

## Bundle Trust Board (Open Session) 25 June 2020

### 1 OPENING BUSINESS

#### 1.1 09:30 - Welcome and Apologies for Absence

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

#### 1.2 09:33 - 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, Councillor on the Llannon Community Council*

*Chantal Patel as a Member of Swansea Bay University Health Board and Chair of Swansea Bay University Health Board Clinical Ethics Committee.*

#### 1.3 09:35 - Chairman Introduction and Update

*To receive an update from the Trust Board Chairman.*

#### 1.4 09:45 - Chief Executive Update

*To receive an update from The CEO*

ITEM 1.4 Chief Executive Report to Trust Board June 2020 Final.docx

#### 1.5 10:00 - Patient Story

### 2 TRUST BOARD ANNUAL ACCOUNTS PROCESS

#### 2.1 10:30 - Annual Accounts and Accountability Report 2019/20 (CT) (KC)

*For formal approval of the Annual Accounts and Accountability Report*

ITEM 2.1 SBAR Annual Accounts and Accountability Report - 19-20 TB25062...\_.docx

ITEM 2.1a Appendix 1 - Accountability Report and Financial Accounts 2019-20.pdf

Accountability Report and Financial Accounts 19-20 signed AGW.pdf

#### 2.2 11:00 - Audit Wales – Audit of Financial Statements Report 2019-20

ITEM 2.2 1908A2020-21 Welsh Ambulance Services NHS Trust Audit of the Financial Statements Report Final R.pdf

### 3 11:10 - QUESTIONS FROM MEMBERS OF THE PUBLIC

#### 3.1 11:30 - BREAK

### 4 PERFORMANCE, GOVERNANCE AND ASSURANCE

#### 4.1 11:40 - IMTP to include Update on Recovery phase (RM)

*To update on the ongoing process for reviewing IMTP deliverables and the approach to prioritising delivery as we continue to respond flexibly to the COVID-19 pandemic and plan for recovery.*

ITEM 4.1 SBAR IMTP 202021 Q1 review v0.3.docx

#### 4.2 11:55 - Monthly Integrated Quality and Performance Report (RM)

*To note and discuss the Trust's performance and improvement actions*

ITEM 4.2 SBAR IPR May 2020 NQ.docx rm.docx

ITEM 4.2a Annex 1 - MIQPR Headline Report May 2020 NQKH V1.4.pptx rmkh.pptx

#### 4.3 12:05 - Financial Performance Month 2, 2020/21 (CT)

*To provide the Board with an update on the financial performance of the Trust for Month 2 of the 2020/21 Financial year.*

ITEM 4.3 Finance Report M02 2021 - TB FINAL.docx

#### 4.4 12:15 - Risk Management Report (CR)

*To receive and note*

ITEM 4.4 SBAR - Risk Management Report.docx

#### 4.5 12:20 - Patient Safety Highlight Report (CR)

*To provide assurance to the Board on patient safety related topics, focusing on monitoring and learning*

ITEM 4.5 SBAR Patient Safety Highlight Report for Trust Board.docx

- 5 12:25 - CONSENT ITEMS
- 5.1 Minutes of the Board, Action Log and other procedural matters  
*To approve the Minutes of Board meetings, review the action log and consider other procedural matters as required*  
ITEM 5.1 Procedural Matters.docx  
ITEM 5.1a Trust Board Minutes Open 28 May 2020 v4.docx  
ITEM 5.1b Minutes of Chairs Action Meeting 05 June 2020.docx  
ITEM 5.1bi Board SBAR on UCS settlement 23 06 2020 CV.docx  
ITEM 5.1c Action Log.docx
- 5.2 Update from Committees  
*To receive updates from Committees as appropriate*  
ITEM 5.2 Chair Briefing PCC 02 06 20.pptx  
ITEM 5.2a Audit Board Brief 180620.docx
- 5.3 Minutes of Committees  
*To formally receive the Minutes of Committees*  
ITEM 5.3 Minutes of Committees.docx  
ITEM 5.3a OPEN P and C mins 10 March 2020.docx  
ITEM 5.3b CLOSED P and C mins 10 March 2020.docx  
ITEM 5.3c Audit Committee OPEN Minutes 5 March 2020 v3.doc  
ITEM 5.3ci Audit Minutes CLOSED Minutes 5 March 2020 v2.doc  
ITEM 5.3d Charitable Funds Minutes February 2020.docx
- 5.3.1 EASC Minutes  
*<http://www.wales.nhs.uk/easc/committee-meetings>*
- 6 ANY OTHER BUSINESS
- 7 DATE OF NEXT MEETING  
*The next meeting of the Open session of the Trust Board will be on 30 July 2020*



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

## CHIEF EXECUTIVE REPORT: 25<sup>TH</sup> JUNE 2020

<b>MEETING</b>	<b>TRUST BOARD</b>
<b>DATE</b>	<b>25<sup>th</sup> June 2020</b>
<b>EXECUTIVE</b>	<b>Chief Executive</b>
<b>AUTHOR</b>	<b>Chief Executive</b>
<b>CONTACT DETAILS</b>	<b>Jason Killens – Jason.Killens@wales.nhs.uk</b>

<b>CORPORATE OBJECTIVE</b>	
<b>CORPORATE RISK (Ref if appropriate)</b>	
<b>QUALITY THEME</b>	<b>All</b>
<b>HEALTH &amp; CARE STANDARD</b>	<b>Health and Care Standard 7.1</b>

<b>REPORT PURPOSE</b>	<b>To provide an overview of progress made in key work streams and forward look of future events</b>
<b>CLOSED MATTER REASON</b>	

## REPORT APPROVAL ROUTE

<b>WHERE</b>	<b>WHEN</b>	<b>WHY</b>
<b>TRUST BOARD</b>	<b>25<sup>th</sup> June 2020</b>	<b>FOR INFORMATION</b>

## **SITUATION**

1. This report provides an update to the Trust Board on recent key activities, matters of interest and material issues.

## **BACKGROUND**

2. This report is presented to the Trust Board to provide awareness of the Chief Executive's activities and key service issues. It is intended that this report will provide a useful briefing on current issues and is structured by directorate function.

## **ASSESSMENT**

### **CHIEF EXECUTIVE**

3. Since the last Trust Board meeting, examples of items of note include:

- Attending frequent meetings with key stakeholders such as NHS Wales CEOs, the Director General of NHS Wales, the Minister for Health Social Care and Sport, AACE and EASC.
- The Executive Pandemic Team have continued to meet at least weekly since the beginning of March 2019. Likewise, the various Cells established to manage the Trust's pandemic response have met frequently, sometimes on a daily basis. I would like to thank all colleagues involved for their outstanding commitment and support.
- I welcomed newly recruited UCS colleagues during their induction training and have committed to meet all new cohorts beginning their careers with the Trust.
- I have held regular meetings with our Trade Union Partners and other Executive colleagues to discuss issues associated with our COVID19 response.
- I have visited 1st Battalion The Rifles at Beachley Barracks in Chepstow to thank them for their support during the pandemic and present CEO Commendations to two soldiers who assisted our staff in successfully delivering babies.
- Meeting with the Chair and the preferred provider to finalise the new Trust Board Development Programme.
- Continuing to chair weekly meetings of the Joint Emergency Services Group during the pandemic.

### **CORPORATE GOVERNANCE**

4. Much of the Corporate Governance Team's attention has been focussed on the production and finalisation of this year's Annual Accountability Report. This report includes the Annual Governance Statement and Remuneration Report and has been subject to considerable Audit Wales and Welsh Government Scrutiny. There has also been a huge push on getting our internal audit arrangements back up and running again and proposals on our 20/21 Internal Audit Plan and management of the Audit Tracker went to the Audit Committee on 18 June 2020. There has also been more activity around Freedom of Information requests, policies and Welsh language Standards, where we are in the final stages of agreeing our final implementation plan with the Commissioner. Board and Committee activity continues to progress as planned with various adaptations to reflect the current circumstances.



## **QUALITY, SAFETY & PATIENT EXPERIENCE DIRECTORATE**

### **Mental Health**

5. Our Mental Health Team were deployed to the Clinical Support Desk on 12 March 2020 and brought additional mental health professionals into WAST on an interim basis. The additional staff will be returning to their organisation at the end of the month and the mental health desk will cease operating on 25 June 2020. A rapid evaluation of the mental health desk will be completed during July 2020.

### **Infection, Prevention & Control**

6. The Infection, Prevention & Control (IPC) Team has been supported through redeployed colleagues from across the Trust enhancing the resilience, scope and impact of this small specialist team. The IPC Team have continued to support the Trust in response to the COVID19 pandemic, recently developing a new IPC course to be disseminated to Trust staff, aiming to improve confidence, knowledge and skills in IPC matters.

7. The team are undertaking enhanced quality controls to improve knowledge and adherence to cleaning & decontamination; the use of quantitative testing equipment will enable a robust programme of assurance.

8. Working differently has been a key aspect for the Trust throughout the pandemic. The IPC Team are near conclusion of the Rapid Sanitisation Project seeking to identify current and emerging technologies that will enhance ambulance cleanliness. The team are developing 'next steps' as well as considering how such technologies may be operationalised into the Trust.

### **Safeguarding**

9. The Coronavirus Act (2020) legislation clearly states that safeguarding will remain core business for all organisations within the United Kingdom.

10. The Covid-19 restrictions and associated social implications are cause for concern:

- Women's Aid report a 25% increase in calls to their telephone helplines, yet police report a drop in domestic abuse related calls. Welsh Ambulance Services NHS Trust frontline staff are reporting an increase in domestic abuse attendances. Our referral rate remains similar to the previous year.
- An increase in mental health issues amongst adolescents. WAST have attended six adolescent suicides across Wales since the beginning of March.
- WAST have a unique position in observing care home settings. During the current climate each referral is being scrutinised by the Safeguarding Team and escalated to Care Inspectorate Wales, if appropriate.

### **Risk, Health & Safety**

11. The Health, Safety and Welfare Advisory Cell advises the Tactical and Executive Pandemic teams. Current priorities include:

- COVID19 occupational exposure assessment for RIDDOR reporting.
- Workplace Risk Assessments: All premises are currently subject to a Risk Assessment. We are utilising the national guidance developed for UK Ambulance Services.

- Online Display Screen Equipment (DSE) Training has been cascaded to staff for reassessment to ensure that whilst working at home they are adhering to the Display Screen Equipment Regulations to mitigate the potential for musculoskeletal concerns in the near future.
- A Pan Wales Group has been established to risk assess items of public donated PPE before distribution to Community First Responders.

## **OPERATIONS DIRECTORATE**

### **Additional Capacity**

12. The Military continue to support the Trust following the extension to the MACA (Military Aid to Civil Authorities). Military colleagues support our response capability through driving and clinician support tasks, and also undertaking decontamination at existing MRD and facilities now located at some hospital sites across Wales. Recently the Fire Rescue Service commenced response support activity.

### **Performance**

13. All Wales Red Performance has been sustained into June with only one Health Board (Powys) currently below 65%. In previous months Hywel Dda had not met the 65% target however the position has improved significantly during June. To support the area we are considering the benefits of upskilling Community First Responders to dispatch to Red category incidents. Amber performance remains positive across Wales.

### **Operational Delivery Unit (ODU)**

14. Operating hours for the ODU have increased to support temporary cover 7 days until midnight. A business case is in development to resource the Operational Delivery Unit in a robust and sustainable way going forward, particularly at a time that additional coordination across health board boundaries is likely.

### **CCC/111/Resourcing**

15. The 111 Service experienced a 500% increase in demand at the beginning of the pandemic, however, call volumes have since returned to normal levels.

16. A new Interactive Voice Response process has been implemented with Vodafone to divert callers to 111 Coronavirus Information Line and an updated 0845 and 111 IVR to divert calls to helplines and other sources of information, reducing call volume and abandonments by over 200%.

17. The receptionist model is being trialled to manage incoming calls more quickly which has shown a 16% diversion rate in tests, decreased answer time to <5 seconds and abandonment rate to zero. Further trials continue to assess this initial handling model.

18. Recruitment and training (with the support of the QPSE training team) of 20% more 111 clinicians and 10% more call handlers supplemented with internal redeployments and agency staff using a revised training course has continued.

19. We have introduced a Generic Assessment Tool into 111/NHS Direct Wales to reduce clinician handling time and allowing more skilled clinicians to use their expertise. This development is also in line with the 111 peer review findings and associated action plan.

## **Getting ahead of the projected 999 Demand**

20. A 78 point plan has been created to focus on; increasing capacity, reducing call cycle time and increasing flow and resilience.

21. EMD capacity has been increased through a rapid internal redeployment process and 'call to arms' process which generated an 80% increase in EMDs to match future call volume projections. A flexible employment approach means that the numbers can be adjusted should projections change.

22. A modular EMD module training course has been implemented to train the essential skills first and others as time allows to provide the most rapid delivery of resources to meet the expected demand.

## **Remote Working**

23. Remote working capacity for CSD and 111 Clinicians has been introduced through the use of laptops which has increased service resilience, improved physical distancing in call handling settings, reduced the estate demand and provides for those staff self-isolating but able to continue to work.

## **NEPTS Demand and Capacity Review**

24. Whilst initially paused to focus on the coronavirus response, the demand and capacity group are continuing to work with the supplier, ORH. Initial discussions were around the different role descriptors across both NEPTS operational and control functions, with over 162 different roles being identified. Once the data gathering stage has been completed, this will enable us to move onto the next phase which will include looking at all rosters currently utilised. The first formal steering group meeting will be held on 18.6.20 during which ORH will provide their first update on information collated to date, with the final review due to be completed by the end of October 2020.

## **NEPTS Performance**

25. During March, April and May NEPTS performance has improved, in particular for Discharge and Transfer requests across Wales. Over this period a total of 17,367 journeys were completed, with 86.8% being conveyed within 60 mins of being booked. It is notable that 13,307 or 74% of those journeys were booked for conveyance on the same day.

## **Surge Sites**

26. All of the NEPTS operational managers have been working closely with their local health board leads in relation to the surge sites that have been set up across Wales as part of the response to the pandemic. As part of the NEPTS response to these sites, we have developed alternative rosters, trained additional bookings team members, increased our call taking opening hours and expanded our bed desk functions and operating times. We have also engaged with a number of alternative providers to assist with the facilitation of additional capacity to help meet demand in these unprecedented times.

## **Review of Redeployments**

27. There is a process in place to review all redeployments into the Operations Directorate on a weekly basis. Any redeployed staff who are no longer required in their redeployed roles are being

released to return to their substantive posts at the earliest opportunity. Those who have developed skills that could support the operational response should there be future COVID19 peaks will continue to be part time rostered to redeployed roles to preserve organisational agility.

### **CICC Command Structure**

28. As the Trust moves from response to the monitoring phase of the pandemic the directorate is scaling back the Incident Coordination Cell/Tactical Pandemic Team/Local Pandemic Team whilst continuing to review demand and maintain our responsiveness. Monitoring in place via the TPT using reliable data/forecast modelling, enabling the Trust to identify any need to flex up should the need arise.

### **STRATEGY, PLANNING AND PERFORMANCE DIRECTORATE**

29. The focus of the Planning Team over the past 3 months has been to provide support in two key areas: firstly supporting and leading work in the Business Continuity and Recovery Cell (chaired by the Director of Strategy Planning and Performance) and secondly to provide support to core services through the National Surge Site Collaborative Cell and Operational Delivery Unit. However, the team has also continued to the development of the transport model for the Grange University Hospital and the EMS Demand and Capacity implementation programme.

#### **Business Continuity and Recovery Cell**

30. The Director and Assistant Director of Strategy and Planning has led work initially to identify how directorates could support core services through the pandemic response phase, in accordance with the Pandemic Strategy. An extensive review was undertaken early in the response to determine what resources could be freed up in corporate directorates by scaling back or stopping business as usual activities or programmes of work to deliver the IMTP and Local Delivery Plans (LDPs).

31. The cell is now focussed on Recovery Planning and the team has worked with colleagues in Resilience and across directorates to develop recovery planning guidance and templates to help review the impact of COVID-19 on the IMTP and LDPs.

#### **National Collaborative Planning**

32. The Planning Business Partners have been working closely with Local Pandemic Teams, Health Boards and the CASC's office to gather intelligence to inform our response to surge capacity and particularly the opening of field hospitals, such as the Dragon Heart Hospital in Cardiff. The focus of this work continues but has broadened to ensure a clear line of sight to Health Board plans to re-establish their business as usual services, such as elective procedures. The team will also re-establish links with their planning colleagues in Health Boards as strategic service change initiatives (such as the Grange University Hospital) come back to the fore.

#### **Grange University Hospital**

33. Aneurin Bevan University Health Board (ABUHB) has stepped down plans to open the Grange University Hospital (GUH) as surge capacity for COVID-19 for the time-being. The intention now is to open GUH to deliver the majority of the acute services, as per the Clinical Futures Strategy, in advance of winter, potentially from November 2020. The Planning Team has established a full project team, meeting weekly, and is working with ABUHB and the CASC's office to develop the final model in order to determine timescales for the resourcing of the service. Securing the required resources will be challenging in this new timeframe and alongside the considerable work required to

deliver the EMS Demand and Capacity review. Therefore, options for staffing the service are being developed rapidly with clinical, operational and Workforce and OD colleagues.

### **Transformation Support Unit (TSU)**

34. The TSU has been deployed effectively during COVID-19 to support the two key elements of the Pandemic Strategy i.e. protecting core services and delivery of the additional 136WTEs.

Project support has been embedded into Workforce and OD to support the recruitment of the 136WTE as part of the EMS Demand and Capacity implementation programme. The Head of Transformation has helped to maintain Programme Board meetings during the pandemic response and good progress has been made. Going forward the team will re-establish support for other elements of the programme.

35. The team has also been embedded in the Clinical Contact Centre Local Pandemic Team, providing structure and project support to enable a multitude of tasks to be successfully implemented in response to COVID-19 demand on 999 and 111 services. The TSU will continue to support CCC projects identified as priorities within the quarterly operational plans. As we plan for recovery, the team will also support other important programmes outlined in our Quarter 1 Operational Plan, including the Grange University Hospital transport project.

### **Commissioning and Performance**

36. The Commissioning & Performance Team has continued to produce various reports: Red Scorecard and Monthly Quality & Performance Report, whilst supporting the response to COVID-19 through redeployments, planning for the surge sites and forecasting and modelling. The team has established a weekly Forecasting & Modelling Group (which is likely to become a permanent feature post COVID-19) and is tracking the COVID-19 infection rate, WAST's response/conveyance and is forecasting at a pan-Wales and health board level. The Group is also supporting the Director of Operations on scenario modelling for seasonal tactical planning and CCC capacity modelling.

## **WORKFORCE AND ORGANISATIONAL DEVELOPMENT DIRECTORATE**

### **Pandemic Response**

37. In response to the pandemic the team has undertaken significant planning and preparation to increase the Trust's operational capacity across core services. A tiered approach to the supply of additional capacity was undertaken, including:

- Internal redeployment of service staff into 111 call taking and support to the operational pandemic infrastructure.
- Support from 101 student paramedics from Swansea University.
- Open advertisement to the general public, our "call to arms" for temporary workers and volunteers to support in key operational areas.
- Deployment of staff from other NHS bodies including, 7 nurses in NHSDW/111.
- Deployment of staff from wider public and private sector partners including, 150 Fire and Rescue Service Personnel, Probation Services and Local Authority (for NEPTS and volunteer care driver services) and 120 Military Personnel.
- Contacts made with businesses and organisations facing closure and/or placing staff on furlough and willing to allow staff to work elsewhere during this time.
- Utilisation of the NWSSP COVID Recruitment Services Hub to attract Clinical Call Takers across NHSDW/111 and CCC.

