 2)	5-10				5-10	0-5			0-5
Bethan Evans (Non Executive Director) (Note 3)	5-10				5-10	0-5			0-5
Jason Killens (Chief Executive) (Note 4)	160-165	0-5	4,600	41	210-215	155-160	4,000	156	315-320
Christopher Turley (Executive Director of Finance & Corporate Resources) (Note 5)	110-115	0-5	2,500	57	170-175	100-105	5,400	35	140-145
Dr Brendan Lloyd (Medical Director / Interim Deputy Chief Executive) (Note 6)	155-160	0-5	2,100		160-165	150-155	4,100		155-160
Claire Vaughan (Executive Director of Workforce & OD)	95-100	0-5	-	26	120-125	90-95	-	23	115-120
Claire Bevan (Executive Director of Quality & Nursing) (Note 7)						80-85	900		80-85
Claire Roche (Executive Director of Quality and Nursing) (Note 8)	105-110	0-5	2,300	214	325-330	25-30	600	32	55-60
Estelle Hitchon (Director of Partnership & Engagement) (Note 9)	90-95	0-5	-	11	100-105	90-95	-	14	100-105
Rachel Marsh (Director of Strategy Performance & Planning) (Note 10)	100-105	0-5	-	52	155-160	95-100	-	36	130-135
Lee Brooks (Director of Operations) (Note 11)	115-120	0-5	4,200	27	150-155	80-85	2,700	11	90-95
Louise Platt (Interim Director of Operations) (Note 12)						30-35	-	7	35-40
Andrew Haywood (Director of Digital Services) (Note 13)	105-110	0-5	-	26	130-135	20-25	-	3	20-25
Andrew Swinburn (Associate Director of Paramedicine) (Note 14)	90-95	0-5	7,700	21	120-125	20-25	2,400		25-30
Keith Cox (Board Secretary)	90-95	0-5	-		90-95	85-90	-		85-90
Note 1 - Pamela J Hall retired on 31st December 2020									
Note 2 - Anoop Joga Singh was appointed as Non Executive Director from 9th December 2019									
Note 3 - Bethan Evans was appointed as Non Executive Director from 6th December 2019									
Note 4 - Jason Killens' salary includes an accrual of £3,093 for annual leave sold prior to 31st March 2021									
Note 5 - Christopher Turley was Interim Executive Director of Finance & ICT until 1st February 2020 when he was appointed Executive Director of Finance & Corporate Resources. Salary includes an accrual of £3,022 for annual leave sold prior to 31st March 2021 and excludes £5,306 sacrificed in respect of NHS Fleet Solutions									
Note 6 - Brendan Lloyd's tenure as Interim Deputy Chief Executive has been extended until 31st December 2021. Salary includes an accrual of £4,173 for annual leave sold prior to 31st March 2021									
Note 7 - Claire Bevan retired on 31st December 2019									
Note 8 - Claire Roche was appointed Executive Director of Quality and Nursing on 1st January 2020. Salary includes an accrual of £2,056 for annual leave sold prior to 31st March 2021									
Note 9 - Estelle Hitchon chose to leave the pension scheme on 31st October 2020									
Note 10 - Rachel Marsh joined the Trust as Interim Director of Strategy Planning & Performance on 3rd December 2018 and was appointed Director of Strategy, Performance & Planning on 1st November 2019. Salary includes an accrual of £3,124 for annual leave sold prior to 31st March 2021									
Note 11 - Lee Brooks was appointed Director of Operations on 8th July 2019. Salary includes £4,008 in terms of annual leave sold and an accrual of £3,012 for 2020/21 annual leave sold prior to 31st March 2021									
Note 12 - Louise Platt was Interim Director of Operations from 1st November 2018 until 31st July 2019									
Note 13 - Andy Haywood joined the Trust as Director of Digital Services on 20th January 2020									
Note 14 - Andrew Swinburn was appointed Associate Director of Paramedicine on 3rd January 2020. Salary includes £673 paid in terms of annual leave sold. We are unable to calculate pension benefits for 2019-20 as Andrew was not previously identified as a Trust Board member, therefore the previous year information was not obtained from the NHS Pensions Greenbury system. As a result, we do not have comparative figures for the previous year									
Note 15 - 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 2021 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2021 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2021	Cash Equivalent Transfer Value at 31 March 2020	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)	2.5-5	0-2.5	45-50	115-120	805	738	31	33
Christopher Turley (Executive Director of Finance & Corporate Resources)	2.5-5	2.5-5	45-50	100-105	829	748	54	22
Dr Brendan Lloyd (Medical Director / Interim Deputy Chief Executive) *	-2.5-0	-2.5-0	30-35	95-100	-	789	- 816	19
Claire Vaughan (Executive Director of Workforce & OD)	0-2.5	0-2.5	25-30	45-50	430	391	19	20
Estelle Hitchon (Director of Partnership & Engagement) **	0-2.5	-2.5-0	30-35	60-65	557	525	15	11
Claire Roche (Executive Director of Quality and Nursing)	10-12.5	22.5-25	40-45	105-110	810	590	196	22
Rachel Marsh (Director of Strategy Performance & Planning)	2.5-5	0-2.5	40-45	55-60	676	607	45	21
Lee Brooks (Director of Operations)	0-2.5	0	25-30	0	323	292	11	23
Andrew Haywood (Director of Digital Services)	0-2.5	0	5-10	0	56	36	5	22
Andrew Swinburn (Associate Director of Paramedicine)	0-2.5	-2.5-0	30-35	75-80	632	589	21	19
Keith Cox (Board Secretary) ***	0	0	0	0	-	-	-	-
*Dr Brendan Lloyd re-joined the pension scheme from 1st September 2020								
** 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								

## Staff Report

### Staff Numbers

An analysis of staff numbers by category during 2020-21 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 fte). The table below excludes agency and seconded in staff.

Category	2020-21	2019-20
Additional Clinical Services	1,746	1,464
Additional Professional, Scientific & Technical	1	0
Administrative & Clerical	541	531
Allied Health Professionals	1,103	1,055
Estates & Ancillary	61	58
Medical & Dental	1	1
Nursing and Midwifery	169	165
<b>Total</b>	<b>3,622</b>	<b>3,274</b>

### 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, Associate Director of Paramedicine, Board Secretary) as at 31 March 2021 are set out below (excludes secondees out of the Trust). This compares to a Trust wide staff composition of 46% female, 54% male.

Gender	Headcount	%
Female	5	28
Male	13	72
<b>Total</b>	<b>18</b>	<b>100</b>

## Sickness Absence Data

	2020-21	2019-20
Days lost (long term)	65,017.51	61,110.67
Days lost (short term)	31,864.22	23,734.84
<b>Total days lost</b>	<b>96,881.73</b>	<b>84,845.51</b>
Average working days lost	16.79	16.25
Total staff employed in period (headcount)	3,907	3,530
Total staff employed in period with no absence (headcount)	1,496	955
<b>Percentage staff with no sick leave</b>	<b>36.61%</b>	<b>28.01%</b>

Note 1: The percentage and total number of staff without absence in the year has been sourced from the standard 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 2020–2021. These include:

- Recommendations from the short term sickness audit (completed in 2020) were actioned, such as amendments to the return to work form, and to the sickness audit paperwork.
- 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.
- Weekly drop in workshops for anxiety, trauma, wellbeing and mental health awareness were held since the first wave of the Covid pandemic
- The Trust saw a rise in staff accessing the Employee Assistance Programme and wellbeing offers such as Silvercloud, and online CBT.
- Additional wellbeing support, including face to face sessions, was ongoing for staff in Clinical Contact Centres and 111NHSDW to take time out during their shifts.
- Occupational Health and Wellbeing provided ad hoc support to managers and colleagues where colleagues had suffered the bereavement of a colleague.

- Occupational Health ran a series of webinars for managers to aid understanding of the impacts of Long Covid on the individual and work.
- Occupational Health continued to monitor DATIX for musculo-skeletal incidents to inform staff of the Trust's fast track physiotherapy service.
- The road to recovery support group met monthly with a range of invited speakers to offer support to staff who are currently unwell due to Long Covid.
- A monthly Menopause Café was held virtually to give information and offer a safe area of peer support to both women and men.

### 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.

### Expenditure on Consultancy

Expenditure during 2020-21 in respect of consultancy costs was £0.434m (2019-20 £0.300m) across the following areas:

Human Resource, training and education	88,821.11
Programme and Project Management	6,442.88
Finance	2,000.00
Organisation and Change Management	130,337.67
Property and Construction	99,092.12
Strategy	99,760.00
IT/IS	7,132.00
Marketing and Communication	684.00
	434,269.78

### Off-Payroll Engagements

The Trust has a nil return in 2020-21 for off-payroll engagements. This is consistent to that reported in 2019-20.

### Exit Packages

The Trust has a cost of £306,212 in 2020-21 for four staff exit packages. This compares to a nil return in 2019-20. Exit packages are described in Note 10.5 within the financial statements.



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Gwasanaethau Ambiwylans Cymru  
Welsh Ambulance Services  
NHS Trust

# PARLIMENTARY ACCOUNTABILITY AND AUDIT REPORT

## 2020-21

## Introduction

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 2020-21 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 2020-21 accounts. This is consistent to that reported in 2019-20.

### 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 2021 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 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 Ambulances Services NHS Trust as at 31 March 2021 and of its surplus for the year then ended;
- have been properly prepared in accordance with 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.

## **Emphasis of Matter – Clinicians' pension tax liabilities**

I draw attention to Note 24 of the financial statements, which describes the impact of a Ministerial Direction issued on 18 December 2019 to the Permanent Secretary of the Welsh Government in respect of clinicians' pension tax liabilities. My opinion is not modified in respect of this matter.

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

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.
- 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; and
- 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 Ambulances 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

Please see my report.

Adrian Crompton  
Auditor General for Wales  
15 June 2021

24 Cathedral Road  
Cardiff  
CF11 9LJ

# Report of the Auditor General to the Senedd

## Introduction

Under the Public Audit Wales Act 2004, I am responsible for auditing, certifying and reporting on the Welsh Ambulance Services NHS Trust's financial statements. I am reporting on these financial statements for the year ended 31 March 2021 to draw attention to a key matter for my audit. This is the implications of the ministerial direction on senior clinicians' pensions. I have not qualified my 'true and fair' opinion in respect of any of these matters.

## Ministerial direction on senior clinicians' pensions

NHS Pension scheme and pension tax legislation is not devolved to Wales. HM Treasury's changes to the tax arrangements on pension contributions in recent years included the reduction in the Annual Allowance limit from over £200,000 in 2011-12 to £40,000 in 2018-19. As a result, in cases where an individual's pension contributions exceed certain annual and/or lifetime pension contribution allowance limits, then they are taxed at a higher rate on all their contributions, creating a sharp increase in tax liability.

In a Written Statement on 13 November 2019, the Minister for Health and Social Services had noted that NHS Wales bodies were: 'regularly reporting that senior clinical staff are unwilling to take on additional work and sessions due to the potentially punitive tax liability'. In certain circumstances this could lead to additional tax charges in excess of any additional income earned.

On 18 December 2019, the First Minister (mirroring earlier action by the Secretary of State for Health and Social Care for England) issued a Ministerial Direction to the Permanent Secretary to proceed with plans to commit to making payments to clinical staff to restore the value of their pension benefits packages. If NHS clinicians opted to use the 'Scheme Pays' facility to settle annual allowance tax charges arising from their 2019-20 NHS pension savings (i.e. settling the charge by way of reduced annual pension, rather than by making an immediate one-off payment), then their NHS employers would meet the impact of those tax charges on their pension when they retire.

The Ministerial Direction was required because this solution could be viewed by HMRC to constitute tax planning and potentially tax avoidance, hence making the expenditure irregular. Managing Welsh Public Money (which mirrors its English equivalent) specifically states that 'public sector organisations should not engage in...tax evasion, tax avoidance or tax planning'.

A Ministerial Direction does not make regular what would otherwise be irregular, but it does move the accountability for such decisions from the Accounting Officer to the Minister issuing the direction.

The solution applies only to annual allowance tax charges arising from an increase in the benefits accrued in the NHS Pension Scheme during the tax year ended 5 April 2020. For the tax year ended 5 April 2021, the Chancellor increased the thresholds for the tapered annual allowance and, as a result, it is anticipated that the risk to the supply of clinical staff has been mitigated.

The Trust currently has insufficient information to calculate and recognise an estimate of the potential costs of compensating senior clinical staff for pension benefits that they would otherwise have lost, by using the 'Scheme Pays' arrangement. As a result, no expenditure is recognised in the financial statements but as required the Trust has disclosed a contingent liability in note 24 of its financial statements.

All NHS bodies will be held harmless for the impact of the Ministerial Direction, however in my opinion any transactions included in the Trust's financial statements to recognise this liability would be irregular and material by their nature. This is because the payments are contrary to paragraph 5.6.1 of Managing Public Money and constitute a form of tax planning which will leave the Exchequer as a whole worse off. The Minister's direction alone does not regularise the scheme. Furthermore, the arrangements are novel and contentious and potentially precedent setting.

I have not modified my regularity opinion in this respect this year because as set out above, no expenditure has been recognised in the year ended 31 March 2021. I have however placed an Emphasis of Matter paragraph in my audit report to highlight this issue and, have prepared this report to bring the arrangement to the attention of the Senedd.

Adrian Crompton  
Auditor General for Wales  
15 June 2021



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Gwasanaethau Ambiwylans Cymru  
Welsh Ambulance Services  
NHS Trust



# ANNUAL ACCOUNTS

## 2020-21



# Welsh Ambulance Services NHS Trust

## Foreword

These accounts for the period ended 31 March 2021 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 over 3000 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. 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 2021

	Note	2020-21 £000	2019-20 £000
Revenue from patient care activities	3	232,768	200,000
Other operating revenue	4	8,988	11,339
Operating expenses	5.1	(241,847)	(211,622)
<b>Operating (deficit)/surplus</b>		<b>(91)</b>	<b>(283)</b>
Investment revenue	6	5	117
Other gains and losses	7	175	296
Finance costs	8	(19)	(85)
<b>Consolidated Total</b>			
<b>Retained surplus</b>	2.1.1	<b>70</b>	<b>45</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		522	374
Net gain/(loss) on revaluation of intangible assets		0	0
Movements in other reserves		0	0
Net gain/(loss) on revaluation of PPE and Intangible assets held for sale		0	(15)
Impairments and reversals		(643)	(161)
Transfers between reserves		0	0
Reclassification adjustment on disposal of available for sale financial asse		0	0
<b>Sub total</b>		<b>(121)</b>	<b>198</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>(121)</b>	<b>198</b>
<b>Total comprehensive income for the year</b>		<b>(51)</b>	<b>243</b>

The notes on pages 6 to 74 form part of these accounts.

**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021**

		Note	31 March 2021	31 March 2020
			£000	£000
<b>Non-current assets</b>				
	Property, plant and equipment	13	89,390	87,680
	Intangible assets	14	3,463	5,133
	Trade and other receivables	17.1	2,278	536
	Other financial assets	18	0	0
	<b>Total non-current assets</b>		<b>95,131</b>	<b>93,349</b>
<b>Current assets</b>				
	Inventories	16.1	1,628	1,556
	Trade and other receivables	17.1	14,481	9,086
	Other financial assets	18	0	0
	Cash and cash equivalents	19	18,468	24,582
			<b>34,577</b>	<b>35,224</b>
	Non-current assets held for sale	13.2	130	246
	<b>Total current assets</b>		<b>34,707</b>	<b>35,470</b>
<b>Total assets</b>			<b>129,838</b>	<b>128,819</b>
<b>Current liabilities</b>				
	Trade and other payables	20	(28,521)	(27,523)
	Borrowings	21	(1,616)	(1,970)
	Other financial liabilities	22	0	0
	Provisions	23	(6,949)	(7,293)
	<b>Total current liabilities</b>		<b>(37,086)</b>	<b>(36,786)</b>
<b>Net current assets/(liabilities)</b>			<b>(2,379)</b>	<b>(1,316)</b>
<b>Total assets less current liabilities</b>			<b>92,752</b>	<b>92,033</b>
<b>Non-current liabilities</b>				
	Trade and other payables	20	0	0
	Borrowings	21	(1,059)	(2,667)
	Other financial liabilities	22	0	0
	Provisions	23	(11,887)	(9,554)
	<b>Total non-current liabilities</b>		<b>(12,946)</b>	<b>(12,221)</b>
<b>Total assets employed</b>			<b>79,806</b>	<b>79,812</b>
<b>Financed by Taxpayers' equity:</b>				
	Public dividend capital		76,354	76,309
	Retained earnings		(5,961)	(6,209)
	Revaluation reserve		9,413	9,712
	Other reserves		0	0
	<b>Total taxpayers' equity</b>		<b>79,806</b>	<b>79,812</b>

The financial statements were approved by the Board on 10th June 2021 and signed on behalf of the Board by:

Chief Executive : Jason Killens.....

Date: 10th June 2021

The notes on pages 6 to 74 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>				
Balance as at 31 March 2020	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>	<b>76,354</b>	<b>(5,961)</b>	<b>9,413</b>	<b>79,806</b>

The notes on pages 6 to 74 form part of these accounts.

# STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

2019-20	Public Dividend Capital £000	Retained earnings £000	Revaluation reserve £000	Total £000
<b>Changes in taxpayers' equity for 2019-20</b>				
<b>Balance at 31 March 2019</b>	68,386	(6,254)	9,514	71,646
Retained surplus/(deficit) for the year		45		45
Net gain/(loss) on revaluation of property, plant and equipment		0	374	374
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	(15)	(15)
Net gain/(loss) on revaluation of financial assets held for sale		0	0	0
Impairments and reversals		0	(161)	(161)
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	45	198	243
New Public Dividend Capital received	8,914			8,914
Public Dividend Capital repaid in year	(123)			(123)
Public Dividend Capital extinguished/written off	0			0
Other movements in PDC in year	(868)			(868)
<b>Balance at 31 March 2020</b>	76,309	(6,209)	9,712	79,812

The notes on pages 6 to 74 form part of these accounts.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	Note	2020-21 £000	2019-20 £000
<b>Cash flows from operating activities</b>			
Operating surplus/(deficit)	SOCI	(91)	(283)
Movements in working capital	30	(450)	(894)
Other cash flow adjustments	31	20,659	24,400
Provisions utilised		(2,504)	(1,706)
Interest paid		(19)	(85)
<b>Net cash inflow (outflow) from operating activities</b>		<b>17,595</b>	<b>21,432</b>
<b>Cash flows from investing activities</b>			
Interest received		5	117
(Payments) for property, plant and equipment		(22,259)	(23,476)
Proceeds from disposal of property, plant and equipment		291	393
(Payments) for intangible assets		171	(362)
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>(21,792)</b>	<b>(23,328)</b>
<b>Net cash inflow (outflow) before financing</b>		<b>(4,197)</b>	<b>(1,896)</b>
<b>Cash flows from financing activities</b>			
Public Dividend Capital received		835	8,914
Public Dividend Capital repaid		(790)	(123)
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	365
Capital elements of finance leases and on-SOFP PFI		(1,962)	3,696
Cash transferred (to)/from other NHS Wales bodies		0	0
<b>Net cash inflow (outflow) from financing activities</b>		<b>(1,917)</b>	<b>12,852</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(6,114)</b>	<b>10,956</b>
<b>Cash [and] cash equivalents at the beginning of the financial year</b>	19	<b>24,582</b>	<b>13,626</b>
<b>Cash [and] cash equivalents at the end of the financial year</b>	19	<b>18,468</b>	<b>24,582</b>

The notes on pages 6 to 74 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 2020-2021 Manual for Accounts. The accounting policies contained in that manual follow the 2020-2021 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 had been received from third parties for a specific activity to be delivered in the following financial year, that income will 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 'Other Information' starting on page 71 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 Trust 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 Trust or the asset which would prevent access to the market at the reporting date. If the Trust 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 Trust; 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 Trust expects to obtain economic benefits or service potential from the asset. This is specific to the Trust 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 Trust 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 therefrom 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

## **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 Trust's 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 Trust'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 participative NHS Wales bodies. The risk sharing option was implemented in both 2020-21 and 2019-2020. The WRPS is hosted by Velindre University NHS Trust.

### **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 Trust 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 tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

### **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 Trust accounts for all losses and special payments gross (including assistance from the WRPS).

The Trust accrues or provides for the best estimate of future payouts for certain liabilities and discloses all other potential payments as contingent liabilities, unless the probability of the liabilities becoming payable is remote.

All claims for losses and special payments are provided for, where the probability of settlement of an individual claim is over 50%. 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 5-50%, the liability is disclosed as a contingent liability.

### **1.22 Pooled budget**

The Trust 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**

The Trust 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

### 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

\* *Personal injury cases - 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 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.

### Annual leave payments for employees working in the NHS

Included within provisions is an amount 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.

An assessment has been made in respect of the level of financial impact the most recent and relevant case namely, *Flowers Vs East of England Ambulance Trust*, would have on organisations within NHS Wales. The two year impact for this Trust is assessed to be £1.761m.

### **1.26 Private Finance Initiative (PFI) transactions**

The Trust has no PFI arrangements.

### **1.27 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 liability is disclosed unless the possibility of a payment is remote.

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.

### **1.28 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.

### **1.29 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.

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

During 2020-2021 there have been no accounting standards that have been adopted early. All early adoption of accounting standards will be led by HM Treasury.

### **1.31 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, and with the agreement of Welsh Government has made the decision to consolidate the Welsh Ambulance Services NHS Trust Charitable Fund within the statutory accounts of the Trust.

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.

### **1.32 Subsidiaries**

The trust has no subsidiaries other than The Welsh Ambulance Services NHS Trust Charity as explained above.

### **1.33 Borrowing costs**

Borrowing costs are recognised as expenses as they are incurred.

### **1.34 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 Welsh Ambulance Services 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			to 2020-21
	2018-19	2019-20	2020-21	Financial duty
	£000	£000	£000	£000
Retained surplus	57	45	70	172
Less Donated asset / grant funded revenue	0	0	0	0
Adjusted surplus/ (Deficit)	<u>57</u>	<u>45</u>	<u>70</u>	<u>172</u>

The Welsh Ambulance Services NHS Trust has met its financial duty to break even over the 3 years 2018-2019 to 2020-2021.

#### 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 and a temporary quarterly planning arrangement put in place for 2020-21.

As a result the extant planning duty for 2020-21 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 met its annual financial duty to have an approved extant financial plan.

## 2. Financial Performance (continued)

### 2.2 ADMINISTRATIVE REQUIREMENTS

#### 2.2.1. External financing

Due to the circumstances that arose as a result of Coronavirus Covid 19,

- the suspension of the National Loan Fund temporary deposit facility, and
- the requirement to issue year-end capital adjustments,

the requirement to achieve the administrative External Financing Target has been suspended for 2020-21.

#### 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:

	2020-21	2019-20
Total number of non-NHS bills paid	<b>48,451</b>	45,221
Total number of non-NHS bills paid within target	<b>47,079</b>	43,949
Percentage of non-NHS bills paid within target	<b>97.2%</b>	<b>97.2%</b>
<b>The Trust has met the target.</b>		

<b>3. Revenue from patient care activities</b>	<b>2020-21</b>	<b>2019-20</b>
	<b>£000</b>	<b>£000</b>
Local health boards	35,433	31,050
Services Committees (WHSSC & EASC)	172,180	158,533
Welsh NHS Trusts	751	703
Health Education and Improvement Wales (HEIW)	0	0
Foundation Trusts	0	0
Other NHS England bodies	127	124
Other NHS Bodies	0	7
Local Authorities	2	4
Welsh Government	21,658	9,072
Welsh Government - Hosted Bodies	0	0
Non NHS:		
Private patient income	4	9
Overseas patients (non-reciprocal)	0	0
Injury Costs Recovery (ICR) Scheme	194	310
Other revenue from activities	2,419	188
<b>Total</b>	<b>232,768</b>	<b>200,000</b>
Welsh Government Covid 19 income included in total above:	13,811	0

Included within Non NHS: Other revenue from activities £2.419m above is £2.354m from the Department of Health, this relates to funding provided for Covid -19 Mobile testing Units (MTU).

<b>Injury Cost Recovery (ICR) Scheme income</b>	<b>2020-21</b>	<b>2019-20</b>
	<b>%</b>	<b>%</b>
To reflect expected rates of collection ICR income is subject to a provision for impairment of:	22.43	21.79

<b>4. Other operating revenue</b>	<b>2020-21</b>	<b>2019-20</b>
	<b>£000</b>	<b>£000</b>
Income generation	0	0
Patient transport services	0	0
Education, training and research	685	1,193
Charitable and other contributions to expenditure	0	0
Receipt of NWSSP Covid centrally purchased assets	1,946	0
Receipt of Covid centrally purchased assets from other organisations	0	0
Receipt of donations for capital acquisitions	0	0
Receipt of government grants for capital acquisitions	0	0
Non-patient care services to other bodies	0	0
Rental revenue from finance leases	127	113
Rental revenue from operating leases	0	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	128	159
Business unit	0	0
Other	6,102	9,874
<b>Total</b>	<b>8,988</b>	<b>11,339</b>

Other revenue comprises:

Personal injury benefit scheme (PIBS)	921	3,233
Air Ambulance paramedic funding	0	135
Hazardous Area Response Team (HART)	2,457	2,392
Other minor services income	2,086	3,047
Funding for impairments (as funds flow monies)	638	1,067
<b>Total</b>	<b>6,102</b>	<b>9,874</b>

<b>5. Operating expenses</b>	<b>2020-21</b>	<b>2019-20</b>
<b>5.1 Operating expenses</b>	<b>£000</b>	<b>£000</b>
Local Health Boards	228	233
Welsh NHS Trusts	837	858
Health Education and Improvement Wales (HEIW)	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	8,694	5,147
Welsh Government	312	0
Other NHS Trusts	0	0
Directors' costs	1,625	1,325
Operational Staff costs	172,004	147,850
Single lead employer Staff Trainee Cost	0	0
Supplies and services - clinical	7,228	3,667
Supplies and services - general	3,245	1,132
Consultancy Services	434	300
Establishment	3,544	3,883
Transport	13,462	14,487
Premises	9,207	8,100
Impairments and Reversals of Receivables	0	0
Depreciation	13,707	14,785
Amortisation	1,821	1,853
Impairments and reversals of property, plant and equipment	638	1,067
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	150	162
Other auditors' remuneration	0	0
Losses, special payments and irrecoverable debts	1,409	4,076
Research and development	0	0
Other operating expenses	3,302	2,697
<b>Total</b>	<b>241,847</b>	<b>211,622</b>

**5. Operating expenses (continued)**

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

<b>Charges to operating expenses</b>	<b>2020-21</b>	<b>2019-20</b>
<b>Increase/(decrease) in provision for future payments:</b>	<b>£000</b>	<b>£000</b>
Clinical negligence;-		
Secondary care	2,237	563
Primary care	0	0
Redress Secondary Care	330	0
Redress Primary Care	0	0
Personal injury	1,563	5,046
All other losses and special payments	0	164
Defence legal fees and other administrative costs	274	184
Structured Settlements Welsh Risk Pool	0	0
Gross increase/(decrease) in provision for future payments	4,404	5,957
Contribution to Welsh Risk Pool	0	89
Premium for other insurance arrangements	0	0
Irrecoverable debts	(28)	40
<b>Less: income received/ due from Welsh Risk Pool</b>	<b>(2,967)</b>	<b>(2,010)</b>
<b>Total charge</b>	<b>1,409</b>	<b>4,076</b>

Personal injury includes £0.915m in respect of permanent injury benefits (2019-20 £3.178m). This expenditure includes £Nil re new / reviewed cases and a charge of £0.560m relating to the change in the rate at which the provision for future payments is calculated.

	<b>2020-21</b>	<b>2019-20</b>
	<b>£</b>	<b>£</b>
Permanent injury included within personal injury:	914,891	3,177,715

<b>6. Investment revenue</b>	<b>2020-21</b>	<b>2019-20</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	5	117
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	0	0
<b>Total</b>	<b>5</b>	<b>117</b>

<b>7. Other gains and losses</b>	<b>2020-21</b>	<b>2019-20</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	175	296
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>175</b>	<b>296</b>

<b>8. Finance costs</b>	<b>2020-21</b>	<b>2019-20</b>
	<b>£000</b>	<b>£000</b>
Interest on loans and overdrafts	0	0
Interest on obligations under finance leases	68	64
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>68</b>	<b>64</b>
Provisions unwinding of discount	(49)	21
Periodical Payment Order unwinding of discount	0	0
Other finance costs	0	0
<b>Total</b>	<b>19</b>	<b>85</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.