38. The Trust's Education and Training Team successfully delivered a bespoke training package to Military and Fire and Rescue Service colleagues, enabling additional operational support in response to the COVID-19 pandemic. These colleagues received familiarisation training to support our EMS teams with driving duties, retrieving equipment, assisting with moving patients and offloading at hospital, assisting the clinician (under supervision) with clinical interventions and complex handling and extrication. In addition, our year 1 and 2 Paramedic Science students have undertaken training to provide NEPTS and EMS levels of support, respectively. We have also provided familiarisation training to 65 Community First Responders (CFRs), to enable these colleagues to provide additional NEPTS operational support capacity.

39. Members of the WOD team have worked in partnership across several of the Pandemic Cells which included supporting work in the TUP Cell.

## **Recruitment**

40. The Trust has continued to progress with the priority to recruit and train the additional 136 WTEs commissioned for 2020/21 and remains on target with 56% of the additional workforce requirement delivered. In line with the need for innovative and creative ways of working within the pandemic restrictions, the Trust successfully held the first online Big Bang recruitment event for Newly Qualified Paramedics. The Trust has also successfully recruited colleagues to UCS positions in line with the recruitment plan through an online recruitment process.

## **Education and Training**

41. The Trust has accelerated its education delivery with the delivery of its first digital and distance EMT course with 58 colleagues undertaking study to progress from UCS to EMT positions.

42. Through the implementation of a virtualised turnkey solution, learning is now taking place via a combination of live streamed interactive lectures, collaborative virtual sessions, small group work and self-directed study alongside highly managed practical assessment sessions. Despite apprehension at the start, feedback from the cohort has been extremely positive, with colleagues quoting greater flexibility, efficiency and an ability to learn and progress at an individual pace.

## **Wellbeing**

43. Recognising that our colleagues have been experiencing intense levels of work and increased anxiety, the Wellbeing Team has been providing support for all staff including telephone consultations, a virtual wellbeing Q&A session, drop-in listening sessions and physical presence at stations that have experienced loss over this period. Following the arrival of Dr Catherine Goodwin, Consultant Clinical Psychologist we have recently launched our WAST COVID19 Wellbeing Resources Guide. The guide provides information regarding support available to colleagues in relation to domestic abuse and death in service, as well as a handy, at-a-glance list of key services and associated access details including signposts to the [www.wastkeptalking.co.uk](http://www.wastkeptalking.co.uk) comprehensive website which now incorporates a COVID19 specific resource page.

44. Occupational Health (OH) has been able to facilitate a streamlined pre-employment screening process for on-boarding student paramedics. In addition, OH have provided support with risk assessments to determine colleagues' fitness to be in work, the need for alternate duties or shielding and rapidly developed a Hepatitis B immunisation programme for FRS Service personnel. OH has been key in providing advice and support for managers and staff in regard to COVID19 guidance and expanded its hours and working patterns to support staff.

## **Sickness Absence**

45. Reported April 2020 sickness absence data indicates there has been a rise in overall absence to 7.69% compared with 7.54% in March 2020. Not unexpectedly the Trust reported an increase COVID19 absences from 1.79% in March to 3.12% in April. However, Non COVID19 short and long term sickness absence have decreased by 1.19% in April compared with March 2020. Early indications indicate a continued reduction in sickness absence for May.

## **MEDICAL AND CLINICAL SERVICES DIRECTORATE**

### **Abloy Protec2 Cliq System**

46. Last year the Medical and Clinical Services Directorate embarked on a new project to modernise and improve its management of Controlled Drugs. The Project Team are continuing to roll out the Abloy Protec2 project as it will increase vehicle availability and enhance arrangements to provide a more robust level of security that is reliable and fully auditable for controlled drugs. Powys, Cardiff and Vale, Aneurin Bevan and Cwm Taf Morgannwg have all gone live with the new system. Swansea Bay, Hywel Dda and Betsi Cadwaladr will follow in the next three months. Since the project went live, 35 ambulance stations and over 400 clinicians are now using the system. A dedicated Intranet page has been set up for users to familiarise themselves with the changes together with a standard operating procedure, dedicated user mailbox, frequently asked questions document and regular progress updates as the project continues. A Podcast has also been compiled which is available on the Trusts Podcast Channel. A smart survey to gauge feedback and learn lessons as part of the roll out is currently live for users to complete. Some early comments and findings include; 83% of users are finding the system easy or ok to use and 78% of users prefer this system to the previous system

### **Consultant Connect**

47. In April 2020, Welsh Government announced that funding would be available for NHS organisations for a 12 month period to implement Consultant Connect as part of the response to the COVID19 pandemic.

48. Consultant Connect offers specialist advice access for GPs, paramedics and other healthcare professionals caring for patients in the community and is an app-based or telephone line communications system. It enables direct and immediate phone, photo and messaging advice between clinicians for patient specific advice, pre- alerts or referrals to local pathways. Swansea Bay, Hywel Dda, Cardiff and Vale, Powys and Betsi Cadwaladr Health Board areas are now live for Welsh Ambulance Services NHS Trust staff, with our current pathways linked to the new system. Primarily serving as a single point of access for current Trust Directory of Services, it is anticipated that the Trust will be able to link in with new clinical advice lines as each of the Health Board areas build their own platforms, adding to the functionality and benefits for clinical consultations, referrals and advice for front line clinicians in the Trust.

### **Just In Case Medication Boxes**

49. Welsh Ambulance Service NHS Trust paramedics have been authorised to administer patients own Just In Case medications in end of life care since 2016.

50. WAST has introduced vehicle based Just In Case (JIC) medications to allow paramedics to manage symptoms in a seriously ill or end of life patient where no apparent reversible cause for the

patient's symptoms can be identified. The operational value of carrying these additional medications has not only meant patients were managed appropriately and effectively but it was done in the patients preferred place of care, provided for a respectful and supported death and prevented need for hospital admission for symptom control. By providing treatment at home when responding to an emergency call, the Trust can reduce inappropriate hospital admissions and enable patients to remain at home, reducing the stress on them and their families. This has the potential to deliver significant benefits for the wider NHS Wales system through freeing up hospital emergency beds.

51. A suite of documentation to compliment this work has been produced including a standard operating procedure, list of medications, and dedicated mailbox account for queries and logging the use of medications.

52. There has been a number of administrations of these medications to date and all have been reviewed and have illustrated a positive intervention in a very challenging situation. The work has been uploaded onto the JRCALC Plus App to ensure the guidance is on hand at any time.

### **Electronic Patient Clinical Records (ePCR)**

53. The Trust is currently developing a Full Business Case for ePCR. We have made significant progress and are currently out to tender for a solution. Subject to the receipt of qualifying bids, it is envisaged that the Trust will identify a preferred supplier and product by the end of July and this information will be populated into our FBC to be put forward in our bid for funding.

54. Concurrently, we are also working with our colleagues in NWIS to ensure that an ambulance ePCR application can be interfaced into the wider NHS Wales applications. This will support the NHS Wales Digital Strategy, providing significant benefits in the areas of clinical decision making and patient care from sharing information between providers.

## **FINANCE AND CORPORATE RESOURCES**

### **Finance**

55. The annual accounts for the 2019/20 financial year were submitted in accordance with the agreed revised timetable. Audit Wales have undertaken their detailed audit of these which are presented to Trust Board today for approval.

56. Delegated budgets for 2020/21 have been rolled out to directorates within the context of the approved financial plan and Board approved budget. Detailed discussions with senior budget holders are ongoing. COVID19 costs incurred that are not in the 2020/21 financial plan are being continually monitored and reported to Welsh Government and Commissioners.

57. The Financial Management Team have been working across the Trust to support the financial implications of the EMS Demand and Capacity Review and Grange University Hospital and are embedded in the programme and project structures.

58. Work continues on the appointment of the provider of the Travel and Subsistence Service.

### **Capital & Estates**

59. It is pleasing to note that, after reassessing the current situation, the appointed contractor, John Weaver Construction Ltd, have made a decision to reopen their business and will start work at the new Cardiff MRD on 29th June 2020. The relevant risk assessments have taken place and the



company has altered their way of working accordingly. A letter of intent has been provided, following legal advice to include information relating to COVID-19.

60. After full consultation with the leads of the two departments involved in the relocation from Cefn Coed, revised building plans for Matrix House are complete and were approved by the Project Board on 4th May 2020. A pre-tender check was undertaken by the Trust's Cost Advisor and Paramount Interiors (the landlords preferred contractors) have provided a quote which was within the estimate provided by the cost advisor. The budget required to complete the scheme has increased, as the original business case was approved in July 2019 and since this time the scope of the project has increased, in part, due to the recent Demand and Capacity Review. Subject to affordability, it is hoped that this scheme can make progress during 2020/21.

## **Fleet**

61. The 2019/20 vehicle replacement program continued with all 25 Rapid Response Vehicles commissioned into operational service as well as 27 wheel chair accessible NEPTS vehicles. Subject to affordability issues being discussed elsewhere, the 2020/21 replacement programme is currently being reviewed.

62. The Fleet Management Team have been working with the project leads to support the fleet implications of the EMS Demand and Capacity Review and Grange University Hospital and are embedded in programme and project structures. The Department has successfully filled several vacancies within the team, including a new Regional Fleet Manager appointed for North Wales. The In-house workshops teams have managed to maintain optimum staffing levels with support agency workers during the pandemic enabling the department to meet all the additional demands and requirements from operational services.

## **DIGITAL SERVICES**

63. This week sees the rollout of the first wave of personal issue Trust iPads to front line crews. The devices will eventually host our EPCR solution, but have been rolled out now to enable WAST colleagues to access a host of Applications remotely, including; Office 365, JRCALC and GRS. The rollout is being delivered by Ambulance Station and should be complete by the end of August this year, dramatically changing the way thousands of our staff interact with technology.

64. This is also the first update since the advent of the COVID19 pandemic, which has seen a step-change in the way that WAST interacts with technology. All members of the Digital Services team have delivered a huge amount of new capability at very short notice to support significantly increased remote working and the need to build extra capacity. Notable activity is listed in the points below:

- At the initial outbreak of the pandemic, ICT delivered 44 new 111 call taking positions over a weekend at Vantage House, with support from estates colleagues. 15 training positions followed at Matrix House and since then, a further 65 positions have been delivered, including a whole floor of additional EMS call taking capability.
- At the outbreak of the pandemic, the Trust elected to continue rollout of Office 365 in order to unlock the additional benefits it would help provide for collaboration via Microsoft Teams and for remote working. The migration was successfully completed in April, with 995 users moved in a single week. Since that point over 600 staff are now accessing O365 remotely via their own mobile devices, beyond access from Trust devices. Work is now underway to explore the additional benefits of O365 Applications such as Power BI and Power Automate.

- The national website has also seen a significant number of developments; being rebranded from NHS Direct Wales to 111.Wales to streamline messaging, particularly in relation to COVID19 communications. A COVID19 symptom checker built in collaboration with the PEGI team and hosted on the website has received over 1.2 million hits since go-live proving the value of the online platform as a method of keeping the public informed without introducing additional demand on the telephony service. In addition, an offer of help from industry was taken up to add 'chatbot' capability to the symptom checker. Working with Senseforth.AI and Fintech Wales, WAST was able to improve the interface of the checker and also host it on Facebook to improve its reach.

65. In addition to the above, development of the Trust's Digital Strategy has continued and it will be brought to Board for approval in September.

## **PARTNERSHIPS AND ENGAGEMENT DIRECTORATE**

66. The Directorate teams have continued to support the organisation's response to the pandemic, both from a communications and engagement and administrative support perspective. Some members of the executive support function have been redeployed to support operational aspects of the response, while the remainder continue to provide administrative support to pandemic structures and servicing the administrative requirements of the senior leadership team. All have responded well to the new circumstances and their commitment is acknowledged.

67. Clear and systematised communication and engagement with staff and stakeholders has been one of the key tenets of the organisation'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 has proved an effective strategy.

68. At the core of the Trust's approach to employee communication and engagement has been regular, relevant and effective communication that provides 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 agreed that a daily bulletin to all staff, circulated at the same 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.

69. This was coupled with the creation of a dedicated COVID-19 Intranet page and the establishment of initially weekly, and now 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. These events continue to be popular with staff and act as an effective way of staff raising concerns or queries

70. The team has also supported Workforce and OD colleagues with hosting a virtual Big Bang recruitment event, along with a health and wellbeing seminar. Last month also saw the first virtual Trust Board in which up to 200 individuals tuned in at any one time, which included numerous stakeholders; the live feed reached nearly 13,000 on Facebook.

71. The Communications Team has 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.

72. There has continued to be a huge demand for video content across the organisation and, since the start of April, the team has produced 22 videos for both internal and external use, in both English and Welsh. A number of these videos have sparked media interest including; #ReachForTheRazor, a plea to stop calling 999 for a COVID test, bank holiday guidance, a call to the public to be honest if they believe they have COVID symptoms, that we have zero tolerance to violence and aggression against our staff.

73. The Communications Team has also brokered some high-profile television and radio opportunities, including for ITV, BBC, S4C and others, mostly centred on the organisation's COVID19 response, including on support from the military and fire service, the launch of a COVID 'ChatBot', the rollout of Consultant Connect and more broadly, on WAST's response to the pandemic. WAST was the subject of an ITV Wales This Week COVID19 special after a ride-out was facilitated with a camera crew, and all of the logistical and infection prevention challenges this brought. There have also been successful 'business as usual' stories, including about a colleague with 50 years' service, which generated national television coverage.

74. Communication with stakeholders has included personal briefings using digital solutions, with a focus on the issuing of a weekly Stakeholder Briefing to all Members of the Senedd and MPs in Wales, as well as a range of other stakeholders, including health boards and community health councils.

75. As Office 365 continues to roll out across the organisation, the team has supported and produced numerous internal communication pieces. This now continues with the iPad roll out and supporting colleagues with details of how to access networks remotely. The new SharePoint platform continues to make progress with the COVID staff information page now ready to launch. The team has also developed the policies platform, ICT help site and the new HR Hub.

76. A substantial written evidence submission has been provided the Senedd's Health, Social Care and Sport Committee to inform its inquiry into the Covid-19 response and feedback is awaited as to whether colleagues will be required to present to Committee.

77. There has been some progress in respect of University Trust Status and terms of reference for a new committee will be brought forward for Board approval at its July meeting by the Board Secretary, recognising that the organisation's ability to move forward with this work will be commensurate with capacity at any given time, given the current uncertainty and volatility presented by the pandemic.

## **RECOMMENDATION**

78. That Trust Board note the contents of this report.



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<b>AGENDA ITEM No</b>	<b>2.1</b>
<b>OPEN or CLOSED</b>	<b>OPEN</b>
<b>No of ANNEXES ATTACHED</b>	<b>1</b>

## THE ANNUAL FINANCIAL ACCOUNTS AND ACCOUNTABILITY REPORT FOR 2019/20

<b>MEETING</b>	Trust Board
<b>DATE</b>	25 June 2020
<b>EXECUTIVES</b>	Director of Finance & Corporate Resources and Board Secretary
<b>AUTHORS</b>	Jill Gill, Financial Accountant Mike Armstrong, Asst Corporate Secretary
<b>CONTACT DETAILS</b>	Chris Turley Tel: 01633 626201 Email: <a href="mailto:chris.turley2@wales.nhs.uk">chris.turley2@wales.nhs.uk</a> Keith Cox Tel: 01633 626221 Email: <a href="mailto:Keith.cox@wales.nhs.uk">Keith.cox@wales.nhs.uk</a>

<b>CORPORATE OBJECTIVE</b>	
<b>CORPORATE RISK</b>	
<b>QUALITY THEME</b>	
<b>HEALTH &amp; CARE STANDARD</b>	

<b>REPORT PURPOSE</b>	For formal approval of the Annual Accounts and Accountability Report
<b>CLOSED MATTER REASON</b>	Not Applicable

## REPORT APPROVAL ROUTE

<b>WHERE</b>	<b>WHEN</b>	<b>WHY</b>
Audit Committee	18 June 2020	To recommend for approval by the Board
Trust Board	25 June 2020	For approval

**WELSH AMBULANCE SERVICES NHS TRUST**  
**TRUST BOARD**  
**ANNUAL FINANCIAL ACCOUNTS**  
**AND ACCOUNTABILITY REPORT FOR 2019/20**

**SITUATION**

1. The Trust submitted both its unaudited Draft Accounts and its Accountability Report for the financial year 2019/20 to the Welsh Government on 21st May 2020, in line with the agreed timetable.

**BACKGROUND**

2. The accounts for the year ended 31 March 2020 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.
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) Reported a retained surplus of £0.045 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 2017/18 to 2019/20 as shown below.

	Annual financial performance			2017-18 to 2019-20
	2017-18	2018-19	2019-20	Financial
	£000	£000	£000	duty
				£000
Retained surplus	70	57	45	172
Less Donated asset / grant funded revenue adjustment	0	0	0	0
Adjusted surplus/ (Deficit)	70	57	45	172

b) External Financing Limit (EFL); Due to the circumstances that arose as a result of Coronavirus Covid 19, in particular:

- 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 2019-20.

c) Expended Capital Investment funds of £25.849 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. The draft accounts have subsequently been amended by the Trust and audited by the Audit Wales (AW). Adjustments between draft and final accounts were largely minimal and did not result in a change to the retained surplus position. 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 financial statements.
6. Some of the key financial values within the accounts will be presented to Trust Board at its meeting on 25<sup>th</sup> June 2020 along with explanations for any of the key movements from the previous financial year. It was also requested by Audit Committee that as part of this any changes to the accounts received by the Committee also be highlighted to Trust Board, however there has been no further adjustments, so the final version at Appendix 1 is exactly as that presented to Audit Committee.
7. As part of the Annual Accounts process, all NHS Wales bodies are 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
8. The Accountability Report has been prepared as directed by the Welsh Government and has been subject to audit scrutiny.
  9. The audited accounts and accountability report were presented to the Trust's Audit Committee on 18 June 2020, where they were subject to some detailed review and scrutiny. Following this, and the views expressed by both AW and supported by the Internal Audit annual opinion for 2019/20 they were recommended at that meeting for approval by Trust Board on 25 June 2020, subject to their being no material further changes to the accounts, for which there are none.
  10. As pointed out to the Audit Committee, although the audit was in its final stages at the time, AW were still concluding some work that has continued up to the date of Trust Board. This work has not resulted in any further amendments.
  11. The final approved and audited annual accounts and accountability report are due to be submitted to Welsh Government by 30 June 2020 as one single unified document in line with the agreed timetable.

**RECOMMENDED: That the Trust's Annual Accounts and Accountability Report for 2019/20 receive approval and that, following this, the documents are signed in accordance with Welsh Government requirements.**



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**NHS**  
WALES

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Welsh Ambulance Services  
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# ACCOUNTABILITY REPORT AND ANNUAL ACCOUNTS

## 2019-20





**GIG**  
CYMRU  
**NHS**  
WALES

Ymddiriedolaeth GIG  
Gwasanaethau Ambiwylans Cymru  
Welsh Ambulance Services  
NHS Trust



# ACCOUNTABILITY REPORT

## 2019-20

## 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 Parliament. 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 2019-20 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.