Payments recognised as an expense	2020-21	2019-20
	£000	£000
Minimum lease payments	1,969	1,628
Contingent rents	0	0
Sub-lease payments	0	0
<b>Total</b>	<b>1,969</b>	<b>1,628</b>

Total future minimum lease payments	2020-21	2019-20
Payable:	£000	£000
Not later than one year	1,637	1,666
Between one and five years	2,303	2,355
After 5 years	1,802	2,117
<b>Total</b>	<b>5,742</b>	<b>6,138</b>

Total future sublease payments expected to be received	0	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	2020-21 £000	2019-20 £000
Rent	0	0
Contingent rent	0	0
Other	121	113
<b>Total rental revenue</b>	<b>121</b>	<b>113</b>

Total future minimum lease payments	2020-21 £000	2019-20 £000
<b>Receivable:</b>		
Not later than one year	0	13
Between one and five years	0	0
After 5 years	1	2
<b>Total</b>	<b>1</b>	<b>15</b>



# 10. Employee costs and numbers

						2020-21	2019-20
10.1 Employee costs	Permanently employed staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Other Staff	£000	£000
	£000	£000	£000	£000	£000	£000	£000
Salaries and wages	143,748	340	1,002	0	0	145,090	123,792
Social security costs	12,857	0	0	0	0	12,857	11,666
Employer contributions to NHS Pensions Scheme	15,903	0	0	0	0	15,903	14,010
Other pension costs	2	0	0	0	0	2	9
Other post-employment benefits	0	0	0	0	0	0	0
Termination benefits	306	0	0	0	0	306	0
<b>Total</b>	<b>172,816</b>	<b>340</b>	<b>1,002</b>	<b>0</b>	<b>0</b>	<b>174,158</b>	<b>149,477</b>
<b>Of the total above:</b>							
Charged to capital						652	415
Charged to revenue						173,506	149,062
<b>Total</b>						<b>174,158</b>	<b>149,477</b>
Net movement in accrued employee benefits (untaken staff leave accrual included above)						1,466	96
Covid 19 Net movement in accrued employee benefits (untaken staff leave accrual included in above)						1,466	0

## 10.2 Average number of employees

	Permanently Employed	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Other Staff	2020-21 Total	2019-20 Total
	Number	Number	Number	Number	Number	Number	Number
Administrative, clerical and board members	541	4	13	0	0	558	531
Medical and dental	1	0	0	0	0	1	1
Nursing, midwifery registered	169	0	1	0	0	170	165
Professional, scientific and technical staff	1	0	0	0	0	1	0
Additional Clinical Services	1,746	0	9	0	0	1,755	1,464
Allied Health Professions	1,103	1	2	0	0	1,106	1,055
Healthcare scientists	0	0	0	0	0	0	0
Estates and Ancillary	61	0	1	0	0	62	58
Students	0	0	0	0	0	0	0
<b>Total</b>	<b>3,622</b>	<b>5</b>	<b>26</b>	<b>0</b>	<b>0</b>	<b>3,653</b>	<b>3,274</b>

## 10.3. Retirements due to ill-health

	2020-21	2019-20
Number	3	1
Estimated additional pension costs £	150,929	4,733

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

	2020-21	2020-21	2020-21	2020-21	2019-20
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	Number of departures where special payments have been made 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	0	0	0	0
£25,000 to £50,000	0	2	2	0	0
£50,000 to £100,000	0	1	1	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	1	1	0	0
more than £200,000	0	0	0	0	0
Total	0	4	4	0	0

	2020-21	2020-21	2020-21	2020-21	2019-20
Exit packages cost band (including any special payment element)	Cost of compulsory redundancies £	Cost of other departures £	Total cost of exit packages £	Cost of special element included in exit packages £	Total cost of exit packages £
less than £10,000	0	0	0	0	0
£10,000 to £25,000	0	0	0	0	0
£25,000 to £50,000	0	63,551	63,551	0	0
£50,000 to £100,000	0	66,417	66,417	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	176,244	176,244	0	0
more than £200,000	0	0	0	0	0
Total	0	306,212	306,212	0	0

Exit costs paid in year of departure	Total paid in year 2020-21 £'s	Total paid in year 2019-20 £'s
Exit costs paid in year	239,796	0
Total	239,796	0

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 Remuneration Relationship

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

The banded remuneration of the highest-paid director in post at 31st March 2021 in the Welsh Ambulance Services NHS Trust in the financial year 2020-21 was £165k to £170k (2019-20, £160k to £165k). This was 5.77 times (2019-20, 5.40 times) the median remuneration of the workforce, which was £29,013 (2019-20, £30,091).

In 2020-21, 0 (2019-20, 0) employees received remuneration in excess of the highest-paid director.

Remuneration ranged from £18,185 to £167,500 (2019-20 £17,652 to £162,500).

The reason for the increase in remuneration together with the upward rise in ratio and the decrease in median remuneration compared to 2019-20 are the result of the 2% pay increase for Directors and a large recruitment drive of staff below the median remuneration value of 2019-20.

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

The NHS one off non-consolidated non-pensionable bonus of £735 is not included within total remuneration as payment was not made until May 2021, this will therefore be included in the 2021/22 report.

Overtime payments are included for the calculation of both elements of the relationship.

## 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 2021, is based on valuation data as 31 March 2020, updated to 31 March 2021 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

#### b) Full actuarial (funding) valuation

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay. The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. In January 2019, the Government announced 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.

The Government subsequently announced in July 2020 that the pause had been lifted, and so the cost control element of the 2016 valuations could be completed. The Government has set out that the costs of remedy of the discrimination will be included in this process. HMT valuation directions will set out the technical detail of how the costs of remedy will be included in the valuation process. The Government has also confirmed that the Government Actuary is reviewing the cost control mechanism (as was originally announced in 2018). The review will assess whether the cost control mechanism is working in line with original government objectives and reported to Government in April 2021. The findings of this review will not impact the 2016 valuations, with the aim for any changes to the cost cap mechanism to be made in time for the completion of the 2020 actuarial valuations.

### **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 2020-2021 tax year (2019-2020 £6,136 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.

	2020-21 Number	2020-21 £000	2019-20 Number	2019-20 £000
<b>NHS</b>				
Total bills paid in year	889	7,578	826	4,588
Total bills paid within target	806	6,937	686	3,746
Percentage of bills paid within target	90.7%	91.5%	83.1%	81.6%
<b>Non-NHS</b>				
Total bills paid in year	48,451	106,133	45,221	92,589
Total bills paid within target	47,079	104,195	43,949	90,773
Percentage of bills paid within target	97.2%	98.2%	97.2%	98.0%
<b>Total</b>				
Total bills paid in year	49,340	113,711	46,047	97,177
Total bills paid within target	47,885	111,132	44,635	94,519
Percentage of bills paid within target	97.1%	97.7%	96.9%	97.3%

### 12.2 The Late Payment of Commercial Debts (Interest) Act 1998

	2020-21 £	2019-20 £
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 :

#### 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>	<b>8,772</b>	<b>20,649</b>	<b>0</b>	<b>22,100</b>	<b>20,959</b>	<b>67,473</b>	<b>32,423</b>	<b>1,833</b>	<b>174,209</b>
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>	<b>0</b>	<b>2,165</b>	<b>0</b>	<b>0</b>	<b>14,170</b>	<b>44,154</b>	<b>24,953</b>	<b>1,087</b>	<b>86,529</b>
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>	<b>8,772</b>	<b>18,484</b>	<b>0</b>	<b>22,100</b>	<b>6,789</b>	<b>23,319</b>	<b>7,470</b>	<b>746</b>	<b>87,680</b>
<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>

The net book value of land, buildings and dwellings at 31 March 2021 comprises :

	£000
Freehold	23,688
Long Leasehold	2,874
Short Leasehold	0
<b>Total</b>	<b>26,562</b>

The NHS Trust 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 Royal Institution of Chartered Surveyors' Valuation Standards, 6th Edition. 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.

The £0.835m shown above under Assets under Construction relates to costs incurred by Aneurin Bevan UHB on the 111 Salus system transferred to the Trust in year.

### 13. Property, plant and equipment :

#### 2019-20

	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 2019</b>	9,095	20,127	0	10,095	20,349	71,808	27,875	1,778	161,127
Indexation	0	399	0	0	0	0	0	0	399
Additions - purchased	(6)	63	0	18,286	18	904	6,221	1	25,487
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	0	0	0	0	0	0
Reclassifications	0	1,072	0	(6,281)	1,321	3,532	(1,386)	87	(1,655)
Revaluation	(83)	(78)	0	0	0	0	0	0	(161)
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	(6)	(934)	0	0	0	0	(125)	0	(1,065)
Reclassified as held for sale	(228)	0	0	0	(729)	(8,427)	0	(33)	(9,417)
Disposals other than by sale	0	0	0	0	0	(344)	(162)	0	(506)
<b>At 31 March 2020</b>	<b>8,772</b>	<b>20,649</b>	<b>0</b>	<b>22,100</b>	<b>20,959</b>	<b>67,473</b>	<b>32,423</b>	<b>1,833</b>	<b>174,209</b>
<b>Depreciation</b>									
<b>At 1 April 2019</b>	0	1,263	0	0	12,676	45,060	21,857	935	81,791
Indexation	0	25	0	0	0	0	0	0	25
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	38	0	0	(52)	52	(417)	0	(379)
Revaluation	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	2	0	0	0	0	0	0	2
Reclassified as held for sale	0	0	0	0	(729)	(8,427)	0	(33)	(9,189)
Disposals other than by sale	0	0	0	0	0	(344)	(162)	0	(506)
Charged during the year	0	837	0	0	2,275	7,813	3,675	185	14,785
<b>At 31 March 2020</b>	<b>0</b>	<b>2,165</b>	<b>0</b>	<b>0</b>	<b>14,170</b>	<b>44,154</b>	<b>24,953</b>	<b>1,087</b>	<b>86,529</b>
<b>Net book value</b>									
<b>At 1 April 2019</b>	9,095	18,864	0	10,095	7,673	26,748	6,018	843	79,336
<b>Net book value</b>									
<b>At 31 March 2020</b>	<b>8,772</b>	<b>18,484</b>	<b>0</b>	<b>22,100</b>	<b>6,789</b>	<b>23,319</b>	<b>7,470</b>	<b>746</b>	<b>87,680</b>
<b>Net book value at 31 March 2020 comprises :</b>									
Purchased	8,772	18,484	0	22,100	6,789	23,319	7,470	746	87,680
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 2020</b>	<b>8,772</b>	<b>18,484</b>	<b>0</b>	<b>22,100</b>	<b>6,789</b>	<b>23,319</b>	<b>7,470</b>	<b>746</b>	<b>87,680</b>
<b>Asset Financing:</b>									
Owned	8,772	18,484	0	22,100	6,789	23,319	3,054	746	83,264
Held on finance lease	0	0	0	0	0	0	4,416	0	4,416
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 2020</b>	<b>8,772</b>	<b>18,484</b>	<b>0</b>	<b>22,100</b>	<b>6,789</b>	<b>23,319</b>	<b>7,470</b>	<b>746</b>	<b>87,680</b>

The net book value of land, buildings and dwellings at 31 March 2020 comprises :

	£000
Freehold	24,397
Long Leasehold	2,859
Short Leasehold	0
<b>Total</b>	<b>27,256</b>

The NHS Trust 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 Royal Institution of Chartered Surveyors' Valuation Standards, 6th Edition. 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.



### 13. Property, plant and equipment :

#### Disclosures:

#### i) Donated Assets

The Welsh Ambulance Services NHS Trust did not receive any donated assets during the year.

#### 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 Royal Institute of Chartered Surveyors' Valuation Standards, 6th edition.

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

£0.638 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/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	116
Equipment	No longer serviceable	11
Land	Surplus to requirement	48
		<u>175</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 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>
<b>Balance b/f 1 April 2019</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	228	0	0	0	0	228
Revaluation	(15)	0	0	0	0	(15)
Less assets sold in year	(97)	0	0	0	0	(97)
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 2020</b>	<b>246</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>246</b>

As at 31st March 2021, 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 2019/20 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 2021/22.

One property which had become surplus to requirement during 2019/20 following the relocation of staff to shared accommodation was sold during 2020/21.

Within Note 13 there is £4.26m of Transport equipment 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 transport assets within the year is included in full within Note 13 (vi) (£0.116m). These items are passing through the above note in year with a net book value of

#### 14. Intangible assets

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

14. Intangible assets

	Computer software purchased	Computer software internally developed	Licenses and trade- marks	Patents	Development expenditure internally generated	CRC Emission Trading Scheme	Total
Cost or valuation	£000	£000	£000	£000	£000	£000	£000
<b>At 1 April 2019</b>	11,205	0	3,159	0	0	0	14,364
Revaluation	(365)	0			0	0	(365)
Reclassifications	586	0	1,069	0	0	0	1,655
Reversal of impairments	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0
Additions							
- purchased	1	0	361	0	0	0	362
- internally generated	0	0	0	0	0	0	0
- donated	0	0	0	0	0	0	0
- government granted	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0
Disposals other than by sale	(8)	0	0	0	0	0	(8)
<b>At 31 March 2020</b>	<b>11,419</b>	<b>0</b>	<b>4,589</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16,008</b>
<b>Amortisation</b>							
<b>At 1 April 2019</b>	7,152	0	1,499	0	0	0	8,651
Revaluation	0	0			0	0	0
Reclassifications	18	0	361	0	0	0	379
Reversal of impairments	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0
Charged during the year	1,190	0	663	0	0	0	1,853
Reclassified as held for sale	0	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0
Disposals other than by sale	(8)	0	0	0	0	0	(8)
<b>Accumulated amortisation at 31 March 2020</b>	<b>8,352</b>	<b>0</b>	<b>2,523</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,875</b>
<b>Net book value At 1 April 2019</b>	<b>4,053</b>	<b>0</b>	<b>1,660</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,713</b>
<b>Net book value At 31 March 2020</b>	<b>3,067</b>	<b>0</b>	<b>2,066</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,133</b>
<b>Net book value</b>							
Purchased	3,067	0	2,066	0	0	0	5,133
Donated	0	0	0	0	0	0	0
Government granted	0	0	0	0	0	0	0
Internally Generated	0	0	0	0	0	0	0
<b>At 31 March 2020</b>	<b>3,067</b>	<b>0</b>	<b>2,066</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,133</b>

**14. Intangible assets**

- i) All intangible fixed assets are stated at original cost.
- ii) 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:	2020-21		2019-20	
	Property, plant	Intangible	Property, plant	Intangible
	& equipment	assets	& equipment	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	638	0	1,067	0
Reversal of impairment	0	0	0	0
<b>Impairments charged to operating expenses</b>	<b>638</b>	<b>0</b>	<b>1,067</b>	<b>0</b>

### Analysis of impairments :

Operating expenses in Statement of Comprehensive Income	638	0	1,067	0
Revaluation reserve	643	0	176	0
<b>Total</b>	<b>1,281</b>	<b>0</b>	<b>1,243</b>	<b>0</b>

Included within the above total of £1.281m are the following items:-

- a review undertaken in connection with expenditure incurred on Trust buildings identified that a total impairment of £1.050m was required as there were instances where the value of the buildings had not been enhanced. Of this amount, £0.560m was charged to operating expenses.
- a review of equipment and vehicles during the year identified £0.057m of obsolete items requiring impairment. All of this was charged to operating expense.
- the 2020/21 indexation for land resulted in all land assets requiring impairment, a total of £0.174m, in accordance with paragraph 7.169 of the Manual for Accounts. Of this amount, £0.021m was charged to operating expenses.

## 16. Inventories

### 16.1 Inventories

	31 March 2021 £000	31 March 2020 £000
Drugs	121	115
Consumables	1,265	1,170
Energy	0	0
Work in progress	0	0
Other	242	271
<b>Total</b>	<b>1,628</b>	<b>1,556</b>
<b>Of which held at net realisable value:</b>	<b>0</b>	<b>0</b>

### 16.2 Inventories recognised in expenses

	31 March 2021 £000	31 March 2020 £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 2021 £000	31 March 2020 £000
<b>Current</b>		
Welsh Government	4,777	1,518
WHSSC & EASC	1,453	43
Welsh Health Boards	1,837	1,110
Welsh NHS Trusts	158	310
Health Education and Improvement Wales (HEIW)	19	5
Non - Welsh Trusts	0	0
Other NHS	6	13
2019-20 Scheme Pays - Welsh Government Reimbursement	0	0
Welsh Risk Pool Claim reimbursement:-		
NHS Wales Secondary Health Sector	4,268	3,887
NHS Wales Primary Sector FLS Reimbursement	0	0
NHS Wales Redress	0	0
Other	0	0
Local Authorities	36	18
Capital debtors- Tangible	0	0
Capital debtors- Intangible	0	0
Other debtors	1,063	1,163
Provision for impairment of trade receivables	(259)	(290)
Pension Prepayments		
NHS Pensions Agency	0	0
NEST	0	0
Other prepayments	1,123	1,309
Accrued income	0	0
Sub-total	14,481	9,086
<b>Non-current</b>		
Welsh Government	0	0
WHSSC & EASC	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Health Education and Improvement Wales (HEIW)	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		
NHS Wales Secondary Health Sector	1,831	0
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	447	536
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	2,278	536
<b>Total trade and other receivables</b>	<b>16,759</b>	<b>9,622</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 £0.731m re Compensation Recovery Unit (2019-20 £0.839m).



**17.2 Receivables past their due date but not impaired**

	<b>31 March 2021 £000</b>	31 March 2020 £000
By up to 3 months	<b>854</b>	615
By 3 to 6 months	<b>0</b>	0
By more than 6 months	<b>0</b>	0
<b>Balance at end of financial year</b>	<b>854</b>	<b>615</b>

**17.3 Expected Credit Losses (ECL) Allowance for bad and doubtful debts**

	<b>31 March 2021 £000</b>	31 March 2020 £000
Balance at 1 April	<b>(290)</b>	<b>(254)</b>
Transfer to other NHS Wales body	<b>0</b>	0
Provision utilised (Amount written off during the year)	<b>3</b>	4
Provision written back during the year no longer required	<b>0</b>	0
(Increase)/Decrease in provision during year	<b>28</b>	<b>(40)</b>
ECL/Bad debts recovered during year	<b>0</b>	0
<b>Balance at end of financial year</b>	<b>(259)</b>	<b>(290)</b>

**17.4 Receivables VAT**

	<b>31 March 2021 £000</b>	31 March 2020 £000
Trade receivables	<b>16</b>	19
Other	<b>0</b>	0
<b>Total</b>	<b>16</b>	<b>19</b>

**18. Other financial assets**

	<b>31 March 2021 £000</b>	<b>31 March 2020 £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 2021 £000</b>	<b>31 March 2020 £000</b>
Opening Balance	<b>24,582</b>	13,626
Net change in year	<b>(6,114)</b>	10,956
<b>Closing Balance</b>	<b>18,468</b>	24,582
<b>Made up of:</b>		
Cash with Government Banking Service (GBS)	<b>18,424</b>	24,551
Cash with Commercial banks	<b>39</b>	25
Cash in hand	<b>5</b>	6
<b>Total cash</b>	<b>18,468</b>	24,582
Current investments	<b>0</b>	0
<b>Cash and cash equivalents as in SoFP</b>	<b>18,468</b>	24,582
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>18,468</b>	24,582

In response to the IAS 7 requirement for additional disclosure, the changes in liabilities arising for financing activities are:

Lease Liabilities £1.962m reduction.

The movement relates to cash, no comparative information is required by IAS 7 in 2020-21.

20. Trade and other payables at the SoFP Date	31 March	31 March
	2021	2020
Current	£000	£000
Welsh Government	313	299
WHSSC & EASC	12	818
Welsh Health Boards	266	228
Welsh NHS Trusts	241	218
Health Education and Improvement Wales (HEIW)	325	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	1,454	1,267
National Insurance contributions payable to HMRC	1,997	1,791
Non-NHS trade payables - revenue	1,938	1,847
Local Authorities	155	6
Capital payables-Tangible	3,374	9,381
Capital payables- Intangible	246	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	2,190	1,911
Non NHS Accruals	15,780	9,550
Deferred Income:		
Deferred income brought forward	207	145
Deferred income additions	23	62
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>28,521</b>	<b>27,523</b>

In respect of the Pensions figure shown above, £2.167m relates to the NHS Pension scheme (2019-20 £1.891m) and £0.022m to the NEST pension scheme (2019-20 £0.020m).

20. Trade and other payables at the SoFP Date (cont)

	31 March 2021 £000	31 March 2020 £000
<b>Non-current</b>		
Welsh Government	0	0
WHSSC & EASC	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Health Education and Improvement Wales (HEIW)	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>	<b><u>28,521</u></b>	<b><u>27,523</u></b>

The Trust aims to pay all invoices within the 30 day period directed by the Welsh Government.

<b>21. Borrowings</b>	<b>31 March</b>	<b>31 March</b>
<b>Current</b>	<b>2021</b>	<b>2020</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	1,616	1,970
Other	0	0
<b>Total</b>	<b>1,616</b>	<b>1,970</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	1,059	2,667
Other	0	0
<b>Total</b>	<b>1,059</b>	<b>2,667</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>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
<b>Amounts falling due:</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 2021 £000	31 March 2020 £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 2021 £000	31 March 2020 £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

#### 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>

#### Non Current

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>

#### TOTAL

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>

#### Expected timing of cash flows:

	In year to 31 March 2022	Between 01-Apr-22 to 31 March 2026	Thereafter	Totals
	£000	£000	£000	£000
Clinical negligence:-				
Secondary Care	2,711	640	0	3,351
Primary Care	0	0	0	0
Redress Secondary Care	158	0	0	158
Redress Primary Care	0	0	0	0
Personal injury	1,521	3,223	7,873	12,617
All other losses and special payments	0	0	0	0
Defence legal fees and other administration	313	91	0	404
Structured Settlements - WRPS	0	0	0	0
Pensions - former directors	0	0	0	0
Pensions - other staff	18	57	3	78
2019-20 Scheme Pays - Reimbursement	0	0	0	0
Restructuring	0	0	0	0
Other	2,228	0	0	2,228
<b>Total</b>	<b>6,949</b>	<b>4,011</b>	<b>7,876</b>	<b>18,836</b>

"Other" provisions £2.228m (2019-20 £2.577m) relates to a provision of £1.761m 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, £0.134m in relation to a present constructive obligation for potential staff exit packages and £0.333m for dilapidation of leasehold premises.



## 23. Provisions (continued)

2019-20

	At 1 April 2019	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 2020
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Current</b>										
Clinical negligence:-										
Secondary Care	1,485	0	0	0	0	869	(71)	(306)	0	1,977
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	1,244	0	0	0	0	2,902	(1,317)	(442)	21	2,408
All other losses and special payments	0	0	0	0	0	284	(164)	(120)	0	0
Defence legal fees and other administration	266	0	0	0	0	379	(138)	(195)	0	312
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	20		0	6	0	16	(16)	(7)	0	19
2019-20 Scheme Pays - Reimbursement	0		0	0	0	0	0	0	0	0
Restructurings	0		0	0	0	0	0	0		0
Other	1,869		0	0	0	708	0	0		2,577
<b>Total</b>	<b>4,884</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>5,158</b>	<b>(1,706)</b>	<b>(1,070)</b>	<b>21</b>	<b>7,293</b>
<b>Non Current</b>										
Clinical negligence:-										
Secondary Care	0	0	0	0	0	0	0	0	0	0
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	6,895	0	0	0	0	2,586	0	0	0	9,481
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	0	0	0	0	0	0	0
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	79		0	(6)	0	0	0	0	0	73
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>6,974</b>	<b>0</b>	<b>0</b>	<b>(6)</b>	<b>0</b>	<b>2,586</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,554</b>
<b>TOTAL</b>										
Clinical negligence:-										
Secondary Care	1,485	0	0	0	0	869	(71)	(306)	0	1,977
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	8,139	0	0	0	0	5,488	(1,317)	(442)	21	11,889
All other losses and special payments	0	0	0	0	0	284	(164)	(120)	0	0
Defence legal fees and other administration	266	0	0	0	0	379	(138)	(195)	0	312
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	99		0	0	0	16	(16)	(7)	0	92
2019-20 Scheme Pays - Reimbursement	0		0	0	0	0	0	0	0	0
Restructurings	0		0	0	0	0	0	0		0
Other	1,869		0	0	0	708	0	0		2,577
<b>Total</b>	<b>11,858</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,744</b>	<b>(1,706)</b>	<b>(1,070)</b>	<b>21</b>	<b>16,847</b>

## 24 Contingencies

### 24.1 Contingent liabilities

Provision has not been made in these accounts for the following amounts:

	31 March 2021 £000	31 March 2020 £000
Legal claims for alleged medical or employer negligence;		
Secondary care	5,624	7,714
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	235	286
Other: Damage to third party equipment	0	0
<b>Total value of disputed claims</b>	<b>5,859</b>	<b>8,000</b>
Amount recovered under insurance arrangements in the event of these claims being successful	(4,848)	(6,897)
<b>Net contingent liability</b>	<b>1,011</b>	<b>1,103</b>

In accordance with a Ministerial Direction issued on 18 December 2019, the Welsh Government have taken action to support circumstances where pensions 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 2019-20 tax year, face a tax 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 funded directly 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, there was insufficient data of take-up of the scheme by the Welsh clinical staff 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 2021, the existence of an unquantified contingent liability is instead disclosed.

**24.2. Remote contingent liabilities**

	<b>31 March 2021 £000</b>	<b>31 March 2020 £000</b>
Guarantees	0	0
Indemnities	0	0
Letters of comfort	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**24.3 Contingent assets**

	<b>31 March 2021 £000</b>	<b>31 March 2020 £000</b>
	0	0
	0	0
	0	0
	<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>2021</b>	2020
	<b>£000</b>	£000
Property, plant and equipment	<b>9,268</b>	2,864
Intangible assets	<b>232</b>	190
<b>Total</b>	<b>9,500</b>	3,054

## 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 or written-off during the financial year

	Amounts paid out during year to 31 March 2021	
	Number	£
Clinical negligence	7	863,360
Personal injury	69	786,132
All other losses and special payments	134	172,103
<b>Total</b>	<b>210</b>	<b>1,821,595</b>

Analysis of cases:

Case Reference	Number of cases	Case Type	Amounts paid out in year	Cumulative amount
<b>Cases where cumulative amount exceeds £300,000</b>			£	£
14RT4MN0003	1	Clinical Negligence	0	704,493
14RT4PI0008	1	Personal Injury	0	378,967
15RT4MN0010	1	Clinical Negligence	568,585	568,585
15RT4PI0033	1	Personal Injury	0	4,314,610

<b>Sub-total</b>	<b>4</b>	<b>568,585</b>	<b>5,966,655</b>
<b>All other cases</b>	<b>206</b>	<b>1,253,010</b>	<b>8,493,330</b>
<b>Total cases</b>	<b>210</b>	<b>1,821,595</b>	<b>14,459,985</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:

LAND	31 March 2021 £000	31 March 2020 £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>

**27.1 Finance leases obligations (as lessee) continued**

**Amounts payable under finance leases:**

**BUILDINGS**

	31 March 2021 £000	31 March 2020 £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 2021 £000	31 March 2020 £000
<b>Minimum lease payments</b>		
Within one year	1,651	2,037
Between one and five years	1,066	2,709
After five years	0	0
Less finance charges allocated to future periods	(42)	(109)
<b>Minimum lease payments</b>	<b>2,675</b>	<b>4,637</b>
Included in: Current borrowings	1,616	1,970
Non-current borrowings	1,059	2,667
<b>Total</b>	<b>2,675</b>	<b>4,637</b>
<b>Present value of minimum lease payments</b>		
Within one year	1,616	1,970
Between one and five years	1,059	2,667
After five years	0	0
<b>Total present value of minimum lease payments</b>	<b>2,675</b>	<b>4,637</b>
Included in: Current borrowings	1,616	1,970
Non-current borrowings	1,059	2,667
<b>Total</b>	<b>2,675</b>	<b>4,637</b>

## 27.2 Finance lease receivables (as lessor)

The Trust has no finance lease receivables.

### Amounts receivable under finance leases:

	31 March 2021 £000	31 March 2020 £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 2021 £000	31 March 2020 £000
<b>Movements in working capital</b>		
(Increase) / decrease in inventories	(72)	(138)
(Increase) / decrease in trade and other receivables - non-current	(1,742)	(13)
(Increase) / decrease in trade and other receivables - current	(5,395)	(1,714)
Increase / (decrease) in trade and other payables - non-current	0	0
Increase / (decrease) in trade and other payables - current	998	3,850
<b>Total</b>	<b>(6,211)</b>	<b>1,985</b>
Adjustment for accrual movements in fixed assets - creditors	5,761	(1,731)
Adjustment for accrual movements in fixed assets - debtors	0	(280)
Other adjustments	0	(868)
<b>Total</b>	<b>(450)</b>	<b>(894)</b>

**31. Other cash flow adjustments**

	31 March 2021 £000	31 March 2020 £000
<b>Other cash flow adjustments</b>		
Depreciation	13,707	14,785
Amortisation	1,821	1,853
Impairments and reversals	638	1,067
Release of PFI deferred credits	0	0
NWSSP Covid assets issued debited to expenditure but non-cash	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	4,493	6,695
<b>Total</b>	<b>20,659</b>	<b>24,400</b>

## **32. Events after reporting period**

The need to plan and respond to the COVID-19 pandemic has had a significant impact on the organisation, wider NHS and society as a whole for over twelve months. This situation continues to require a dynamic response.

In common with most NHS organisations COVID-19 has presented this Trust with a number of opportunities in addition to the risks. The need to respond and recover from the pandemic will be with the organisation and wider society throughout 2021/22 and beyond. The organisation's Governance Framework has been and will need to continue to be considered and respond to this need.