**National Assembly for Wales Accountability and Audit Report:** The National Assembly for Wales 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**

## **2019-20**

## 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 2019-20. 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	Secretary of Llandogo Memorial Green Committee. Vice Chair Manager Tintern Sports Club.
Emrys Davies *	Non-Executive Director	Director and Chair of Newport Road Maintenance Ltd. Retired Member of Unite.
Kevin Davies *	Non-Executive Director	Chair ABF The Soldiers Charity (Glamorgan) Member of the International Medical Panel, The HALO Trust. Emeritus Professor, University of South Wales. Independent Trustee St John Cymru Wales. Paton - The Motivation and Learning Trust. Deputy Lord Lieutenant South Glamorgan. Trustee Cowbridge Armed Forces Trust.
Bethan Evans *	Non-Executive Director (from 6/12/19)	Managing Director (Employed) My Choice Healthcare Ltd. Non Executive Board Member RHA (Housing Association). Company Director Moorlands Rehabilitation (Staffordshire) Ltd.
Pamela Hall *	Non-Executive Director	None
Paul Hollard *	Non-Executive Director	Independent Consultant NHS Wales and Welsh Government.
Joga Singh *	Non-Executive Director	Geldards LLP, paid employment

Name	Position	Declaration
	(from 9/12/19)	Chairman of Dasma's Singh Sabha Gurdwara Bhatra (Sikh Temple). Director of Strategy & Communications for Sikh Council of Wales, voluntary role. Memberships of the following legal profession organisations: <ul style="list-style-type: none"> <li>• Law Society.</li> <li>• Employment Lawyers Association.</li> </ul> Member of the Fairness Inclusion and Respect Committee for the Institute of Civil Engineers in Wales, voluntary role. Independent Member of the South Wales Police Ethics Committee, 2 – 3 days a year.
Martin Turner *	Non-Executive Director	Director and shareholder of Martin Turner Associates Ltd.
Jason Killens *	Chief Executive	Honorary Professorship at Swansea University.
Claire Bevan *	Executive Director of Quality and Nursing (Left the Trust 31/12/19)	Honorary Contract Swansea University: Lecturing.
Brendan Lloyd *	Medical Director and Deputy Chief Executive (Interim)	None
Claire Roche *	Executive Director of Quality and Nursing (From 1/1/20)	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 (from 8/7/19)	None
Andy Haywood	Director of Digital (from 20/1/20)	None
Estelle Hitchon	Director of Partnership and Engagement	None
Rachel Marsh	Director of Strategy, Planning and Performance	None
Louise Platt	Director of Operations (Interim) (To 31/7/19)	None
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 Board's Sustainability Report that forms a key part of the Performance Report section of the Trust's Annual Report, provides greater detail in relation to the environmental, social and community issues facing the Trust. It also details some of the steps being taken by the Trust to tackle sustainability, these include:

- integrating the principles of sustainable development into every day decision making;
- focusing on reducing the consumption of finite resources and minimising waste to landfill in line with Welsh Government requirements; and
- adopting a carbon based management approach specifically aimed at reducing CO2 including adapted vehicle and building design along with sustainable travel and agile working arrangements.

During 2019-20 the Trust was once again successful in its external assessment by BSI and remains the only Ambulance Service in the UK to hold the ISO14001:2015 (Environmental Management System) accreditation.

### **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 25 June 2020  
(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 25 June 2020

Chief Executive ..... Dated 25 June 2020

Director of Finance  
and Corporate Resources ..... Dated 25 June 2020

# 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 2019-20 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.

Further information on the corporate health of the organisation can be found in the Trust's 2019-20 Annual Quality Statement, whilst information on our performance over the last twelve months is set out in the Trust's 2019-20 Annual Report.

Looking forward, our targets and ambitions are explained in the Trust's 'Integrated Medium Term Plan (IMTP) 2020/21-2022/23' 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 employ over 3,000 people throughout Wales (comprising allied health professionals including paramedics, clinical services staff, nursing, administrative and clerical and other staff) and we operate from 90 ambulance stations, three clinical contact centres, three regional offices and five vehicle workshops. We also have our own national training facility to ensure our staff maintain high levels of performance and receive regular professional development.

Our services are focused in three main areas – unscheduled care, planned non-emergency transport and telephone and online advice:

- Our unscheduled care services (emergency and urgent care) provide support to patients with illnesses that are immediately life-threatening through to minor injuries and we are increasingly providing pathways to divert patients out of the hospital environment in order to treat people closer to home, where it is appropriate to do so.
- Our planned Non-Emergency Patient Transport Service (NEPTS) helps thousands of patients each year to get to their hospital and medical appointments.
- NHS Direct Wales provides telephone and online advice to patients who feel unwell, helping to signpost patients to, or arrange, the most appropriate care for them. The pathfinder 111 service (see "Governance of hosted

organisations" below), introduced in some parts of Wales in 2016 is being rolled out across Wales incrementally, and provides the basis for a more integrated model of future health care provision.

### **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.

### **NHS Wales Escalation and Intervention Arrangements**

In September 2016, the Trust saw its status under the NHS Wales Escalation and Intervention Arrangements de-escalated by the Welsh Government from 'enhanced monitoring' to 'routine arrangements'. This position remained unchanged during 2019-20.

### **Governance of hosted organisations**

In June 2015, the Trust was appointed by Welsh Government as the host organisation for the pilot (and evaluation) phase of the 111 Pathfinder service which aims to improve the delivery of urgent primary care by providing a single access point to help patients get urgent help when they need it, as well as improving access to health information and advice.

A national 111 Programme Board has overseen implementation of the service which has so far been rolled out within four health board areas (Swansea Bay, Aneurin Bevan, Hywel Dda and Powys, and also the Bridgend locality which now sits within Cwm Taf Morgannwg).

In 2020-21 plans are in place for the service to be further rolled out to the rest of Cwm Taf Morgannwg, and following implementation of a new 111 operating system into Betsi Cadwaladr and Cardiff and Vale health boards, completing the full roll out across Wales.

Regular 111 reports and updates were provided to Trust Board and Finance and Performance Committee during 2019-20 and there has been a number of Board discussions on the role of 111 and the governance arrangements around the future delivery model.

## Scope of responsibility

At the time of preparing this Annual Governance Statement the Trust and the NHS in Wales is facing unprecedented and increasing pressure in planning and providing services to meet the needs of those who are affected by Covid-19, whilst also planning to resume other activity where this has been impacted.

The required response has meant the whole organisation has had to work very differently both internally and with our staff, partners and stakeholders and it has been necessary to revise the way the governance and operational framework is discharged. In recognition of this, Dr Andrew Goodall, Director General Health and Social Services/NHS Wales Chief Executive wrote to all NHS Chief Executives in Wales, with regard to "Covid-19 - Decision Making and Financial Guidance". The letter recognised that organisations would be likely to make potentially difficult decisions at pace and without a firm evidence base or the support of key individuals which under normal operating circumstances would be available. Nevertheless, the organisation is still required to demonstrate that decision-making has been efficient and will stand the test of scrutiny with respect to compliance with Managing Welsh Public Money and demonstrating value for money after the Covid-19 crisis has abated and the organisation returns to more normal operating conditions.

To demonstrate this the organisation is recording how the effects of Covid-19 have impacted on any changes to normal decision making processes, for example through the use of a register recording any deviations from normal operating procedures. Where relevant these, and other actions taken have been explained within this Annual Governance Statement.

In addition, 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 are 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 and can be accessed through this link <https://www.ambulance.wales.nhs.uk/en/396>. A summary of the key actions taken by the Trust on this matter are listed in Appendix 1.

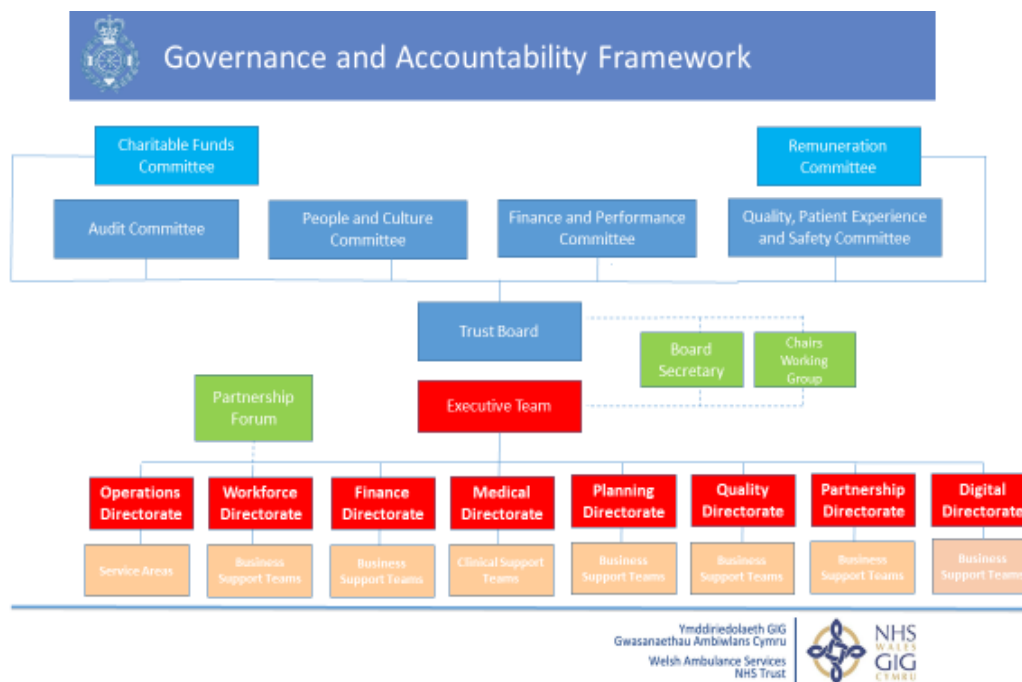
The Trust Board is accountable for governance, risk management and internal control in the organisation. The Chief Executive (and Accountable Officer) of the Trust has responsibility for maintaining appropriate governance structures and procedures. This includes ensuring that the Trust has a sound system 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 2020 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 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 2019-20, a number of appointments and changes of personnel have been made amongst Board members and senior staff of the Trust. As a result, at 31 March 2020, there were no interim arrangements at this level of the organisation.

- With regards to Non-Executive Directors, the vacancies and interim arrangements reported in the 2018-19 Annual Governance Statement have been filled with the substantive appointments in December 2019 of Bethan Evans, Jogi Singh and Martin Turner. With their appointments, the Trust Chairman completed a review of committee representation that was approved by Trust Board in January 2020.
- Following a strategic review by the Chief Executive (December 2018), a new board level post of Director of Digital Services was recruited to during 2019-20 and a number of changes have been made to the remaining Management Team portfolios and consequential reporting arrangements. In addition to these changes, the interim arrangements reported last year for the Director of Operations and the Director of Strategy, Planning and Performance have been filled with substantive appointments, and the Trust has appointed a new Executive Director of Quality and Nursing following the retirement of the previous post holder in December 2019. The interim post of Executive Director of Finance and ICT reported in the 2018-19 Accountability Report was replaced in February 2020 with the substantive appointment of the Executive Director of Finance and Corporate Resources.

The table below sets out the Board governance and accountability framework that was introduced in April 2019. This was introduced following a review by a Board appointed working group that identified that far too much business was being considered by the then Finance and Resources Committee and recommended that this committee be disbanded from 1 April 2019 and replaced by a Finance and Performance Committee, and a People and Culture Committee. The recommendation was approved by Trust Board on 13 December 2018.



## Trust Board

The Trust Board is programmed 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, and four further (non-voting) Directors. Two trade union partners also attend Board meetings.

All Trust Board meetings in 2019-20 were appropriately constituted and were quorate. In addition to the scheduled six meetings of the Trust Board, an extra four meetings were held in August 2019, October 2019, January 2020 and February 2020 due to urgent business (details of meeting dates and members attendance is listed in **Appendix 1**). Agendas and Minutes of the meetings are available to the public and audio recordings of the 'Open' Board sessions are available via the Trust's website for members of the public to listen to discussions and to understand how decisions have been reached. On occasions the Trust Board will additionally hold 'closed' sessions where private and confidential information is discussed. Whilst the public are not entitled to attend, the Minutes of the meeting are published on the Trust's website.

The key focus of the Board during the year was delivery of performance and quality assurance and improvement 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 from February 2020.

Examples of the key governance and control matters addressed by the Trust Board during 2019-20 were:

- Annual report, accounts and governance statements;
- Board assurance framework;
- Brexit preparedness;
- Committee terms of reference and Minutes of committees;
- Engagement and communications framework;
- Integrated medium term plan – delivery and refresh;
- Integrated quality and performance reports;
- Quality, safety and patient experience integrated reports; and
- Audit Wales structured assessment and annual report.

The full list of items discussed by the Trust Board during 2019-20 are listed in **Appendix 2** (Table 1).

### **Board Development**

The Board Development Programme continued in 2019-20 with bi-monthly meetings that consisted of three key areas: development of the board collectively and individually; statutory and essential knowledge based development and training; and thirdly, strategic discussion.

Examples of issues discussed at Board Development sessions during 2019-20 were:

- Health and safety training;
- Key strategic and performance measures;
- People and health and wellbeing strategies;
- Roles & responsibilities of a Trustee;
- Strategic equality objectives; and
- Topical issues including system pressures.

The full list of items discussed at Board Development sessions during 2019-20 are listed in **Appendix 2** (Table 8).

### **Board Committees**

The Board has established five standing Board Committees, 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.

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. Supporting the formal structure set out above, is a Chairs' Working Group that met 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 2019-20 (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 2019-20 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.

The full list of items discussed by the Audit Committee during 2019-20 are listed in **Appendix 2** (Table 2).

During 2019-20 Audit Committee completed two reviews of its performance and effectiveness. Firstly, in December 2019 the Committee concluded that following a self-assessment review by the Committee Chair and Board Secretary that it met the governance requirements defined in the All Wales Audit Committee handbook. Secondly, in January 2020 a survey of committee participants was undertaken to gather feedback on the effectiveness of the committee and to identify areas for improvement. This was received by Audit Committee in March 2020 where a number of development opportunities were identified.

### 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 2019-20 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. The full list of items discussed by the Charitable Funds Committee during 2019-20 are listed in **Appendix 2** (Table 3).

During 2019-20, 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 three times during 2019-20.



## 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 five times during 2019-20 (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 2019-20 were:

- Business case for Microsoft Windows and O365;
- Capital programme updates;
- Emergency services mobile communication program;
- ISO14001 update – environment and sustainability;
- Finance performance reports and savings delivery updates;
- Monthly integrated quality and performance report;
- NEPTS transfer of work; and
- Policy approvals e.g. fuel card, CCTV, information governance, data quality, business continuity.

The full list of items discussed by the Finance and Resources Committee during 2019-20 are listed in **Appendix 2** (Table 4).

## 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 2019-20 (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 2019-20 were

- Improving disciplinary/investigation timelines;
- Monthly integrated performance report;
- People and culture strategy development;
- Quarterly workforce performance reports;
- Sickness absence deep dive;
- Staff survey follow-up; and
- University status

The full list of items discussed by the People and Culture Committee during 2019-20 are listed in **Appendix 2** (Table 5).

## 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 2019-20 (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 2019-20 were:

- Annual quality statement and quarterly quality assurance reports;
- Clinical audit programme;
- Deep dive on winter lessons;
- Monthly integrated performance report
- Quality Steering Group terms of reference/action notes
- Patient experience and community involvement highlight reports; and
- Regulation 28 reports.

The full list of items discussed by the Quality, Patient Experience and Safety Committee during 2019-20 are listed in **Appendix 2** (Table 6).

## 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 met five times during 2019-20 and the list of items discussed are listed in **Appendix 2** (Table 7).

## **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 2019-20. 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 2020.

	Emrys Davies	Kevin Davies	Bethan Evans	Pamela Hall	Paul Hollard	Joga Singh	Martin Turner	Martin Woodford
Audit	✓			Chair	✓	✓	✓	
Charitable Funds		Chair	✓		✓		✓	
Finance and Performance	✓		✓			✓	Chair	
People and Culture		✓	✓		Chair	✓		
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 2020. 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.

Issues considered by the Partnership Team in 2019-20 included; the NHS anti-violence collaborative: obligatory responses to violence in healthcare document, health and safety cleaning at stations, meal breaks, lone working and solo responding, IMTP delivery updates, sickness and the Trust's nine point action plan. These being in addition to new appointments, policies, winter plans and Band 6 competencies.

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 2020 and up to the date of approval of the annual report and accounts.

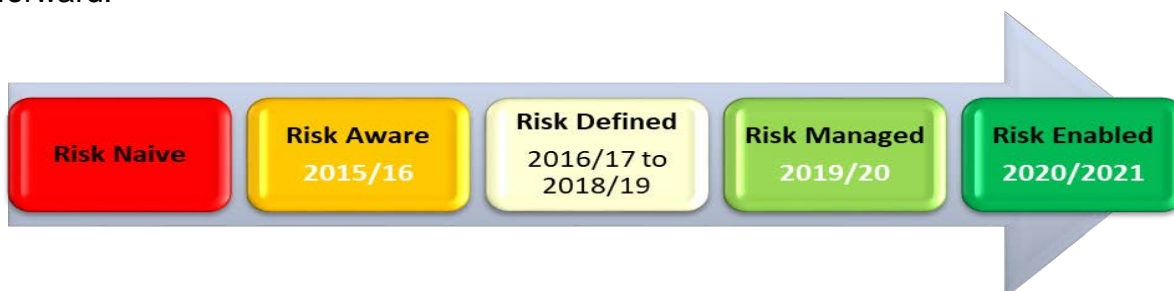
The Trust recognises that, as a result of the Covid-19 pandemic emergency, some changes to the Trust's internal controls were necessary in order to allow the Trust to respond quickly and effectively to the emergency, whilst at the same time maintaining good governance. A paper detailing the changes that 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 has continued to develop and embed its approaches to risk management as set out in the 2018-19 Annual Governance Statement. 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 was approved at Trust Board in July 2018 and in the last twelve months was reviewed at Board Development in October 2019 and Audit Committee in March 2020 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 in order to provide assurance that risks are managed and an effective internal control, assurance and escalation system is in place. This provides the Board with assurance about how the organisation is able to identify, monitor and escalate and manage risks in a timely fashion at an appropriate level.

Moving forward, the strategy will continue to be reviewed and approved on at least an annual basis by the Trust Board or delegated committee with the next review scheduled for July 2020.

The latest version of the Trust's Risk Management Strategy and Framework can be found via this link

[https://www.ambulance.wales.nhs.uk/Media/Agenda%20bundle%20\(43\).pdf](https://www.ambulance.wales.nhs.uk/Media/Agenda%20bundle%20(43).pdf)

### **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. As such, the Trust will not accept risks that materially impair its reputation or cause any disrepute with stakeholders.

However it has to 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. The Trust will be developing a full and more comprehensive risk appetite statement during 2020/21 and Board time has been set aside in this respect.

### **Risk Profile**

The risk profile of the Trust is subject to ongoing in-year revision but as at 5 March 2020 (Audit Committee date) there were 12 strategic risks scoring 15 or over on the Trust's (High Level) Corporate Risk Register, with four of these scoring 20 or above. These are set out below.

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

<b>Risk</b>	<b>Score</b>	<b>Lead Directorate</b>
Unable to attend patients in community who require See & Treat	25	Operations
Patients delayed on ambulances outside A&E. (Previously described as Patients unable to access secondary care)	25	Operations
Business continuity for recording digital patient clinical records	20	Medical and Clinical
Lack of preparedness for infectious diseases	20	Quality, Safety and Patient Experience

Risk	Score	Lead Directorate
On-call CCA ability to cover 24/7 command	16	Operations
Tier 1 Compliance to Formal Concerns	16	Quality, Safety and Patient Experience
High Sickness Absence Rates	16	Workforce and OD
Cleanliness in Ambulance Stations	16	Operations
Continued Availability of Digital Pens	16	Digital
Trust Reputation	15	Partnerships and Engagement
Vaccine Preventable Diseases	15	Workforce and OD
Health and Safety	15	Quality, Safety and Patient Experience

### Risk Review Process

The Trust's Executive Management Team and Audit Committee regularly received, considered and commented on the Risk Register during 2019-20. 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.

In 2019-20 the Trust developed and embedded the e-risk platform on Datix in order to increase risk review capabilities across the organisation and as part of the plans to become risk enabled by 2020-21. The Assistant Director Leadership Team (ADLT) reviewed the Corporate Risk Register at each of its meetings and provide recommendations to the Executive Management Team for its consideration. The Risk Management Development Group has provided a forum to evaluate new risks for review by the ADLT. More broadly, the corporate risks have been reviewed by the Trust Board and the Quality, Safety & Patient Experience Committee over the course of the pandemic.

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.