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:

	Expenditure to related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Welsh Government	1,140	20,441	313	4,777
WHSSC/EASC	40	172,320	12	1,453
Aneurin Bevan University Health Board	1,144	10,721	82	477
Betsi Cadwaladr University Health Board	389	5,827	103	83
Cardiff & Vale University Health Board	52	4,675	3	388
Cwm Taf Morgannwg University Health Board	35	2,413	3	595
Hywel Dda University Health Board	122	5,087	10	28
Powys Teaching Health Board	51	1,243	51	118
Swansea Bay University Health Board	66	5,671	14	147
Public Health Wales NHS Trust	95	63	17	0
Velindre University NHS Trust	2,650	1,277	224	158
Health Education and Improvement Wales (HEIW)	0	335	325	19
Welsh Local Authorities	2,094	199	155	36
Cardiff University	2	0	0	0
Swansea University	130	76	0	1
Cardiff Metropolitan University	0	0	0	0
University of South Wales	6	0	2	0
University of Wales	72	0	0	0
Bangor University	0	0	0	0
Glyndwr University	0	0	0	0
	<b>8,088</b>	<b>230,348</b>	<b>1,314</b>	<b>8,280</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 (2019/20: £0.010m) with no other transactions being made. Net assets of the charity amount to £0.737m.

The Welsh Government income shown above includes £0.638m relating to impairment funding and £0.835m that relates to PDC capital received during 2020/21.

### 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 Chairman and Non-Executive Director	None
Emrys Davies *	Non-Executive Director	Director and Chair, NRML (Newport Road Maintenance Ltd). Retired Member of Unite.
Kevin Davies *	Non-Executive Director	St John Volunteer COVID 19 Vaccination Programme (CTMUHB and C&VUHB). Trustee St John Ambulance Cymru. Patron Motivation and Learning Trust. Chair ABF The Soldiers Charity (Glamorgan). Member RCN.
Bethan Evans *	Non-Executive Director	Managing Director (Employed) at My Choice Healthcare Ltd. Non Executive Board Member at RHA (Social Housing Association). Company Director Moorlands Rehabilitation (Staffordshire) Ltd. Company Director My Choice Healthcare South Wales Limited. Company Director Homes of Excellence Healthcare Limited. Company Director Springfield (Bargoed) Limited.
Pamela Hall *	Non-Executive Director (left the Trust 31/12/20)	None
Paul Hollard *	Non-Executive Director	Independent consultant providing occasional services to NHS Wales organisations and Welsh Government
Joga Singh *	Non-Executive Director	Geldards LLP, paid employment Sikh Council of Wales, voluntary role. Member of the Law Society and Employment Lawyers Association.
Martin Turner *	Non-Executive Director	Director and shareholder Martin Turner Associates Ltd.
Jason Killens *	Chief Executive	Honorary Professorship at Swansea University.
Brendan Lloyd *	Medical Director and Deputy Chief Executive (Interim)	None
Claire Roche *	Executive Director of Quality and Nursing	None
Christopher Turley *	Executive Director of Finance and Corporate Resources	None
Claire Vaughan *	Executive Director of Workforce and OD	None
Lee Brooks	Director of Operations	Partner employed by Welsh Ambulance Services NHS Trust.
Andy Haywood	Director of Digital	None
Estelle Hitchon	Director of Partnership and Engagement	None
Rachel Marsh	Director of Strategy, Planning and Performance	None
Andy Swinburn	Associate Director of Paramedicine	Consultancy work as an Advisor to the College of Paramedics.
Keith Cox	Board Secretary	Magistrate Cardiff and Vale.

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 page 67 during 2020-21 were as follows (unless already reported on page 67) :

	Payments to related party £000	Receipts from related party £000	Amounts owed to related party £000	Amounts due from related party £000
St John Ambulance	2,900	0	0	0
<b>TOTAL</b>	<b>2,900</b>	<b>0</b>	<b>0</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 2020 to 31 March 2021. This has been calculated from actual Welsh Government expenditure for the 6.3% staff employer pension contributions between April 2020 and February 2021 alongside Trust data for March 2021.

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:

<b>STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2021</b>	<b>2020-21 £000</b>	<b>2019-20 £000</b>
Revenue from patient care activities	<b>6,966</b>	6,137
Operating expenses	<b>6,966</b>	6,137
<b>3. Analysis of gross operating costs</b>		
<b>3. Revenue from patient care activities</b>		
Welsh Government	<b>6,966</b>	6,137
Welsh Government - Hosted Bodies	<b>0</b>	0
<b>5.1 Operating expenses</b>		
Directors' costs	<b>59</b>	46
Staff costs	<b>6,907</b>	6,091

**37. Other Information (continued)**

**37.2. Welsh Government Covid 19 Funding**

	<b>2020-21 £000</b>
<b>Capital</b>	
Capital Funding Field Hospitals	-
Capital Funding Equipment & Works	1,491
Capital Funding other (Specify)	-
<b>Welsh Government Covid 19 Capital Funding</b>	<b>1,491</b>
<b>Revenue</b>	
Sustainability Funding	6,218
C-19 Pay Costs Q1 (Future Quarters covered by SF)	2,143
Field Hospital (Set Up Costs, Decommissioning & Consequential losses)	-
PPE (including All Wales Equipment via NWSSP)	-
TTP- Testing & Sampling - Pay & Non Pay	-
TTP - NHS & LA Tracing - Pay & Non Pay	-
Vaccination - Extended Flu Programme	-
Vaccination - COVID-19	-
Bonus Payment	3,655
Annual Leave Accrual - Increase due to Covid	1,777
Urgent & Emergency Care	-
Support for Adult Social Care Providers	-
Hospices	-
Independent Health Sector	-
Mental Health	-
Other Primary Care	-
Other	18
<b>Welsh Government Covid 19 Revenue Funding</b>	<b>13,811</b>

£2.354m was also received from the Department of Health, this relates to revenue funding provided for Covid -19 Mobile testing Units (MTU).

**37. Other Information (continued)**

**37.3 Implementation of IFRS 16**

HM Treasury agreed with the Financial Reporting Advisory Board (FRAB), to defer the implementation of IFRS 16 Leases until 1 April 2022, because of the circumstances caused by Covid-19.

To ease the pressure on NHS Wales Finance Departments the IFRS 16 detailed impact statement has been removed by the Welsh Government Health and Social Services Group, Finance Department.

We expect the introduction of IFRS16 will have a significant impact and this will be worked through for disclosure in our 2021-22 financial statements.

**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,



GIG  
CYMRU  
NHS  
WALES

Ymddiriedolaeth GIG  
Gwasanaethau Ambiwlans Cymru  
Welsh Ambulance Services  
NHS Trust

Cadeirydd

Chair: Martin Woodford

Prif Weithredwr

Chief Executive: Jason Killens

Auditor General for Wales Audit

Wales

24 Cathedral Road

Cardiff

CF11 9LJ

10 June 2021

## Representations regarding the 2020-21 financial statements

This letter is provided in connection with your audit of the financial statements (including that part of the Remuneration Report that is subject to audit) of the Welsh Ambulance Services NHS Trust for the year ended 31 March 2021 for the purpose of expressing an opinion on their truth and fairness, their proper preparation and the regularity of income and expenditure.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

## Management representations

### Responsibilities

As Chief Executive and Accountable Officer, I have fulfilled my responsibility for:

- Preparing the financial statements in accordance with legislative requirements and the Treasury's Financial Reporting Manual. In preparing the financial statements, I am required to:
  - observe the accounts directions issued by Welsh Ministers, including the relevant accounting and disclosure requirements and apply appropriate accounting policies on a consistent basis;
  - make judgements and estimates on a reasonable basis;
  - state whether applicable accounting standards have been followed and disclosed and explain any material departures from them; and
  - prepare them on a going concern basis on the presumption that the services of the Welsh Ambulance Services NHS Trust will continue in operation.

Mae'r Ymddiriedolaeth yn croesawu gohebiaeth yn y Gymraeg neu'r Saesneg, ac na fydd gohebu yn Gymraeg yn arwain at oedi

The Trust welcomes correspondence in Welsh or English, and that corresponding in Welsh will not lead to a delay

[www.ambulance.wales.nhs.uk](http://www.ambulance.wales.nhs.uk)

Pencadlys Rhanbarthol  
Ambiwlans a Chanolfan  
Cyfathrebu Clinigol

Regional Ambulance  
Headquarters and  
Clinical Contact Centre

Tŷ Vantage Point  
Vantage Point House  
Tŷ Coch Way  
Cwmbran NP44 7HF

Ffôn/Tel  
01633 626262

- Ensuring the regularity of any expenditure and other transactions incurred.
- The design, implementation and maintenance of internal control to prevent and detect error.

## **Information provided**

We have provided you with:

- Full access to:
  - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
  - additional information that you have requested from us for the purpose of the audit; and
  - unrestricted access to staff from whom you determined it necessary to obtain audit evidence.
- The results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- Our knowledge of fraud or suspected fraud that we are aware of and that affects the Welsh Ambulance Services NHS Trust and involves:
  - management;
  - employees who have significant roles in internal control; or
  - others where the fraud could have a material effect on the financial statements.
- Our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others.
- Our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- The identity of all related parties and all the related party relationships and transactions of which we are aware.
- Our knowledge of all possible and actual instances of irregular transactions.

## **Financial statement representations**

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

- The financial statements are free of material misstatements, including omissions. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. There is

one item that remains uncorrected which relates to Note 23 'Other provisions' - £134,000.  
We have not adjusted for this on the basis that the value is immaterial.

## **Representations by the NHS Trust Board**

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for ensuring that the company maintains adequate accounting records.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Trust Board on 10 June 2021.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Signed by:

Jason Killens

Signed by:

Martin Woodford

Chief Executive

Date: 10 June 2021

Chair of the Trust

Date: 10 June 2021

## Audit of Accounts Report – Welsh Ambulance Services NHS Trust

Audit year: 2020-21

Date issued: May 2021

Document reference: 2434A2021-22



This document has been prepared as part of work performed in accordance with statutory functions.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000.

The section 45 code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties. In relation to this document, the Auditor General for Wales and the Wales Audit Office are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to the Wales Audit Office at [infoofficer@audit.wales](mailto:infoofficer@audit.wales).

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

# Contents

We intend to issue an unqualified audit report on your Accounts. There are some issues to report to you prior to their approval.

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# Audit of Accounts Report

## Introduction

- 1 We summarise the main findings from our audit of your 2020-21 accounts in this report.
- 2 We have already discussed these issues with the Executive Director of Finance and Corporate Resources.
- 3 Auditors can never give complete assurance that accounts are correctly stated. Instead, we work to a level of 'materiality'. This level of materiality is set to try to identify and correct misstatements that might otherwise cause a user of the accounts into being misled.
- 4 We set this level at £2.416 million for this year's audit.
- 5 There are some areas of the accounts that may be of more importance to the reader and we have set a lower materiality level for these, as follows:
  - Related Parties
  - Directors remuneration
  - Clinician's pension tax
- 6 We have now substantially completed our audit.
- 7 In our professional view, we have complied with the ethical standards that apply to our work; remain independent of yourselves; and, our objectivity has not been compromised in any way. There are no relationships between ourselves and yourselves that we believe could undermine our objectivity and independence.

## Impact of COVID-19 on this year's audit

- 8 The COVID-19 pandemic has had a significant impact on all aspects of our society and continues to do so. You are required by law to prepare accounts and it is of considerable testament to the commitment of your accounts team that you have succeeded in doing so again this year in the face of the continuing challenges posed by this pandemic. We are extremely grateful to the professionalism of the team in supporting us to complete our audit in these ongoing difficult circumstances.
- 9 The pandemic has again unsurprisingly affected our audit and we summarise in **Exhibit 1** the main impacts. Other than where we specifically make recommendations, the detail in **Exhibit 1** is provided for information purposes only to help you understand the impact of the COVID-19 pandemic on this year's audit process.

## Exhibit 1 – impact of COVID-19 on this year’s audit

<b>Timetable</b>	<ul style="list-style-type: none"><li>• The deadline for completing your accounts returned to the usual statutory deadline of 30 April 2021.</li><li>• We received the draft accounts on 30 April 2021.</li><li>• Our deadline for completing our audit was changed by Welsh Government to 11 June 2021.</li><li>• We expect your audit report to be signed on 15 June 2021.</li></ul>
<b>Electronic signatures</b>	Electronic signatures will be used by the Trust and Audit Wales.
<b>Audit evidence</b>	<p>As in previous years, we received the majority of audit evidence in electronic format. Due to the continued COVID 19 restrictions, we have built on our experience of the 2019-20 audit and we have continued to use various techniques to ensure audit evidence has been appropriate and sufficient to support our audit opinion.</p> <p>Specifically:</p> <ul style="list-style-type: none"><li>• Trust officers provided electronic working papers in accordance with our agreed Audit Deliverables Report;</li><li>• Trust officers provided audit evidence to the audit team via the Digital Health and Care Wales’ Secure File Sharing Portal (a secure, web-based portal);</li><li>• Trust officers were available by video conferencing for discussions, and also for the sharing of on-screen information/evidence; and</li><li>• Audit Wales secured remote read-only access to the Trust’s Oracle ledger which enabled the audit team to query the ledger and hence reduce the burden on Trust officers to provide this information.</li></ul>
<b>Other</b>	<ul style="list-style-type: none"><li>• Video conferencing has enabled the audit team to communicate effectively with Trust officers throughout the year and during the audit.</li><li>• Video-conference-based Trust Audit Committee meetings have enabled us to proficiently discharge our responsibility for reporting to those charged with governance.</li></ul>

## Proposed audit opinion

- 10 We intend to issue an unqualified audit opinion on this year's accounts once you have provided us with a Letter of Representation based on that set out in **Appendix 1**.
- 11 We issue a 'qualified' audit opinion where we have material concerns about some aspects of your accounts; otherwise we issue an unqualified opinion.
- 12 The audit report includes an emphasis of matter paragraph, drawing the reader's attention to Note 24 of the accounts. This note describes the impact of a Ministerial Direction issued on 18 December 2019 to the Permanent Secretary of the Welsh Government, instructing her to fund NHS clinical staffs' pension tax liabilities incurred by NHS Wales bodies in respect of the 2019-20 financial year.
- 13 The Trust has disclosed the existence of a contingent liability at 31 March 2021, and my opinion is not modified in respect of this matter.
- 14 The Letter of Representation contains certain confirmations we are required to obtain from you under auditing standards along with confirmation of other specific information you have provided to us during our audit.
- 15 Our proposed audit report is set out in **Appendix 2**. The proposed audit report is followed by a substantive report which provides further commentary on the impact of a Ministerial Direction issued on 18 December 2019 to the Permanent Secretary of the Welsh Government in respect of clinicians' pension tax liabilities.

## Significant issues arising from the audit

### Uncorrected misstatement

- 16 There is one misstatement identified within the accounts, which remains uncorrected which relates to Note 23 - provisions. We set out below the misstatement which has been discussed with management but remains uncorrected. We request that this is corrected. If you decide not to correct this misstatement, we ask that you provide us with the reason in writing for not correcting.
  - Note 23 Provisions – 'other provisions' which is overstated by £134,000.
  - It relates to a provision for potential staff exit packages which has been included within Note 23 Provisions and so within Current Liabilities in the Statement of Financial Position.
  - Our review has determined that the conditions of the provision do not comply with those required by International Accounting Standard (IAS) 37 'Provisions Contingent Liabilities and Contingent Assets' and therefore should not have been included within the financial statements.

## Corrected misstatements

- 17 There were initially misstatements in the accounts that have now been corrected by management. However, we believe that these should be drawn to your attention and they are set out with explanations in **Appendix 3**.

## Other significant issues arising from the audit

- 18 In the course of the audit, we consider a number of matters relating to the accounts and report any significant issues arising to you. There was one issue arising in these areas this year as shown in **Exhibit 2**:

**Exhibit 2 – significant issue arising from the audit**

Area	Issue identified	Recommendation
Contingent liability arising from the ministerial direction relating to senior NHS staff's pension tax liabilities	As was the case last year, the Trust has disclosed additional narrative in Note 24 – Contingent Liabilities, to disclose the potential liability resulting from the ministerial direction to the Welsh Government to fund pensions tax liabilities above the pension savings annual allowance threshold in 2019-20.	The Trust has included the additional contingent liability. We have also drawn the reader's attention to this disclosure in an emphasis of matter paragraph in my audit report. We have also included a specific report on the matter within our audit report.

- 19 There were a number of other issues we wanted to bring to the attention of the Audit Committee:
- **Assets under construction (AUC)** - we reported in both our 2019-20 Audit of Accounts report and our 2021 Audit Plan, concerns around the monitoring and recording of Assets Under Construction (AUC). We are pleased to note that the Trust has undertaken considerable work during the year to improve the supporting documentation and recording of AUC for year-end financial reporting. There is however, an area where improvement can be made. This is in relation to the supporting documentation provided to audit in respect of the capital accruals balance. This documentation would benefit from more detail in terms of the key capital items as well as their location before we commence the audit. We recommend the Trust continue to review and strengthen their processes to record and monitor AUC.

- **Defibrillators** - the total value of defibrillators within the Statement of Financial position, property plant and equipment is recorded at a net book value of £5.3 million. Of this total, we have been unable to obtain assurance over the existence and location of defibrillators with a net book value of £273,000 on the basis that our audit sample selected one of the older model defibrillators. Going forward, we understand the Trust are planning to implement an RFID tagging system which will identify where all assets are held. This should enable the Trust to verify the existence of these defibrillators and ensure they are still in operational use.
- **Inventories** - the value of inventory in the Statement of Financial Position is £1.628 million. Whilst this is below the level we set as material (see paragraph 4), we nevertheless agree the balance to the ledger and supporting working papers. As part of our work on the agreement of the balance to the supporting working papers, we identified a number of issues which resulted in us spending a considerable amount of time working through this and liaising with the Trust. We recommend that clear and accurate working papers are prepared for all values and disclosures within the financial statements.

## Recommendations

- 20 As well as the recommendations included above, we intend to report a number of other recommendations in a separate report to the Trust which will be presented to the Audit Committee scheduled for the Autumn 2021.

# Appendix 1

## Final Letter of Representation

Auditor General for Wales  
Audit Wales  
24 Cathedral Road  
Cardiff  
CF11 9LJ

10 June 2021

## Representations regarding the 2020-21 financial statements

This letter is provided in connection with your audit of the financial statements (including that part of the Remuneration Report that is subject to audit) of the Welsh Ambulance Services NHS Trust for the year ended 31 March 2021 for the purpose of expressing an opinion on their truth and fairness, their proper preparation and the regularity of income and expenditure.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

## Management representations

### Responsibilities

As Chief Executive and Accountable Officer, I have fulfilled my responsibility for:

- Preparing the financial statements in accordance with legislative requirements and the Treasury's Financial Reporting Manual. In preparing the financial statements, I am required to:
  - observe the accounts directions issued by Welsh Ministers, including the relevant accounting and disclosure requirements and apply appropriate accounting policies on a consistent basis;
  - make judgements and estimates on a reasonable basis;
  - state whether applicable accounting standards have been followed and disclosed and explain any material departures from them; and
  - prepare them on a going concern basis on the presumption that the services of the Welsh Ambulance Services NHS Trust will continue in operation.
- Ensuring the regularity of any expenditure and other transactions incurred.
- The design, implementation and maintenance of internal control to prevent and detect error.



## Information provided

We have provided you with:

- Full access to:
  - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
  - additional information that you have requested from us for the purpose of the audit; and
  - unrestricted access to staff from whom you determined it necessary to obtain audit evidence.
- The results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- Our knowledge of fraud or suspected fraud that we are aware of and that affects the Welsh Ambulance Services NHS Trust and involves:
  - management;
  - employees who have significant roles in internal control; or
  - others where the fraud could have a material effect on the financial statements.
- Our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others.
- Our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- The identity of all related parties and all the related party relationships and transactions of which we are aware.
- Our knowledge of all possible and actual instances of irregular transactions.

## Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

- The financial statements are free of material misstatements, including omissions. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. There is one item that remains uncorrected which relates to Note 23 'Other provisions' - £134,000. We have not adjusted for this on the basis that the value is immaterial.

## Representations by the NHS Trust Board

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for ensuring that the company maintains adequate accounting records.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Trust Board on 10 June 2021.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Signed by:

Jason Killens

Signed by:

Martin Woodford

Chief Executive

Date: 10 June 2021

Chair of the Trust

Date: 10 June 2021

# Appendix 2

## Proposed audit report

### 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 2021 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 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 Ambulances Services NHS Trust as at 31 March 2021 and of its surplus for the year then ended;
- have been properly prepared in accordance with 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.

## **Emphasis of Matter – Clinicians’ pension tax liabilities**

I draw attention to Note 24 of the financial statements, which describes the impact of a Ministerial Direction issued on 18 December 2019 to the Permanent Secretary of the Welsh Government in respect of clinicians’ pension tax liabilities. My opinion is not modified in respect of this matter.

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

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.
- 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; and
- 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 Ambulances 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**

Please see my report on the following pages.

Adrian Crompton  
Auditor General for Wales  
15 June 2021

24 Cathedral Road  
Cardiff  
CF11 9LJ

# Report of the Auditor General to the Senedd

## Introduction

Under the Public Audit Wales Act 2004, I am responsible for auditing, certifying and reporting on the Welsh Ambulance Services NHS Trust's financial statements. I am reporting on these financial statements for the year ended 31 March 2021 to draw attention to a key matter for my audit. This is the implications of the ministerial direction on senior clinicians' pensions. I have not qualified my 'true and fair' opinion in respect of any of these matters.

## Ministerial direction on senior clinicians' pensions

NHS Pension scheme and pension tax legislation is not devolved to Wales.

HM Treasury's changes to the tax arrangements on pension contributions in recent years included the reduction in the Annual Allowance limit from over £200,000 in 2011-12 to £40,000 in 2018-19. As a result, in cases where an individual's pension contributions exceed certain annual and/or lifetime pension contribution allowance limits, then they are taxed at a higher rate on all their contributions, creating a sharp increase in tax liability.

In a Written Statement on 13 November 2019, the Minister for Health and Social Services had noted that NHS Wales bodies were: 'regularly reporting that senior clinical staff are unwilling to take on additional work and sessions due to the potentially punitive tax liability'. In certain circumstances this could lead to additional tax charges in excess of any additional income earned.

On 18 December 2019, the First Minister (mirroring earlier action by the Secretary of State for Health and Social Care for England) issued a Ministerial Direction to the Permanent Secretary to proceed with plans to commit to making payments to clinical staff to restore the value of their pension benefits packages. If NHS clinicians opted to use the 'Scheme Pays' facility to settle annual allowance tax charges arising from their 2019-20 NHS pension savings (i.e. settling the charge by way of reduced annual pension, rather than by making an immediate one-off payment), then their NHS employers would meet the impact of those tax charges on their pension when they retire.

The Ministerial Direction was required because this solution could be viewed by HMRC to constitute tax planning and potentially tax avoidance, hence making the expenditure irregular. Managing Welsh Public Money (which mirrors its English equivalent) specifically states that 'public sector organisations should not engage in...tax evasion, tax avoidance or tax planning'.

A Ministerial Direction does not make regular what would otherwise be irregular, but it does move the accountability for such decisions from the Accounting Officer to the Minister issuing the direction.

The solution applies only to annual allowance tax charges arising from an increase in the benefits accrued in the NHS Pension Scheme during the tax year ended 5 April 2020. For the tax year ended 5 April 2021, the Chancellor increased the thresholds for the tapered



annual allowance and, as a result, it is anticipated that the risk to the supply of clinical staff has been mitigated.

The Trust currently has insufficient information to calculate and recognise an estimate of the potential costs of compensating senior clinical staff for pension benefits that they would otherwise have lost, by using the 'Scheme Pays' arrangement. As a result, no expenditure is recognised in the financial statements but as required the Trust has disclosed a contingent liability in note 24 of its financial statements.

All NHS bodies will be held harmless for the impact of the Ministerial Direction, however in my opinion any transactions included in the Trust's financial statements to recognise this liability would be irregular and material by their nature. This is because the payments are contrary to paragraph 5.6.1 of Managing Public Money and constitute a form of tax planning which will leave the Exchequer as a whole worse off. The Minister's direction alone does not regularise the scheme. Furthermore, the arrangements are novel and contentious and potentially precedent setting.

I have not modified my regularity opinion in this respect this year because as set out above, no expenditure has been recognised in the year ended 31 March 2021. I have however placed an Emphasis of Matter paragraph in my audit report to highlight this issue and, have prepared this report to bring the arrangement to the attention of the Senedd.

Adrian Crompton  
Auditor General for Wales  
15 June 2021

# Appendix 3

## Summary of corrections made

During our audit we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention due to their relevance to your responsibilities over the financial reporting process.

### Exhibit 3: summary of corrections made

Value of correction	Nature of correction	Reason for correction
£Nil impact on the overall financial position	<b>Remuneration and Staff Report:</b> The following amendments have been made to the remuneration report: <ul style="list-style-type: none"><li>• additional disclosure included for the amount of the exit package of the senior manager who left the Trust in the year;</li><li>• the remuneration table A has been updated for a number of changes in the pension benefit disclosed for four senior managers and the banding has been updated for one senior manager;</li><li>• the remuneration table B has been updated for the increase in real cash equivalent for one senior manager;</li><li>• staff numbers disclosed within the remuneration report have been updated to agree to those disclosed within Note 10.2 of the financial statements; and</li><li>• the remuneration relationship has been updated.</li></ul>	To comply with the requirements of the Manual for Accounts and ensure disclosures are accurate.
£Nil impact on the overall financial position	<b>Annual Governance Statement:</b> Minor disclosure amendments have been made to the Annual Governance Statement	To comply with the requirements of the Manual for Accounts

Value of correction	Nature of correction	Reason for correction
£Nil impact on the overall financial position	<b>Parliamentary Accountability and Audit Report:</b> The parliamentary accountability and audit report section has been updated to include confirmation that expenditure incurred by the Trust in the year was regular, and fees and charges were in accordance with Welsh Government requirements.	To comply with the requirements of the Manual for Accounts.
£Nil impact on the overall financial position	<b>Note 3: 'Revenue from Patient Care Activities' and Note 5: 'Operating expenses'</b> Within Note 3: 'Income from local Health Boards' has increased by £185,000. Within Note 5.1: 'Directors' costs' have increased by £185,000. Note 10.1: 'Employee costs' has also been amended to show the increase in Directors' costs.	To show income and expenditure on staff on outward secondment, gross within the financial statements and so comply with the requirements of the Manual for Accounts.
£Nil impact on the overall financial position	<b>Note 10: 'Employee costs and numbers'</b> The following amendments have been made to Note 10: 'Employee costs and numbers': <ul style="list-style-type: none"> <li>Disclosures within Note 10.1: 'Employee costs' have been amended to show the amount of termination payments made during the year, separate from salaries and wages.</li> <li>Note 10.1: 'Employee costs' has also been amended to correctly disclose only employer's National Insurance costs within the social security cost disclosure.</li> <li>Note 10.2: 'Average number of employees' has been amended to correct the disclosure of average number of employees.</li> <li>Note 10.5: 'Reporting of other compensation schemes – exit packages' has been amended to remove pay in lieu of notice from the exit package disclosures. The total has decreased from £349,676 to £306,213.</li> <li>Note 10.6: 'Remuneration relationship' now includes a narrative disclosure highlighting that the median calculation does not include the NHS bonus payment as this was not paid until May 2021.</li> </ul>	To comply with the requirements of the Manual for Accounts.

Value of correction	Nature of correction	Reason for correction
£Nil impact on the overall financial position	<b>Note 23 Provisions</b> The disclosure of provisions between current liabilities and non-current Liabilities has been amended. Current liabilities for provisions have decreased by £1,932,000 from £8,881,000 to £6,949,000 and non-current liabilities has increased by the same amount from £9,955,000 to £11,887,000.	To comply with the requirements of the Manual for Accounts.
£Nil impact on the overall financial position	<b>Note 33 Related Party Transactions</b> The following amendments have been made to the disclosures of transactions with related parties: <ul style="list-style-type: none"> <li>• Welsh Government transactions have been increased to disclosure Public Dividend Capital movements incurred within the year. Expenditure to Welsh Government has been increased from £350,000 to £1,140,000 and Income from Welsh Government has increased from £19,606,000 to £20,441,000.</li> <li>• Expenditure to Welsh Local Authorities has been increased from £1,132,000 to £2,094,000 and income from Welsh Local Authorities has decreased from £960,000 to £199,000.</li> </ul>	To comply with the requirements of the Manual for Accounts and ensure disclosures are accurate.
There have also been a number of minor amendments and disclosure updates as a result of our work		



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Rydym yn croesawu gohebiaeth a  
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<b>AGENDA ITEM No</b>	<b>3.1</b>
<b>OPEN or CLOSED</b>	OPEN
<b>No of ANNEXES ATTACHED</b>	1

## PERFORMANCE REPORT – 2020/2021

<b>MEETING</b>	Trust Board
<b>DATE</b>	10 June-21
<b>EXECUTIVE</b>	Rachel Marsh – Director of Strategy, Planning and Performance
<b>AUTHOR</b>	Hugh Bennett – Assistant Director of Commissioning and Performance Nicola Quiller – Commissioning and Performance Officer
<b>CONTACT</b>	<a href="mailto:Hugh.bennett2@wales.nhs.uk">Hugh.bennett2@wales.nhs.uk</a> <a href="mailto:Nicola.Quiller@wales.nhs.uk">Nicola.Quiller@wales.nhs.uk</a>

### EXECUTIVE SUMMARY

The purpose of this report is to seek Trust Board approval for the 2020/21 Performance Report, which is an NHS Wales requirement as part of the end year reporting process.

### RECOMMENDATION

Trust Board is asked to:-

- **Approve** the Trust's 2020/21 Performance Report.

## KEY ISSUES/IMPLICATIONS

### **Overview**

The Performance Report is produced in line with the requirements of the NHS Wales 2020/21 Manual of Accounts Chapter 3 and Annex 7. The Trust's performance is reported using the four quadrants used in the Monthly Integrated Quality & Performance Report:-

- 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 in 'A Healthier Wales'.