### Risk Management (Covid-19)

The need to plan and respond to the Covid-19 pandemic presented a number of challenges to the organisation. A number of new and emerging risks were identified. Whilst the organisation did have a major incident and business continuity plan in place, as required by the Civil Contingencies Act 2004, the scale and impact of the pandemic has been unprecedented. Significant action has been taken at a national and local level to prepare and respond to the likely impact on the organisation and population. This has also involved working in partnership on the

multi-agency response as a key member of the Strategic Co-ordination Group. There does remain a level of uncertainty about the overall impact this will have on the immediate and longer term delivery of services by the Trust, although we are confident that all appropriate action has been taken.

The Trust 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. It will be necessary to ensure this is 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 their strategic objectives.

As a result of the Covid-19 outbreak, three new risks have been identified and, at the time of writing, these were being assessed and scored. The risks relate to the delayed initiation of chest compressions (resuscitation), the supply of Personal Protection Equipment and the revised governance arrangements as a result of the pandemic planning.

### **Board Assurance Framework Report**

As part of the work in developing the risk management strategy and framework, the Trust has also developed a board assurance framework document.

The first functioning assurance document was introduced at the September 2017 meeting of the Trust Board. Since then the template itself has remained consistent; however, the board assurance framework report has undergone a series of developments to ensure alignment to the Trust's new strategic themes and actions as described across several iterations of the Integrated Medium Term Plan.

The board assurance framework report is regularly fine-tuned to ensure it remains a sound mechanism by which the Board gain assurance on how well the Trust is meeting its strategic themes and risks and controls. Risks are drawn from the corporate risk register and represent the main risks for the Trust. These risks are brigaded under the most appropriate strategic theme together with the controls and mitigations as detailed in the Corporate Risk Register.

### **Trust Policies**

The Trust implemented a new policy process during 2017-18 to bring all Trust policies 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. In addition, a central policy register has been developed to provide tighter governance processes around version control and to track policies through the system.

At the end of 2019-20, the Trust was able to report that 63% (compared to 50% as at 31 March 2019) of the Trust's policies had navigated the policy process and were now in-date. The remainder of the policies have been prioritised for 2020-21. The Board also approved amendments to the policy process for those policies that have already been through the new policy process and which only need minor amendments.

As a result of the progress on this matter in 2019-20 the corporate risk to the Trust has been reduced and is managed at a Directorate level.

### **Emergency Preparedness**

The Trust has a Major Incident Plan that is regularly reviewed and that takes full account of the requirements of the Civil Contingencies Act (2004), Welsh Government Emergency Planning Core Guidance to NHS Wales and relevant best practice guidance.

The Trust's Business Continuity Policy and the Pandemic Flu plan were reviewed and approved by Trust in October 2019, the Pandemic Flu plan itself was invoked on 4 March 2020 in response to the Covid-19 outbreak and the necessary structures were put in place to manage the Trust's response to the virus.

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

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**

The Trust Annual Quality Statement (2019-20) has been coordinated to align with the production of this Annual Governance Statement to ensure that the Trust has strengthened the interface of these important documents with a focus on patients, experience and outcomes. This has informed our assurance process and focus on continuous improvement to achieve compliance with the Health and Care Standards and Commissioning Framework with the core quality requirements.

The Annual Quality Statement explains progress by the Trust in delivering our Quality Strategy and how this strategy aligns with the new Quality Governance Bill from Welsh Government. When published, the Annual Quality Statement will be available to view on the Trust's publication page

<http://www.ambulance.wales.nhs.uk/en/11>.

Throughout 2019-20 regular quality governance reports were presented to the Quality, Patient Experience and Safety Committee and Trust Board (see Appendix 2, Tables 1 and 6). In particular, in January 2020 Trust Board considered a quality governance self-assessment following the report on maternity services at Cwm Taf University Health Board by the Royal College of Obstetricians and Gynaecologists and the Royal College of Midwives. In addition, each quarter throughout 2019-20 the Quality, Patient Experience and Safety Committee considered an update from the Director of Quality and Nursing on Trust compliance to the Health and Care Standards and performance by the Trust on a wide range of quality performance measures.



Details of the Trust's quality governance arrangements during the Covid-19 outbreak can be found via the following link (see Item 4.1 presented to the Quality, Patient Experience and Safety Committee 12 May 2020).

[https://www.ambulance.wales.nhs.uk/Media/Agenda%20bundle%20\(40\).pdf](https://www.ambulance.wales.nhs.uk/Media/Agenda%20bundle%20(40).pdf)

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

Prior to 2016-17, the Board completed an annual self-assessment on how well the Board considered the governance and accountability arrangements within the Trust have matured. The self-assessment was based on the Governance Accountability Module which was part of the former Health Care Standards. There is no longer a requirement to complete this module, nor is there any separate evaluation of the Board's assessment. The Board also consider that, as the Trust has matured, the self-assessment module, introduced in 2009-10, has become increasingly dated and the whole self-assessment exercise less meaningful.

As a result, from 2016-17, the Board decided not to complete the self-assessment module but, instead, to rely on the more tangible actions taken throughout the year which provided the Board with checks and balances and a gauge to its own level of maturity. This approach has again been taken in 2019-20 and examples of how this has been measured throughout the year is detailed in the following paragraphs.

The Board has continued to work with the Academi Wales training and development options, including following their three stage 'Maturity Model for Boards' programme. The Board has completed the Immunity to Change programme, which is the second stage of the maturity model. The Board is continuing to work with Academi Wales on this training with a focus on developing relationships including the role of high performing boards and those with a maturing board profile. This work will be progressed during 2020-21, delayed slightly from the previous year due to the appointments of a number new Board members and, towards the end of the year and into 2020-21, the Covid-19 pandemic. The Board did, however, continue to receive specific training and engagement on a variety of subjects, including the role of the Board as a trustee, safeguarding, health and safety, risk and the board assurance framework

The Board has also worked and engaged with numerous other organisations in Wales and from across the UK. The Board uses these opportunities to compare, contrast and benchmark itself, as well as to learn and, in some cases, challenge its own methods of working. For example, the Chair and Chief Executive meet regularly with their counterparts from other UK ambulance trusts and have discussed and compared practices and processes. Such discussions are brought back to Trust Board where Board members are able to compare such matters as governance processes, committee structures and portfolios, operating practices and performance management.

In 2018-19 the Board (Chair, Chief Executive, Executive and Non-Executive Directors and other Directors) met with their counterparts from Velindre NHS Trust, another NHS Wales Trust. During the meeting, the two Boards were able to compare and contrast each other's governance and operating arrangements and to learn and share experiences. A number of actions and further work was agreed at

the meeting which has since been followed-up and which continued to be progressed during 2019-20.

The Chair of the Trust's Audit Committee also chairs the NHS Wales Audit Chairs Group. This enables open and frank discussions on matters of common interest and learning as well as sharing best practice. Auditors and other stakeholders attend part of the meetings which allows for independent feedback as well as sharing of best practice. A similar group for Quality Committee Chairs was also established during 2019-20.

The Board also has a programme of engagement and partnership working with the Trust's NHS Wales colleagues. For example, Board Members are aligned to Health Board areas and engage regularly with their counterparts in Health Boards including, on occasions, attending their Board and committee meetings. Additionally, the Trust's formal Board meetings are held in Health Board areas and include engagement sessions with local officials, stakeholders and members of the public. The Board receives valuable feedback from these sessions. All the NHS Wales Chairs, Chief Executives, Audit Committee Chairs and Board Secretaries meet regularly and are further examples of how the Board benchmarks, learns and shares best practice. The Trust recognises, however, that some of the engagement activities were curtailed towards the end of 2019-20, which will continue into 2020-21, due to the Covid-19 pandemic.

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.

As stated previously in this report, in keeping with the recommendations contained in the NHS Wales Audit Committee Handbook, the Audit Committee Chair sought feedback from those who regularly attend Committee meetings to get feedback on how well others feel the Committee was working and fulfilling its role. Findings were taken into account which helped inform and shape the Committee's role and agendas going forward. Other Committees carried out similar surveys during 2018-19 and these are expected to be repeated again in 2020-21. All the Committees' terms of reference have been reviewed in the last 12 months and this was concluded in May 2019 with final Board approval.

The Board also planned to carry out a similar survey by gaining feedback from Board members, i.e. those who regularly attend Board meetings and relevant stakeholders. This was planned towards the end of 2019-20 but was postponed as a result of the

Covid-19 pandemic. It is hoped that this will be reinstated as soon as practicably possible in 2020-21.

### **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 2011. 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.

In accordance with expectations from Welsh Government, the Trust submitted to Welsh Government in early 2019 a refreshed IMTP for the three year period starting 2019-20. This was prepared in consultation with staff, partners and stakeholders,

and was approved by Trust Board on 29 January 2019 in accordance with the IMTP timetable requirements and was subsequently approved by Welsh Government.

(<https://www.ambulance.wales.nhs.uk/Media/Documents/Publications/IMTP%202019-22%20FINAL.pdf>).

As a result of the onset of the Covid-19 pandemic, the Trust postponed the majority of its non-operational programmes in order to divert resources to support our front line essential services during the crisis. This did not materially impact on the Trust's 2019-20 IMTP but will have some impact on the 2020-23 IMTP, particularly in the 2020-21 financial year. The Board has been fully engaged and has approved the redeployment of resources in order to respond to the emergency and has also been fully engaged with plans on how the Trust intends to recover from this position.

The Trust's 2019-20 IMTP documented 42 strategic deliverables which we wanted to progress. Whilst good progress has been made towards delivering these key commitments, there remains work to do. There have been a range of factors that have impacted on our ability to deliver against our quality and performance standards, including demand and capacity pressures, wider health system pressures and internal constraints linked to our estate and capital developments.

Set out below are some headlines of IMTP progress during 2019-20.

<p>We successfully implemented the 111 Service into Aneurin Bevan and Powys Health Boards</p>	<p><b>Ffoniwch 111</b> Mewn achos BRYS sydd ddim yn bygwth bywyd</p> <p><b>Phone 111</b> When it's URGENT but not life threatening</p>	<p>We won the National NHS Wales Innovation Award for our End Of Life Care service</p> <p>We delivered a WISH service for terminally ill patients</p> <p>We successfully transferred Swansea Bay &amp; Hywel Dda Health Board non-WAST NEPTS work to WAST</p>		
	<p>We expanded our APP rotational model across Wales</p> <p>We were the first UK ambulance service to train Paramedic Prescribers</p>	<p>We approved our People &amp; Culture and Transforming Education &amp; Training Strategies</p> 	<p>We launched the Mental Health portal to support staff health and wellbeing</p>	
<p>We developed and implemented our National Falls Framework</p> <p>We developed our first Public Health Plan</p> <p>We launched our safeguarding E-referral System</p> <p>We were recognised as best practise for our Mental Health &amp; Dementia Improvement plans</p>		<p>We hosted the first 999 Weekend with South Wales Fire &amp; Rescue Service and South Wales Police</p>		<p>We developed an Outline Business Case to replace our Fleet workshop in South East Wales</p> <p>We gained approval of our business cases to develop a Make Ready Depot in Cardiff</p>
<p>We successfully collaborated with the Project A Initiative</p>		<p>We progressed our electronic Risk Register system</p>	<p>We completed a detailed EMS Demand &amp; Capacity review</p>	
	<p>We introduced 25 self-charging petrol hybrid vehicles</p>		<p>We jointly supported a range of service transformation programmes across NHS Wales</p> 	
<p>We embedded the Optima modelling software into business analysis</p>		<p>We implemented our Improvement &amp; Innovation (WIIN) Network</p>		

With regards to operational performance, 2019-20 was a very challenging year for the Trust and for the whole health and social care system in Wales. From an EMS ambulance perspective it meant that we were not always able to deliver the quality of services that we would want and the public should expect. Performance against key performance targets deteriorated in the winter months and for the first time since the introduction of the Trust's new clinical response model, the Red 8 minute response fell below the 65% target, response times for Amber patients increased, and growing numbers of patients had to wait over 12 hours for a response. The long waits have had an impact on outcomes for our patients, with a number of related Serious Adverse Incidents recorded as a result.

The Trust has worked hard with our commissioners over the course of 2019-20 to complete a comprehensive Demand and Capacity Review, which has allowed us to understand the actions that need to be taken to bring response times for all patients back to acceptable levels. A major part of our plan in the next 2-3 years will therefore be to work in partnership with the Chief Ambulance Services Commissioner and health boards to deliver a transformational programme of change, which will see growth in the number of staff and ambulances available, and improvements in Trust and system wide efficiency levels.

Full details on our performance during 2019-20 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 2019-20 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 2019-20.

## Data security

The Trust had no reported "serious untoward incidents" during 2019-20 in relation to data security.

## Ministerial Directions

Ministerial Directions are published by Welsh Government as part of their [health and social care publications](#). One Ministerial Direction was received and disseminated by the Trust during this reporting period regarding the [NHS Pension Tax Proposal 2019 to 2020](#). Further details on this can be found in the Trust's 2019-20 Annual Accounts.



Welsh Health Circulars (WHCs) were reintroduced in 2014-15 and the Trust has established a process to log and assess those that are applicable to the Trust. See **Appendix 1** regarding WHC 2019/027: Review of standing orders, reservation and delegation of powers.

### Indexation

In 2019-20 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 2019-20.

### **Trust Board**

As set out earlier in this report, the Board, functioning as a corporate decision body, regularly considered throughout 2019-20 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 2019-20 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:

	<p>The Trust Board can take <b>reasonable assurance</b> that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to moderate impact on residual risk exposure until resolved.</p>
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This conclusion is consistent to the “reasonable assurance” Head of Internal Audit Opinion reported in the Trust’s 2018-19 Annual Governance Statement.

During the 2019-20 financial year Internal Audit produced 26 reports on Trust activities, as summarised in the table below.

IA Assurance Conclusion	No. of Reports
No	0
Limited	6
Reasonable	16
Substantial	2
Not Rated	2
<b>Total</b>	<b>26</b>

The figures in the table above differ from the number of reports presented to Audit Committee in 2019-20 (36). This is due to 14 of the reports presented at the May 2019 and September 2019 meetings being concerned with Internal Audit work undertaken in 2018-19 and as such, these were taken into account in the 2018-19 Head of Internal Audit Opinion.

In addition, four of the reports included in the total above were completed after the last Audit Committee meeting of the 2019-20 business cycle (March 2020). These will be reported to Audit Committee in its first meeting in the 2020-21 business cycle (June 2020) or as soon as possible thereafter but whose assurance conclusion has been included in the 2019-20 Head of Internal Audit Opinion.

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

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

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

Set out below are the four reports that had a conclusion of ‘Limited Assurance’ that were reported to Audit Committee during 2019-20.

NB. 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.

#### Vehicle Hire

Reviewed how taxi services and other vehicle hire was procured for patient transport and identified areas for improvement with regards to contract governance and quality assurance, and for invoice audit and approval.

Two recommendations for improvement were identified of which one, concerning alternative provider contract governance, was categorised as high priority. A management action plan was agreed by Audit Committee in September 2019 who monitored progress on completion at its meetings in December 2019 and March 2020.

At 31 March 2020, neither of the recommendations had been completed; however, both were partially complete.

#### Appropriately Equipped Paramedics

Assessed the process for the maintenance and monitoring of clinical equipment managed by the Trust, and identified shortcomings in both the system control/design for appropriately equipped paramedics, and in the operation of the designed system/controls.

Ten recommendations for improvement were identified of which two were categorised as high priority. A management action plan was agreed by Audit Committee in December 2019 who monitored progress on completion at its meeting in March 2020.

At 31 March 2020, six of the recommendations had been completed with the remaining four not yet due for completion.

#### Cleaning Standards

Identified shortcomings in the Trust's governance arrangements and operational procedures for the cleaning of vehicles and station, and identified a number of areas for improvement.

Four recommendations for action were identified, of which three were categorised as high priority. A management action plan was agreed by Audit Committee in March 2020 and progress will be monitored by the Committee during 2020-21.

#### Continuous Professional Management (CPD) Follow Up

Identified that whilst the Trust had made progress actioning the findings and recommendations from a 2018-19 Internal Audit report of CPD management, three recommendations remained open.

Three updated recommendations for action were identified, of which two were categorised as high priority. A management action plan was agreed by Audit



Committee in March 2020 and progress will be monitored by the Committee during 2020-21.

Copies of all the Internal Audit reports listed above 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 2019-20 can also be found via this link having been considered by Audit Committee at the June 2020 meeting.

The two reports listed below have been agreed with Trust officers with 'Limited Assurance' conclusions but have yet to be presented to Audit Committee. These are scheduled for scrutiny in June 2020.

- Drivers' Medicals
- Trade Union Release Time - Follow up

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

The 2019 Structured Assessment concluded that the Trust has set a clear, long-term vision for the organisation supported by changes to its structure and workforce. The Trust is strengthening risk management and governance arrangements in some areas, including changes to Board frequency and committee structures. The Trust continues its good track record of delivering its financial duties and has made some improvements to performance reporting. However, it could further improve performance in areas including red and amber calls, and sickness absence; move beyond annualised cycles of capital planning; improve reporting of single tender actions and strengthen the board assurance framework.

Set out below are the key findings and challenges for the Trust from the work undertaken in 2019 by Audit Wales.

#### Governance

The Trust has strengthened governance arrangements, although performance in key areas is not improving as planned and it could strengthen use of the Board Assurance Framework.

- Changes to Board meetings and committee structures are having a positive impact on scrutiny and oversight, but there is scope to make some improvements to papers and standing orders need to reflect recent changes
- The Trust is taking steps to strengthen its risk management arrangements, and while its board assurance framework continues to evolve, there is scope for further improvement
- While performance reporting has improved, the performance management framework is out-of-date, and performance is not improving in line with plans for several metrics
- Planned changes to corporate functions and a re-balancing of executive portfolios should support modernisation of the organisation

#### Strategic Planning

There is a clear strategic vision, generally good planning arrangements and strengthened delivery arrangements, with scope to make some further improvements.

- The Trust has established a clear vision for the organisation, and has taken some steps to engage more effectively with partners and staff, but will need to work to ensure alignment between its long-term strategic framework and long-term commissioning intentions.
- The Trust has an effective planning process for its IMTP which draws on demand and capacity and increasing benchmarking information, however the timescales of agreeing its winter plans creates pressure for ensuring measures are implemented appropriately.
- The Trust has improved some arrangements to support the delivery of its IMTP, including establishing a small programme management office, though there is scope to strengthen Committee oversight.

### Managing Financial Resources

The Trust continues to meet its statutory financial duties, but it could improve capital planning, savings delivery, and reporting of single tender actions.

- The Trust has a track record of achieving financial balance although departmental delivery to budget and performance against individual savings schemes remains variable.
- While the Trust's overall financial planning process is generally effective capital planning is not sufficiently strategic despite some recent improvements to processes.
- The Trust's financial management and controls are generally effective, with plans to formalise finance business support to strengthen arrangements.
- Changes to the committee structure and risk management arrangements have strengthened financial performance oversight, though reporting of single tender actions lacks clarity.

### Managing Workforce Productivity and Efficiency

There is ongoing work to modernise the workforce, improve staff wellbeing and address challenges with training and sickness absence.

- The Trust is taking steps to redesign its workforce but has not yet achieved a sustained reduction in sickness absence rates.
- The Trust is seeking to manage training challenges for its current and future workforce and its appraisal and mandatory training rates continue to improve.
- The Trust engages with staff and is improving staff wellbeing through work on staff conflict, violence and aggression and mental health.

### Structured Assessment Recommendations

The recommendations arising from the 2019 Structured Assessment work are set out below.

- The Board should explore ways to strengthen the board assurance framework as a live and robust assurance tool for its corporate objectives by:
  - a) ensuring relevant Committees and groups regularly review controls and assurances to assess their effectiveness and identify any gaps; and
  - b) ensuring the relevant committees have regular oversight of the strategic objectives and risks assigned.
- A review of the Trust's performance management framework is well overdue and the framework now needs to be updated to ensure it reflects:
  - a) recent changes to local delivery planning arrangements; and

- b) arrangements for monitoring delivery of the IMTP, clarifying the respective roles of the Board, the Finance and Performance Committee and the Strategic Transformation Board.
- The Trust needs to develop a less annualised approach to capital planning. It should develop an asset management strategy to help plan the use of capital in a more joined up way over the medium-term.
- Improve the clarity and detail of the regular reports on single tender actions provided to the Audit Committee to enable effective and robust scrutiny, for example:
  - a) including greater level of detail as to why the action was needed; and
  - b) providing narrative to describe variations between budgeted and actual cost; and
  - c) ensuring all awarded actions within the reporting period are detailed within the report.

The Structured Assessment was considered and agreed by Trust Board on 30 January 2020 and progress by the Trust on the recommendations set out above will be monitored by Audit Committee throughout 2020-21.

## 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 2020-21 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 2020 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: 25 June 2020**

## 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 2019-20. The table excludes the four Directors 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 (10), Remuneration (5)
Emrys Davies	Non-Executive Director	<b>Quality, Patient Experience and Safety Committee (QuEST) Chair</b> Trust Board (10), Audit (2), Charitable Funds (1), Finance and Performance (4), People and Culture (3), QuEST (4), Remuneration (2)
Kevin Davies	Non-Executive Director	<b>Trust Board Vice Chair, Charitable Funds Committee Chair</b> Trust Board (8), Charitable Funds (2), Finance and Performance (3), People and Culture (2), QuEST (4), Remuneration (1)
Bethan Evans	Non-Executive Director (From 6/12/19)	Trust Board (4), Charitable Funds (1), Finance and Performance (1), People and Culture (1), QuEST (1)
Pamela Hall	Non-Executive Director	<b>Audit Committee Chair</b> Trust Board (9), Audit (3), Finance and Performance (4), People and Culture (3), Remuneration (5)
Paul Hollard	Non-Executive Director	<b>People and Culture Chair</b> Trust Board (9), Audit (4), Charitable Funds (2), Finance and Performance (1), People and Culture (4), QuEST (4), Remuneration (2)
Joga Singh	Non-Executive Director (From 9/12/19)	Trust Board (4), Audit (1), Finance and Performance (1), Remuneration (2)
Martin Turner	Non-Executive Director	<b>Finance and Performance Chair</b> Trust Board (6), Audit (4), Finance and Performance (3), Remuneration (2)

<b>Section 2 Chief Executive and Executive Directors</b>		
Jason Killens	Chief Executive	Trust Board (10), Remuneration (4)
Claire Bevan	Executive Director Quality and Nursing (left 31/12/19)	Trust Board (5), QuEst (1)
Claire Roche	Executive Director Quality and Nursing (from 1/1/20)	Trust Board (4), QuEst (1)
Chris Turley	Executive Director Finance and ICT (Interim) (1/4/19-31/1/20) Executive Director Finance & Corporate Resources (From 1/2/20)	Trust Board (10), Audit (4), Charitable Funds (2), Finance and Performance (5), People and Culture (2)
Brendan Lloyd	Executive Director Medical and Deputy Chief Executive (Interim)	Trust Board (10), QuEst (2)
Claire Vaughan	Executive Director (Workforce and OD)	Trust Board (10), Charitable Funds (1), Finance and Performance (1), People and Culture (4), Remuneration (3)

Note: The Audit Committee is regularly supplemented by Executive Directors 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 (extraordinary meeting) were held as closed/virtual access meetings. The Minutes of the meetings will be made available to the public on the Trust's website once approved.
- 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, Chairs' action meetings were held on 7 April 2020, 13 April 2020 and 17 April 2020 to deal with urgent business. The action notes arising from the meetings were presented to Trust Board on 30 April 2020 for ratification.
- 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 will be made available to the public on the Trust's website once approved.

- The scheduled meeting of the Quality, Patient Experience and Safety Committee on 12 May 2020, and the Finance and Performance Committee meeting on 14 May were held as virtual access meetings. The Minutes of the meetings will be made available to the public on the Trust's website once approved.
- 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.

An assessment was also made 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 meetings. As the duration of the pandemic and the subsequent measures to be taken to mitigate spread are not yet known it will be necessary to keep this matter under review.

### **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.

During 2019-20 a number of appointments and changes of personnel were 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 2020, the Trust Chairman had drafted a revised set of Non Executive Director Board Champion responsibilities (as set out in the table below), with the aim for these to be considered by Trust Board in 2020-21.

	<b>Board Champion</b>
Emrys Davies	Quality, safety and patient experience (includes SAls, complaints, IPC, WIN, Welsh language and continuous improvement) Environment and sustainability (carbon neutrality, climate change).
Kevin Davies	Service redesign: Ambulance Taskforce, WAST gatekeeper (111, CCC). Workforce education (university status and Partnership Committee).
Bethan Evans	Service redesign; mental health & older people. Patient, public and stakeholder engagement (includes volunteers, CFRs, blue light collaboration).
Pam Hall	Digital (strategy development, major ICT projects). System controls and risk management (includes BAF, information governance, Caldicott).
Paul Hollard	Service redesign: EMS "left shift" and development (pathways, APP). Strategy development and forward planning (includes IMTP development, major service changes, performance framework) (NB Martin Turner in support) Workforce planning and re-design (includes demand and capacity review implementation, workforce UHP).
Joga Singh	Service redesign: NEPTS development.

	Board Champion
	Staff engagement and well-being (includes health and safety, workforce diversity).
Martin Turner	Financial/operational performance and sustainability (includes benchmarking, VfM) NB Emrys Davies in support on operational performance/metrics. Asset management (includes estate/fleet/ capital planning).

### 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.

At the 21 November 2019 Board meeting, the Trust adopted revised Model Standing Orders as per the Welsh Health Circular: Review of standing orders, reservation and delegation of powers (WHC 2019/027).

The Trust's governance structure accords with the governance e-manual and the Welsh Government's citizen-centres 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 2019-20. All meetings were quorate.

	CALENDAR OF MEETINGS 2019-20									
Trust Board	30/5/19	18/7/19	1/8/19	19/9/19	8/10/19	21/11/19	6/1/20	30/1/20	18/2/20	26/3/20
Audit	23/5/19	12/9/19	5/12/19	5/3/20						
Charitable Funds	5/9/19	13/2/20								

	CALENDAR OF MEETINGS 2019-20									
Finance and Performance	25/4/19	16/7/19	24/10/19	23/1/20	18/3/20					
People and Culture	9/4/19	9/7/19	15/10/19	10/3/20						
QuEst	21/5/19	3/9/19	26/11/19	25/2/20						
Remuneration	27/6/19	8/8/19	17/12/19	7/2/20	31/3/20					
Board Development	22/5/19	30/7/19	8/10/19	12/12/19	18/2/20					

The Trust's Annual General Meeting was held on 19 July 2019.



## AGS APPENDIX 2

### BOARD AND COMMITTEE ITEMS OF BUSINESS 2019/20 (Excluding Procedural Matters, Minutes of Committees)

**TABLE 1 - TRUST BOARD**

Open Items - Report Title	30/5/19	18/7/19	1/8/19	19/9/19	8/10/19	21/11/19	6/1/20	30/1/20	18/2/20	26/3/20
Committee Terms of Reference	✓									
Annual Accounts and Accountability Report 2018/9	✓									
WAO – Audit of Financial Statements Report 2018/9	✓									
Annual Quality Statement	✓									
Draft Annual Report 2018/9	✓									
Annual Performance Report 2018/9	✓									
Strategic Framework for Engagement 2019/22	✓	✓				✓				
111 Programme Update	✓									
IMTP 2018/9 – Quarter 4 Update	✓									
Monthly Integrated Quality and Performance Report	✓	✓		✓		✓		✓		
Use and Application of Charitable Funds	✓									
Financial Performance 2019/20 Report	✓	✓		✓		✓		✓		
Committees Update/Minutes	✓	✓		✓		✓		✓		
WHC – National Audit Plan	✓									
NHS Collaborative Leadership Forum Minutes	✓									
Capital Programme		✓								
NEPTS Third Party Management Solution		✓								
Transforming Education and Training Strategy		✓								
University Status		✓								
IMTP 2019/20 Update		✓				✓				
Board Assurance Framework		✓		✓				✓		
EASC/WHSCC/WASPT Minutes		✓		✓		✓		✓		
Chair's Actions – Procedure Review				✓						
Appointment of Director of Quality and Nursing				✓						
Health and Social Care (Quality and Engagement) Wales Bill				✓						
Major Trauma Network for South Wales and South Powys				✓						

Open Items - Report Title	30/5/19	18/7/19	1/8/19	19/9/19	8/10/19	21/11/19	6/1/20	30/1/20	18/2/20	26/3/20
Brexit Update				✓				✓		
IMTP 2020/23 Plan Development				✓		✓				
Patient Experience and Community Involvement				✓						
Information Governance Annual Report				✓						
Public Health Plan				✓						
Board and Committee Calendar						✓				
Cardiff Make Ready Depot – Business Case						✓				
Integrated 111 GP OoH System Full Business Case						✓				
People and Culture Strategy						✓				
111 Peer Review and Action Plan						✓				
Charitable Funds Annual Report and Accounts						✓				
Director of Quality Integrated Highlight Report						✓				
Standing Orders						✓				
Self-Assessment of Quality Governance Arrangements							✓			
Trust Board Venues								✓		
Non Executive Director - Committee Membership								✓		
Appointment of Director of Finance & Corporate Resources								✓		
Structured Assessment and Annual Audit Report								✓		
Integrated Medium Term Plan 2020/21 - 2022/23								✓		
Operational Performance Position								✓		
Contracting Authority Agreement – Integrated Information Solution for 111 Wales									✓	
RFID Asset Management Procurement									✓	
Mobile Device Procurement									✓	
Respiratory Protection Provision									✓	

Closed Items - Report Title	30/5/19	18/7/19	1/8/19	19/9/19	8/10/19	21/11/19	6/1/20	30/1/20	18/2/20	26/3/20
111 Programme Update	✓			✓						
Electronic Patient Client Record – Outline Business Case	✓									
Strategic Service Changes	✓			✓						
Partnership Proposal to Support the 108 Service in the State of Karnataka, India	✓									
Amber Review	✓									
Legal Claims	✓		✓					✓		

Closed Items - Report Title	30/5/19	18/7/19	1/8/19	19/9/19	8/10/19	21/11/19	6/1/20	30/1/20	18/2/20	26/3/20
Immediate Release			✓							
PCR/Digipen Business Case				✓						
Route to Market for HART Replacement Vehicles				✓						
Update of EASC Discussions				✓						
Brexit Preparedness				✓	✓					
Service Mapping				✓						
Significant Incident/REAP Level 3					✓					
Other System Pressures					✓					
EMS Demand and Capacity Review (ORH)						✓				
Minaeron Reporting Station						✓				
SE Wales Fleet Workshop Outline Business Case						✓				
EMS CCC Unplanned Critical Systems Outages						✓				
Operational Pressures/Patient Safety						✓				
UCS Pay Banding								✓		
Strategic Service Change								✓		
Update on the Discretionary Capital Programme 2019/20								✓		
Covid-19 Update										✓
Initial 2020/21 Revenue Budget										✓
Demand Management Plan For Higher Levels of Escalation										✓
2020/21 Vehicle Replacement BJC										✓
Homeworking Policy										✓
Board Assurance Framework										✓
Monthly Integrated Quality and Performance report										✓
Financial Performance 2019/20 Report										✓
Patient Safety Highlight Report										✓
Future Board Business: Essential Business, CEO Authority Levels, Advice From Board Secretaries										✓
EASC/WHSCC/WASPT Minutes										✓

Notes: the Board meeting of 26 March 2020 was held as a Closed session due to the Government Covid-19 restrictions for public gatherings.

**TABLE 2 - AUDIT COMMITTEE**

<b>Open Items - Report Title</b>	<b>23/5/19</b>	<b>12/9/19</b>	<b>5/12/19</b>	<b>5/3/20</b>
Annual Accounts and Accountability Report 2018/9	✓			
WAO – Audit of Financial Statements Report 2018/19	✓			
WAO Update Report/Audit Plan	✓	✓	✓	✓
Head of Internal Audit Opinion and Report 2018/19	✓			
Internal Audit – Trade Union Release Time	✓			
Internal Audit – Performance Management LDP	✓			
Internal Audit – Clinical Audit Follow Up	✓			
Internal Audit – Handover of Care at ED	✓			
Internal Audit – Health and Safety Follow Up	✓			
Internal Audit – Sickness Absence Mgt. Follow Up	✓			
Internal Audit – Welsh Risk Pool	✓			
Internal Audit – Cyber Security	✓			
Internal Audit – Losses and Special Payments	✓			
Internal Audit – Risk Management	✓			
Internal Audit – Vehicle Procurement Programme	✓			
Internal Audit – Research and Development	✓			
Internal Audit – Payroll Services	✓			
Internal Audit Update Report	✓			
Losses and Special Payments	✓	✓	✓	✓
Corporate Risk Register Quarterly Report	✓	✓	✓	✓
Internal Audit – Welsh Language Standards		✓		
Internal Audit – Project Management		✓		
Internal Audit – Vehicle Hire		✓		
Internal Audit – Annual Quality Statement		✓		
Internal Audit – Confidentiality: Caldicott Principles into Practice (C-PIP)		✓		
Internal Audit – Environmental Sustainability Reporting		✓		
Internal Audit – Handover of Care at EDs (Trust Related) Follow Up		✓		
Internal Audit – Handover of Care at EDs (Health Board Related) Follow Up		✓		
WAO – Performance Management Information		✓		
Audit Recommendation Tracker		✓		

Open Items - Report Title	23/5/19	12/9/19	5/12/19	5/3/20
E Datix Risk Module		✓		
NHS Wales Audit Committee Handbook – Self Assessment			✓	
Internal Audit – Raising concerns			✓	
Internal Audit – IMTP performance monitoring			✓	
Internal Audit – Local Delivery Plans performance management			✓	
Internal Audit – Project management			✓	
Internal Audit – Fuel spend			✓	
Internal Audit – Personal injury claims			✓	
Internal Audit – Appropriately equipped paramedics			✓	
Internal Audit – Freedom of information			✓	
Internal Audit – Allocation of discretionary capital			✓	
Handover of care at ED Follow up WAST Internal Audit report (Swansea Bay management response)			✓	
WAO Structured Assessment 2019			✓	
Audit Committee – Participants Survey				✓
Gifts and Hospitality				✓
Internal Audit – Single Tender Waivers				✓
Internal Audit – Travel & Subsistence Expenses Follow Up				✓
Internal Audit – Computer Aided Dispatch Benefits Realisation				✓
Internal Audit – IS Security: Appropriate System Access Follow Up				✓
Internal Audit – Cleaning Standards				✓
Internal Audit – Personal Safety: Violence and Aggression				✓
Internal Audit – CPD Management Follow Up				✓
Internal Audit – Volunteer Car Drivers: Governance Follow Up				✓
Board Assurance Framework				✓
Finance Report				✓
Risk Register Development Guide				✓
Risk Management Strategy				✓

Closed Items - Report Title	23/5/19	12/9/19	5/12/19	5/3/20
Tender Update Report and Single Tender Waiver Requests	✓	✓	✓	✓
Counter Fraud Update Report	✓	✓	✓	✓
HART Vehicle Procurement		✓		

**TABLE 3 – CHARITABLE FUNDS COMMITTEE**

<b>Open Items - Report Title</b>	<b>5/9/19</b>	<b>13/2/20</b>
Income and Expenditure – February/March 2019	✓	
Draft Charitable Funds Annual Report/Accounts 2018/19	✓	
Bids Panel Update	✓	✓
Trust Approach to Charitable Causes	✓	
Bursary Scheme Funding	✓	✓
Charitable Funds Investment Policy		✓
WAST Benevolent Fund		✓
Income and Expenditure for period 1 April 2019 - 31 January 2020		✓

<b>Closed Items - Report Title</b>		
No Items		

**TABLE 4 – FINANCE AND PERFORMANCE COMMITTEE**

Open Items - Report Title	25/5/19	16/7/19	24/10/19	23/1/20	18/3/20
Setting the Scene/Terms of Reference/Committee Links	✓				
Committee Development	✓				
Capital Management Board: establishment and ToR	✓				
Monthly Integrated Quality and Performance Report	✓	✓	✓	✓	✓
Finance Performance Report	✓	✓	✓	✓	✓
Savings Delivery Update	✓	✓	✓		
Capital Programme Update	✓	✓	✓	✓	
CAD Phase 2 and 3	✓				
Lessons Learnt From Year End Capital Planning	✓				
Fuel Card Policy	✓				
CCTV Policy	✓				
Access to Personal Information Policy	✓				
Information Security Policy	✓				
Risks Relevant to F&P Committee	✓	✓			
Finalisation of 2019/20 Budget		✓			
ICT Steering Group Update		✓	✓	✓	
111 Update		✓	✓		
Bevan Commission Exemplar Project		✓			
Delivery Value Based Healthcare		✓			
NEPTS Third Party Management Solution		✓			
NEPTS Transfer of Work		✓	✓		
Emergency Services Mobile Communication Program		✓	✓		
Major Trauma Network		✓	✓		
Wheels and Tyre Policy		✓			
Data Quality Policy		✓			
Sustainability Annual Report 2018/19		✓			
Cardiff Make Ready Depot – Business Case			✓		
Integrated 111GP OoH Business Case			✓		
Business Continuity Policy			✓		
Predictive Performance and Benchmarking			✓		
Revised Capital Management Board ToR			✓		
HART Reporting			✓		

Open Items - Report Title	25/5/19	16/7/19	24/10/19	23/1/20	18/3/20
Estates Annual Report			✓		
ISO14001 Update – Environment and Sustainability			✓		
Draft IMTP 2020/21				✓	
NHS Direct Wales/111 Peer Review & Action Plan				✓	
Operations - Quarterly Update Report				✓	✓
Fleet Replacement Programme				✓	
NHS E mail Policy				✓	
Initial 2020/21 Revenue Budget					✓
Aneurin Bevan UHB NEPTS Transfer of Work					✓

Closed Items - Report Title	25/5/19	16/7/19	24/10/19	23/1/20	18/3/20
EPCR Business Case Endorsement	✓				
Business Case for Microsoft Windows and O365	✓				
Update on Fleet Replacement Programme – 2019/20				✓	
2020/21 Vehicle Replacement BJC					✓



**TABLE 5 – PEOPLE AND CULTURE COMMITTEE**

Open Items - Report Title	25/5/19	9/7/19	15/10/19	10/3/20
Committee Terms of Reference	✓			
Setting the Scene	✓			
Quarterly Workforce Performance Report/Dashboard	✓	✓	✓	✓
Staff Survey Follow-Up	✓	✓	✓	
Gender Pay Gap	✓			
University Status	✓	✓	✓	✓
Trade Union Activities Annual Report	✓			
People and Culture Strategy Development		✓	✓	✓
Transforming Education and Development Strategy		✓		
Implementing the Leadership and Management Strategy		✓		✓
Team Leader Development Programme - Review		✓		
Risks Relevant to the Committee		✓		
Implementation of Welsh Language Standards		✓		
Treating People Fairly – Strategic Equality Plan		✓	✓	
NHS Wales Campaign – Dying to Work Charter		✓		
Monthly Integrated Performance Report		✓	✓	
Focus on Violence and Aggression Work			✓	
NHSDW/111 Retention			✓	
Improving Frontline Capacity and Resilience Over Winter			✓	
Occupational Health Service Provision			✓	
WASPT Activity Report			✓	
Improving Disciplinary/Investigation Timelines			✓	
NHS Wales Special Leave Policy			✓	
Committee Assurance Framework			✓	✓
WASPT Minutes			✓	
Sub Group Minutes		✓	✓	
Update on Resource Availability Programme				✓
Deep Dive: Sickness Absence				✓
Band 6 Paramedic Education Process				✓
Recruitment and Training Plans to deliver Commissioned Growth in EMS Capacity				✓