The Performance Report also contains a forward from the Chief Executive Officer and other key information on the Trust. The required information is slightly different this year to reflect the CoVID-19 pandemic.

The following contains a short summary of key metrics from the Performance Report.

### **Our Patients – Quality, Safety and Patient Experience**

There were 56 serious adverse incidents (SAIs) in 2020/21, compared to 42 in 2019/20. 72 Serious Case Incident Forum (SCIFs) were referred to health boards under the "Appendix B" arrangements (comparison with the previous year is not possible as the arrangement went live in Aug-19. The Trust achieved the 75% target for responding to patient concerns with 30 days in seven of the 12 months of 2020/21.

11% of calls to the Trust's 111 service were abandoned after 60 seconds (target is 5%). 999 call answering performance was excellent with 95% of calls being answered within 3 seconds throughout the year. The RED 8 minute target was achieved in four of the 12 months, compared to nine months in 2019/20. Red performance is currently under review. Amber performance was largely maintained in 2020/21, but waiting times are too long. NEPTS performed well, but oncology performance is an area of concern and has been identified in the strategic demand & capacity review of NEPTS.

### **Our People (Workforce resourcing, experience and safety)**

The Trust produced an average of 114,219 emergency ambulance unit hours (all resource types) in 2020/21 compared to 111,900 in 2019/20. This increased delivery was supported through military aid, the Fire & Rescue Service and St John Ambulance as part of the pandemic response. The rolling 12 month sickness absence rate was 7.36%, but there was a further 3.11% special leave linked to the pandemic e.g. shielding etc. As at the 31 Mar-21 78% of front line staff had received their first or second CoVID-19 vaccination.

### **Finance and Value**

The Trust achieved financial balance in 2020/21, with a small revenue surplus of £0.070m and met its statutory duty to breakeven during 2020/21.

**Partnerships/ System Contribution**

72,123 ambulance unit hours were lost to handover at hospitals in 2020/21. This was an improvement on 2019/20 (112,058), but this reduction is linked to the pandemic and it is too early to assess whether the reduction will continue. The Trust conveyed 45% of emergency patients to emergency departments compared to 46% the previous year.



REPORT APPROVAL ROUTE	
<b>Date</b>	<b>Meeting</b>
<b>24 May-21</b>	<b>Director of Strategy, Planning &amp; Performance (draft submission to Welsh Government)</b>
<b>10 June-21</b>	<b>Trust Board</b>

REPORT APPENDICES
<b>Appendix 1 – Performance Report</b>

REPORT CHECKLIST			
Confirm that the issues below have been considered and addressed		Confirm that the issues below have been considered and addressed	
EQIA (Inc. Welsh language)	x	Financial Implications	x
Environmental/Sustainability	x	Legal Implications	x
Estate	x	Patient Safety/Safeguarding	x
Ethical Matters	x	Risks (Inc. Reputational)	x
Health Improvement	x	Socio Economic Duty	x
Health and Safety	x	TU Partner Consultation	x



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Welsh Ambulance Services  
NHS Trust

# Welsh Ambulance Services NHS Trust

## **Annual Performance Report**

2020/21



**Version: Trust Board**  
**10 Jun-21**

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## **1. Purpose**

In the light of the CoVID-19 pandemic and its impact on NHS Wales in 2020-21 the usual reporting requirements have been amended this year. This Performance Report aims to provide an integrated quality, patient safety, patient experience and performance narrative on the Welsh Ambulance NHS Trust (the Trust) for the period 01 Apr-20 to 31 Mar-21.

The Performance Report is produced in line with the requirements of the NHS Wales 2020-21 Manual for Accounts, in particular, Chapter 3 and Annex 7, and supports the Trust's public facing Annual Report with a more technical supporting document.

Mae'r cyhoeddiad hwn ar gael yn Gymraeg ar gais.

This document is available in Welsh on request.

## **2. Forward from Chief Executive Officer**

2020/21 has been dominated by the Trust's response to the CoVID-19 pandemic. Just before the start of 2020/21 the Trust triggered (04 Mar-20) its Pandemic Influenza Plan.

As part of the Trust's pandemic response the 111 number was made available across Wales with supporting information on the NHS 111 Wales website, because the full service was only live in four of the seven health board areas (with the remainder programmed for 2021/22). 111 call answering performance for the year was 60.6% (target 95%), with performance being affected by very high call volumes during some months of the pandemic.

999 call answering performance was excellent throughout 2020/21 with a 95<sup>th</sup> percentile of three seconds. RED performance, i.e. responses to immediately life threatening incidents, was maintained above the Welsh Government's target: to respond to 65% of these incidents in 8 minutes, in four of the 12 months of 2020/21, compared to nine months in 2019/20. As part of its pandemic response the Trust prioritised emergency ambulances (patient conveying resource) over rapid response vehicles, in order to convey CoVID-19 patients to hospital. The Trust knew this would have some negative impact on RED performance times, which was further compounded by the need for ambulance crews to don Personal Protective Equipment (PPE) and the unavailability of the Trust's Community First Responders (CFRs) in the initial phases of the pandemic.

The Trust increased the amount of ambulance hours (all resource) that it produced in 2020/21 producing an average of 114,219 hours per month, compared to 111,900 in 2019/20; an extra 202 shifts per month. The Trust lost 73,123 hours to the delayed handover of patients at hospitals, compared to 112,058 in 2019/20, however, it is too early to say whether this change is more permanent. Throughout the pandemic the Trust continued to prioritise the recruitment and training required to expand the emergency ambulance response workforce. I am pleased to report that the Trust achieved its target of uplifting the response full time equivalents (FTEs) by 136 FTEs.

The opening of a new district general hospital is a major event for any health care system. As part of its pandemic response Aneurin Bevan University Health Board (ABUHB) brought forward the opening of the Grange University Hospital (GUH) to Nov-21, from Mar-22. The Trust responded well to this challenge and stood up the required inter-site ambulance transfer service to the very tight timescales. The Trust also provided system leadership on a range of projects in 2020/21 including CoVID-19 mobile testing units, Contact First and the Operational Delivery Unit (ODU).

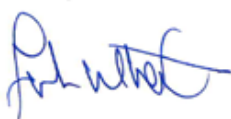
The Non-Emergency Patient Transport Service (NEPTS) performed well throughout 2020/21 with 68% of core patients arriving within 30 minutes of their appointment and +70% of renal patients arriving within 30 minutes prior to their appointment in 10 of the 12 months of 2020/21; however, oncology inbound remains an area of concern. NEPTS also completed the NEPTS Demand & Capacity Review, a strategic review, which is a key enabler in setting the strategic direction for this service over the next decade.

Throughout 2020/21 the Trust retained a strong focus on patient safety with continuous reporting throughout the year. There were 1,850 long patient waits (12 hours and over) compared to 2,632 in 2019/20. Whilst an improvement this is far too many. It is instructive that in May-20 there were only three patient waits of 12 hours or over, when both the Trust and the wider unscheduled care system had more capacity as part of the pandemic response. There were 56 patient serious adverse incidents (SAIs) in 2020/21 compared to 42 in 2019/2020, but only two in May-20, which again is instructive and offers an indication of the levels of patient safety the Trust aspires to as it transforms the 999 Emergency Medical Service (EMS) through a combination of investment, efficiencies and activities that “shift left” patient demand (effectiveness). The Trust also referred 72 patient Serious Case Incident Forum (SCIFs) to health boards under the “Appendix B” arrangements. The Trust cannot compare this number with the previous year as this arrangement only came into being in Aug-19.

The Trust’s rolling 12 month sickness rate to Mar-21 was 7.36%, which given the pandemic is surprisingly low; however, there is a difference between contractual sickness and abstractions off rosters from sickness absence with very high levels of abstraction through the second wave. Throughout 2020/21 the Trust retained a strong focus on staff well-being, in particular, PPE, homeworking, access to psychological support services and vaccination. I am pleased to report that as at 31 Mar-21 78% front line staff had received their second vaccination.

The e-risk platform developed in 2019/2020 by the Trust was embedded across the Trust in 2020/2021. The risk profile of the Trust is subject to continuous senior management scrutiny and revision and, as of 25 Mar-21, the Trust Board was informed that there were 11 risks scoring 15 or above on the Trust’s Corporate Risk Register. The Trust achieved financial balance in 2020/21, with a small revenue surplus of £0.070m and has met its statutory duty to breakeven during this financial year. The Trust submitted its 2020/21 Integrated Medium Term Plan (IMTP) on time to Welsh Government, but this was quickly overtaken by the pandemic response and the need for quarterly operating frameworks, which were submitted on time to Welsh Government. The Trust has continued to collaborate closely with the Chief Ambulance Services Commissioner (CASC) and Emergency Ambulance Services Committee (EASC) through 2020/21 with agreement from EASC to fund an extra 127 FTEs in 2021/22 in order to close the EMS Response relief gap, which will be a significant milestone for the Trust. The Trust also continued to collaborate with the Ministerial Ambulance Availability Taskforce, which resumed its work after the first wave, and produced its interim report in Feb-21.

Finally, I would like to take this opportunity to thank colleagues, our volunteers and the Trust’s partners for the extraordinary team effort that has been required to respond well to the pandemic. The Trust has received excellent support from our funders: Welsh Government, EASC and health boards, to enable the Trust to grow the capacity required to respond to the pandemic and at an individual level there is no doubt that colleagues, volunteers and our partners have shown great commitment, flexibility and resilience in making the strategic support we have received a reality on the ground.



Jason Killens  
Welsh Ambulance Services NHS Trust Chief Executive Officer

### 3. Response to CoVID-19

In early Mar-20, whilst a global pandemic was yet to be declared, it was clear and indeed inevitable that this would be the case and that the domestic impact of what is now known as CoVID-19 would be substantial. On 4 Mar-20 the Trust triggered the arrangements within its existing Pandemic Influenza Plan. In so doing, two clear corporate objectives were set and communicated widely. These were:

- i. Take all reasonable, necessary and proportionate measures in all the circumstances to fulfil the objectives set in our pandemic strategy; and
- ii. Continue with recruitment to fulfil the minimum of 136 FTE growth of the EMS service as agreed with EASC for 2020/21. All other, non-essential Trust activity would cease to enable the Trust to focus solely on these two critically important tasks.

The Plan was implemented with centrally agreed assumptions whilst retro-fitted forecasting and modelling was undertaken. The Trust planned around six key areas of business:-

- i. Ambulance response EMS, Unscheduled Care Service (UCS) and NEPTS – arrangements to generate additional capacity to respond to growing demand;
- ii. Fleet – arrangements to ensure maximum fleet and equipment availability;
- iii. Information and Communication Technology (Information Communication Technology) – arrangements to protect mission critical systems and support remote and flexible working;
- iv. Supply chain – arrangements to ensure sufficient supplies of necessary equipment and materials such as PPE and enhancements to for emergency front line staff;
- v. Resource Centre - arrangements to facilitate greater numbers of staff being deployed and maintain core rostering services; and
- vi. Clinical Contact Centre (999, 111, Clinical Support Desk and NEPTS) – arrangements to protect mission critical control functions, grow their capacity and diversify tasks

Through 2020/21 the Trust moved in and out of two parts of its Pandemic Influenza Plan, Response and Monitor Mode. The Trust normally produces a three year rolling IMTP and submitted its 2020-23 IMTP to Welsh Government in Mar-20; however, because of the pandemic, Welsh Government requested quarterly “Operating Frameworks”.

Throughout 2020/21 the Trust maintained a strong focus on quality, patient safety, patient experience, performance and the continued delivery of its transformation deliverables (as per the IMTP) subject to the demands of the pandemic.

## 4. 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 ambulance services: including call taking, hear and treat, see and treat and if necessary, conveyance to an appropriate hospital.
- NEPTS: taking patients to and from hospital appointments and transferring them between hospitals.
- The 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).
- 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 is live pan-Wales and the full service is live in Aneurin Bevan, Cwm Taf Morgannwg Swansea Bay, Hywel Dda and Powys health boards. The Trust continues to provide the NHSDW service in other parts of Wales as above.
- The Trust also supports CFRs, Co-Responders and Uniformed Responders to provide additional response resource.
- 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 2020/21.

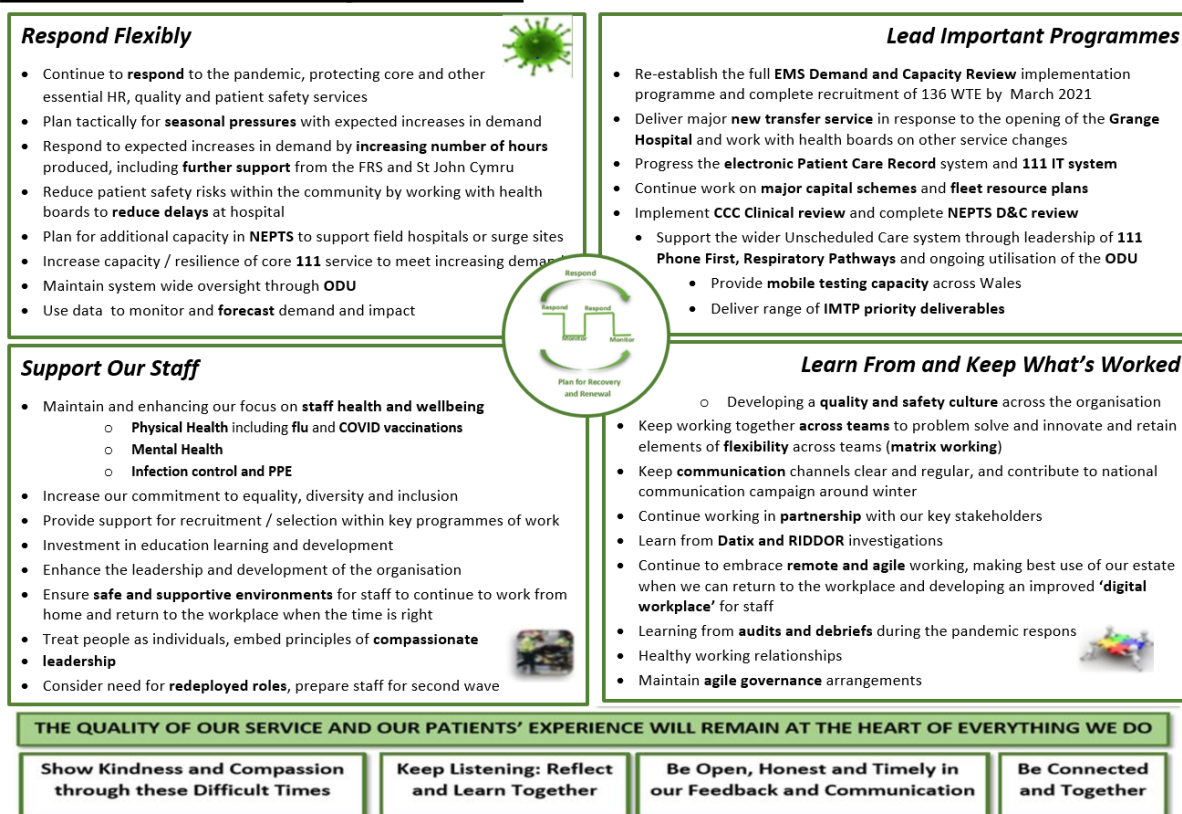


## 5. Impact of CoVID-19 on Delivery of Services

As per section three the Trust enacted its Pandemic Influenza Plan in Mar-20 and through the first Quarter of 2020/21 two clear corporate objectives were set out which were widely communicated across the Trust and agreed with the CASC.

All other Trust activity, considered less essential, ceased to enable the Trust to focus solely on these two critically important tasks. The Trust started producing a quarterly Operating Framework as part of its pandemic response at the behest of Welsh Government. The Quarter One plan described a framework which allowed the Trust to respond flexibly to core service demand whilst supporting key essential service delivery in health boards and planning early for recovery through a range of actions which were aimed at looking after the wellbeing of the Trust, restarting important programmes and learning from innovative change during the highest peak of the Trust's response.

### Trust's 2020/21 Operating Framework

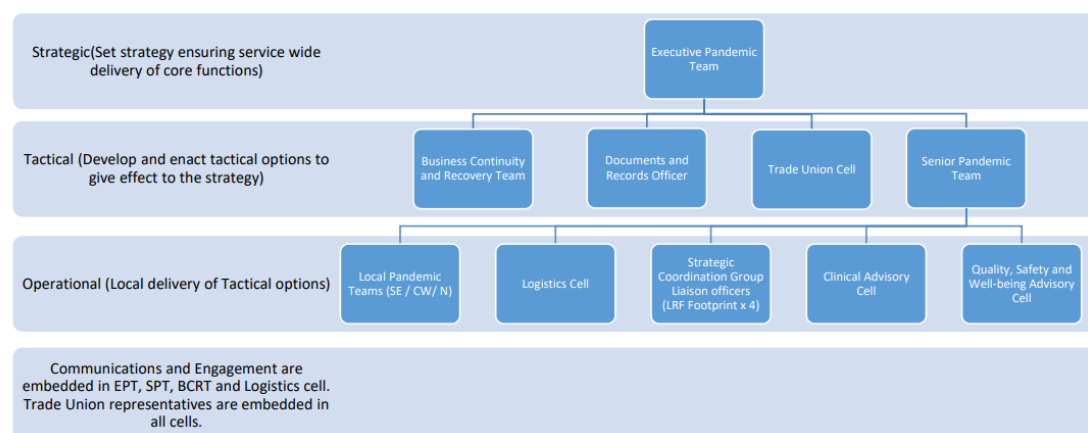


The flexible response actions were operationalised through a command, control and co-ordination (3C) structure led by twice weekly meetings of the Executive Pandemic Team (EPT) and supported throughout by the Resilience Team.

## Command, Control and Co-ordination Structure

### 9. WAST Pandemic Structure

#### Response Structure



Title:	WAST Pandemic Plan	Issued Date:	22/09/2020
Author:	Emergency Preparedness, Resilience and Response Team	Review Date:	22/09/2021
Approved by:	Executive Pandemic Team	Version:	1.0
			Page 16 of 55
			Final

As the Trust moved into quarter two, the Trust continued to operate a 3C response structure to allow some of the substantive governance and delivery structures to be re-established and its recovery planning to further develop. By 03 Aug-20 the Trust entered a transition period to its Recovery Phase and the 3C response structures were scaled down. During this period, the Business Continuity and Recovery Team (BCRC) took over the tactical lead of the recovery structure and the Trust began to pick up more of the programmes of work set out in its IMTP as well as fully re-establishing previously scaled back business critical functions such as Putting Things Right and Human Resources.

With Wales on the verge of a second wave of CoVID-19 alongside the traditional seasonal challenges that present in quarters three and four, the Trust returned to a Response phase in quarter three. The Trust's Operational Plan for quarters three and four therefore focused on the key actions and programmes of work which would deliver safe, responsive and effective services, with quality and good patient and staff experience at the heart of everything the Trust did. The aim was to keep the system moving, whilst ensuring that the four areas of harm identified by Welsh Government in its Operational Framework were minimised or eliminated in those areas that the Trust could influence itself or with its partners. The second wave of CoVID-19 was to some extent more challenging than the first. Whilst in wave one some of the "normal" activity across urgent and emergency care subsided and saw in particular a reduction in delays at hospitals, the system continued to see normal seasonal pressures over winter, combined with a high impact of CoVID-19 on hospitalisation with an inevitable knock on impact on community response. It was also agreed that the Trust would not stand down some of the key priorities across IMTP delivery and some of its important business as usual functions e.g. Safeguarding, Health & Safety, Clinical Audit etc. Therefore on 07 Dec-20 the EPT further reviewed the situation and determined that the Trust should move into a full response position and to level 2 of Protocol 36 with effect from 09 Dec-20.

Following a challenging second wave, the Trust moved back into Monitor Mode on 01 Mar-21. At the time of writing the Trust is currently reviewing (on a weekly basis) the potential to move back to a Recovery phase. The move back to Monitor Mode allowed the Trust to develop its 2021-24 IMTP (incorporating its Annual Plan) for the next three years in Mar- 21 and this was signed off by Trust Board on 26 Mar-21.

## 6. Planning and Delivery of Safe, Effective and Quality Services

The section looks at 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.

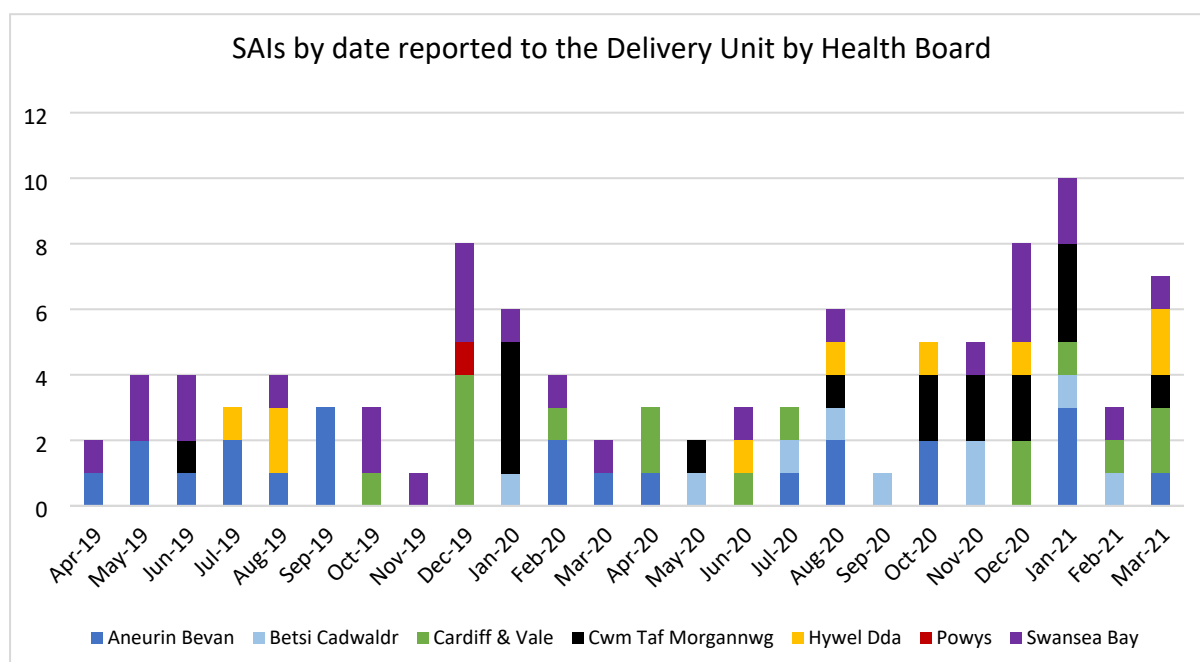
The Trust reviews quality and performance through four integrated lens:-

- i. Our Patients (Quality, Safety and Patient Experience);
- ii. Our People;
- iii. Finance and Value; and
- iv. Partnerships and System Contribution.

These four areas of focus broadly correlate with the “quadruple aims” set out in “A Healthier Wales”. These are now looked at in turn.

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

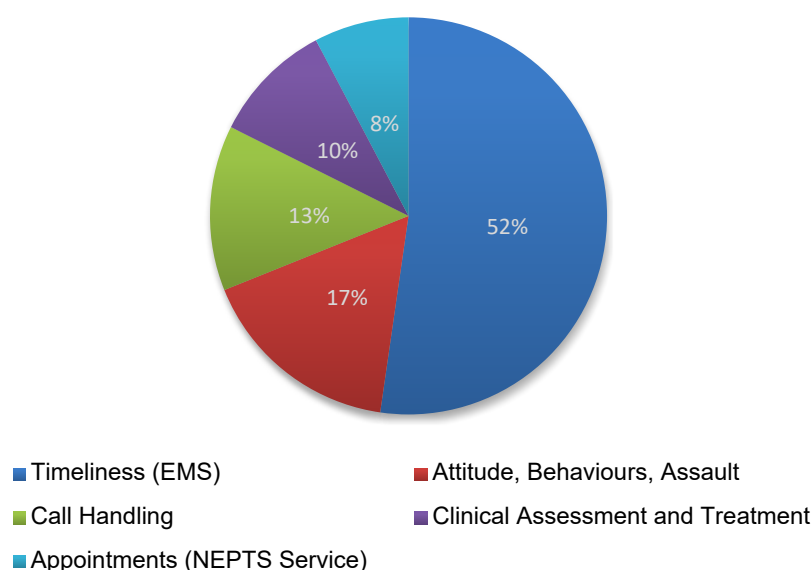
There were 56 patient SAIs in 2020/21 compared with 42 in 2019/2020. This is too many and reflects the pressure in the health care system. Most, but not all of these SAIs relate to the Trust’s 999 service. Dec-20 and Jan-20 were particularly concerning; however, there were only two SAIs in May-20 when ambulance lost hours to handover at hospitals were very low, which is instructive and offers an indication of the levels of patient safety the Trust aspires to as it transforms the 999 EMS through a combination of investment, efficiencies and activities that “shift left” patient demand (effectiveness).



The Trust also referred 72 patient SCIFs to health boards under what are referred to as the “Appendix B” arrangements. These are patient safety incidents for the Trust where the primary cause (and responsibility) is a health board issue, for example, ambulance lost hours at hospitals leading to delayed responses of ambulances. The Trust has a 75% target for responding to patient concerns within 30 days which the Trust achieved in seven of the 12 months in 2020/21. There were 725 concerns received in 2020/21 compared to 1,575 in

2019/20. 29 cases were referred to the Public Service Ombudsman Wales (PSOW), of which four remain currently open with one under investigation. The remaining 3 cases are where the Trust has agreed to undertake “Early resolution” and is monitoring the agreed actions. The majority of the issues raised with the PSOW relate to timeliness of Ambulance response. 52% of all formal concerns, received by the Trust, relate to timeliness. This is the time it takes for an Emergency Ambulance or Rapid Response Vehicle to arrive with a patient who is in need of the Trust’s services. The top five reasons why people raise a concern with the Trust are:-

## Top 5 Reasons for Complaint



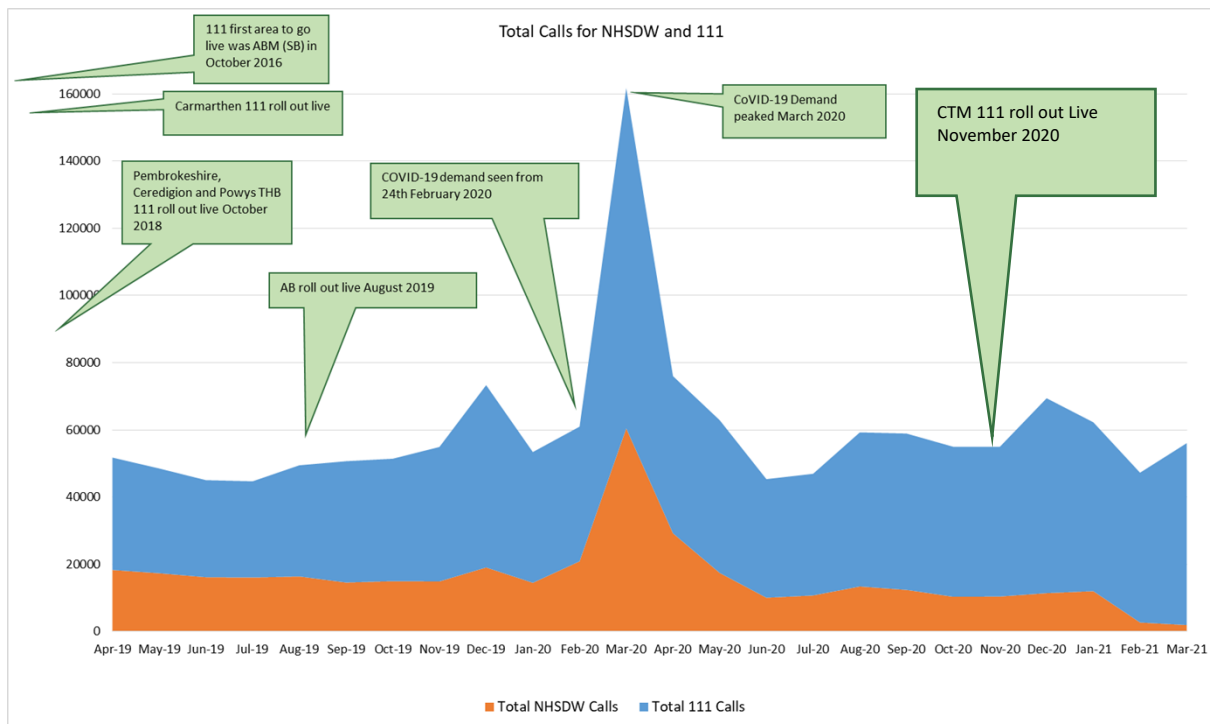
A contributory factor in many of the concerns, relate to delays at hospital when transferring the care of patients from ambulance staff to hospital staff.

There were 2,600 patient safety, incidents, near misses and hazards in 2020/21, compared to 2,079 in 2019/20. The Trust actively encourages the reporting of all incidents no matter how small. This allows the Trust to understand what the issues are and what measures are required to prevent recurrence. In 2018/19 the Trust established a Putting Things Right Scrutiny Panel, the aim of which is to provide a forum of expertise for scrutiny. Due to the pandemic a decision was made by the Trust to suspend the panel for a period of time, which has now been re-instated as the Trust moves into 2021/22.