Open Items - Report Title	25/5/19	9/7/19	15/10/19	10/3/20
Public Sector Equality Duty – Developing Our Strategic Equality Objectives				✓
Transfer Policy				✓
Managing Families & Relatives Working Together Policy				✓
Update on DBS Checks				✓

Closed Items - Report Title	25/5/19	9/7/19	15/10/19	10/3/20
Suspensions Over 4 Months	✓	✓		
Lessons Learned From Employment Tribunal Case		✓		

**TABLE 6 – QUALITY, PATIENT EXPERIENCE AND SAFETY COMMITTEE**

<b>Open Items - Report Title</b>	<b>21/5/19</b>	<b>3/9/19</b>	<b>26/11/19</b>	<b>25/2/20</b>
Patient Story/Patient Story Tracker	✓	✓	✓	✓
Patient Experience and Community Involvement Highlight Report	✓	✓	✓	✓
Quarterly Quality Assurance Report	✓	✓	✓	✓
Monthly Integrated Performance Report	✓	✓	✓	✓
Annual Quality Statement	✓			✓
Educational Resource Designed to Reduce Harm From Pressure Damage in Wales	✓			
HSE Engagement with the Trust	✓			
Improvement and Innovation Network Update	✓			
IPR Progress Report	✓			
QuEst Committee Risks	✓			
Deep Dive on Winter Lessons	✓			
Regulation 28 Report	✓	✓	✓	✓
Operations Update	✓	✓	✓	✓
Non Medical Prescribing Policy	✓			
Patient Safety Newsletter	✓			
QSG Terms of Reference/Action Notes/Action Log	✓	✓	✓	
Mental Health and Dementia Update	✓			
Project A update	✓			
Public Health Plan	✓	✓	✓	
WHC National Clinical Audit Plan	✓			
Review of Maternity Services at Cwm Taf LHB – WAST Assurance Review		✓		
Clinical Audit Programme		✓		
Personal Injury File Review		✓		
Framework For Investigations of Patient Safety Serious Investigations		✓		
Amber Review Update Against Actins For Organisation		✓		
NEPTS Update		✓	✓	✓
Healthcare Inspectorate Wales Annual Report		✓		
Internal Audit Report – Health & Safety Follow Up		✓		

Open Items - Report Title	21/5/19	3/9/19	26/11/19	25/2/20
Internal Audit Report – Welsh Risk Pool Claims Mgt.		✓		
Internal Audit Report – Risk Management		✓		
Internal Audit Report – Annual Quality Statement		✓		
Information Governance Annual Report/Updates		✓	✓	
Adverse Childhood Experience Booklet		✓		
Hafal Action Plan		✓		
Public Services Ombudsman for Wales Annual Report and Accounts 2018/0		✓		
Public Services Ombudsman (Wales) Act 2019		✓		
Wales Air Ambulance Charity Annual Review 2018/9		✓		
Level 1 Falls Assistant Evaluation Report		✓		
Redress Reimbursement Guide		✓		
Once For Wales Concerns Management System		✓		
Data Quality Strategy			✓	✓
Public Services Ombudsman (Wales) Act 2019			✓	
Stage 1 Mortality Review			✓	
Station Audit – Vehicle Medicines Check			✓	
Domestic Abuse, Gender Based Violence and Sexual Violence 'Ask and Act' Policy			✓	
Premises and Vehicle Cleanliness Policy			✓	
Management of Controlled Drugs Policy			✓	
Dementia film for International Conference				✓
Learning Disability Delivery Plan				✓
Corers Engagement and Experience Survey				
Risks Aligned to Quest				✓
Deep Dive on Corporate Risks – Hospital Delays				✓
Shocktober Evaluation Report				✓
Restart a Heart Evaluation				✓
Delivering Clinical Excellence Strategy				✓
Medicines Management Policy				✓
Consent to Examination and Treatment Policy				✓
Aseptic Non Touch Techniques Policy				✓
Non Medical Prescribing Policy				✓
Risk Management Strategy and Framework 2018/21				✓

<b>Open Items - Report Title</b>	<b>21/5/19</b>	<b>3/9/19</b>	<b>26/11/19</b>	<b>25/2/20</b>
Risk Register Development Guide				✓
Personal Injury Claims Internal Audit Report				✓
All Wales Self-Assessment of Current Governance Arrangements				✓

<b>Closed Items - Report Title</b>	<b>21/5/19</b>	<b>3/9/19</b>	<b>26/11/19</b>	<b>25/2/20</b>
No Items				

**TABLE 7 - REMUNERATION COMMITTEE**

<b>Open Items - Report Title</b>					
This Committee is held in Private Session					

<b>Closed Items - Report Title</b>	<b>27/6/19</b>	<b>8/8/19</b>	<b>17/12/19</b>	<b>7/2/20</b>	<b>31/3/20</b>
Appointment and Remuneration of Trust Vice Chair	✓				
Non-Executive Director Appointments – Progress	✓				
Senior Managers Remuneration	✓				
Recruitment Plan – Director of Quality and Nursing	✓				
Director of Digital Services Remuneration	✓				
Executive Director Portfolio Changes	✓				
Remuneration - Executive Director of Finance and Corporate Resources, and Director of Strategy, Planning and Performance		✓			
Overtime Incentive Payments			✓		
Missed Meal Break Payment				✓	
Senior Manager Salary Schedule					✓
Exceptional Operational Allowances					✓

Notes: The scheduled meetings 27/9/19 and 5/12/19 were cancelled.

**TABLE 8 – BOARD DEVELOPMENT**

Items	22/5/19	30/7/19	8/10/19	12/12/19	18/2/20
Estates	✓				
University Status	✓				
Health and Safety Training	✓				
Independent Review of Cwm Taf Maternity Services	✓	✓			
Transforming Education	✓				
NEPTS	✓				
Topical Issues		✓		✓	✓
Ibabs Training		✓			
Key Strategic and Performance Measures		✓			
People and Health and Wellbeing Strategies		✓			
Board Assurance Framework			✓		
Corporate Risks			✓		
Integrated Medium Term Plan				✓	
E-PCT				✓	
Roles & Responsibilities of a Trustee					✓
Safeguarding					✓
Strategic Equality Objectives					✓
CCC - Clinical Review					✓

Notes: The items above are the scheduled matters but on the day additional items may have been added.



**GIG**  
CYMRU  
**NHS**  
WALES

Ymddiriedolaeth GIG  
Gwasanaethau Ambiwylans Cymru  
Welsh Ambulance Services  
NHS Trust

# REMUNERATION AND STAFF REPORT

## 2019-20



## 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 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 2019. 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 2019, 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, compensation for early termination and any continuing liability are shown in the tables below. There were no compensation payments or awards for senior managers during 2019-20.

### Remuneration Relationship

Details of the Trust's remuneration relationship are set out in Note 10.6 of the 2019-20 Annual Accounts.

### Senior Managers in Post 2019-20

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 2021
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	31 March 2022
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	Interim	23 July 2018	12 December 2019
Martin Turner	Non-Executive Director	Fixed Term	13 December 2019	12 December 2023
Jason Killens	Chief Executive Officer	Permanent	Prior to 1 April 2019	Not Applicable
Claire Bevan	Executive Director	Permanent	Prior to 1 April 2019	Not Applicable
Brendan Lloyd	Executive Director/ Interim Deputy CEO	Permanent	Prior to 1 April 2019	Not Applicable
Claire Roche	Executive Director	Permanent	1 January 2020	Not Applicable
Christopher Turley	Executive Director	Interim	Prior to 1 April 2019	31 January 2020 (Permanent Appt.)
Christopher Turley	Executive Director	Permanent	1 February 2020	Not Applicable
Claire Vaughan	Executive Director	Permanent	Prior to 1 April 2019	Not Applicable
Keith Cox	Board Secretary	Permanent	Prior to 1 April 2019	Not Applicable
Lee Brooks	Director	Permanent	8 July 2019	Not Applicable

Name	Position Title	Assignment Category	Start Date in Position	Fixed Term End Date
Andy Haywood	Director	Permanent	20 January 2020	Not Applicable
Estelle Hitchon	Director	Permanent	Prior to 1 April 2019	Not Applicable
Louise Platt	Director	Interim	Prior to 1 April 2019	31 July 2019 (end of acting up arrangements)
Rachel Marsh	Director	Secondment	Prior to 1 April 2019	30 October 2019 (Permanent Appt.)
Rachel Marsh	Director	Permanent	1 November 2019	Not Applicable

Further details of the contract arrangements of the Trust's senior managers in 2019-20 can be found in the Remuneration Table (and Notes) set out on pages 60 and 61 of this report.

#### Senior Managers who left the Trust during 2019-20

Name	Position Title	Assignment Category	Start Date in Position	Leaving Date
Claire Bevan	Executive Director	Permanent	Prior to 1 April 2019	31 December 2019

#### Senior Managers seconded from the Trust during 2019-20

Name	Position Title	Assignment Category	Start Date in Position	Leaving Date
Hannah Evans	Director	Permanent	Prior to 1 April 2019	6 August 2018
Patricia Roseblade	Deputy Chief Executive/ Director of Finance & ICT (Supernumerary)	Permanent	Prior to 1 April 2019	15 October 2018

Patricia Roseblade left the Trust on 15 October 2018 on an initial secondment to Powys Teaching Health Board before commencing a secondment with Swansea Bay University Health Board on 18 April 2019. 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 2020 in the Welsh Ambulance Services NHS Trust in the financial year 2019-20 was £160k to £165k (2018-19, £155k to £160k). This was 5.40 times (2018-19, 5.32 times) the median remuneration of the workforce, which was £30,091 (2018-19, £29,608).

	2019-20	2018-19
Band of Highest paid Director's Total Remuneration £000	160-165	155-160
Median Total Remuneration £000	30	30
Ratio	5.40	5.32

In 2019-20, 0 (2018-19, 0) employees received remuneration in excess of the highest-paid director.

Remuneration ranged from £17,652 to £162,500 (2018-19 £17,460 to £157,500).

The reason for the increase in remuneration together with the upward rise in ratio and median remuneration compared to 2018-19 are the result of movement within A4C pay bands and a 2% pay increase for Directors.

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.

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

## Salary and Pension Entitlements of Senior Managers

### Remuneration Report

Name and Title	2019-20				2018-19			
	Salary	Benefits in Kind	Pension benefits	Total	Salary	Benefits in Kind	Pension benefits	Total
	(bands of £5000)	Rounded to the nearest £100	£'000 (to nearest £1000)	(bands of £5000)	(bands of £5000)	Rounded to the nearest £100	£'000 (to nearest £1000)	(bands of £5000)
Martin Woodford (Chairman) (Note 1)	40-45			40-45	40-45			40-45
Kevin Davies (Non Executive Director / Vice Chairman) (Note 2)	15-20			15-20	5-10			5-10
Pamela J Hall (Non Executive Director)	5-10			5-10	5-10			5-10
James Mycroft (Non Executive Director) (Note 3)					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
Helen Birtwhistle (Non Executive Director) (Note 4)					5-10			5-10
Martin Turner (Non Executive Director) (Note 5)	5-10			5-10	5-10			5-10
Anoop Joga Singh (Non Executive Director) (Note 6)	0-5			0-5				
Bethan Evans (Non Executive Director) (Note 7)	0-5			0-5				
Jason Killens (Chief Executive) (Note 8)	155-160	4,000	156	315-320	80-85	1,600	61	140-145
Patricia Roseblade (Former Interim Chief Executive) (Note 9)					70-75	4,100	27	100-105
Christopher Turley (Executive Director of Finance & Corporate Resources) (Note 10)	100-105	5,400	35	140-145	95-100	4,600	95	195-200
Dr Brendan Lloyd (Medical Director / Interim Deputy Chief Executive)	150-155	4,100		155-160	145-150	3,300		150-155
Claire Vaughan (Executive Director of Workforce & OD)	90-95	-	23	115-120	90-95	-	20	110-115
Claire Bevan (Executive Director of Quality & Nursing) (Note 11)	80-85	900		80-85	100-105	3,500		105-110
Claire Roche (Executive Director of Quality and Nursing) (Note 12)	25-30	600	32	55-60				
Estelle Hitchon (Director of Partnership & Engagement)	90-95	-	14	100-105	85-90	-	25	115-120
Hannah Evans (Director of Planning & Performance) (Note 13)					30-35	-	16	45-50
Rachel Marsh (Director of Strategy Performance & Planning) (Note 14)	95-100	-	36	130-135	30-35	-	2	30-35
Richard Lee (Director of Operations) (Note 15)					65-70	-	10	75-80
Lee Brooks (Director of Operations) (Note 16)	80-85	2,700	11	90-95				
Louise Platt (Interim Director of Operations) (Note 17)	30-35	-	7	35-40	35-40	-	24	60-65
Andrew Haywood (Director of Digital Services) (Note 18)	20-25	-	3	20-25				
Keith Cox (Board Secretary)	85-90	-		85-90	85-90	-		85-90

Note 1 - Martin Woodford was appointed Chairman on 1st April 2019, prior to this date he was Interim Chairman									
Note 2 - Kevin Davies was appointed Vice Chairman on 1st April 2019									
Note 3 - James Mycroft left the Trust on 31st March 2019									
Note 4 - Helen Birtwistle left the Trust on 31st October 2018									
Note 5 - Martin Turner was Interim Non Executive Director until 13th December 2019, when he took over this role on a fixed term basis									
Note 6 - Anoop Joga Singh was appointed as Non Executive Director from 9th December 2019									
Note 7 - Bethan Evans was appointed as Non Executive Director from 6th December 2019									
Note 8 - Jason Killens joined the Trust as Chief Executive on 24th September 2018									
Note 9 - Patsy Roseblade left the Trust on 15th October 2018 on an initial secondment to Powys Teaching Health Board before commencing a secondment with Swansea Bay University Health Board on 16th April 2019									
Note 10 - Christopher Turley was Interim Executive Director of Finance & ICT until 1st February 2020 when he was appointed Executive Director of Finance & Corporate Resources									
Note 11 - Claire Bevan retired on 31st December 2019									
Note 12 - Claire Roche was appointed Executive Director of Quality and Nursing on 1st January 2020									
Note 13 - Hannah Evans left the Trust on external secondment to Swansea Bay University Health Board on 6th August 2018									
Note 14 - 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									
Note 15 - Richard Lee left the Trust on 7th November 2018 however was paid until 3rd December 2018 due to accrued annual leave									
Note 16 - Lee Brooks was appointed Director of Operations on 8th July 2019									
Note 17 - Louise Platt was appointed Interim Director of Operations on 1st November 2018 until 31st July 2019									
Note 18 - Andy Haywood joined the Trust as Director of Digital Services on 20th January 2020									

## 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 2020 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2020 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2020	Cash Equivalent Transfer Value at 31 March 2019	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)	7.5-10	15-17.5	40-45	110-115	738	585	116	33
Christopher Turley (Executive Director of Finance & Corporate Resources)	0-2.5	0-2.5	40-45	95-100	748	683	34	21
Dr Brendan Lloyd (Medical Director / Interim Deputy Chief Executive) *	0	0	0	0	-	-	-	-
Claire Vaughan (Executive Director of Workforce & OD)	0-2.5	-2.5-0	20-25	45-50	391	354	15	20
Estelle Hitchon (Director of Partnership & Engagement)	0-2.5	-2.5-0	25-30	60-65	525	488	13	19
Claire Bevan (Executive Director of Quality & Nursing)	0-2.5	0-2.5	40-45	130-135	-	956	-	748
Claire Roche (Executive Director of Quality and Nursing)	0-2.5	2.5-5	25-30	80-85	590	448	29	5
Rachel Marsh (Director of Strategy Performance & Planning)	0-2.5	0-2.5	35-40	55-60	607	551	29	17
Lee Brooks (Director of Operations)	0-2.5	0	25-30	0	292	265	4	17
Louise Platt (Interim Director of Operations)	0-2.5	0-2.5	25-30	60-65	482	441	6	7
Andrew Haywood (Director of Digital Services)	0-2.5	0	0-5	0	36	22	-	4
Keith Cox (Board Secretary) **	0	0	0	0	-	-	-	-
*Dr Brendan Lloyd chose not to be covered by the NHS pension arrangements in the prior year, as well as the current reporting year								
**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 2019-20 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	2019-20	2018-19
Additional Clinical Services	1,464	1,467
Administrative & Clerical	517	483
Allied Health Professionals	1,055	983
Estates & Ancillary	58	56
Medical & Dental	1	2
Nursing and Midwifery	165	149
<b>Total</b>	<b>3,260</b>	<b>3,140</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, Board Secretary) as at 31 March 2020 are set out below (excludes secondees out of the Trust). This compares to a Trust wide staff composition of 45% female, 55% male.

Gender	Headcount	%
Female	6	33
Male	12	67
<b>Total</b>	<b>18</b>	<b>100</b>

## Sickness Absence Data

	2019-20	2018-19
Days lost (long term)	61,110.67	60,459.52
Days lost (short term)	23,734.84	21,760.66
<b>Total days lost</b>	<b>84,845.51</b>	<b>82,220.18</b>
Average working days lost	16.25	16.37
Total staff employed in period (headcount)	3,530	3,378
Total staff employed in period with no absence (headcount)	955	1,123
<b>Percentage staff with no sick leave</b>	<b>28.01%</b>	<b>32.67%</b>

Note: 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

The Trust continues to performance manage absence robustly and has implemented a number of actions in 2019–2020. These include:

- 85% of staff that manage sickness absence across the Trust have undertaken the appropriate level of training of the new All Wales Attendance at Work Policy. This has enabled the Trust to fully embed the new focus on attendance at work and health and wellbeing.
- Meetings have continued within localities to discuss long and short term sickness with Occupational Health, HR and line managers in attendance. This has supported effective management and timely interventions to be deployed to support staff during periods of ill health.
- The fast-track musculoskeletal service across Wales has been in place since December 2018 to provide an initial triage service and to provide telephone advice and, where necessary, face to face physio within 5-7 days. The Trust has seen an increase in the number of referrals to these services during 2019-20 and has received positive feedback from staff.
- The Trust's on-line cognitive behavioural therapy service has been available to staff since January 2019. Staff utilisation of the service has increased of late.
- Sickness audits have been undertaken across the Trust by HR with initial focus being on hot spot areas identified through the monthly sickness absence data. The aim of the audits is to ensure that appropriate reporting and processes have been undertaken by managers.
- In July 2019, Swansea Centre for Health Economics provided the Trust research on the impact of the roles within emergency services on staff health

and wellbeing. This research will be taken forward by the Trust Clinical Psychologist during 2020-21.

### 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 2019-20 in respect of consultancy costs was £0.300m (2018-19 £0.120m) across the following areas:

- Human Resource, Training and Education
- Organisation and Change Management
- Strategy

### Off-Payroll Engagements

The Trust has a nil return in 2019-20 for off-payroll engagements. This is consistent to that reported in 2018-19.

### Exit Packages

The Trust has a nil return in 2019-20 for exit package costs. This compares to a cost of £0.072m in 2018-19 for one exit package.



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CYMRU  
**NHS**  
WALES

Ymddiriedolaeth GIG  
Gwasanaethau Ambiwylans Cymru  
Welsh Ambulance Services  
NHS Trust

# **NATIONAL ASSEMBLY FOR WALES ACCOUNTABILITY AND AUDIT REPORT**

## **2019-20**

## Introduction

The National Assembly for Wales 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 the National Assembly for Wales and that the financial transactions recorded in the financial statements conform to the authorities which govern them.

### 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 2019-20 over how, when and at what level charges were levied.

### Material remote contingent liabilities

The Trust has no material remote contingent liabilities within its 2019-20 accounts. This is consistent to that reported in 2018-19.

### Audit certificate and report

The certificate and report of the Auditor General to the National Assembly of Wales is attached on the following pages.

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

## Report on the audit of the financial statements

### Opinion

I certify that I have audited the financial statements of the Welsh Ambulance Services NHS Trust for the year ended 31 March 2020 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 HM Treasury's Financial Reporting Manual based on International Financial Reporting Standards (IFRSs).