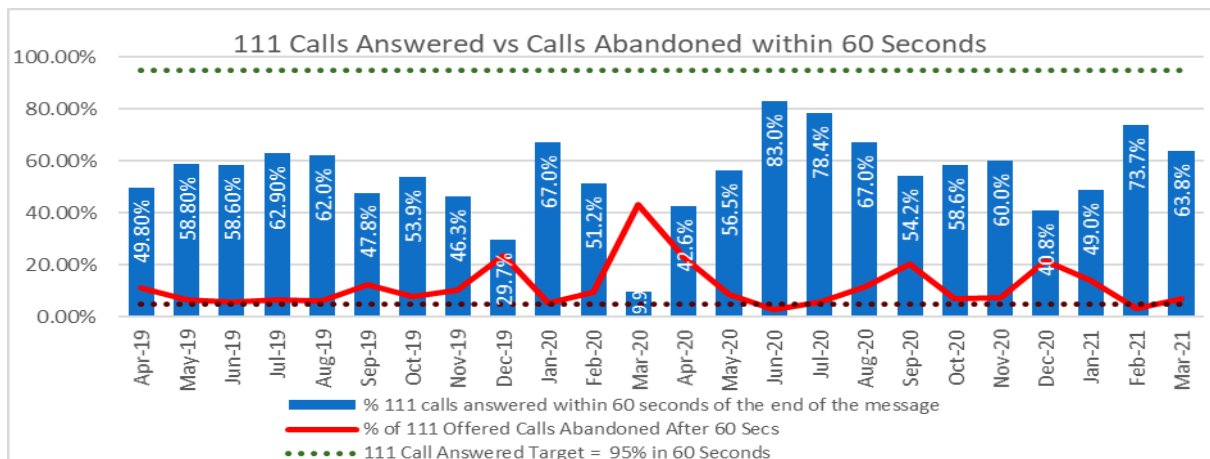
The Trust has also introduced a Patient Safety and Experience Monitoring and Learning Group, which monitors patient safety and experiences closely with the aim of identified improvement and learning priorities. The scope of the group applies to the whole of the Trust, incorporating EMS, NEPTS, 111 and NHSDW.

For many of our patients, the first point of contact with the Trust is the 111 number. The 111 number is now operational across all of Wales (as part of the pandemic response), but the

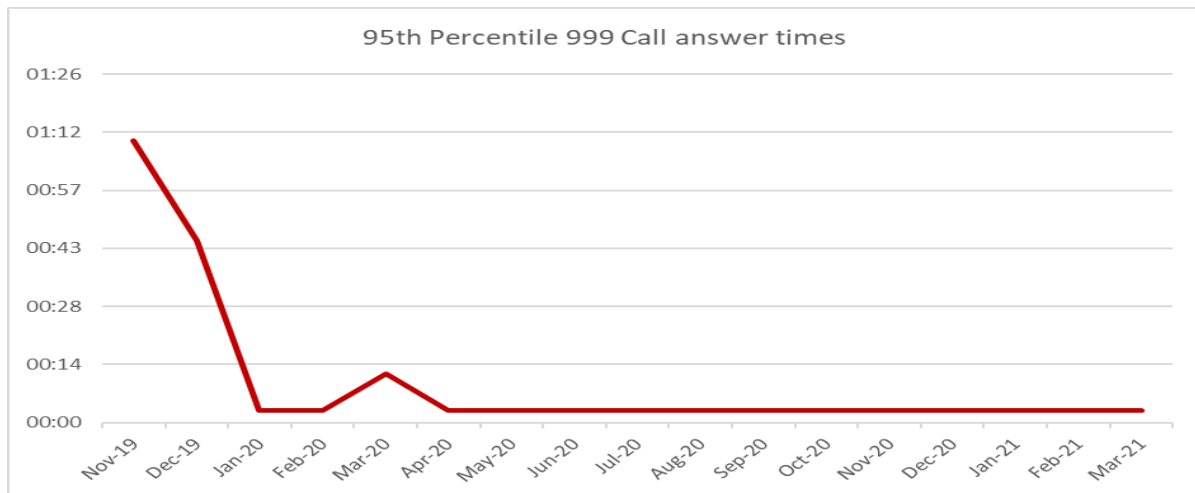
full 111 Service is not yet live in every part of Wales, with some health board areas still operating the NHSDW service. The expansion of 111 continued in 2020/21 with the full 111 service going live in Cwm Taf Morgannwg University Health Board.



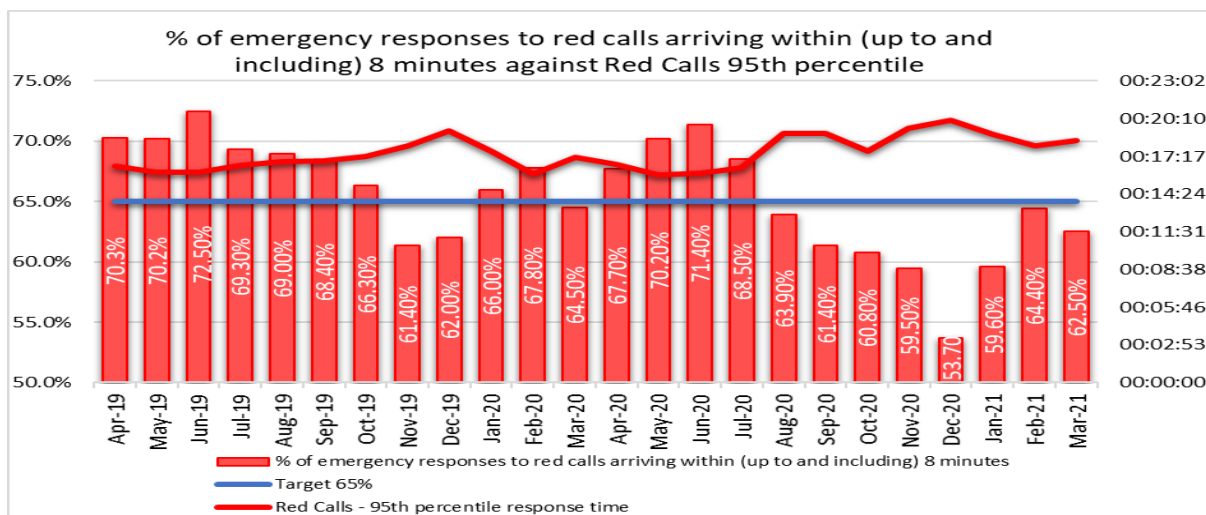
60.6% (target 95%) of 111 calls were answered within 60 seconds during 2020/21. 11% of calls to the 111 number were abandoned after 60 seconds (target 5%) in 2020/21 with some significant in year variation caused by the pandemic and subsequent calls volumes.



The number of 111 call taking staff in post has doubled since mid-Sep-20, from eight per weekday to 16. Further recruitment is ongoing. To support call intake during the pandemic, the Trust also promptly launched an online coronavirus symptom checker via the NHS 111 Wales website. Another key call answering metric for the Trust is 999 call performance. 999 call answering performance in 2020/21 was excellent with 95% of calls being answered within 3 seconds throughout the year.

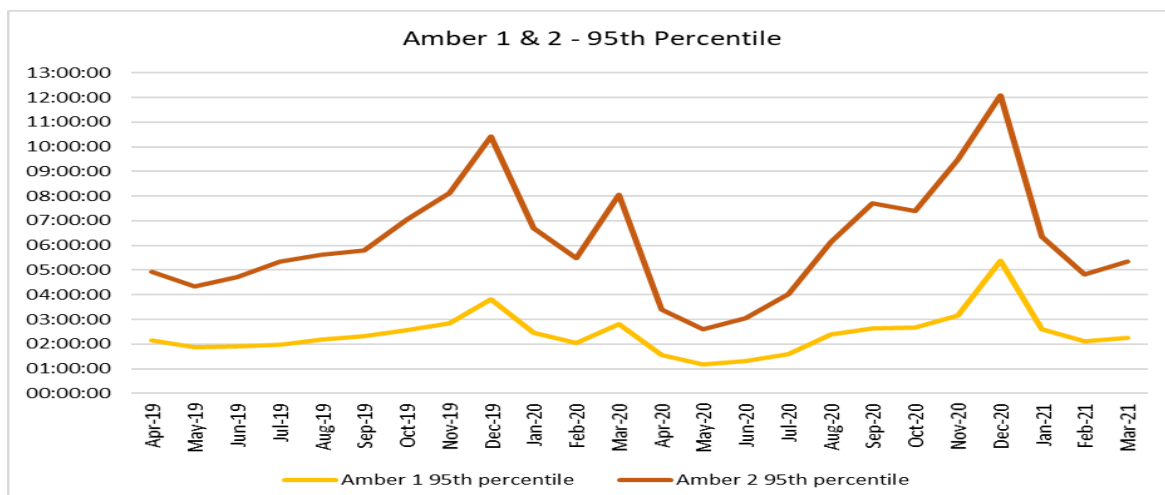


The headline patient metric for the Trust is RED A8 performance; this is the percentage of RED – immediately life threatening – incidents responded to within 8 minutes. The Trust was only able to maintain RED 8 minute performance above the 65% Welsh Government target for four months in 2020/21. Since Aug-20 the Trust's RED performance has fallen below the 65% target.



Clearly this is a concern for the Trust. A detailed analysis of the reasons was undertaken during the year and further analysis is currently being undertaken. Many factors (an estimated 23) affect RED performance, but key ones include high Red demand, the decision to priorities emergency ambulances over RRVs as part of the pandemic response, the donning of PPE, an identified need to recruit more response staff, the initial standing down of CFRs on health and safety grounds and lost hours caused by delays at hospitals and also what are referred to as post production lost hours.

RED performance is clearly very important for patient safety, but forms less than 10% of patient demand. AMBER (serious, but not immediately life threatening) makes up the bulk of patient demand and is an area of focus for the Trust as prior to the pandemic, AMBER waiting times had been identified as too long (independent Amber Review). AMBER performance was largely maintained through 2020/21, with the exception of the peak of the second wave period, with Dec-20 being a particularly difficult month for the Trust and wider health care system.



Whilst largely maintained the Trust acknowledges that AMBER waiting times are currently too long. The Trust's key strategic response, is the EMS Demand & Capacity Programme, which emerged out of the independent Amber Review. Strategic forecasting and modelling work has identified quality, patient safety and patient experience ambitions for Amber 1 patients of 18 minutes (median) and 35 minutes (90<sup>th</sup> percentile). For 2020/21 the Trust achieved 32 minutes and two hours and 24 minutes (95<sup>th</sup> percentile) respectively. A large part of the EMS Demand & Capacity Programme had to be stopped, due to the pandemic response in 2020/21, but the whole programme was live again by the year end.

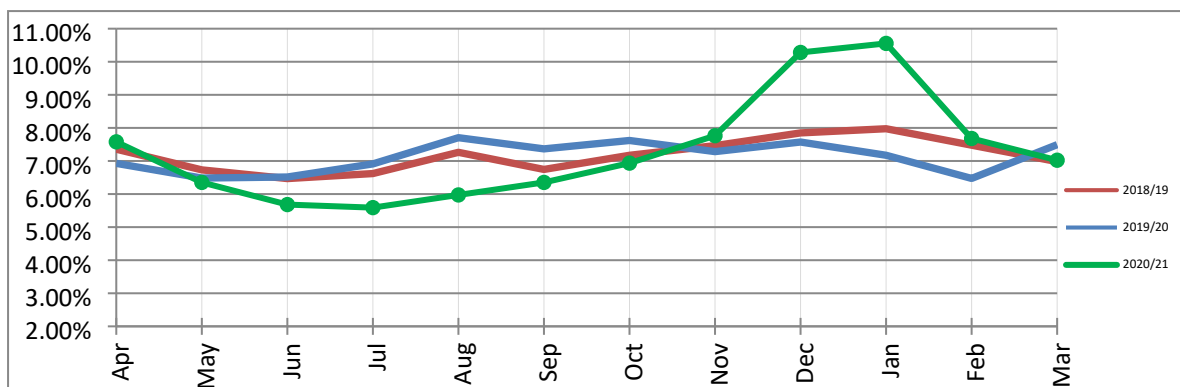
NEPTS performed well throughout 2020/21 with core patients arriving within 30 minutes of their appointment 68% of the time (target 70%) and renal patients arriving within 30 minutes prior to their appointment (achieved 70% target in 10 of the 12 months); however, oncology patient arrival times remains an area of concern (54%). NEPTS also completed the NEPTS Demand & Capacity Review, a strategic review, which is a key enabler in setting the strategic direction for this service over the next decade. As the Trust moves into 2021/22 and the health care system "re-sets" the Trust will use the findings from the review to build on the NEPTS Transformation Programme and also respond to changes in outpatient services within health boards as a result of the pandemic.

### Our People

The amount of ambulance hours produced is key for our patients and for our people (our staff). The Trust increased the amount of ambulance hours (all resource) that it produced in 2020/21 producing an average of 114,219 hours per month, compared to 111,900 in 2019/20.

The Trust's rolling 12 month sickness rate to Mar-21 was 7.36%, which given the pandemic is surprisingly low; however, there is a difference between contractual sickness and absences off rosters from sickness absence with very high levels of roster abstraction through the second wave and special leave (linked to the pandemic) accounted for another 3.11%.





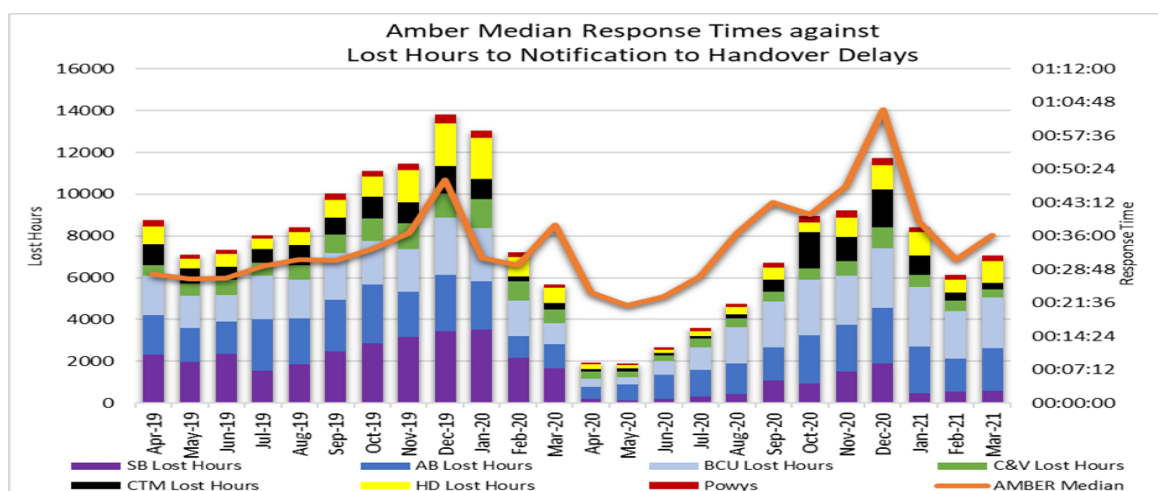
Throughout 2020/21 the Trust retained a strong focus on staff well-being, in particular, PPE, homeworking, access to psychological support services and vaccination. As at 31 Mar-21 78% front line staff had received their first and second vaccinations. See also sections on Infection Prevention & Control and Workforce Management & Well-being.

### Finance & Value

The Trust achieved financial balance in 2020/21, with a small revenue surplus of £0.070m 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.

### Partnerships & System Contribution

Whilst there are many metrics (23) that affect RED and AMBER quality, patient safety, patient experience and performance the Trust knows that three are particularly important: patient demand, the ambulance hours produced and the ambulance hours lost. The Trust lost 73,123 ambulance hours to patient handover at hospitals, compared to 112,058 in 2019/20.



This is too many and it is too early to assess whether the reduction in handover lost hours seen in 2020/21 will continue, but the Trust is pleased that the EASC commissioning intentions for 2021/22 include a clear commitment by health boards to reduce handover lost hours to a maximum of 150 hours per day 95% of the time. The Trust will look to support this reduction in handover lost hours by reducing the number of patients it conveys to



emergency departments (where it is clinically safe and appropriate to do so). In 2020/21 the Trust conveyed 45% of its patients to emergency departments compared to 46% in 2019/20.

### Infection Prevention & Control (IPC)

At the beginning of the pandemic the biggest challenge faced by the Trust was the consistent provision of Respiratory Protection Equipment (RPE) for staff. The trust's own stock levels as well as the pandemic stock made available to the Trust via Welsh Government soon became depleted with this scenario seen nationally.

As a consequence of this several RPE options were sourced from a variety of manufacturers to bridge the gap. This caused significant pressure and challenges to the Trust, every new model used required further face fitting (Fit Testing) tests to be performed, essential to ensure that staff were protected against the CoVID-19 pathogens. In addition a suite of bespoke guidance documents had been published within the Trust to support the ever changing RPE. Both internal staff and external voluntary staff worked around the clock to ensure that the Trust kept pace with the numerous RPE options and fit testing requirements providing the resilience to respond to the people of Wales.

This was not sustainable long term, and as a result of the stresses in the system regarding RPE provision the Trust made the decision to move towards a reusable half mask to mitigate the need for high numbers of Fit Testing required for the traditional single use masks. In addition to this there were also cohorts of staff that failed the fit testing process on all masks requiring the purchase of a number of powered respirator hoods (PRHs) to provide those staff members with the same level of protection.

Many lessons were learnt over this time:-

- Sustainable provision of RPE;
- Resilience of PPE supply chains;
- IPC Team resources to provide effective leadership, guidance and expertise;
- Provision of IPC skills, knowledge and practice across the workforce;
- Preparedness of staff in RPE fit testing, and contemporary training in its use;
- Effective management systems, and provision of resources, for the dissemination of IPC, RPE and PPE training and testing; and
- Quality assurance and quality control of systems of work for training and fit testing of RPE and PPE.

### IMTP Delivery

Alongside the many actions the Trust had to take to respond effectively to the CoVID-19 pandemic in 2020/21, the Trust also continued to focus on its transformation overseen by the Strategic Transformation Board (STB). STB continued to meet through 2020/21, with one or two exceptions during periods of maximum escalation. The Trust has actually made better than expected progress towards delivering the key strategic commitments and deliverables in its 2020-23 IMTP with a number of instances where there has been an acceleration of initiatives within the IMTP, including leaps forward in its use of estate, fleet and technology to keep the Trust functioning. Some of the Trust's key achievements are highlighted overleaf.

## IMTP Deliverables 2020/21

**South Wales Major Trauma Network** – we established and implemented the Major Trauma desk and rolled out eLearning ahead of the revised go live date for the network in September 2020.



**APP development** - Graduation of 23 trainee APPs in summer 2020

**EMS D&C recruitment** – 136 WTE additional headcount were recruited as planned in our IMTP and as one of our key pandemic response priorities.



**Electronic Patient Care Record (ePCR)** – we finalised procurement and let the contract for an ePCR system with a preferred supplier Terrafix.

**NEPTS D&C Review** – we finalised a Demand and Capacity Review for non-emergency patient transport



**Mobile Testing** – supported the pandemic effort by providing surge mobile testing capacity to target hot spots.

**Education and training** – we have delivered virtual training in many areas and successfully trained colleagues innovatively and safely throughout the pandemic.



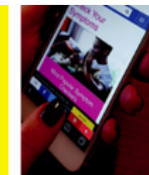
**Digital Strategy** - we wrote and approved our first Digital Strategy setting out the roadmap for innovation and technology across four digital missions.

**Estates** – we have increased space available to meet COVID-19 requirements for social distancing.



**Infection, Prevention & Control** – we saw huge improvements in IPC processes, procured rapid sanitisation systems and implemented an outbreak control SOP which delivered improvements in safe working practices benefitting staff and patients.

**Staff Wellbeing** – we presented our Health and Wellbeing Strategy with an emphasis on the physical, mental and emotional wellbeing of our workforce, especially the impact of COVID-19



**NHS Wales 111 roll out** – 111 was successfully rolled out to Cwm Taf Morgannwg and work has commenced on a national Contact First programme, which is now live in ABUHB and SBUHB

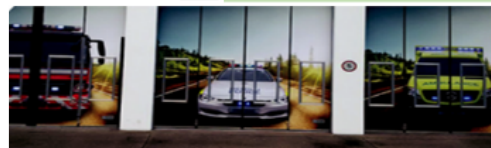
**Mental Health** – during the pandemic we evaluated the impact of Mental Health Practitioners on the Clinical Support Desk. The positive outcomes demonstrated will enable us to progress with substantive Mental Health Practitioners in both the Clinical Contact Centre and the 111 settings of care.



**New transfer and discharge service in ABUHB** – the GUH transfer service was developed and delivered ahead of schedule to support the early opening of the hospital.



**Deploying technology** - we procured and deployed 3,000 iPads and over 500 new laptops for our people. Together with completing phase 1 rollout of Office 365 making us more agile in response to the pandemic.



**Operational Delivery Unit** – we enhanced our leadership role across NHS Wales to support the flow and functioning of the Unscheduled Care system.

## 7. Delivering in Partnership

The importance of having strong and effective partnerships has never been so keenly evidenced than through the pandemic year of 2021/21. 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 its people, as the country remained in the grip of CoVID-19.

From consolidating its relationships with partners across the wider NHS Wales system and local resilience forms (LRFs), to working closely with military and Fire & Rescue Service colleagues to support frontline planning and delivery of services; from working with partners in UK government on the running of mobile testing units, to working closely with our partners like St John in the third sector and working with the university sector and private sector on forecasting and modelling the pandemic, partnerships and strong relationships have been at the heart of the Trust's pandemic response.

In an unprecedented emergency such as that posed by CoVID-19, it would be simply unsustainable to work unilaterally. So much of what was achieved during the extraordinary year of 2020/21 was 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 our Trade Unions, coming together across the Trust to work much more laterally to create innovative solutions.

Whether this was working on the logistics of PPE supply, creating a campaign to attract volunteers to support the Trust's pandemic efforts, or working with industry and higher education partners to find a solution to the problem of how best to rapidly deep clean an ambulance, everything the Trust has done so far during this pandemic has been predicated on building, consolidating and developing trusted, effective and sustainable relationships and partnerships, both within the Trust and beyond.

The key moving forward, and recognising that we are far from out of the woods at the time of writing, is that these relationships and partnerships endure. The Trust has learnt much about what makes them successful, as the Trust has moved at pace and under exceptional pressure, but it is this urgency which has delivered results and, while the Trust hopes that such pressures will not be repeated to the same extent, it recognises that pace and a clear, mutually beneficial goal, coupled with passion and determination, are prerequisites for effective partnerships that focus on outcome.

It is these facets of working partnership that the Trust will take forward, harnessing our passion and our purpose to deliver more for our people and the people of Wales.

## **8. Workforce Management & Well-being**

### Staff Well-Being

Throughout 2020/21 the Trust retained a strong focus on staff well-being, in particular, PPE, homeworking, access to psychological support services and vaccination. The Occupational Health Team was grown to meet the demands of an expanding workforce. The Health and Wellbeing Strategy 2020-2024 was approved by Trust Board in Nov-20 and the actions started to be implemented immediately, including Mental Health and Wellbeing awareness now embedded into all areas of management training, as well as inductions for new starters, and the introduction of our new Employee Assistance Programme partner, Health Assured at the end of Mar- 21. Wellbeing apps are now available on Trust iPads and there is more information for staff on Siren (the Trust's intranet site) and social media, to raise awareness of the extensive offers for staff to support their wellbeing. The Trust is also delighted to share that it received glowing feedback from the Corporate Health Standards status check 'I was extremely impressed by the planned and strategic approach to health and wellbeing and how it is now at the centre of everything that is done at the Trust'.

### Health & Safety

During Wave one (Mar-20) all premises were instructed to complete a Workplace Risk Assessment to demonstrate means of control of pathogen spread. In the interim phase of CoVID-19 waves one and two, respective area leads were instructed to complete the UK Government guidance document Working Safely during CoVID-19 for Offices and Contact Centres. Additionally, due to high footfall in some locations and the inability to conform to social distancing requirements the Trust located some staff to alternative premises supported by the Health & Safety Function. The compliance rate of completion was 100%. During wave two, the workplace risk assessment was amended to blend the original Workplace Risk Assessment, Working Safely Document and also some of the guidance within the Association of Ambulance Chief Executives (AACE) Working Safely December 2020, which have been adopted by the Trust. Additionally some learnings from Local Authority Inspectors during an inspection at Vantage Point House have also been incorporated.

### CoVID-19 Vaccination

In Aug-20, the Chief Medical Officer commenced system planning for the delivery of vaccinations in accordance with JCVI guidelines; arrangements were agreed for the Trust's people to be vaccinated by the health board in which they reside. Data relating to all the Trust's employees, volunteers and a range of associated personnel such as co-responders, partner providers and soldiers who formed the workforce supplied under the military aid, were included. As 31 Mar-21 78% front line staff had received their first and second vaccinations. 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.

### CoVID-19 Staff Fatalities

It is with sadness that the Trust has to report four staff fatalities with CoVID-19 being detailed as the cause of death, during 2020/21

- Apr-20: Paramedic in the central & west area;
- Jan-21: NEPTS Call Handler in the south east area;
- Feb-21: Paramedic in the central & west area;
- Feb-21: ICT Service Desk Analyst in the north.

Investigations were undertaken for all cases and subsequently reported to RIDDOR (the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations).

### Workforce Planning

Workforce planning was a key enabler during the Trust's pandemic response. As well as a significant number of existing staff being temporarily redeployed to support areas of need, significant recruitment and training activity was planned, resulting in the appointment of additional staff as follows:

- 136 FTE front line staff to join the Trust to support EMS response (in addition to business as usual recruitment and training of over 500 front line staff);
- Over 90 staff to deliver on the mobile testing unit workforce requirements across Wales;
- Over 60 urgent care assistants to support the opening of the Grange University Hospital and their transfer and discharge service; and
- Over 90 call takers and to work towards recruiting 55 clinical advisors to support the roll out of the 111 and Contact First service across Wales and to meet the increase in call demand.

The change in workforce numbers is reflected in the table below:

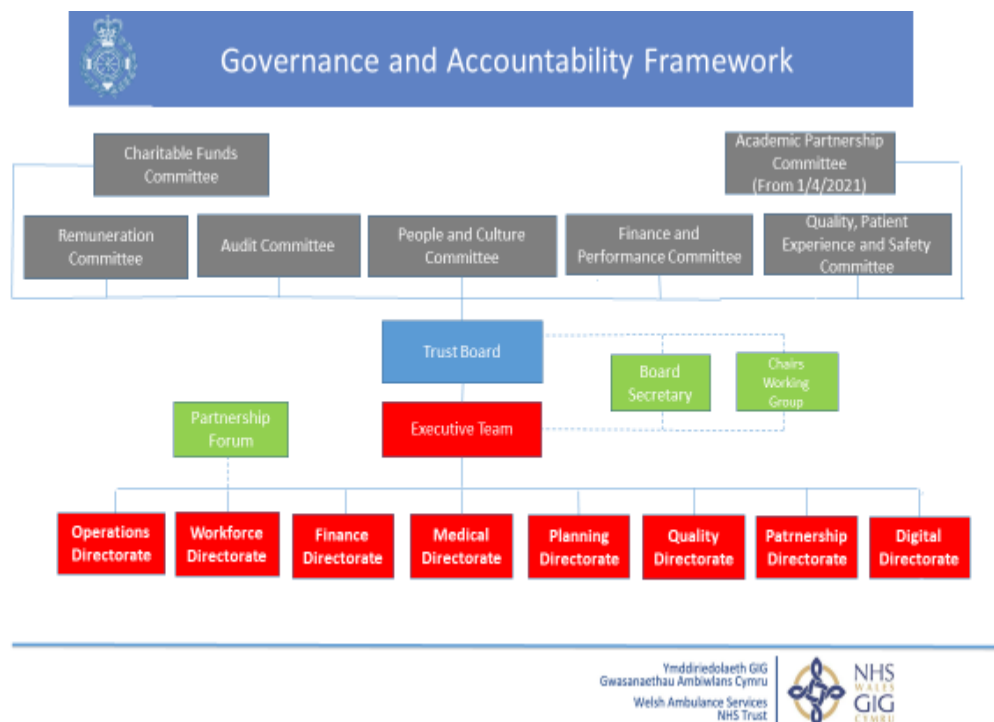
Category	2020-21	2019-20
Additional Clinical Services	1,746	1,464
Additional Professional, Scientific & Technical	1	0
Administrative & Clerical	551	517
Allied Health Professionals	1,104	1,055
Estates & Ancillary	61	58
Medical & Dental	1	1
Nursing and Midwifery	171	165
<b>Total</b>	<b>3,635</b>	<b>3,260</b>

## 9. Decision Making & Governance

### Trust's Governance & Accountability Framework

The Trust produces a separate Accountability Report which provides a comprehensive review of the Trust's arrangements for decision-making and governance.

The Trust's governance and accountability is discharged through the following framework:-



### Governance & Accountability in the Pandemic Influenza Plan Period

At the Trust Board meeting on 26 Mar-20, it was confirmed that the Trust's Pandemic Plan had been triggered and that this plan would determine how the Trust would manage its response to the Covid-19 pandemic. The plan called for the Trust to establish a cell structure which would ensure good governance and record keeping throughout the pandemic. The Board was also informed on where resources needed to be focussed and the consequential recruitment and redeployment of staff.

The Board also considered the consequential impact on Board and Committee business, as well as planned dates and timings of meetings. The Board recognised that meeting agendas may need to be more focussed in supporting the Trust through the pandemic, but at the same time, Board and Committees needed to continue to discharge their responsibilities of scrutiny and challenge and maintaining good governance. The Board concluded that all Board and Committee dates should remain in place, with the exception of the Apr-20 meeting of the People & Culture Committee which was deferred to a later date and that the May-20 meeting of the Audit Committee needed to be put back by one month to comply with the revised Welsh Government timetable for the annual accounts. The Board recognised that meetings going forward would be held electrically.

The Board also discussed the governance processes which should be put in place, should there be occasions when urgent financial approval was needed on matters which exceeded the Executives delegated financial limits. The Board considered various options, including

raising the CEO's delegated limits, but concluded that the current system for Chair's Action should be used as this provided the right level of governance, control and assurance. This was on the understanding that Chair's Action meetings could be arranged at short notice.

#### 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 (NCCU). 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 2020/21, 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 also received direct support from the NCCU during wave one with a number of NCCU colleagues working in the Clinical Support Service. The Trust continues to operate a collaborative and open style of working with the CASC and his team.

## 10. Conclusions & Look Forward

2020/21 has been an extraordinary year for the Trust as it has responded to the global pandemic. The Trust has responded well to the demands of the 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 acquitted itself well, patient experience and safety were not at the levels the Trust, or its stakeholders, aspire to. The pandemic has exacerbated this, particularly, during period of maximum escalation in the winter, but some of the underlying fundamentals were a problem pre-pandemic.

As the Trust moves forward into 2021/22 it will continue to monitor and respond to the needs of CoVID-19 at a tactical level, whilst getting back on track with the transformation programmes of work required to modernise the Trust and the service it provides to patients and people in Wales. The pandemic has also offered opportunities for transformation, some of which have already been taken and further opportunities to build on the Trust's transformation programme in 2021/22 and beyond. The Trust's IMTP 2021-24 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.



## 11. 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
28 May 2020	Item 3.1a	<a href="#">Quarter 1 Plan</a>
28 May 2020	Item 3.1b	<a href="#">WAST Trust Board Papers 28 May 2020</a>
25 June 2020	Item 4.2	<a href="#">WAST Trust Board Papers 25 June 2020</a>
30 July 2020	Item 3.2	<a href="#">Quarter 2 Plan</a>
30 July 2020	Item 3.4, 3.4a - c	<a href="#">WAST Trust Board Papers 30 July 2020</a>
01 October 2020	Item 3.2, 3.2a-c	<a href="#">WAST Trust Board Papers 01 October 2020</a>
26 November 2020	Item 3.3, 3.3a-c	<a href="#">WAST Trust Board Papers 26 November 2020</a>
28 January 2021	Item 3.5 and 3.5a	<a href="#">WAST Trust Board Papers 28 January 2021</a>
25 March 2021	Item 3.2	<a href="#">WAST Trust Board Papers 25 March 2021</a>

### Ambulance Quality Indicators

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  
[hugh.bennett2@wales.nhs.uk](mailto:hugh.bennett2@wales.nhs.uk)  
07788 183961



GIG  
CYMRU  
NHS  
WALES  
Ymddiriedolaeth GIG  
Gwasanaethau Ambwlans Cymru  
Welsh Ambulance Services  
NHS Trust

<b>AGENDA ITEM No</b>	<b>3.2</b>
<b>OPEN or CLOSED</b>	<b>Open</b>
<b>No of ANNEXES ATTACHED</b>	<b>1</b>

## Welsh Ambulance Services NHS Trust: Annual Report 2020-21

<b>MEETING</b>	Trust Board
<b>DATE</b>	10 June 2021
<b>EXECUTIVE</b>	Director of Partnerships and Engagement
<b>AUTHOR</b>	Director of Partnerships and Engagement
<b>CONTACT</b>	estelle.hitchon2@wales.nhs.uk

### EXECUTIVE SUMMARY

The Board is **required to approve** the content and future publication of the draft 2020/21 Annual Report of the Welsh Ambulance Services NHS Trust.

The report has been drafted in line with revised Welsh Government guidance contained in the Manual for Accounts 2020/21.

These revisions reflect the need for a robust annual report, while recognising that timelines have been compressed and that some information has not been requested this year. Similarly, there is no requirement this year for an Annual Quality Statement, although quality matters should feature in the Annual Performance Report (subject to a separate paper to Board).

In summary, the Trust is required to publish, as a single document, a three part Annual Report and Accounts which includes:

- 1) The Performance Report
- 2) The Accountability Report
- 3) The Financial Statements and Notes

This year, the deadline for submission of the Annual Report to Welsh Government, including the elements above, has been set as Friday, June 11.

At the time of writing, the Annual Report narrative is currently with Audit Wales for review. Audit Wales, while not offering an audit opinion on the Annual Report, is required to review the information within the report to confirm that there are no material inconsistencies between this and the audited financial statements.

Regulations require that an AGM to present the Annual Report and Accounts to the public is held by 31 July 2021. The Trust's AGM is currently scheduled for Thursday, July 29, and will be held as a digital event.

While the draft Annual Report is presented to Board for approval in Word format, the final version, once signed off by Audit Wales and Board, will be both translated into Welsh, be made available in alternative formats as required and designed.

The document presented at this meeting should, therefore, be viewed in this context, with an assurance that any amendments from Board or Audit Wales, plus the insertion of missing hyperlinks etc, will be attended to as appropriate.

### KEY ISSUES/IMPLICATIONS

The 2020/21 Annual Report adopts a slightly different approach from previous years, both to reflect revised guidance and also given its important role as a chronicle of the 2020/21 pandemic year.

On that basis, it has a role both as a technical and statutory document, as well as a public record of the work undertaken by the Welsh Ambulance Service, and its people, during this most extraordinary of years.

### REPORT APPROVAL ROUTE

- Audit Wales
- Chair and CEO
- Board

### REPORT APPENDICES

- Draft Annual Report (as submitted to Audit Wales)

### REPORT CHECKLIST

Confirm that the issues below have been considered and addressed		Confirm that the issues below have been considered and addressed	
EQIA (Inc. Welsh language)	Y	Financial Implications	Y
Environmental/Sustainability	Y	Legal Implications	Y
Estate	Y	Patient Safety/Safeguarding	Y
Ethical Matters	Y	Risks (Inc. Reputational)	Y
Health Improvement	Y	Socio Economic Duty	Y
Health and Safety	Y	TU Partner Consultation	Y

**FRONT COVER**

**WELSH AMBULANCE SERVICES NHS TRUST: ANNUAL REPORT 2020/21:  
Chronicle of a Pandemic**

**TWITTER: @welshambulance**

**FACEBOOK: welshambulanceservice**

**INSTAGRAM: welshambulanceservice**

[www.ambulance.wales.nhs.uk](http://www.ambulance.wales.nhs.uk)

<https://111.wales.nhs.uk/>

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### Welcome from the Chair and Chief Executive

The phrase “unprecedented” has become rather clichéd in recent years. However, the 2020/21 financial year has been one like no other – a year of pandemic, of unseen challenges, of sadness and tragedy, and of great human resilience and commitment. In this context, “unprecedented” is the only accurate word to describe our shared experience of the Covid-19 pandemic.

This annual report is similarly one like no other. It serves not just as a technical and statutory document outlining our functions and performance as an ambulance service, but rather as a chronicle of the supreme challenges we have faced, along with our colleagues across the NHS and society more broadly, during 2020/21.

That said, and while it has in many respects been a difficult and traumatic year, we should not lose sight of the positives we have experienced: outstanding commitment from our people across the organisation; a groundswell of support from the public that bodes well for the future; great leaps forward in the use of digital technology to connect our people and our public at a time when communication was more important than ever and great partnerships forged with stakeholders, both old and new.

These experiences, tinged with the sadness of having lost valued members of staff to Covid-19, have left a legacy of optimism and renewed ambition, together with significant opportunities to build on these foundations as we look to the future and to renewal. We are also acutely aware of the toll taken on our staff, and the need to manage our ambition for accelerated change with the wellbeing of our people, so many of whom have gone above and beyond and who need an opportunity to recover from the stresses of the past year.

We hope that in the pages of this year’s annual report you will find a real sense of how this year has felt for us as an organisation, for our people and for the people we serve.

While we all genuinely hope that we will never have to face anything like the height of the Covid-19 pandemic again, we do at least now know that, in the event that we see a resurgence of Covid-19, or something similar (and recognising we are not yet out of this global pandemic), we have the strength, plans and resources to deliver for the people of Wales.

You can find out more about our work by following us on social media or joining our Board meetings, which we will continue to hold digitally for the foreseeable future, and which allow you to pose questions to Board members in a dedicated session for stakeholders and the public. We publicise these on our [website](#) and via our social media feeds. We’d love to see you.

With our very best wishes and enormous thanks to our staff who have stepped up so admirably over the last year. Here’s to a safer and more stable 2020/21.

Jason Killens  
Chief Executive

Martin Woodford  
Chair

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### **The Last 12 Months: An Overview**

At the time of our last annual report (2019/20), we were in the early days of the pandemic and, while recognising that the 2020/21 year was likely to be challenging, it is fair to say that there is no aspect of our organisation, our people or our patients, which has been left untouched by the impact of Covid-19.

This year's annual report serves not just as a statutory document, but also as the chronicle of a watershed year for us all. Over the following pages, you will be able to find out more about how we approached the challenges and seized the opportunities presented by the pandemic; how we adapted our services, how we engaged with the public and our stakeholders, and the Herculean efforts of our staff to continue to deliver a quality service to the public at a time when they were on the frontline of the pandemic, with their own worries and concerns.

While the annual report includes the usual detail on our financial position, our performance and our governance, this year these sections are slightly shorter than normal, but with links to our full **Annual Accountability Report**, **Annual Accounts** and **Performance Report**.

You can find these documents **here (INSERT HYPERLINKS)**, so that the full information outlined in these important publications is not lost in the narrative of the pandemic, which has shaped so much of what we have done this year.

### **About Our Organisation: Who We Are and What We Do**

The Welsh Ambulance Service was established in 1998, with NHS Direct Wales (NHSDW) becoming part of the Trust in April 2007. Our clinically-led organisation provides a service to some three million people across Wales, an area of almost 8,000 square miles, spread across a diverse and challenging urban, coastal and rural landscape.

We attend more than 250,000 emergency calls a year and transport more than 1.3 million non-emergency patients to over 200 treatment centres throughout Wales and England. We employ more than 3,600 people, of which approximately 70% are within our emergency medical services (which includes our Clinical Contact Centres), and around 640 staff in our Non-Emergency Patient Transport Service. Our patient-facing services are supported by approximately 500 staff in our corporate and support functions and by our valued extended volunteer workforce, which includes more than 600 Community First Responders and 200 Volunteer Car Drivers.

We operate from 90 ambulance stations, three regional offices and five vehicle workshops. During the pandemic, we also enhanced our Clinical Contact Centre provision within a current model of five main centres for the handling of 999 and 111/NHSDW calls across Wales. We have our own National Training College (due to relocate in 2021/22) to ensure our staff maintain high levels of performance and receive regular professional development.

We are also the host for the 111 service, which is an amalgamation of NHS Direct Wales and the front end call handling and clinical triage elements of the GP out-of-hours services and which now operates across all but two areas of Wales, with plans to complete the roll-out of 111 in the next year or so.

You can read more about what we do in our **Annual Performance Report** and **Annual Accountability Report (INSERT HYPERLINKS)**.

### **A Commissioned Service**

In July 2013, in response to the recommendations of the McClelland Review, the then Minister for Health and Social Services announced a package of reforms which established revised accountability and delivery arrangements for the provision of emergency ambulance services in Wales. The revised arrangements came into being on 01 April 2014 with the establishment of the Emergency Ambulance Services Committee as a joint committee of the seven Local Health Boards (LHBs). (<http://www.wales.nhs.uk/easc/about-us>)

The Committee is formed by the Chief Executives of the seven LHBs and presided over by an independent Chairperson appointed by the Minister. The Emergency Ambulance Services Committee (EASC) has appointed a Chief Ambulance Services Commissioner to undertake a lead role in supporting the local health boards in commissioning emergency ambulance services from the Trust within the context of the wider unscheduled care system (and from 2016, Non-Emergency Patient Transport Services in Wales).

The arrangements effectively create a commissioner/provider relationship in which the seven LHBs are collectively responsible for securing the provision of an effective emergency ambulance service for Wales. The Trust, therefore, is responsible for supplying the urgent and emergency medical services that the LHBs require, based a robust commissioning framework.

The Trust has ensured during the course of the year that it works closely with partner organisations such as LHBs, local authorities, other emergency service providers and Community Health Councils to optimise opportunities for joint working and to improve the service we provide to the public in Wales, all in the context of the Covid-19 pandemic.

You can read more about our organisation, the role of our Board and the way we are governed in our **Annual Accountability Report**. ([INSERT HYPERLINK](#))

### **Operating in a Pandemic: Our Approach**

One of the key planks of the Trust's approach to managing the pandemic was early planning. In late January 2020, the World Health Organisation declared that novel coronavirus presented a global health emergency. During February, the global spread of the disease was well documented, with it becoming all too apparent that the United Kingdom was unlikely to be unscathed.

The Trust's Executive Team considered the global, European and United Kingdom context on several occasions during February, most notably on 04 February when a pandemic table top exercise was initiated to review existing plans and capacity.

As a result, Executives were of the view that it was appropriate in the circumstances to informally trigger the organisation's existing pandemic influenza plan and, in so doing, enable the establishment of a clear operational response structure charged with the rapid development of the organisation's pandemic delivery plans.

Until early March, while extensive planning was undertaken, the informal status of the plan remained. However, the potential impact of Covid-19 on Wales was becoming increasingly obvious and, on 04 March 2020, the Chief Executive, Jason Killens, with the support of the Executive Team and the Board, formally triggered the arrangements within the pandemic influenza plan, approving the organisation's pandemic strategy.



In taking this step, two clear corporate objectives were set and communicated widely. These were to:

- i. Take all reasonable, necessary and proportionate measures in all the circumstances to fulfil the objectives set in the pandemic strategy and
- ii. Continue with recruitment to fulfil the minimum of 136 WTE growth of the Emergency Medical Service as agreed with commissioners for 2020/21. This was to ensure that the organisation's long term workforce viability and performance could be secured, recognising that it would be foolhardy to compromise key future planning while being mindful of the imminent and likely impact of a pandemic.

As a result of these decisions, other, non-essential WAST activity was stood down to enable a focus on these areas. A co-ordination and accountability structure was established to facilitate this, led by twice-weekly meetings of the Executive Pandemic Team (EPT), supplemented by a number of ad-hoc EPT meetings required in the early stages of the pandemic to respond agilely to the evolving situation. You can read more about this structure later in this document.

Key to the development of the organisation's response plans was the scale to which anticipated increases in activity, staffing constraints through sickness or isolation absence and service disruption as a result of other external factors, such as interruption to the supply chain, would have an impact on service delivery.

On that basis, some assumptions had to be made, working on national "worst case scenario" modelling and also on the experience of other ambulance services operating in areas ahead of the Welsh pandemic curve, notably London Ambulance Service.

Additional modelling capacity was commissioned in a bid to understand the impact of notional rises in demand but it was agreed that, in order not to delay the mobilisation of available additional capacity, six key areas of WAST business would be prioritised. These were identified as:

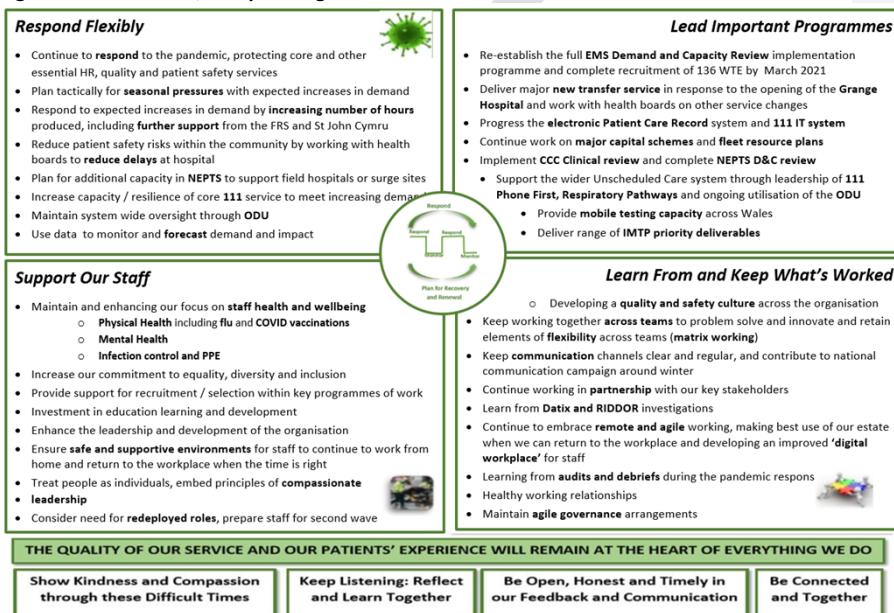
- i. Ambulance response (emergency, urgent care and non-emergency service) – arrangements to generate additional capacity to respond to growing demand
- ii. Fleet – arrangements to ensure maximum fleet and equipment availability
- iii. Information and Communication Technology – arrangements to protect mission critical systems and support remote and flexible working
- iv. Supply chain – arrangements to ensure sufficient supplies of necessary items and materials such as Personal Protective Equipment (PPE)
- v. Resource Centre - arrangements to facilitate greater numbers of staff being deployed and maintain core rostering services
- vi. Clinical Contact Centre (999, 111, Clinical Support Desk and Non-Emergency Patient Transport Service) – arrangements to protect mission critical control functions, grow their capacity and diversify tasks

The intention was to protect and strengthen those areas of the organisation's work that would be most closely aligned with maintaining patient care and employee safety. Additionally and importantly, early requests were made for support from a number of partner agencies, including fire and rescue services, St John Ambulance Cymru and colleagues from the military, secured via a "military aid to the civil authorities" (MACA) request.

Support was also sought to secure additional non-emergency patient transport capacity, potentially required to service health board field hospitals and other surge sites, the latter being a source of early concern in terms of the organisation's capacity to respond and support, particularly given the potentially very high patient numbers mooted at that time.

These requests were made based on an early decision to secure as much skilled additional capacity as possible, recognising that the scale of the challenge was both unprecedented and unquantifiable, and that any delay in so doing could subsequently result in such resources being unavailable. The contribution of colleagues from these services, plus other support, will be detailed later in this document.

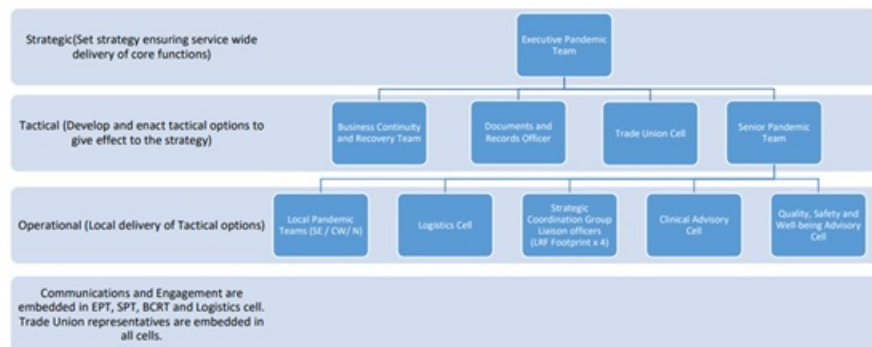
Figure 1: Trust's 2020/21 Operating Framework



The flexible response actions detailed in the diagram above were operationalised through a command, control and co-ordination (3C) structure led by twice-weekly meetings of the EPT and supported throughout by the Resilience Team. The pandemic decision-making structure adopted by the organisation is shown in the diagram below:

Figure 2: Pandemic Structures

#### Response Structure



### Organisational Response and Challenges

The response to the Covid-19 pandemic by the Welsh Ambulance Service, as with all organisations, has been riven with operational complexities.

The sections below focus on some key areas which have been central to the organisation's response to the challenges presented.

#### (i) Workforce

Welsh Ambulance Service employees have stepped up remarkably in the last year to meet the challenges of this pandemic.

From clinicians on the frontline, colleagues working in the 111 and 999 Clinical Contact Centres, through to colleagues working in support functions like estates, human resources, quality and safety, occupational health, IT, finance, planning, fleet, governance and communications, there has been no part of the organisation's business which has been unaffected.

One of the clearest indications of the workforce's commitment to adapting over the last year has been its willingness to work differently. There has been an acceptance by staff that the organisation's mode of leadership has had to necessarily be more directive, particularly in the early stages of mobilisation of the pandemic plan, and that role and functions have needed to alter to meet the pressures on the service.

This readiness to work differently spanned a number of areas, including modes of deployment, crewing of vehicles to optimise the use of available resources, redeployment into core services, particularly from corporate roles, and working remotely for those roles where this was feasible and effective. At the time of writing, much of these arrangements remain in place, although the majority of colleagues redeployed from their core roles have returned to their substantive jobs.

The Trust has supported home working for those staff able to do so and has provided all the required information technology to meet the Covid-19 Government legislative requirements. Homeworking is likely to continue for some time to come, with a hybrid model of office-based/home working likely to become the normal model for those in corporate roles who wish to work more flexibly, subject to consultation with employees and Trade Unions.

Such willingness is testament to the investment made over a number of years in leadership and management and in moving to a culture predicated on collaboration and compassion.

The fact that a more directive approach has been more evident during the last year is not a signal that this is a culture that the organisation wishes to see introduced, but rather a function of the need for clear and unambiguous lines of decision-making and accountability at a time of great uncertainty. Staff understood this, and responded appropriately.

During the last year, our communication with staff has been a significant focus, recognising the need both to share information in a timely way and also listen to their experiences. Following the first wave of the pandemic in the summer of 2020, an employee survey was conducted which allowed the organisation to hear more about how the first few months of the pandemic felt for staff, providing the organisation with valuable learning that informed later approaches.

Clearly, for many colleagues, the last year has been a worrying time and, sadly, the organisation has, at the time of writing, lost four staff members to Covid-19, with a number of others who have needed intensive care and continue to require support to recover. Indeed, the issue of “long Covid” is one which the Welsh Ambulance Service, together with other organisations, will need to address, both in terms of the impact on its workforce as well as society more generally.

In terms of how our staff numbers looked in 2020/21, there was an increase of more than 300 in the numbers employed, predominantly in our frontline staff, captured in the chart below as Additional Clinical Services and Allied Health Professionals.

The figures below relate to the average number of employees under contract of service in each month of the financial year, divided by 12 (and rounded to the nearest full time equivalent). The table below excludes agency and seconded in staff.

**Figure 3: Staff Numbers 2020/21 vs 2019-20 by Staff Group**

Category	2020-21	2019-20
Additional Clinical Services	1,746	1,464
Additional Professional, Scientific & Technical	1	0
Administrative & Clerical	541	531
Allied Health Professionals	1,103	1,055
Estates & Ancillary	61	58
Medical & Dental	1	1
Nursing and Midwifery	169	165
<b>Total</b>	<b>3,622</b>	<b>3,274</b>

Also, detailed below is 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, Associate Director of Paramedicine, Board Secretary) as at 31 March 2021 (excludes secondees out of the Trust). This shows a greater gender divide than in previous years and compares to a Trust wide staff composition of 46% female, 54% male.

**Figure 4: Staff Composition**

Gender	Headcount	%
Female	5	28
Male	13	72
<b>Total</b>	<b>18</b>	<b>100</b>

The organisation worked hard throughout the year to ensure employee access to regular testing and, once available, to the vaccination programme, which saw some 78% of frontline staff (patient facing and non-patient facing) having received a first and second dose of the vaccine as at 31 March 2021. In terms of sickness absence through 2020/21, the figures are as follows:

**Figure 5: Sickness Absence Data**

	2020-21	2019-20
Days lost (long term)	65,017.51	61,110.67
Days lost (short term)	31,864.22	23,734.84
<b>Total days lost</b>	<b>96,881.73</b>	<b>84,845.51</b>
Average working days lost	16.79	16.25
Total staff employed in period (headcount)	3,907	3,530
Total staff employed in period with no absence (headcount)	1,496	955
<b>Percentage staff with no sick leave</b>	<b>36.61%</b>	<b>28.01%</b>

**Note 1:** The percentage and total number of staff without absence in the year has been sourced from the standard 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 as a result of Covid-19.

We continued to support people to return to work following a period of absence and to ensure we were monitoring absence effectively. We implemented a number of actions in 2020/21 including:

- Recommendations from the short term sickness audit (completed in 2020) were actioned, such as amendments to the return to work form, and to the sickness audit paperwork.
- 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 the Emergency Medical Service to discuss complex sickness cases and alternative duties arrangements.
- Weekly drop in workshops for anxiety, trauma, wellbeing and mental health awareness have been held since the first wave of the Covid pandemic
- The Trust saw a rise in staff accessing the Employee Assistance Programme and wellbeing offers such as SilverCloud, and online Cognitive-Behavioural Therapy.
- Additional wellbeing support, including face-to-face sessions, was ongoing for staff in Clinical Contact Centres and 111/NHSDW to take time out during their shifts.
- Occupational Health and Wellbeing provided ad hoc support to managers and colleagues where colleagues had suffered the bereavement of a colleague.
- Occupational Health ran a series of webinars for managers to aid understanding of the impacts of Long Covid on the individual and work.
- Occupational Health continued to monitor DATIX for musculo-skeletal incidents to inform staff of the Trust's fast track physiotherapy service.
- The road to recovery support group met monthly with a range of invited speakers to offer support to staff who are currently unwell as a result of Long Covid.
- A monthly Menopause Café was held virtually to give information and offer a safe area of peer support to both women and men.

It is anticipated that the impact on staff wellbeing of working through a pandemic will be something with far reaching consequences and, as such, the Trust's lead clinical psychologist has worked closely with colleagues on a range of interventions to support managers and staff in the maintenance of psychological and physical health. These will remain in place for some time to come.

Between the two pandemic waves experienced in 2020/21, where there was greater equilibrium in the system, staff were encouraged to take rostered leave to ensure that they were taking time away from work to recharge and recuperate.

Clearly, the emotional and physical wellbeing of our staff is of the utmost importance and there will be important work for us to do in 2021/22 as we see the effects of this protracted period of the pandemic potentially take their toll. As an employer, we are committed to supporting our people and will continue to look at ways that this can be further improved.

#### **(ii) Trade Union Relationships**

Given this rapidly changing organisational landscape, it has been particularly important over the last 12 months to work closely with Trade Union partners and teams to understand their concerns and respond appropriately, as well as communicate clearly and regularly so that colleagues feel both able to be heard and well-informed.

Trade Union partners were closely involved in developing and implementing the organisation's approach to managing through the pandemic, with representation on a number of key groups, from their membership of the Board, which has continued to meet, albeit virtually, through to membership of various pandemic groups within our response and governance structures, including groups working on logistics (including PPE supply), health, safety and wellbeing and others.

In addition, lead Trade Union partners had regular group briefing sessions with the Chief Executive and Director of Workforce and Organisational Development, as well as membership of a dedicated group which brings together a wider Trade Union team with key director level colleagues.

Involvement in these groups allowed trade unions to share any concerns from their members or to seek clarity. This resulted either in clarification being provided promptly and/or the opportunity to work closely with management colleagues to arrive at appropriate solutions. It has also provided the opportunity to discuss and reach consensus on more challenging matters, for example, on the guidance on, use and supply of personal protective equipment, something which will be referred to in greater detail later in this document.

Given the renewed strength of Trade Union and management relationships, it is important that this momentum is maintained as we move forward in 2021/22, using our shared experience to further consolidate partnership arrangements and these discussions are already taking place.

You can read more about our workforce in our **Annual Accountability Report (INSERT HYPERLINK)** and in our **Performance Report. (INSERT HYPERLINK)**

#### **(viii) Managing Demand and Securing Resources**

Consideration was given early in the pandemic planning process to the additional resources required to meet potential demand.

In addition to the redeployment of existing staff from non-core services into areas such as 111 call taking (an area where there was significant early demand), clinical advisory roles and support to the operational pandemic infrastructure, a tiered approach to supply of additional external capacity was adopted.

This approach included:

- Securing support from the current cohort of student paramedics from Swansea University
- Open advertisement to the general public – a call to arms – for temporary workers and volunteers to support key areas. This included “retire and returners” wishing to return to paid and unpaid work
- The deployment of staff from other NHS bodies
- The deployment of staff from wider public/private sector partners e.g. fire and rescue service personnel, probation services and local authorities (for NEPTS and volunteer care driver services), private transport providers (for NEPTS services) and military personnel
- Contacts made with businesses and organisations facing closure and/or placing staff on furlough (noting that individuals must have permission of their employer to work for another whilst on furlough)

Demand throughout the pandemic was markedly different between the first and second waves, something which will bear greater scrutiny as we reflect and learn from the pandemic over the coming months and years.

Managing our messaging to the public, working closely with Welsh Government and NHS Wales, was critical in ensuring people understood appropriate usage, how to protect themselves and others, including our staff, and how to access services differently, for example using the rapidly developed coronavirus symptom checker on the [NHS 111 Wales](#) website rather than making a phone call to 111 in the first instance.

#### **(iv) Maintaining Resource Levels**

In the early stages of the pandemic at the tail end of 2019/20, and despite unstinting support from

volunteers, recognising the likely impact of higher levels of absence among established staff, a decision was made to issue a “call to arms” at the end of March 2020. The call was made for both volunteers and paid for staff (notably clinical staff) via social media and using a fast track application process, to help strengthen organisational resilience. This resulted in in excess of 1,500 applications within 24 hours, with a further appeal for clinical staff.