In my opinion the financial statements:

- give a true and fair view of the state of affairs of the Welsh Ambulance Services NHS Trust as at 31 March 2020 and of its surplus for the year then ended; and
- have been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

### Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)). 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 opinion.

### Emphasis of matter

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, instructing her to fund NHS clinical staffs' pension tax liabilities incurred by NHS Wales bodies in respect of the 2019-20 financial year. The Trust has disclosed the existence of a contingent liability at 31 March 2020, and my opinion is not modified in respect of this matter.

### Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you were:

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Chief Executive has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The Chief Executive is responsible for the other information in the annual report and accounts. The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. 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.

In connection with my audit of the financial statements, my responsibility is to read the other information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

### 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.

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

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

- proper accounting records have not been kept;
- the financial statements 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.

## **Report**

I have no observations to make on these financial statements.

## **Responsibilities**

### **Responsibilities of Directors and the Chief Executive**

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.



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.

Adrian Crompton  
Auditor General for Wales

24 Cathedral Road  
Cardiff  
CF11 9LJ



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NHS Trust



# ANNUAL ACCOUNTS

## 2019-20

# Welsh Ambulance Services NHS Trust

## Foreword

These accounts for the period ended 31 March 2020 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 around 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 2019-20. 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 2016-17.

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 2016-17, being the first three year period of assessment.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2020

	Note	2019-20 £000	2018-19 £000
Revenue from patient care activities	3	200,000	180,274
Other operating revenue	4	11,339	7,540
Operating expenses	5.1	(211,622)	(187,976)
<b>Operating (deficit)/surplus</b>		<b>(283)</b>	<b>(162)</b>
Investment revenue	6	117	98
Other gains and losses	7	296	212
Finance costs	8	(85)	(91)
<b>Retained surplus</b>	<b>2.1.1</b>	<b>45</b>	<b>57</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		374	333
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		(15)	0
Impairments and reversals		(161)	(510)
Transfers between reserves		0	0
Reclassification adjustment on disposal of available for sale financial assets		0	0
<b>Sub total</b>		<b>198</b>	<b>(177)</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>198</b>	<b>(177)</b>
<b>Total comprehensive income for the year</b>		<b>243</b>	<b>(120)</b>

The notes on pages 6 to 75 form part of these accounts.

## STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

		Note	31 March 2020	31 March 2019
			£000	£000
<b>Non-current assets</b>				
	Property, plant and equipment	13	87,680	79,336
	Intangible assets	14	5,133	5,713
	Trade and other receivables	17.1	536	523
	Other financial assets	18	0	0
	<b>Total non-current assets</b>		<b>93,349</b>	<b>85,572</b>
<b>Current assets</b>				
	Inventories	16.1	1,556	1,418
	Trade and other receivables	17.1	9,086	7,372
	Other financial assets	18	0	0
	Cash and cash equivalents	19	24,582	13,626
			<b>35,224</b>	<b>22,416</b>
	Non-current assets held for sale	13.2	246	130
	<b>Total current assets</b>		<b>35,470</b>	<b>22,546</b>
<b>Total assets</b>			<b>128,819</b>	<b>108,118</b>
<b>Current liabilities</b>				
	Trade and other payables	20	(27,523)	(23,673)
	Borrowings	21	(1,970)	(941)
	Other financial liabilities	22	0	0
	Provisions	23	(7,293)	(4,884)
	<b>Total current liabilities</b>		<b>(36,786)</b>	<b>(29,498)</b>
<b>Net current assets/(liabilities)</b>			<b>(1,316)</b>	<b>(6,952)</b>
<b>Total assets less current liabilities</b>			<b>92,033</b>	<b>78,620</b>
<b>Non-current liabilities</b>				
	Trade and other payables	20	0	0
	Borrowings	21	(2,667)	0
	Other financial liabilities	22	0	0
	Provisions	23	(9,554)	(6,974)
	<b>Total non-current liabilities</b>		<b>(12,221)</b>	<b>(6,974)</b>
<b>Total assets employed</b>			<b>79,812</b>	<b>71,646</b>
<b>Financed by Taxpayers' equity:</b>				
	Public dividend capital		76,309	68,386
	Retained earnings		(6,209)	(6,254)
	Revaluation reserve		9,712	9,514
	Other reserves		0	0
	<b>Total taxpayers' equity</b>		<b>79,812</b>	<b>71,646</b>

The financial statements were approved by the Board on 25th June 2020 and signed on behalf of the Board by:

Chief Executive : Jason Killens..... Date:25th June 2020

The notes on pages 6 to 75 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 1 April 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
<b>Total in year movement</b>	<b>0</b>	<b>45</b>	<b>198</b>	<b>243</b>
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>	<b>76,309</b>	<b>(6,209)</b>	<b>9,712</b>	<b>79,812</b>

# STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

2018-19	Public Dividend Capital £000	Retained earnings £000	Revaluation reserve £000	Total £000
<b>Changes in taxpayers' equity for 2018-19</b>				
<b>Balance at 31 March 2018</b>	66,162	(6,311)	9,691	69,542
<b>Adjustment for Implementation of IFRS 9</b>	0	0	0	0
<b>Balance at 1 April 2018</b>	66,162	(6,311)	9,691	69,542
Retained surplus/(deficit) for the year		57		57
Net gain/(loss) on revaluation of property, plant and equipment		0	333	333
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	(510)	(510)
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	57	(177)	(120)
New Public Dividend Capital received	2,224			2,224
Public Dividend Capital repaid in year	0			0
Public Dividend Capital extinguished/written off	0			0
Other movements in PDC in year	0			0
<b>Balance at 31 March 2019</b>	68,386	(6,254)	9,514	71,646

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

	Note	2019-20 £000	2018-19 £000
<b>Cash flows from operating activities</b>			
Operating surplus/(deficit)	SOCI	(283)	(162)
Movements in working capital	30	(894)	8,017
Other cash flow adjustments	31	24,400	19,517
Provisions utilised		(1,706)	(5,917)
Interest paid		(85)	(91)
<b>Net cash inflow (outflow) from operating activities</b>		<b>21,432</b>	<b>21,364</b>
<b>Cash flows from investing activities</b>			
Interest received		117	98
(Payments) for property, plant and equipment		(23,476)	(18,892)
Proceeds from disposal of property, plant and equipment		393	233
(Payments) for intangible assets		(362)	0
Proceeds from disposal of intangible assets		0	0
(Payments) for investments with Welsh Government		0	0
Proceeds from disposal of investments 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>(23,328)</b>	<b>(18,561)</b>
<b>Net cash inflow (outflow) before financing</b>		<b>(1,896)</b>	<b>2,803</b>
<b>Cash flows from financing activities</b>			
Public Dividend Capital received		8,914	2,224
Public Dividend Capital repaid		(123)	0
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		365	0
Capital elements of finance leases and on-SOFP PFI		3,696	(1,527)
Cash transferred (to)/from other NHS Wales bodies		0	0
<b>Net cash inflow (outflow) from financing activities</b>		<b>12,852</b>	<b>697</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>10,956</b>	<b>3,500</b>
<b>Cash [and] cash equivalents at the beginning of the financial year</b>	19	<b>13,626</b>	<b>10,126</b>
<b>Cash [and] cash equivalents at the end of the financial year</b>	19	<b>24,582</b>	<b>13,626</b>

The notes on pages 6 to 75 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 2019-20 Manual for Accounts. The accounting policies contained in that manual follow the 2019-20 Financial Reporting Manual (FReM), which applies European Union adopted IFRS and Interpretations in effect for accounting periods commencing on or after 1 January 2019, except for IFRS 16 Leases, which is deferred until 1 April 2021; 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.

Where income is received from Non NHS bodies for a specific activity that is to be delivered in the following year that income is deferred. Only non-NHS income may be deferred.

The Trust receives income under the NHS Injury Cost Recovery Scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid e.g. by an insurer. The Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit that the individual has lodged a compensation claim. The income is measured at the agreed tariff for the treatments provided to the injured individual, less a provision for unsuccessful compensation claims and doubtful debts.

From 2018-19, 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.

Only non-NHS income may be deferred.

## **1.4 Employee benefits**

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

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

### **Retirement benefit costs**

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The latest NHS Pension Scheme valuation results indicated that an increase in benefit required a 6.3% increase (14.38% to 20.68%) which was implemented from 1 April 2019. As an organisation within the full funding scope, the joint (in NHS England and NHS Wales) transitional arrangement operated in 2019-20 where employers in the Scheme would continue to pay 14.38% employer contributions under their normal monthly payment process, in Wales the additional 6.3% being 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 the 2019-20 annual accounts. Payments made on their behalf by Welsh Government are accounted for on a notional basis. For detailed information see Note 37.1- Other Information within these accounts.

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

### **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 2017-18 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 2015-16, IFRS 13 Fair Value Measurement must be complied with in full. However IAS 16 and IAS 38 have been adapted for the public sector context which limits the circumstances under which a valuation is prepared under IFRS 13. Assets which are held for their service potential and are in use should be measured at their current value in existing use. For specialised assets current value in existing use should be interpreted as the present value of the assets remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential. Where there is no single class of asset that falls within IFRS 13, disclosures should be for material items only.

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

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

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

### **Subsequent expenditure**

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

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

## **1.7 Intangible assets**

### **Recognition**

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

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

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

### **Measurement**

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

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

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

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

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

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

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

## **1.9 Research and Development**

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

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

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

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

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

## **1.11 Leases**

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

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

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

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

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

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

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

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



### 1.12 Inventories

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

### 1.13 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Statement of Cash flows (SoCF), cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the cash management.

### 1.14 Provisions

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

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

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

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

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

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

The Welsh Risk Pool Services (WRPS) operates 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 2019-20. The WRPS is hosted by Velindre University NHS Trust.

#### **1.15 Financial Instruments**

From 2018-19 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, will be to change the calculation basis for bad debt provisions, changing from an incurred loss basis to a lifetime expected credit loss (ECL) basis.

All entities applying the FReM shall recognise the difference between previous carrying amount and the carrying amount at the beginning of the annual reporting period that includes the date of initial application in the opening general fund within Taxpayer's equity.

#### **1.16 Financial assets**

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

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

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

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

Financial assets are classified into the following categories: financial assets 'at fair value through SoCI; 'held to maturity investments'; 'available for sale' financial assets, and 'loans and receivables'.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

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

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

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

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

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

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

### **1.16.5 Loans and receivables**

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

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

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

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

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

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

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

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

#### **1.17 Financial liabilities**

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

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

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

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

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

### **1.17.3 Other financial liabilities**

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

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

Most of the activities of the NHS Wales organisation are outside the scope of VAT and, in general, output 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 any pooled budget arrangements with Local Authorities.

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

In the application of the Trust's 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.

Significant estimations are also made for continuing care costs resulting from claims post 1 April 2003. An assessment of likely outcomes, potential liabilities and timings of these claims are made on a case by case basis. Material changes associated with these claims would be adjusted in the period in which they are revised.

## 1.25 Provisions

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

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

### Probable & Certain Cases – Accounting Treatment

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

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

*\* 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 -0.75%.

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 £1.653m.

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

The NHS Wales organisation 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.

The Trust has none to report.



### **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 Not EU-endorsed.\*

Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable.

IFRS 16 Leases is to be effective from 1st April 2021.

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 2019-20 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 Welsh Ambulance Services NHS Trust has established that as it is the corporate trustee of the The Welsh Ambulance Services NHS Trust Charity, it is considered for accounting standards compliance to have control of the The Welsh Ambulance Services NHS Trust Charity as a subsidiary and therefore is required to consolidate the results of the The Welsh Ambulance Services NHS Trust Charity within the statutory accounts of The Welsh Ambulance Services NHS 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 Charity 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 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			2017-18 to 2019-20
	2017-18 £000	2018-19 £000	2019-20 £000	Financial duty £000
Retained surplus	70	57	45	172
Less Donated asset / grant funded revenue adjustment	0	0	0	0
Adjusted surplus/ (Deficit)	70	57	45	172

The Welsh Ambulance Services NHS Trust has met its financial duty to break even over the 3 years 2017-18 to 2019-20.

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

The NHS Wales Planning Framework issued to NHS Trusts places a requirement upon NHS Trusts to prepare and submit Integrated Medium Term Plans to the Welsh Government.

The Trust has submitted an Integrated Medium Term Plan for the period 2019-20 to 2021-22 in accordance with NHS Wales Planning Framework.

The Minister for Health and Social Services approval	Financial duty 2019-20 to 2021-22	
	Status	Approved
	Date	18/04/2019

The Welsh Ambulance Services NHS Trust has met its annual financial duty to have an approved financial plan for the period 2019-20 to 2021-22.

## 2. Financial Performance (cont)

### 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 2019-20.

#### 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:

	<b>2019-20</b>	2018-19
Total number of non-NHS bills paid	<b>45,221</b>	39,395
Total number of non-NHS bills paid within target	<b>43,949</b>	38,194
Percentage of non-NHS bills paid within target	<b>97.2%</b>	97.0%

The Trust has met the target.

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<b>3. Revenue from patient care activities</b>	<b>2019-20</b>	<b>2018-19</b>
	<b>£000</b>	<b>£000</b>
Local health boards	31,050	24,923
Welsh Health Specialised & Emergency Ambulance Services Committees (WHSSC & EASC)	158,533	147,684
Welsh NHS Trusts	703	675
Health Education and Improvement Wales (HEIW)	0	0
Foundation Trusts	0	0
Other NHS England bodies	124	100
Other NHS Bodies	7	2
Local Authorities	4	6
Welsh Government	9,072	6,320
Welsh Government - Hosted Bodies	0	0
Non NHS:		
Private patient income	9	9
Overseas patients (non-reciprocal)	0	0
Injury Costs Recovery (ICR) Scheme	310	349
Other revenue from activities	188	206
<b>Total</b>	<b>200,000</b>	<b>180,274</b>

<b>Injury Cost Recovery (ICR) Scheme income</b>	<b>2019-20</b>	<b>2018-19</b>
	<b>%</b>	<b>%</b>
To reflect expected rates of collection ICR income is subject to a provision for impairment of:	21.79	21.89

<b>4. Other operating revenue</b>	<b>2019-20</b>	<b>2018-19</b>
	<b>£000</b>	<b>£000</b>
Income generation	0	0
Patient transport services	0	0
Education, training and research	1,193	960
Charitable and other contributions to expenditure	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	113	0
Rental revenue from operating leases	0	121
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	159	212
Business unit	0	0
Other	9,874	6,247
<b>Total</b>	<b>11,339</b>	<b>7,540</b>

Other revenue comprises:

Non-ambulance transport for other NHS bodies	0	0
Personal injury benefit scheme (PIBS)	3,233	165
Air Ambulance paramedic funding	135	121
Hazardous Area Response Team (HART)	2,392	2,319
Other minor services income	3,047	1,788
Ambulance Radio Replacement Programme (ARRP)	0	0
Funding for impairments (as funds flow monies)	1,067	1,854
<b>Total</b>	<b>9,874</b>	<b>6,247</b>

<b>5. Operating expenses</b>	<b>2019-20</b>	<b>2018-19</b>
<b>5.1 Operating expenses</b>	<b>£000</b>	<b>£000</b>
Local Health Boards	233	0
Welsh NHS Trusts	858	0
Health Education and Improvement Wales (HEIW)	0	0
Goods and services from other non Welsh NHS bodies	0	1,060
WHSSC/EASC	0	0
Local Authorities	0	0
Purchase of healthcare from non-NHS bodies	5,147	2,828
Welsh Government	0	0
Other NHS Trusts	0	0
Directors' costs	1,325	1,182
Staff costs	147,850	131,284
Supplies and services - clinical	3,667	3,709
Supplies and services - general	1,132	1,337
Consultancy Services	300	120
Establishment	3,883	3,925
Transport	14,487	13,791
Premises	8,100	7,025
Impairments and Reversals of Receivables	0	0
Depreciation	14,785	14,443
Amortisation	1,853	1,472
Impairments and reversals of property, plant and equipment	1,067	1,842
Impairments and reversals of intangible assets	0	11
Impairments and reversals of financial assets	0	0
Impairments and reversals of non current assets held for sale	0	0
Audit fees	162	152
Other auditors' remuneration	0	0
Losses, special payments and irrecoverable debts	4,076	828
Research and development	0	0
Other operating expenses	2,697	2,967
<b>Total</b>	<b>211,622</b>	<b>187,976</b>

5. Operating expenses (continued)

5.2 Losses, special payments and irrecoverable debts:

	2019-20	Reclassified 2018-19
Charges to operating expenses	£000	£000
Increase/(decrease) in provision for future payments:		
Clinical negligence;-		
Secondary care	563	(1,921)
Primary care	0	0
Redress Secondary Care	0	0
Redress Primary Care	0	0
Personal injury	5,046	1,479
All other losses and special payments	164	183
Defence legal fees and other administrative costs	184	252
Structured Settlements Welsh Risk Pool	0	0
Gross increase/(decrease) in provision for future payments	5,957	(7)
Contribution to Welsh Risk Pool	89	0
Premium for other insurance arrangements	0	0
Irrecoverable debts	40	(20)
Less: income received/ due from Welsh Risk Pool	(2,010)	855
<b>Total charge</b>	<b>4,076</b>	<b>828</b>

Personal injury includes £3.178m in respect of permanent injury benefits (2018-19 £0.156m). This expenditure includes £2m re new / reviewed cases and a charge of £0.873m relating to the change in the rate at which the provision for future payments is calculated.

	2019-20	2018-19
	£	£
Permanent injury included within personal injury £:	3,177,715	156,000

<b>6. Investment revenue</b>	<b>2019-20</b>	<b>2018-19</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	117	98
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	0	0
<b>Total</b>	<b>117</b>	<b>98</b>

<b>7. Other gains and losses</b>	<b>2019-20</b>	<b>2018-19</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	296	212
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>296</b>	<b>212</b>

<b>8. Finance costs</b>	<b>2019-20</b>	<b>2018-19</b>
	<b>£000</b>	<b>£000</b>
Interest on loans and overdrafts	0	0
Interest on obligations under finance leases	64	83
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>64</b>	<b>83</b>
Provisions unwinding of discount	21	8
Periodical Payment Order unwinding of discount	0	0
Other finance costs	0	0
<b>Total</b>	<b>85</b>	<b>91</b>



## 9. Operating leases

### 9.1 Trust as lessee

	2019-20	2018-19
	£000	£000
Payments recognised as an expense		
Minimum lease payments	1,628	1,799
Contingent rents	0	0
Sub-lease payments	0	0
<b>Total</b>	<b>1,628</b>	<b>1,799</b>
Total future minimum lease payments	2019-20	2018-19
Payable:	£000	£000
Not later than one year	1,666	1,345
Between one and five years	2,355	2,231
After 5 years	2,117	2,549
<b>Total</b>	<b>6,138</b>	<b>6,125</b>
Total future sublease payments expected to be received	0	0

## 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	2019-20 £000	2018-19 £000
Rent	0	0
Contingent rent	0	0
Other	113	115
<b>Total rental revenue</b>	<b>113</b>	<b>115</b>

Total future minimum lease payments	2019-20 £000	2018-19 £000
<b>Receivable:</b>		
Not later than one year	13	75
Between one and five years	0	13
After 5 years	2	2
<b>Total</b>	<b>15</b>	<b>90</b>

## 10. Employee costs and numbers

					2019-20	2018-19
10.1 Employee costs	Permanently employed staff	Staff on Inward Secondment	Agency Staff	Other Staff	£000	£000
	£000	£000	£000	£000	£000	£000
Salaries and wages	123,105	425	262	0	123,792	108,717
Social security costs	11,666	0	0	0	11,666	10,845
Employer contributions to NHS Pensions Scheme	14,010	0	0	0	14,010	13,083
Other pension costs	9	0	0	0	9	9
Other post-employment benefits	0	0	0	0	0	0
Termination benefits	0	0	0	0	0	0
<b>Total</b>	<b>148,790</b>	<b>425</b>	<b>262</b>	<b>0</b>	<b>149,477</b>	<b>132,654</b>
<b>Of the total above:</b>						
Charged to capital					415	301
Charged to revenue					149,062	132,353
<b>Total</b>					<b>149,477</b>	<b>132,654</b>
Net movement in accrued employee benefits (untaken staff leave accrual included above)					96	95

## 10.2 Average number of employees

	Permanently Employed	Staff on Inward Secondment	Agency Staff	Other Staff	2019-20 Total	2018-19 Total
	Number	Number	Number	Number	Number	Number
Administrative, clerical and board members	517	6	8	0	531	496
Ambulance staff	0	0	0	0	0	0
Medical and dental	1	0	0	0	1	2
Nursing, midwifery registered	165	0	0	0	165	149
Professional, scientific and technical staff	0	0	0	0	0	0
Additional Clinical Services	1,464	0	0	0	1,464	1,467
Allied Health Professions	1,055	0	0	0	1,055	983
Healthcare scientists	0	0	0	0	0	0
Estates and Ancillary	58	0	0	0	58	56
Students	0	0	0	0	0	0
<b>Total</b>	<b>3,260</b>	<b>6</b>	<b>8</b>	<b>0</b>	<b>3,274</b>	<b>3,153</b>

## 10.3. Retirements due to ill-health

	2019-20	2018-19
Number	1	8
Estimated additional pension costs £	4,733	354,668

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

	2019-20	2019-20	2019-20	2019-20	2018-19
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	0	0	0	0
£50,000 to £100,000	0	0	0	0	1
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	0	0	0	1

	2019-20	2019-20	2019-20	2019-20	2018-19
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	0	0	0	0
£50,000 to £100,000	0	0	0	0	71,983
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	0	0	0	71,983

There are no exit packages to report for this financial year.