As a result, additional clinicians, both frontline and based within 111 and Clinical Contact Centres, were recruited, as well as additional staff supporting a range of functions, including 111 and 999 call handling.

Together with some 60 military colleagues secured via the MACA, which was operational during the two pandemic waves so far experienced, and with additional frontline support available from fire and rescue services (deployed during the second wave), the Welsh Ambulance Service had resilient levels of staffing across its services throughout 2020/21, despite a staff absence rate at times of some 12% at the peak. This stabilised to approximately 6% by the end of March 2021.

In terms of resourcing, a decision was also taken to incentivise staff to cover key shifts during April and May to ensure adequate cover. This was broadly an extension of those schemes used over the 2019/20 winter period to ensure adequate staffing at peak times.

In addition, a decision was made to financially compensate for a temporary period those Band 8 managers who had worked well in excess of what could reasonably be expected of them. This was in line with a national agreement on this matter, with a local arrangement agreed by the Remuneration Committee of the Trust Board.

Importantly, throughout the pandemic period, the Trust has been acutely aware of the physical and psychological impact on staff of such radical changes to their roles and the level of risk which colleagues have routinely encountered.

As well as the actions outlined earlier in this report, a Health, Safety and Wellbeing Cell was established which advises on mitigating actions that the Trust can take to safeguard the wellbeing of its staff, including those working remotely. This includes Trade Union partner representation.

#### **(v) Our Volunteers**

Reference has been made earlier in this report to the organisation making an early decision to access additional resources. This extended also to volunteers and additional paid-for staff, in line with the majority of health organisations across the country.

While the Welsh Ambulance Service has a dedicated and skilled cohort of volunteers, both in the form of Community First Responders and Volunteer Car Service drivers, it became apparent that, given the risks of dealing with suspected or actual Covid-19 patients, it would be necessary to use existing volunteers in different ways.

With routine outpatient activity stepped down across health boards, Volunteer Car Service drivers were largely stood down, while it was necessary to adjust the incidents to which community first responders were tasked.

In general, and in the interests of their health and safety, volunteers were tasked appropriately and differently from normal. For example, CFRs were not knowingly sent to those cases likely to require an Aerosol Generating Procedure (AGP), notably CPR, meaning they would not be auto-allocated or



sent to RED incidents. First Responders were also not dispatched to any incident where the call handling process identifies any risk of Covid-19.

Similarly, first responders must have received training in the donning and doffing of Level 2 PPE before attending an incident and, therefore, must have had Level 2 PPE available before attending a patient. Once trained, first responders accessed PPE through their local pandemic team.

While it was recognised that using CFRs differently would potentially have a deleterious effect on RED performance, it was universally acknowledged that the health and safety of these volunteers was paramount and that their contribution could come in other ways, for example in supporting the “fit testing” of staff for PPE.

An important piece of work which was progressed through 2020/21 was the development of the Welsh Ambulance Service’s Volunteer Strategy. The strategy sets out how the organisation will support, develop and harness the skills and enthusiasm of its volunteers and the immensely important contribution they make to their communities across Wales. The strategy is due to be launched in 2021/22.

#### **(vi) Personal Protective Equipment**

There was much in the media, particularly in the early stages of the pandemic, in relation to perceived deficiencies in the supply of Personal Protective Equipment (PPE) to health and social care staff.

As a result of early planning, the Trust identified the need to bolster its stocks of PPE, for example ordering several hundred Versaflo respirator hoods in January 2020. Unfortunately, this order was not wholly fulfilled, as manufacturers struggled to keep pace with global demand and some supplies were diverted to other markets.

This planning notwithstanding, the supply of PPE in the early days of the pandemic was, at times, challenging. Significant amounts of leadership and managerial time were expended working with supply chain partners, driven by the organisation’s pandemic Logistics Cell, to source adequate supplies of PPE.

The supply and use of PPE was undoubtedly the single biggest concern of staff on the frontline during the first wave and a matter raised consistently by Trade Union partners. This is unsurprising given the circumstances and the high level of deaths among health and social care workers as a result of contracting Covid-19, including within the organisation.

The Trust’s approach to the use of PPE has been pragmatic, based both on compliance with national guidance but also on listening to, and acting on, the concerns of staff.

While the Welsh Ambulance Service accepted and adopted national guidance in relation to the use of PPE, it also gave staff the latitude to supplement the prescribed levels of PPE, particularly at Level 2, where a dynamic clinical risk assessment of the situation indicated that this was warranted.

It is of note that, for the first few months of the pandemic, information and guidance changed from central bodies (Public Health England/Public Health Wales) as Covid-19 became better understood and the prevalence of the disease within the community altered.

Training and communication were key, including supporting staff with training on the use of PPE and being clear about the levels required in differing clinical scenarios.

Fit testing, a process of assessment of a staff member in the use of a filtered face piece (FFP3) mask, was of equal importance, as it was critical that staff achieved a “fit” in each type of mask provided, to ensure their safe use in the operational setting.

PPE was the subject of extensive communication across the Trust, while a risk assessment process was established to risk assess donations and products which had been procured outside the NHS Wales Shared Services Partnership or regular supply chain routes.

The sourcing and supply of PPE were driven through the organisation’s Logistics Cell, which features broad organisational representation, including from Trade Union partners.

The PPE supply chain stabilised throughout the first six months of the pandemic, allowing the focus to shift to future resilience, with the learning from the first wave standing us in good stead for the second wave from October onwards.

Similarly, the Trust responded to staff concerns about social distancing in areas of the organisation where, of necessity, people work in close proximity, for example clinical contact and 111 centres.

Measures were taken to safeguard the well-being of staff, including the erection of Perspex screens in some centres where additional spacing was not possible, and the development of additional physical call handling space.

Steps were taken at a local level to manage social distancing within ambulance stations and shared premises, for example those shared with other emergency service colleagues.

Military colleagues were also engaged in extending the organisation’s capacity at its “make ready” facilities to ensure ambulances requiring deep cleaning were returned to service promptly, with additional facilities being established at a number of locations, including hospital sites.

Many of the issues addressed during the first year of the pandemic will now result in changes to the way the organisation is organised and managed moving forward.

#### **(vii) Testing and Vaccination**

Access to testing for Welsh Ambulance Service staff who displayed symptoms of Covid-19 was initially variable across Wales, although this settled and became much more streamlined.

Early teething troubles were to be expected given the need to establish structures and mechanisms at scale and pace, giving rise to an initial level of employee and organisational frustration with referral processes, speed of access and processes for receiving results.

These systems became much smoother as the months progressed, with staff also having access to rapid lateral flow tests on a regular basis to ensure asymptomatic transmission was minimised.

Similarly, the very early stages of the vaccination process for staff resulted in some disparities across Wales in terms of access, but again, this settled, with some 78% of frontline staff having been received both doses of vaccine by 31 March 2020.

#### **(viii) Demand and Performance**

One of the major learning points throughout the first year of the pandemic was in relation to patterns of demand.

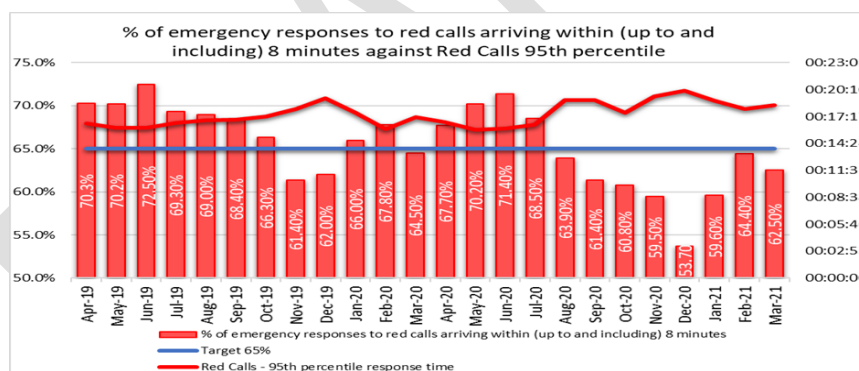
During the first wave of the pandemic, traditional demand, particularly in the AMBER category of calls, fell away significantly, while RED demand remained fairly static. Similarly demand from healthcare practitioners significantly reduced.

While some of this was to be expected given changes in behaviour as a result of lockdown, for example fewer RTCs, there were some anomalies which bear further scrutiny over time, for example fewer falls, many of which have traditionally been within a residential setting. This is something that doubtless will be the subject of future research and analysis.

However, during the second wave of the pandemic, traditional demand remained at a high level, placing significant strain on services. This may have been because the second wave occurred over the traditionally busy winter period, when demand routinely peaks. In addition, and given new, more transmissible strains of the virus, the Covid impact on demand was also far more acute, leading to particularly long waits for AMBER patients in the community and long delays in handing over patients at hospitals.

The headline patient metric for the Trust is RED A8 performance. This is the percentage of RED – immediately life threatening – incidents responded to within eight minutes. The Trust was only able to maintain RED 8 minute performance above the 65% Welsh Government target for four months in 2020/21. Since August 2020, the Trust’s RED performance has fallen below the 65% target.

**Figure 6: Red Performance April 2019 – March 2021**



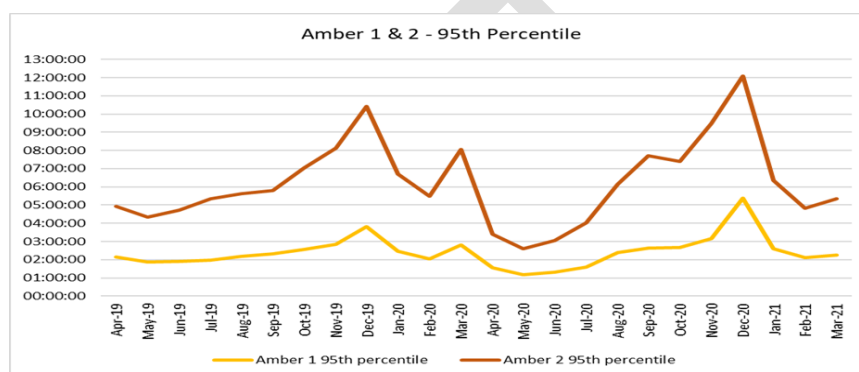
Clearly, this level of performance is of concern. A detailed analysis of the reasons for our performance levels was undertaken during the year and further analysis is currently taking place. Many factors affect RED performance, but key ones include high RED demand, the decision to prioritise emergency ambulances over RRVs as part of the pandemic response, the donning of PPE, an identified need to recruit more response staff, the initial standing down of CFRs on health and safety grounds and lost hours caused by delays at hospitals, as well as what are referred to as post production lost hours.

In terms of planning for worse case scenarios, the Trust also needed to explore and confirm extensions to its demand management plans where, at high demand trigger points, decisions would need to be made about invoking a “no send” policy for the lowest acuity calls.

In order to optimise crewing and response levels, there was an initial shift in deployment to reduce focus on single crewed rapid response vehicles in favour of full emergency ambulance response. With the advent of additional staffing, particularly military colleagues, there was a move towards double crewed RRVs, with army personnel at one point providing up to 50% of second operative cover on RRV shifts at points in the year.

RED performance is clearly very important for patient safety, but forms less than 10% of patient demand. AMBER (serious, but not immediately life threatening) calls make up the bulk of patient demand and are an area of focus for the Trust as, prior to the pandemic, AMBER waiting times had been identified as too long. AMBER performance was largely maintained through 2020/21, with the exception of the peak of the second wave, with December 2020 being a particularly difficult month for the Trust and wider health care system.

**Figure 7: Amber Performance: April 2019 – March 2021**



Work will continue in 2021/22 to address the issues underpinning lower levels of performance as the need to improve delivery in these core areas is acknowledged and supported with detailed plans, involving the wider NHS Wales system as well as the organisation itself.

Within NEPTS, the service had to make or respond to several changes to its normal methods of service delivery, including limits on the numbers of patients per vehicle, vehicle screens between the cab and saloon of the vehicle, separating suspected and confirmed Covid-19 patients to travel alone, and new booking, planning and allocation processes.

Similarly, additional capacity was secured to support NEPTS, primarily as a response to the surge capacity/field hospitals being developed by health boards. It was necessary to make an early judgement about the potential for extensive demand on the NEPTS service should transfers between facilities have become significant and an early decision was made to secure additional support from a range of partners. In the event, that demand did not materialise in any meaningful way.

This notwithstanding, NEPTS performed well throughout 2020/21, with core patients arriving within 30 minutes of their appointment 68% of the time (target 70%) and renal patients arriving within 30 minutes prior to their appointment (achieved 70% target in 10 of the 12 months).

However, oncology patient arrival times remain an area of concern (54%). NEPTS also completed the NEPTS Demand and Capacity Review, a strategic review, which is a key enabler in setting the strategic direction for this service over the next decade. As the Trust moves into 2021/22 and the

health care system “re-sets”, the Trust will use the findings from the review to build on the NEPTS Transformation Programme and also respond to changes in outpatient services within health boards as a result of the pandemic.

Demand on the 111 and 999 services has served as something of a barometer during the pandemic and has been monitored closely. Indeed, at the outset of the pandemic, the resilience of the service was an early worry, given the anticipated volume of calls from a worried public, coupled with the technical adjustments necessary to ensure the 111 number was available across Wales for all Covid-19 related calls.

It is important to note that a significant amount of effort was invested in ensuring that the digital and telecommunication aspects of the 111 service were strengthened early in the pandemic. There was also further investment in call handling capacity in a bid to optimise the pan-Wales resilience of the service under the most extreme of pressure, something which was largely achieved notwithstanding some longer than desired waits for callers during the peak of the pandemic.

Demand in terms of NHS Direct Wales and 111 calls peaked sharply during the first and second waves of the pandemic, with additional pressure seen on the online symptom checker. The latter has been subject to various updates during the course of the pandemic as the case definition has changed, often resulting in a spike in activity at each iteration of the case definition.

Continuing to track this demand in particular enabled the Trust to spot early signals of changing demand in the wider system and allow it to flex capacity appropriately.

In terms of pandemic related demand, the pandemic protocol for 999 call handling (known as Card 36) was deployed, in concert with other UK ambulance services, on 02 April 2020. Protocol 36, which supplements others within the Medical Priority Dispatch System (MPDS), is designed specifically for pandemic management.

There is full detail about the Welsh Ambulance Service’s performance during 2020/21 in our **Annual Performance Report**. [\(insert hyperlink\)](#)

#### **(ix) Clinical Matters**

During the year, a Clinical Advisory Cell (CAC) was established to provide advice to the Tactical Pandemic Team (TPT) and the Executive Pandemic Team (EPT). It was jointly chaired by the Executive Director for Quality and Nursing and the Medical Director.

The CAC provided senior clinical advice to the Trust for all clinical matters relating to the Covid-19 pandemic. The CAC objectives were:

- to review and consider national guidance on clinical matters relating to covid-19 pandemic
- to provide a position on clinical matters relating to Covid-19 and
- to ensure that clinical sign off for specific Trust activities relating to Covid-19 is undertaken in a timely manner.

The CAC was essential during this period to ensure that there was due diligence when providing clinical advice and guidance. The CAC provided advice for all services provided by the Welsh Ambulance Service including:

- the 111 service including the symptom checkers

- NEPTS
- Occupational Health
- EMS

As Covid-19 is a new virus, guidance has changed frequently and, in the early phases, there were inconsistencies in advice from national bodies. This was particularly challenging with regard to cardiac compressions and whether these are considered to be an AGP.

Whilst Public Health England and NERVTAG (New and Emerging Respiratory Virus Threats Advisory Group) advised that cardiac compressions were not an AGP, the Resuscitation Council of the United Kingdom (RCUK) stated that they were indeed an AGP.

The CAC was central to debating this, considering the evidence and the rationale for the organisation's guidance. This was important, as the level of PPE used by our staff during a resuscitation was informed by whether cardiac compressions were an AGP or not.

It was concluded that, in the absence of a consensus of opinion, there was a duty to staff to err on the side of caution and provide guidance that the PPE required for an AGP is worn at all times during resuscitation, with this decision escalated to the Executive Pandemic Team and Trust Board.

In addition, a full risk assessment was undertaken, which was recorded on the organisation's corporate risk register. The Associate Director for Paramedicine established a group to address the challenges faced with timely response to patients requiring resuscitation versus the need to don PPE suitable for AGP and to ensure a long term solution to adequately protect the rescuer whilst optimising patient outcomes.

As the Trust moved into quarter two, the Trust continued to operate a 3C response structure to allow some of the substantive governance and delivery structures to be re-established and its recovery planning to further develop. By August 2020, the Trust entered a transition period to its Recovery Phase and the 3C response structures were scaled down. During this period, the Business Continuity and Recovery Team (BCRC) took over the tactical lead of the recovery structure and the Trust began to pick up more of the programmes of work set out in its Integrated Medium Term Plan (IMTP).

With Wales on the verge of a second wave of Covid-19 alongside the traditional seasonal challenges that present in quarters three and four, the Trust returned to a Response phase in quarter three. The Trust's Operational Plan for quarters three and four therefore focused on the key actions and programmes of work which would deliver safe, responsive and effective services, with quality and good patient and staff experience at the heart of everything the Trust did.

The second wave of Covid-19 was, to some extent, more challenging than the first. Whilst in wave one some of the "normal" activity across urgent and emergency care subsided and saw in particular a reduction in delays at hospitals, the system continued to see normal seasonal pressures over winter, combined with a high impact of Covid-19 on hospitalisation, with an inevitable knock on impact on community response.

It was also agreed that the Trust would not stand down some of the key priorities across IMTP delivery and, in early December, the Executive Pandemic Team further reviewed the situation and determined that the Trust should move into a full response position and to Level 2 of Protocol 36.

Following a challenging second wave, the Trust moved back into “monitor” mode on 01 March 2021. The move back to Monitor mode allowed the Trust to develop its 2021-24 IMTP (incorporating its Annual Plan) for the next three years, setting out ambitious plans for recovery and modernisation over the next few years.

You can read more about our performance **here** (INSERT HYPERLINK TO PERFORMANCE REPORT) and our IMTP **here** (INSERT HYPERLINK).

#### **(x) Infrastructure**

One of the defining elements of the Trust’s response to the Covid-19 emergency has been the pace and scale of change delivered across a range of functions to enable operational staff to deliver to the best of their ability in challenging circumstances.

Changes that would normally take months, or even years, to deliver have been rolled out in days and weeks, thanks to a Herculean effort from corporate support service staff.

By way of example, an empty floor at the organisation’s Vantage Point House base in Cwmbran was transformed within 24 hours to a functioning and well-appointed Clinical Contact Centre, providing appropriately socially distanced surge capacity for call handlers and clinical staff.

Similarly, the organisation’s approach to digital technology and connectivity moved on apace with the roll out of Microsoft Office 365, allowing teams to connect remotely and individuals to work remotely. The use of Skype, Zoom, Facebook Live and Microsoft Teams to allow individuals and teams to connect with the wider organisation and stakeholders, including patients, the public and the Board, was critical to maintaining a positive flow and exchange of information, ideas, concerns and feedback throughout 2020/21.

The NHS24/111 Covid-19 symptom checker was developed in short order at the start of the pandemic and has achieved more than three million visits since its launch in March 2020. A chat bot facility was also deployed as a pilot to further enhance the digital experience for users and defray activity away from the 111 telephone lines.

The 111 telephone number was made available in all parts of Wales for Covid-19 related enquiries and the previous NHS Direct Wales website was refreshed to include 111 branding, with a revised URL of [NHS 111 Wales](#)

The facilitating of remote working by the provision of laptops, tablets and/or phones for those not previously equipped to work from home allowed many more staff to work effectively from home than would otherwise have been possible.

The capacity for remote and digital training provision was also greatly enhanced, with essential training of new recruits being undertaken partly via remote and digital learning.

What is important now is that the Trust capitalises on these developments and uses them to inform its thinking on a range of future plans, including future models of work, estates and digital connectivity, both for its workforce and in relation to engagement with patients and the wider public.

#### **(xi) Governance and Scrutiny**

Throughout both its preparation and response to the Covid-19 pandemic, the Welsh Ambulance Service had a keen focus on maintaining a culture of good governance, predicated on Board

assurance and scrutiny.

At the Trust Board meeting on 26 March 2020, it was confirmed that the Trust's Pandemic Plan had been triggered and that this plan would determine how the Trust would manage its response to the Covid-19 pandemic.

The plan called for the Trust to establish a cell structure which would ensure good governance and record keeping throughout the pandemic. The Board was also informed about where resources needed to be focussed and the consequential recruitment and redeployment of staff. The most recent pandemic structure is shown earlier in this document.

The Board also considered the consequential impact on Board and Committee business, as well as planned dates and timings of meetings. The Board recognised that meeting agendas needed to be more focussed in supporting the Trust through the pandemic but, at the same time, Board and Committees needed to continue to discharge their responsibilities of scrutiny and challenge.

The Board concluded that all Board and Committee dates should remain in place, with the exception of the April 2020 meeting of the People and Culture Committee, which would be deferred to a later date (early June). The Board also noted that the May meeting of the Audit Committee may need to be put back by one month, depending on confirmation from Welsh Government of the revised timetable for the annual accounts, which was subsequently received.

This assurance extended to financial governance, with the Board agreeing the governance processes which should be put in place, should there be occasions when urgent financial approval was needed on matters which exceeded the Executives' delegated financial limits.

The Board considered various options, including raising the Chief Executive's delegated limits, but concluded that the current system for Chair's Action should be used as this provided the right level of governance, control and assurance. This was on the understanding that Chair's Action meetings could be arranged at short notice.

The Finance Director continued to brief the chair of the Finance and Performance Committee on a regular basis in relation to the additional costs being incurred in responding to the pandemic, with those costs being captured from the outset in order that a full analysis could be undertaken at a later date.

The Board itself continued to meet on both a scheduled and extraordinary basis, to ensure that it remained sighted on, and scrutinised, Executive decision-making and was involved in those areas of strategic significance where Board authority was required to proceed.

Technology proved an enabler in allowing the Board to meet remotely, including successful Boards (including the Annual General Meeting) held "in public" and this is a point of learning for the future in terms of public engagement.

The Trust's Board Secretary assumed lead responsibility for records management, ensuring that all documentation was appropriately completed, stored and decisions recorded, both for the purposes of accuracy and future review.

As a commissioned service, the Trust also ensured that the Chief Ambulance Services Commissioner was briefed at regular intervals, with a weekly dialogue being maintained on quality, performance,



governance and financial commitments, particularly the additional costs which the Trust has incurred as a direct result of its response to the pandemic.

The information governance team, together with the ICT team, ensured that the Trust continued to meet its requirements under General Data Protection Requirements (GDPR).

You can read more about the way we govern ourselves and our approach in 2020-21 in our **Annual Accountability Report (INSERT HYPERLINK)**.

#### **(xii) Relationships**

An important element of the Welsh Ambulance Service's approach to managing through the pandemic has been its focus on working in partnership with the wider health and care system. As a service which is commissioned by the seven health boards in Wales, it has been important to ensure that the organisation has worked in step with other organisations, sharing experience and supporting wider system developments.

While the Trust's important relationships with its staff and Trade Union partners have already been referenced, there has been extensive engagement with health boards, particularly in relation to service changes and the planning and delivery of surge capacity, for example, field hospitals.

Peer group engagement has been important for the sharing of information and experience, as well as the resolution of shared challenges. The Chair, Chief Executive and Directors are all actively engaged in peer groups at a Wales and UK ambulance service level through the Association of Ambulance Chief Executives (AACE), all of which have met on a very regular basis through this challenging period.

Of particular note has been the interface with Welsh Government colleagues. The Trust's Chair welcomed the close working relationship engendered by the then Minister and Director General, with the latter's consultative approach having been particularly appreciated, allowing for all to have the opportunity to contribute.

In addition, the issuing of Welsh Government guidance on matters ranging from ethical issues to financial decision-making and governance was welcomed.

#### **(xiii) Communication and Engagement**

Clear and systematised communication and engagement with staff and stakeholders has been one of the key tenets of the Welsh Ambulance Service's pandemic approach.

A decision was taken very early to stand down a specific Communication Cell within the organisation's pandemic structures and, instead, focus on embedding Communication Team members in key groups, including the Tactical Planning Team, the Incident Co-ordination Centre and the Executive Pandemic Team among others. This proved an effective strategy.

At the core of the Trust's approach to employee communication and engagement has been regular, relevant and effective communication that provided opportunities to hear from staff, as well the ability to convey information.

Almost from the outset, it was recognised that the volume of information staff needed to receive was extensive and potentially bewildering, at a time when the situation was evolving rapidly.

As a result, it was initially agreed that a daily bulletin to all staff, circulated at the same time daily via an all-staff email, the Intranet and the Trust's staff-only Facebook page, was the easiest way to convey timely information to colleagues.

This was coupled with the creation of a dedicated Covid-19 Intranet page and the establishment of initially weekly, and latterly fortnightly, WAST Live webcasts for staff, allowing the Chief Executive and wider Executive Team to connect with staff in real time and providing a platform for staff to ask questions and seek clarification on a range of issues. These have been hosted via both Zoom and Facebook Live, where events are available as a video for staff to watch back if they are not able to dial in.

The Welsh Ambulance Service harnessed social and mainstream media to support messaging to the public, with the use of video being a key tool for effective conveying of messages, many of which have been used by broadcasters or triggered media interest.

The same platforms were used to convey messages to staff, #ReachForTheRazor being a particularly effective example of a campaign early in the pandemic, focused on encouraging male members of staff to be clean shaven to help with meeting fit testing requirements for PPE, undertaken almost exclusively via social media and video.

Communication with stakeholders has included personal briefings using digital solutions, with a focus on the issuing of an initially weekly (and now monthly) Stakeholder Briefing to all Members of the Senedd and Members of Parliament in Wales, as well as a range of other stakeholders, including health boards and Community Health Councils.

Support was also given to Public Health Wales, in particular in the development of resources for those with specific needs, for example easy read versions of Covid-19 related public information.

Our Patient Engagement and Public Involvement Team (PECI) has harnessed digital communication to retain links and feedback from a wide variety of patient groups, which has been well received and which represents an opportunity for further developments in the future.

As part of the debrief and learning from the first phase of the pandemic, both staff and the public were surveyed on their observations as to what has gone well and less well, the findings of which informed future approaches.

#### **(iv) Quality**

Maintaining and improving the quality of our services is at the heart of the Welsh Ambulance Service and its ethos. 2020/21 presented unique challenges in ensuring that our services were safe, high quality and delivering the appropriate level of care to patients in a timely way.

The Executive Team, Quality, Safety and Patient Experience (QUEST) Committee and Board all kept quality matters under close scrutiny throughout the year and the Board and QUEST continued to receive patient and staff stories to understand fully the experience of those who use and deliver our services.

While for 2020/21, there has been no requirement to prepare a separate Annual Quality Statement (to which this report previously linked for details of quality governance assurance), regular reporting of quality governance has continued to the Trust's Quality, Patient Experience and Safety Committee (QUEST) throughout the year, providing insight and assurance on improving patient experience and

outcomes. During 2020/21 we have ensured continued compliance with the Health and Care Standards and with the core quality requirements of the Commissioning Framework.

Serious adverse incidents and concerns often serve as a barometer of the quality of our service. There were 56 patient serious adverse incidents (SAIs) in 2020/21, compared with 42 in 2019/20. Most, but not all of these SAIs related to the Trust's 999 service.

The Trust also referred 72 patient Serious Case Incident Forum (SCIFs) to health boards under what are referred to as the "Appendix B" arrangements. These are patient safety incidents for the Trust where the primary cause (and responsibility) is a health board issue, for example, ambulance lost hours at hospitals leading to delayed responses of ambulances.

In terms of the 75% target for responding to patient concerns within 30 days, this was achieved in seven of the 12 months in 2020/21. There were 725 concerns received in 2020/21 compared to 1,575 in 2019/20. Twenty nine cases were referred to the Public Service Ombudsman Wales (PSOW), of which four remain currently open with one under investigation. The remaining three cases are where the Trust has agreed to undertake "early resolution" and is monitoring the agreed actions. The majority of the issues raised with the PSOW relate to timeliness of ambulance response. Fifty two per cent of all formal concerns received by the Trust related to timeliness.

There were 2,600 patient safety incidents, near misses and hazards in 2020/21, compared to 2,079 in 2019/20. The Trust actively encourages the reporting of all incidents no matter how small. This allows the Trust to understand what the issues are and what measures are required to prevent recurrence.

A Quality Governance Special Report was produced for the QUEST Committee in May 2020 that gave a particular focus on the range of transformational activity that had taken place across the Trust since the start of the Covid-19 pandemic.

Quarterly reporting to the QUEST Committee has been aligned to the Trust's Quality Strategy and the Quality Governance Bill from Welsh Government. All quality governance reports are available to view on the Trust's website <https://www.ambulance.wales.nhs.uk/en/300>

You can read more about quality matters in our **Performance Report** and **Annual Accountability Report** (INSERT HYPERLINKS).

#### **(xv) Partnerships**

The importance of having strong and effective partnerships has never been so keenly evidenced than through the pandemic year of 2021/21.

Throughout the year, the Welsh Ambulance Service 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 its people, as the country remained in the grip of Covid-19.

From consolidating its relationships with partners across the wider NHS Wales system, to working closely with military and fire and rescue service colleagues to support frontline planning and delivery of services; from working with partners in UK government on the running of mobile testing units to working closely with our partners like St John in the third sector, partnerships and strong relationships have been at the heart of our pandemic world.

In an unprecedented emergency such as that posed by Covid-19, it would be simply unsustainable to work unilaterally. So much of what was achieved during the extraordinary year of 2020/21 was 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 we 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 our Trade Unions, coming together across our organisation to work much more laterally to create innovative solutions.

Whether this was working on the logistics of PPE supply, creating a campaign to attract volunteers to support our pandemic efforts, or working with industry and higher education partners to find a solution to the problem of how best to rapidly deep clean an ambulance, everything we have done so far during this pandemic has been predicated on building, consolidating and developing trusted, effective and sustainable relationships and partnerships, both within the Welsh Ambulance Service and beyond.

The key moving forward, and recognising that we are far from out of the woods at the time of writing, is that these relationships and partnerships endure. We have learnt much about what makes them successful, as we have moved at pace and under exceptional pressure. But it is this urgency which has delivered results and, while we all hope that such pressures will not be repeated to the same extent, we recognise that pace and a clear, mutually beneficial goal, coupled with passion and determination, are prerequisites for effective partnerships that focus on outcome.

It is these facets of working partnership that we will take forward, harnessing our passion and our purpose to deliver more for our people and the people of Wales.

#### **(xvi) Monitoring and Recovery**

Between the first and second waves of the pandemic, the Trust began the process of planning how to begin to restart some elements of its work which were paused during the first wave. This involved the Executive Team, Assistant Director Leadership Team and Board, working together to prioritise those areas where work needed to resume.

Given the inordinate pressures of the second wave, this exercise will be revisited in 2021/22, as there has been further learning and reprioritisation.

As mentioned previously in this document, recruitment in line with the 2019/20 demand and capacity review, which was supported by commissioners, continued, to give the organisation the best possible chance of recovery, recognising that staff absence was a real risk throughout the year as the sustained impact of the pandemic began to bite. Similarly, it is likely that there will be further absence in 2021/22 as the impact of what staff have endured through the pandemic starts to surface, notwithstanding the huge amount of focus that has been placed on employee well-being and support.

Similarly, the impact of so-called “long-Covid” is likely to be something with which the organisation, and its workforce, will have to contend for some time.

The Welsh Ambulance Service has ambitious plans for the future, many of which have been expedited as a result of the pandemic. In 2020/21, the organisation launched its first Digital Strategy,

an area where particular progress was made during the year and which was central to keeping our services running and our people connected at an exceptionally difficult time.

#### **The Year Ahead: Challenges and Opportunities**

The Welsh Ambulance Service's response to the Covid-19 pandemic is not yet at its conclusion. In many respects, it is just the start. However, despite the challenges and tragedy, it has demonstrated that the service is one that can be agile and responsive, can drive fundamental change at pace and scale, and has a workforce and leadership team whose ultimate concern is the continued delivery of the best possible care to the people of Wales.

As the situation unfolds and a new normality begins to take effect, the Trust will remain vigilant while aiming to harness the positives which have emerged from this unprecedented period to deliver a stronger and more future focused organisation.

With an **IMTP** (INSERT HYPERLINK) that brings to life our **Delivering Excellence** (INSERT HYPERLINK) long-term plan, the pandemic has helped us focus on those things that make the most difference to our people, our patients and the communities of Wales, and we are committed to pushing forward with these plans through the course of 2021/22.

While none of us knows what is ahead of us, what is clear is that our service, our people and our communities will be changed by our pandemic experiences and that we need to harness opportunities to move forward with fundamental improvements, working with partners across the NHS and beyond, to ensure we can make the optimal positive difference for the people of Wales.

This will inevitably mean working more closely as a leader across the NHS Wales system, something which the Welsh Ambulance Service is well-placed to do, with its Operational Delivery Unit already having played an important role in linking partners across Wales to manage patient flow throughout the pandemic, and with much more to offer patients and health boards by using the skills and abilities of our people to optimum effect.

#### **Company Directorships**

The following declarations of interest with regards to company directorships and other significant interests were submitted in 2020-21. Voting Members of the Trust are marked with an asterisk in the table below.

<b>Name</b>	<b>Position</b>	<b>Declaration</b>
Martin Woodford *	Trust Chairman and Non-Executive Director	None
Emrys Davies *	Non-Executive Director	Director and Chair, NRML (Newport Road Maintenance Ltd). Retired Member of Unite.
Kevin Davies *	Non-Executive Director	St John Volunteer COVID 19 Vaccination Programme (CTMUHB and C&VUHB). Trustee St John Ambulance Cymru. Patron Motivation and Learning Trust.

Name	Position	Declaration
		Chair ABF The Soldiers Charity (Glamorgan). Member RCN.
Bethan Evans *	Non-Executive Director	Managing Director (Employed) at My Choice Healthcare Ltd. Non-Executive Board Member at RHA (Social Housing Association). Company Director Moorlands Rehabilitation (Staffordshire) Ltd. Company Director My Choice Healthcare South Wales Limited. Company Director Homes of Excellence Healthcare Limited. Company Director Springfield (Bargoed) Limited.
Pamela Hall *	Non-Executive Director (left the Trust 31/12/20)	None
Paul Hollard *	Non-Executive Director	Independent consultant providing occasional services to NHS Wales organisations and Welsh Government
Joga Singh *	Non-Executive Director	Geldards LLP, paid employment Sikh Council of Wales, voluntary role. Member of the Law Society and Employment Lawyers Association.
Martin Turner *	Non-Executive Director	Director and shareholder Martin Turner Associates Ltd,
Jason Killens *	Chief Executive	Honorary Professorship at Swansea University.
Brendan Lloyd *	Medical Director and Deputy Chief Executive (Interim)	None
Claire Roche *	Executive Director of Quality and Nursing	None
Christopher Turley *	Executive Director of Finance and Corporate Resources	None
Claire Vaughan *	Executive Director of Workforce and OD	None

Name	Position	Declaration
Lee Brooks	Director of Operations	Partner employed by Welsh Ambulance Services NHS Trust.
Andy Haywood	Director of Digital	None
Estelle Hitchon	Director of Partnership and Engagement	None
Rachel Marsh	Director of Strategy, Planning and Performance	None
Andy Swinburn	Associate Director of Paramedicine	Consultancy work as an Advisor to the College of Paramedics.
Keith Cox	Board Secretary	Magistrate Cardiff and Vale.

**Note:** The Trust Board is the Corporate Trustee of the Welsh Ambulance Services NHS Trust Charity. All voting members of the Trust collectively act as corporate trustee of the charity. In addition, four Non-Executive Directors have roles on the Charitable Funds Committee.

#### Finance and Resource Management

The Trust's financial performance in 2020/21 was again underpinned by strong financial management including the delivery of a significant level of savings and achievement of all statutory financial targets including the payment of invoices within 30 days and achieving a small revenue surplus against the budget. The Trust will continue to operate in a challenging financial environment and will need to continue to deliver further planned savings into 2021/22.

#### REPORT OF THE DIRECTOR OF FINANCE, CHRISTOPHER TURLEY

#### FINANCIAL PERFORMANCE AGAINST STATUTORY FINANCIAL DUTIES FOR THE YEAR ENDED 31 MARCH 2021

In 2020/21, the Trust achieved all of its financial targets as follows:

	Actual 2020/21	
<b>Breakeven</b> - achievement of revenue financial balance	Delivered	
<b>CEL</b> - capital spend equal to, or less than, the WG set Capital Expenditure limit	Delivered	
<b>EFL</b> - Remain within External Financing Limit *	N/A	
<b>PSPP</b> - 95% of Non NHS invoices by number are paid within 30 days	Delivered	
<i>* Due to the COVID-19 pandemic, the EFL requirement was temporarily suspended by Welsh Government</i>		

At the end of the 2020/21 financial year, the Welsh Ambulance Services NHS Trust reported a small revenue surplus of £0.070m in its audited final accounts.

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 three-year statutory duty in NHS Wales was at the end of 2016/17, being the first three-year period of assessment.

The Trust is, therefore, deemed to have met its financial duty to break even over the 3 years 2018/19 to 2020/21 as shown below:

Annual financial performance				2018-19 to 2020-21
	2018-19 £000	2019-20 £000	2020-21 £000	Financial duty £000
Retained surplus	57	45	70	172
Less Donated asset / grant funded revenue adjustment	0	0	0	0
Adjusted surplus/ (Deficit)	<u>57</u>	<u>45</u>	<u>70</u>	<u>172</u>

During the 2020/21 financial year, the Trust expended Capital Investment funds of £16.211m in new property, plant, equipment and ICT, utilising 100% of the Trust's Welsh Government set Capital Resource Limit, without exceeding it. In addition a further £0.116m, being the netbook value of assets disposed of, was also invested, resulting in the total investment of £16.327m.

The Trust is required to pay at least 95% of the number of non-NHS invoices received within 30 days of receipt of goods or a valid invoice (whichever is later). The Trust met this target, paying 97.2% within the specified time.

#### REVIEW OF THE 2020/21 YEAR

In respect of the Trust's total income, £241.8m was received in year (compared to £211.3m 2019/20), an increase of £30.5m.

Total revenue expenditure increased by £30.2m (14.22%) in absolute terms (2020/21 £241.8m, 2019/20 £211.6m).

During the year there was a nationally agreed pay award, and all staff received this including Very Senior Managers in line with the agreed three-year pay deal.

The Trust continues to prepare and submit its accounts in line with International Financial Reporting Standards (IFRS). The accounts on page XX are shown in this format in accordance with International Accounting Standards (IAS) 1.

#### STATEMENT OF COMPREHENSIVE INCOME (SOC) FOR THE YEAR ENDED 31 MARCH 2021

Revenue from Patient Care Activities and Other Operating Income



- The Trust received £232.8m of revenue income from patient care activities during the year. This is an increase of £32.8m from the 2019/20 quoted figure.
- £9.0m was received in respect of other operating income, a decrease of £2.3m from 2019/20.
- Total funding was £241.8m, an increase of £30.5m (14.40%) from 2019/20.

The main changes in funding were as follows:

	£ million
Increase in funding from the EASC main contract for EMS services, including for agreed developments £6.6m (including initial implementation of a recently agreed Demand & Capacity review), additional recurring funding for pay award 18/19 and 19/20 £4.9m (previously funded direct by WG) and part year funding for the new Grange University Hospital discharge and transfer service £2.1m.	13.6
Increase in funding direct from Welsh Government, predominantly relating to unavoidable costs incurred as a result of the COVID-19 pandemic.	12.6
Additional health board income received due to increase of costs for the 111 service of £1.5m, and other contract areas including Non-Emergency Patient Transport Services (NEPTS), discharges and winter pressures £2.9m.	4.4
Mobile Testing Unit income (direct from the Department of Health) of £2.3m.	2.3
Receipt of NWSSP PPE goods and tests re COVID-19.	1.9
Reduction in funding for depreciation £1.1m and impairments £0.4m.	-1.5
Reduction in CPD refresher training as a result of COVID-19	-0.4
Decrease in funding from Welsh Government relating to the ring-fenced area of PIBS (Permanent Injury Benefit Scheme) £2.4m.	-2.4
<b>Total</b>	<b>30.5</b>

### Operating Expenses

Operating expenses during 2020/21 totalled £241.8m. This is a net increase of £30.2m from 2019/20. This is a net increase after the delivery of over £4.3m in savings required, to ensure that the Trust continues to deliver financial balance within the funding and resource envelope available.

The net increase in cost is mainly a result of:

- An increase in staff costs of £24.1m compared to the previous year. Main changes include £5.2m due to developments for major trauma network, mental health desk, Clinical Contact First, 111 and clinical desk nursing staff, £4.9m for additional direct costs due to the COVID-19 pandemic, (including £1.5m relating to increases in untaken annual leave at the year-end), costs funded from commissioners in relation to the implementation of the EMS Demand and Capacity review £3.0m. The costs also include £3.0m in relation to the 2020/21 pay award with a further £3.6m accrued at the year-end in relation to the Welsh Government announced "COVID-19

bonus payment” for all eligible NHS staff, £1.7m re Mobile Testing Units and £1.2m re The Grange University Hospital staffing elements.

- An increase in Supplies and Services - Clinical £3.6m due to COVID-19 supplies of masks, gloves, and aprons, this includes £1.9m of PPE.
- An increase of £3.5m in ‘Purchase of Healthcare from non-NHS bodies’ relating to the costs of COVID-19 related Urgent Care Support vehicles via St John Ambulance Cymru and private suppliers, and a full year of NEPTS transferring from Heath Boards.
- An increase of £2.1m in Supplies and Services - General, relating to additional PPE for COVID-19 and an increase in uniforms and supplies for supporting staff from the military and Fire and Rescue Services together with additional other operational staff taken on in year.
- An increase of £1.1m in Premises costs, due to expansion of estate in response to the COVID-19 pandemic and the need to acquire additional space, together with the rollout costs of 111 and CAS licences.
- An increase in Other Operating Expenses £0.6m due to the Airwave contract extension costs together with recharge costs for ESMCP rollout and NEPTS Renal reimbursement scheme.

Offsetting the above increases are the following reductions in expenditure, demonstrating further delivery of planned savings and cost reductions, through increased efficiency and productivity:

- A £2.4m decrease in Losses, special payments and irrecoverable debts predominantly due to a reduction in costs relating to the Personal Injury Benefit Scheme (PIBS) of £2.5m.
- A decrease in Depreciation of £1.0m due to a lower base value of tangible assets.
- A decrease in Transport of £1.0m due to a reduction of fuel spend as a result of free fuel provided together with a reduced activity in NEPTS and Ambulance car services during the pandemic.
- A decrease of £0.4m in identified impairments during the year.

#### **Investment Revenue**

Investment revenue has decreased as a result of the reduction in interest rates throughout the course of the year. Interest on deposits amounted to £0.005m in 2020/21 compared to £0.117m in 2019/20.

#### **Other Gains and Losses**

The Trust disposed of just one building during the year, resulting in a gain of £0.116m. In addition a small number of vehicles and equipment were sold during 2020/21, although more than usual were retained as further operational contingencies through the pandemic. The overall sales resulted in a profit of £0.175m compared to £0.296m in 2019/20.

#### **Finance Costs**

Finance costs have decreased during the year to £0.019m, a decrease of £0.066m compared to the previous year. In respect of the overall decrease, £0.070m relates to a decrease on the unwinding provision of discount on PIBS and an increase of £0.004m on the interest relating to the Airwave contract partially treated as a finance lease under IFRS.

The result of all the above is that the Trust had a retained surplus of £0.070m for the financial year 2020/21. In 2019/20 the Trust reported a retained surplus of £0.045m.

## STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

### Non-current Assets

The net value of the Trust's non-current Assets decreased by £0.049m from 2019/20 to 2020/21.

A total of £16.3m was invested in new and replacement assets. This was financed from the Trust's Welsh Government funded discretionary capital allocation and funding from the All-Wales Capital Programme.

This expenditure of £16.3m included a total of £7.0m\* spent on vehicles, £4.2m\* on information technology and intangibles and £0.038m on equipment with the balance being invested in the Trust's Estate.

\*The amounts quoted for spend on vehicles, ICT and intangibles represent the actual amount spent in-year, rather than the amount capitalised, as per the full accounts.

### Current Assets

Trade and other receivables have increased by £7.3m compared to 2019/20. This largely relates to a Welsh Government accrual of £3.6m for the "COVID-19 staff bonus", £2.2m increase in the Welsh Risk Pool debtor (which is reflective of a lower provisions balance at 2019/20) together with a £1.4m increase in monies owed by EASC at year end which will be paid to WAST early in 2020/21.

Positive cash balances were maintained by the Trust throughout 2020/21. As part of the Trust's financial plans, cash flow for 2021/22 will continue to be carefully monitored.

### Financed by Taxpayers' Equity

The Trust's capital structure is funded from Public Dividend Capital (PDC) issued by the Welsh Government, a revaluation reserve and a cumulative Income and Expenditure Reserve. The Trust draws down PDC funding as agreed with Welsh Government as and when required to fund anticipated capital expenditure.

During the year, Public Dividend Capital held by the Trust has increased by £0.045m. This is reflected within the increased balance of £76.4m.

The revaluation reserve decreased by £0.299m during the year; this was the net result of a reduction due to in-year impairments of £0.643m and a transfer of £0.178m to retained earnings with an increase due to the application of indexation to land and buildings of £0.522m.

### Pension costs

Details of pension costs are provided in note 11 (page 35) of the Trust's financial accounts for 2020/21.

### 2021/22 and beyond

In common with other public sector bodies across Wales, the Trust is facing a further challenging year especially with the potential recurrent impacts of the pandemic in the 2021/22 financial year.

Income assumptions reflect those agreed within the IMTP and are used to support cost pressures identified in the budget setting approach. The key funding assumptions for 2021/22 being that the 2020/21 funding is fully recurrent, and the 2021/22 funding will include:

- 2% uplift for core cost growth, which includes funding to meet the first 1% of the 2021/22 pay award costs which the overall impact is currently not known.
- Impact of Previously Agreed Developments rolled over from 2020/21 plus internal and system wide developments supported by Commissioner and Welsh Government.
- As in 2020/21, any direct unavoidable costs that continue to be incurred as a result of the COVID-19 pandemic will be separately funded

To deliver a fully balanced financial plan this has resulted in a requirement to deliver a minimum of a further £2.8m savings via cost reduction, cost containment and cost avoidance schemes.

Full details of the Trust's service, operational, workforce and financial plans are contained within the Integrated Medium Term Plan (IMTP) for the financial year 2021-22, which was submitted in accordance with the NHS Wales Planning Framework to WG in March 2021 with approval awaited by the organisation and all other NHS Wales organisations.

#### 2020/21 ACCOUNTS

These accounts for the period ended 31 March 2021 have been prepared to comply with International Financial Reporting Standards (IFRS) adopted by the European Union, in accordance with HM Treasury's FReM by Welsh Ambulance Services 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.

The Trust's external auditor is the Auditor General for Wales and included in "Note 5. Operating expenses", on page xx of this document, is the cost of £0.150m for the external audit fee.

The financial information contained within this financial review is a summary of that contained within the final accounts and might not contain sufficient information for a full understanding of the Trust's financial position and performance. If you would like a copy of the Trust's full accounts, they are available on request from the following address:

The Director of Finance  
Welsh Ambulance Services NHS Trust  
Vantage Point House  
Ty Coch Way  
CWMBRAN  
NP44 7HF

#### Governance Statement and Related Party Disclosures

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 NHS Trust have 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:

	<b>Expenditure to related party</b>	<b>Income from related party</b>	<b>Amounts owed to related party</b>	<b>Amounts due from related party</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Welsh Government	1,140	20,441	313	4,777
WHSSC/EASC	40	172,320	12	1,453

Aneurin Bevan University Health Board	1,144	10,721	82	477
Betsi Cadwaladr University Health Board	389	5,827	103	83
Cardiff & Vale University Health Board	52	4,675	3	388
Cwm Taf Morgannwg University Health Board	35	2,413	3	595
Hywel Dda University Health Board	122	5,087	10	28
Powys Teaching Health Board	51	1,243	51	118
Swansea Bay University Health Board	66	5,671	14	147
Public Health Wales NHS Trust	95	63	17	0
Velindre University NHS Trust	2,650	1,277	224	158
Health Education and Improvement Wales (HEIW)	0	335	325	19
Welsh Local Authorities	1,332	960	155	36
Cardiff University	2	0	0	0
Swansea University	130	76	0	1
Cardiff Metropolitan University	0	0	0	0
University of South Wales	6	0	0	0
University of Wales	72	0	2	0
Bangor University	0	0	0	0
Glyndwr University	0	0	0	0
	<b>7,326</b>	<b>231,109</b>	<b>1,314</b>	<b>8,280</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 (2019/20: £0.010m) with no other transactions being made. Net assets of the charity amount to £0.737m. The Welsh Government income shown above includes £0.638m relating to impairment funding and £0.835m that relates to PDC capital received during 2020/21.

Name	Position	Declaration
Martin Woodford *	Trust Chairman and Non-Executive Director	None
Emrys Davies *	Non-Executive Director	Director and Chair, NRML (Newport Road Maintenance Ltd). Retired Member of Unite.

Kevin Davies *	Non-Executive Director	St John Volunteer COVID 19 Vaccination Programme (CTMUHB and C&VUHB). Trustee St John Ambulance Cymru. Patron Motivation and Learning Trust. Chair ABF The Soldiers Charity (Glamorgan). Member RCN.
Bethan Evans *	Non-Executive Director	Managing Director (Employed) at My Choice Healthcare Ltd. Non Executive Board Member at RHA (Social Housing Association). Company Director Moorlands Rehabilitation (Staffordshire) Ltd. Company Director My Choice Healthcare South Wales Limited. Company Director Homes of Excellence Healthcare Limited. Company Director Springfield (Bargoed) Limited.
Pamela Hall *	Non-Executive Director (left the Trust 31/12/20)	None
Paul Hollard *	Non-Executive Director	Independent consultant providing occasional services to NHS Wales organisations and Welsh Government
Joga Singh *	Non-Executive Director	Geldards LLP, paid employment Sikh Council of Wales, voluntary role. Member of the Law Society and Employment Lawyers Association.
Martin Turner *	Non-Executive Director	Director and shareholder Martin Turner Associates Ltd.
Jason Killens *	Chief Executive	Honorary Professorship at Swansea University.
Brendan Lloyd *	Medical Director and Deputy Chief Executive (Interim)	None
Claire Roche *	Executive Director of Quality and Nursing	None
Christopher Turley *	Executive Director of Finance and Corporate Resources	None
Claire Vaughan *	Executive Director of Workforce and OD	None
Lee Brooks	Director of Operations	Partner employed by Welsh Ambulance Services NHS Trust.
Andy Haywood	Director of Digital	None
Estelle Hitchon	Director of Partnership and Engagement	None
Rachel Marsh	Director of Strategy, Planning and Performance	None

Andy Swinburn	Associate Director of Paramedicine	Consultancy work as an Advisor to the College of Paramedics.
Keith Cox	Board Secretary	Magistrate Cardiff and Vale.

**Material transactions between the Trust and related parties disclosed on page 67 during 2020-21 were as follows (unless already reported on page 67) :**

	<b>Payments to related party £000</b>	<b>Receipts from related party £000</b>	<b>Amounts owed to related party £000</b>	<b>Amounts due from related party £000</b>
St John Ambulance	2,900	0	0	0
<b>TOTAL</b>	<b>2,900</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Salary and Pension Entitlements of Senior Managers

A) Remuneration									
Name and Title	2020-21					2019-20			
	Salary (bands of £5000)	Bonus Payments (bands of £5000) (Note 15)	Benefits in Kind Rounded to the nearest £100	Pension benefits £'000 (to nearest £1000)	Total (bands of £5000)	Salary (bands of £5000)	Benefits in Kind Rounded to the nearest £100	Pension benefits £'000 (to nearest £1000)	Total (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	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) (Note 2)	5-10				5-10	0-5			0-5
Bethan Evans (Non Executive Director) (Note 3)	5-10				5-10	0-5			0-5
Jason Killens (Chief Executive) (Note 4)	160-165	0-5	4,600	41	210-215	155-160	4,000	156	315-320
Christopher Turley (Executive Director of Finance & Corporate Resources) (Note 5)	110-115	0-5	2,500	57	170-175	100-105	5,400	35	140-145
Dr Brendan Lloyd (Medical Director / Interim Deputy Chief Executive) (Note 6)	155-160	0-5	2,100		160-165	150-155	4,100		155-160
Claire Vaughan (Executive Director of Workforce & OD)	95-100	0-5	-	26	120-125	90-95	-	23	115-120
Claire Bevan (Executive Director of Quality & Nursing) (Note 7)						80-85	900		80-85
Claire Roche (Executive Director of Quality and Nursing) (Note 8)	105-110	0-5	2,300	214	325-330	25-30	600	32	55-60
Estelle Hitchon (Director of Partnership & Engagement) (Note 9)	90-95	0-5	-	11	100-105	90-95	-	14	100-105
Rachel Marsh (Director of Strategy Performance & Planning) (Note 10)	100-105	0-5	-	52	155-160	95-100	-	36	130-135
Lee Brooks (Director of Operations) (Note 11)	115-120	0-5	4,200	27	150-155	80-85	2,700	11	90-95
Louise Platt (Interim Director of Operations) (Note 12)						30-35	-	7	35-40
Andrew Haywood (Director of Digital Services) (Note 13)	105-110	0-5	-	26	130-135	20-25	-	3	20-25
Andrew Swinburn (Associate Director of Paramedicine) (Note 14)	90-95	0-5	7,700	21	120-125	20-25	2,400		25-30
Keith Cox (Board Secretary)	90-95	0-5	-		90-95	85-90	-		85-90
Note 1 - Pamela J Hall retired on 31st December 2020									
Note 2 - Anoop Joga Singh was appointed as Non Executive Director from 9th December 2019									
Note 3 - Bethan Evans was appointed as Non Executive Director from 6th December 2019									
Note 4 - Jason Killens' salary includes an accrual of £3,093 for annual leave sold prior to 31st March 2021									
Note 5 - Christopher Turley was Interim Executive Director of Finance & ICT until 1st February 2020 when he was appointed Executive Director of Finance & Corporate Resources. Salary includes an accrual of £3,022 for annual leave sold prior to 31st March 2021 and excludes £5,306 sacrificed in respect of NHS Fleet Solutions									
Note 6 - Brendan Lloyd's tenure as Interim Deputy Chief Executive has been extended until 31st December 2021. Salary includes an accrual of £4,173 for annual leave sold prior to 31st March 2021									
Note 7 - Claire Bevan retired on 31st December 2019									
Note 8 - Claire Roche was appointed Executive Director of Quality and Nursing on 1st January 2020. Salary includes an accrual of £2,056 for annual leave sold prior to 31st March 2021									
Note 9 - Estelle Hitchon chose to leave the pension scheme on 31st October 2020									
Note 10 - Rachel Marsh joined the Trust as Interim Director of Strategy Planning & Performance on 3rd December 2018 and was appointed Director of Strategy, Performance & Planning on 1st November 2019. Salary includes an accrual of £3,124 for annual leave sold prior to 31st March 2021									
Note 11 - Lee Brooks was appointed Director of Operations on 8th July 2019. Salary includes £4,008 in terms of annual leave sold and an accrual of £3,012 for 2020/21 annual leave sold prior to 31st March 2021									
Note 12 - Louise Platt was Interim Director of Operations from 1st November 2018 until 31st July 2019									
Note 13 - Andy Haywood joined the Trust as Director of Digital Services on 20th January 2020									
Note 14 - Andrew Swinburn was appointed Associate Director of Paramedicine on 3rd January 2020. Salary includes £673 paid in terms of annual leave sold. We are unable to calculate pension benefits for 2019-20 as Andrew was not previously identified as a Trust Board member, therefore the previous year information was not obtained from the NHS Pensions Greenbury system. As a result, we do not have comparative figures for the previous year									
Note 15 - 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 2021 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2021 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2021	Cash Equivalent Transfer Value at 31 March 2020	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)	2.5-5	0-2.5	45-50	115-120	805	738	31	33
Christopher Turley (Executive Director of Finance & Corporate Resources)	2.5-5	2.5-5	45-50	100-105	829	748	54	22
Dr Brendan Lloyd (Medical Director / Interim Deputy Chief Executive) *	-2.5-0	-2.5-0	30-35	95-100	-	789	-	19
Claire Vaughan (Executive Director of Workforce & OD)	0-2.5	0-2.5	25-30	45-50	430	391	19	20
Estelle Hitchon (Director of Partnership & Engagement) **	0-2.5	-2.5-0	30-35	60-65	557	525	15	11
Claire Roche (Executive Director of Quality and Nursing)	10-12.5	22.5-25	40-45	105-110	810	590	196	22
Rachel Marsh (Director of Strategy Performance & Planning)	2.5-5	0-2.5	40-45	55-60	676	607	45	21
Lee Brooks (Director of Operations)	0-2.5	0	25-30	0	323	292	11	23
Andrew Haywood (Director of Digital Services)	0-2.5	0	5-10	0	56	36	5	22
Andrew Swinburn (Associate Director of Paramedicine)	0-2.5	-2.5-0	30-35	75-80	632	589	21	19
Keith Cox (Board Secretary) ***	0	0	0	0	-	-	-	-
*Dr Brendan Lloyd re-joined the pension scheme from 1st September 2020								
** 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								

### Hutton Report Information

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

The banded remuneration of the highest-paid director in post at 31 March 2021 in the Welsh Ambulance Services NHS Trust in the financial year 2020-21 was £165k to £170k (2019-20, £160k to £165k). This was 5.77 times (2019-20, 5.40 times) the median remuneration of the workforce, which was £29,013 (2019-20, £30,091).

	2020-21	2019-20
Band of Highest paid Director's Total Remuneration £000	165-70	160-165
Median Total Remuneration £000	29	30
Ratio	5.77	5.40

In 2020-21, 0 (2019-20, 0) employees received remuneration in excess of the highest-paid director.

Remuneration ranged from £18,185 to £167,500 (2019-20 £17,562 to £162,500).

The reason for the increase in remuneration together with the upward rise in ratio and the decrease in median remuneration compared to 2019-20 are the result of the 2% pay increase for Directors and a larger recruitment drive of staff below the median remuneration value of 2019-20.

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

The NHS one off non-consolidated non-pensionable bonus of £735 is not included within total remuneration as payment was not made until May 2021, this will therefore be included in the 2021/22 report.

Overtime payments are included for the calculation of both elements of the relationship.

Ends/EVH/May21

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