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).

This disclosure reports the number and value of exit packages agreed in the year in line with the Welsh Government manual for accounts.

## 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 2020 in the Welsh Ambulance Services NHS Trust in the financial year 2019-20 was £160k to £165k (2018-19, £155k to £160k). This was 5.40 times (2018-19, 5.32 times) the median remuneration of the workforce, which was £30,091 (2018-19, £29,608).

In 2019-20, 0 (2018-19, 0) employees received remuneration in excess of the highest-paid director.

Remuneration ranged from £17,652 to £162,500 (2018-19 £17,460 to £157,500).

The reason for the increase in remuneration together with the upward rise in ratio and median remuneration compared to 2018-19 are the result of movement within A4C pay bands and a 2% pay increase for Directors.

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.

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 2020, is based on valuation data as 31 March 2019, updated to 31 March 2020 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%, and the Scheme Regulations were amended accordingly.

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

### **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 £6,136 and £50,000 for the 2019-20 tax year (2018-19 £6,032 and £46,350).

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.

	2019-20 Number	2019-20 £000	2018-19 Number	2018-19 £000
<b>NHS</b>				
Total bills paid in year	826	4,588	781	4,127
Total bills paid within target	686	3,746	667	3,547
Percentage of bills paid within target	83.1%	81.6%	85.4%	85.9%
<b>Non-NHS</b>				
Total bills paid in year	45,221	92,589	39,395	85,156
Total bills paid within target	43,949	90,773	38,194	83,558
Percentage of bills paid within target	97.2%	98.0%	97.0%	98.1%
<b>Total</b>				
Total bills paid in year	46,047	97,177	40,176	89,283
Total bills paid within target	44,635	94,519	38,861	87,105
Percentage of bills paid within target	96.9%	97.3%	96.7%	97.6%

12.2 The Late Payment of Commercial Debts (Interest) Act 1998	2019-20 £	2018-19 £
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 :

#### 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>	<b>9,095</b>	<b>20,127</b>	<b>0</b>	<b>10,095</b>	<b>20,349</b>	<b>71,808</b>	<b>27,875</b>	<b>1,778</b>	<b>161,127</b>
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>

#### Depreciation

<b>At 1 April 2019</b>	<b>0</b>	<b>1,263</b>	<b>0</b>	<b>0</b>	<b>12,676</b>	<b>45,060</b>	<b>21,857</b>	<b>935</b>	<b>81,791</b>
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>

#### Net book value

<b>At 1 April 2019</b>	<b>9,095</b>	<b>18,864</b>	<b>0</b>	<b>10,095</b>	<b>7,673</b>	<b>26,748</b>	<b>6,018</b>	<b>843</b>	<b>79,336</b>
<b>Net book value</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>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>

#### Net book value at 31 March 2020 comprises :

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>

#### Asset Financing:

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>

### 13. Property, plant and equipment :

#### 2018-19

	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 2018</b>	8,478	17,982	0	8,072	22,449	70,655	29,016	1,030	157,682
Indexation	167	171	0	0	0	0	0	0	338
Additions - purchased	0	27	0	18,698	(4)	1,071	32	0	19,824
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	580	4,274	0	(16,675)	234	8,721	(975)	748	(3,093)
Revaluation	0	(510)	0	0	0	0	0	0	(510)
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	(1,764)	0	0	0	(147)	(1)	0	(1,912)
Reclassified as held for sale	(130)	0	0	0	(2,330)	(8,542)	0	0	(11,002)
Disposals other than by sale	0	(53)	0	0	0	50	(197)	0	(200)
<b>At 31 March 2019</b>	<b>9,095</b>	<b>20,127</b>	<b>0</b>	<b>10,095</b>	<b>20,349</b>	<b>71,808</b>	<b>27,875</b>	<b>1,778</b>	<b>161,127</b>

#### Depreciation

<b>At 1 April 2018</b>	0	571	0	0	12,577	45,310	19,297	876	78,631
Indexation	0	5	0	0	0	0	0	0	5
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	(33)	0	(134)	0	(167)
Revaluation	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	(51)	0	0	0	(19)	0	0	(70)
Reclassified as held for sale	0	0	0	0	(2,309)	(8,542)	0	0	(10,851)
Disposals other than by sale	0	(53)	0	0	0	50	(197)	0	(200)
Charged during the year	0	791	0	0	2,441	8,261	2,891	59	14,443
<b>At 31 March 2019</b>	<b>0</b>	<b>1,263</b>	<b>0</b>	<b>0</b>	<b>12,676</b>	<b>45,060</b>	<b>21,857</b>	<b>935</b>	<b>81,791</b>

#### Net book value

<b>At 1 April 2018</b>	8,478	17,411	0	8,072	9,872	25,345	9,719	154	79,051
<b>Net book value</b>									
<b>At 31 March 2019</b>	<b>9,095</b>	<b>18,864</b>	<b>0</b>	<b>10,095</b>	<b>7,673</b>	<b>26,748</b>	<b>6,018</b>	<b>843</b>	<b>79,336</b>

#### Net book value at 31 March 2019 comprises :

Purchased	9,095	18,864	0	10,095	7,673	26,748	6,018	843	79,336
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 2019</b>	<b>9,095</b>	<b>18,864</b>	<b>0</b>	<b>10,095</b>	<b>7,673</b>	<b>26,748</b>	<b>6,018</b>	<b>843</b>	<b>79,336</b>

#### Asset Financing:

Owned	9,095	18,864	0	10,095	7,673	26,748	4,946	843	78,264
Held on finance lease	0	0	0	0	0	0	1,072	0	1,072
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 2019</b>	<b>9,095</b>	<b>18,864</b>	<b>0</b>	<b>10,095</b>	<b>7,673</b>	<b>26,748</b>	<b>6,018</b>	<b>843</b>	<b>79,336</b>

#### The net book value of land, buildings and dwellings at 31 March 2019 comprises :

	£000
Freehold	25,059
Long Leasehold	2,900
Short Leasehold	0
<b>Total</b>	<b>27,959</b>

### 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

£1.067 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	117
Equipment	No longer serviceable	33
Land	Surplus to requirement	146
		<u>296</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 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 sale	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>
<b>Balance b/f 1 April 2018</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Plus assets classified as held for sale in year	130	0	21	0	0	151
Revaluation	0	0	0	0	0	0
Less assets sold in year	0	0	(21)	0	0	(21)
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 sale	0	0	0	0	0	0
<b>Balance c/f 31 March 2019</b>	<b>130</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>130</b>

As at 31st March 2020, two properties are included within this category.

One property 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 this 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 2020/21.

The second property became surplus to requirement following the relocation of staff to shared accommodation with a Local Authority in 2019/20. This is in accordance with the Estates Strategic Outline Programme under which collaboration with other public services is a significant theme.

#### 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
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>
Net book value At 1 April 2019	4,053	0	1,660	0	0	0	5,713
<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

	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 2018</b>	9,695	0	1,599	0	0	0	11,294
Revaluation		0			0	0	0
Reclassifications	1,533	0	1,560	0	0	0	3,093
Reversal of impairments	0	0	0	0	0	0	0
Impairments	(23)	0	0	0	0	0	(23)
Additions							
- purchased	0	0	0	0	0	0	0
- 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 2019</b>	11,205	0	3,159	0	0	0	14,364
<b>Amortisation</b>							
<b>At 1 April 2018</b>	5,880	0	1,144	0	0	0	7,024
Revaluation		0			0	0	0
Reclassifications	149	0	18	0	0	0	167
Reversal of impairments	0	0	0	0	0	0	0
Impairments	(12)	0	0	0	0	0	(12)
Charged during the year	1,135	0	337	0	0	0	1,472
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 2019</b>	7,152	0	1,499	0	0	0	8,651
Net book value At 1 April 2018	3,815	0	455	0	0	0	4,270
<b>Net book value At 31 March 2019</b>	4,053	0	1,660	0	0	0	5,713
<b>Net book value</b>							
Purchased	4,053	0	1,660	0	0	0	5,713
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 2019</b>	4,053	0	1,660	0	0	0	5,713

**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:	2019-20		2018-19	
	Property, plant & equipment	Intangible assets	Property, plant & equipment	Intangible assets
	£000	£000	£000	£000
Loss or damage from normal operations	0	0	0	0
Abandonment of assets in the course of construction	0	0	0	0
Over specification of assets (Gold Plating)	0	0	0	0
Loss as a result of a catastrophe	0	0	0	0
Unforeseen obsolescence	0	0	0	0
Changes in market price	0	0	0	0
Other (Specify)	1,067	0	1,842	11
Reversal of impairment	0	0	0	0
<b>Impairments charged to operating expenses</b>	<b>1,067</b>	<b>0</b>	<b>1,842</b>	<b>11</b>

### Analysis of impairments :

Operating expenses in Statement of Comprehensive Income	1,067	0	1,842	11
Revaluation reserve	176	0	510	0
<b>Total</b>	<b>1,243</b>	<b>0</b>	<b>2,352</b>	<b>11</b>

Included within the above total of £1.243m are the following items:-

- a review undertaken in connection with expenditure incurred on Trust buildings identified that a total impairment of £1.014m was required as there were instances where the value of the buildings had not been enhanced. Of this amount, £0.936m was charged to operating expenses.

- a review of equipment and vehicles during the year identified £0.125m of obsolete items requiring impairment. All of this was charged to operating expense.

- Llantwit Major land was identified for sale in year and required impairing by £0.015m following market price valuation. None of this was charged to operating expenses.

- the 2019/20 indexation for Land resulted all Land assets requiring impairment of £0.089m in accordance with paragraph 7.169 of the Manual for Accounts. Of this amount, £0.006m was charged to operating expenses.



## 16. Inventories

### 16.1 Inventories

	31 March 2020 £000	31 March 2019 £000
Drugs	115	152
Consumables	1,170	995
Energy	0	0
Work in progress	0	0
Other	271	271
<b>Total</b>	<b>1,556</b>	<b>1,418</b>
<b>Of which held at net realisable value:</b>	<b>0</b>	<b>0</b>

### 16.2 Inventories recognised in expenses

	31 March 2020 £000	31 March 2019 £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>

**Welsh Ambulance Services NHS Trust Annual Accounts 2019-20**
**17. Trade and other receivables**
**17.1 Trade and other receivables**

	31 March	Reclassified 31 March
	2020	2019
	£000	£000
<b>Current</b>		
Welsh Government	1,518	1,796
WHSC & EASC	43	11
Welsh Health Boards	1,110	835
Welsh NHS Trusts	310	98
Health Education and Improvement Wales (HEIW)	5	49
Non - Welsh Trusts	0	0
Other NHS	13	6
Welsh Risk Pool Claim reimbursement:-		
NHS Wales Secondary Health Sector	3,887	2,198
NHS Wales Primary Sector FLS Reimbursement	0	0
NHS Wales Redress	0	0
Other	0	0
Local Authorities	18	6
Capital debtors- Tangible	0	280
Capital debtors- Intangible	0	0
Other debtors	1,163	838
Provision for impairment of trade receivables	(290)	(254)
Pension Prepayments		
NHS Pensions Agency	0	0
NEST	0	0
Other prepayments	1,309	1,509
Accrued income	0	0
Sub-total	9,086	7,372
<b>Non-current</b>		
Welsh Government	0	0
WHSC & 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
Welsh Risk Pool Claim reimbursement		
NHS Wales Secondary Health Sector	0	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	536	523
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	536	523
<b>Total trade and other receivables</b>	<b>9,622</b>	<b>7,895</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 £0.839m re Compensation Recovery Unit (2018-19 £0.872m).

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

	<b>31 March 2020 £000</b>	31 March 2019 £000
By up to 3 months	615	209
By 3 to 6 months	0	0
By more than 6 months	0	0
<b>Balance at end of financial year</b>	<b>615</b>	<b>209</b>

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

	<b>31 March 2020 £000</b>	31 March 2019 £000
Balance at 31 March		(291)
Adjustment for Implementation of IFRS 9		0
Balance at 1 April	(254)	(291)
Transfer to other NHS Wales body	0	0
Provision utilised (Amount written off during the year)	4	17
Provision written back during the year no longer required	0	0
(Increase)/Decrease in provision during year	(40)	20
ECL/Bad debts recovered during year	0	0
<b>Balance at end of financial year</b>	<b>(290)</b>	<b>(254)</b>

**17.4 Receivables VAT**

	<b>31 March 2020 £000</b>	31 March 2019 £000
Trade receivables	19	58
Other	0	0
<b>Total</b>	<b>19</b>	<b>58</b>

**18. Other financial assets**

	<b>31 March 2020 £000</b>	31 March 2019 £000
<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 2020 £000</b>	31 March 2019 £000
Opening Balance	<b>13,626</b>	10,126
Net change in year	<b>10,956</b>	3,500
<b>Closing Balance</b>	<b>24,582</b>	13,626
<b>Made up of:</b>		
Cash with Government Banking Service (GBS)	<b>24,551</b>	300
Cash with Commercial banks	<b>25</b>	20
Cash in hand	<b>6</b>	6
<b>Total cash</b>	<b>24,582</b>	326
Current investments	<b>0</b>	13,300
<b>Cash and cash equivalents as in SoFP</b>	<b>24,582</b>	13,626
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>24,582</b>	13,626

	31 March	Reclassified 31 March
20. Trade and other payables at the SoFP Date	2020	2019
Current	£000	£000
Welsh Government	299	59
WHSSC & EASC	818	426
Welsh Health Boards	228	346
Welsh NHS Trusts	218	277
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	1,267	1,147
National Insurance contributions payable to HMRC	1,791	1,627
Non-NHS trade payables - revenue	1,847	2,993
Local Authorities	6	8
Capital payables-Tangible	9,381	7,650
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	1,911	1,761
Non NHS Accruals	9,550	7,234
Deferred Income:		
Deferred income brought forward	145	75
Deferred income additions	62	70
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>27,523</b>	<b>23,673</b>

In respect of the Pensions figure shown above, £1.891m relates to the NHS Pension scheme (2018-19 £1.751m) and £0.020m to the NEST pension scheme (2018-19 £0.010m).

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

	31 March 2020 £000	Reclassified 31 March 2019 £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>27,523</u></b>	<b><u>23,673</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>2020</b>	<b>2019</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	1,970	941
Other	0	0
<b>Total</b>	<b>1,970</b>	<b>941</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	2,667	0
Other	0	0
<b>Total</b>	<b>2,667</b>	<b>0</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>2020</b>	<b>2019</b>
<b>Amounts falling due:</b>	<b>£000</b>	<b>£000</b>
In one year or less	0	0
Between one and two years	0	0
Between two and five years	0	0
In five years or more	0	0
Sub-total	0	0
Wholly repayable within five years	0	0
Wholly repayable after five years, not by instalments	0	0
Wholly or partially repayable after five years by instalments	0	0
Sub-total	0	0
Total repayable after five years by instalments	0	0

The Trust has not received a loan advance or strategic funding from the Welsh Government.



## 22. Other financial liabilities

	31 March 2020 £000	31 March 2019 £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 2020 £000	31 March 2019 £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

#### 2019-20

Reclassified

#### Current

	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
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
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>

#### Non Current

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
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>

#### TOTAL

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	0
Pensions relating to: other staff	99	0	0	0	0	16	(16)	(7)	0	92
Restructurings	0	0	0	0	0	0	0	0	0	0
Other	1,869	0	0	0	0	708	0	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>

#### Expected timing of cash flows:

	In year to 31 March 2021 £000	Between 01-Apr-21 to 31 March 2025 £000	Thereafter £000	Totals £000
Clinical negligence:-				
Secondary Care	1,977	0	0	1,977
Primary Care	0	0	0	0
Redress Secondary Care	0	0	0	0
Redress Primary Care	0	0	0	0
Personal injury	2,408	1,965	7,516	11,889
All other losses and special payments	0	0	0	0
Defence legal fees and other administration	312	0	0	312
Structured Settlements - WRPS	0	0	0	0
Pensions - former directors	0	0	0	0
Pensions - other staff	19	60	13	92
Restructuring	0	0	0	0
Other	2,577	0	0	2,577
<b>Total</b>	<b>7,293</b>	<b>2,025</b>	<b>7,529</b>	<b>16,847</b>

"Other" provisions £2.577m (2018-19 £1.869m) relates to a provision of £1.653m 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, £0.543m in relation to the re-banding of an Unscheduled Care Post from a Band 3 to a Band 4 and £0.381m for dilapidation of leasehold premises.

### 23. Provisions (continued)

2018-19

NHS Trust

#### Current

	Reclassified				Reclassified	Reclassified	Reclassified		Reclassified	
	At 1 April 2018	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 2019
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Clinical negligence:-										
Secondary Care	4,414	0	0	0	0	1,314	(1,008)	(3,235)	0	1,485
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	3,821	0	0	0	0	2,719	(4,064)	(1,240)	8	1,244
All other losses and special payments	0	0	0	0	0	285	(183)	(102)	0	0
Defence legal fees and other administration	262	0	0	0	0	383	(248)	(131)	0	266
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	7	0	9	(16)	0	0	20
Restructurings	0		0	0	0	0	0	0		0
Other	251		0	0	0	1,739	(121)	0		1,869
<b>Total</b>	<b>8,768</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>6,449</b>	<b>(5,640)</b>	<b>(4,708)</b>	<b>8</b>	<b>4,884</b>

#### Non Current

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	7,172	0	0	0	0	0	(277)	0	0	6,895
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	86		0	(7)	0	0	0	0	0	79
Restructurings	0		0	0	0	0	0	0		0
Other	0		0	0	0	0	0	0		0
<b>Total</b>	<b>7,258</b>	<b>0</b>	<b>0</b>	<b>(7)</b>	<b>0</b>	<b>0</b>	<b>(277)</b>	<b>0</b>	<b>0</b>	<b>6,974</b>

#### TOTAL

Clinical negligence:-										
Secondary Care	4,414	0	0	0	0	1,314	(1,008)	(3,235)	0	1,485
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	10,993	0	0	0	0	2,719	(4,341)	(1,240)	8	8,139
All other losses and special payments	0	0	0	0	0	285	(183)	(102)	0	0
Defence legal fees and other administration	262	0	0	0	0	383	(248)	(131)	0	266
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	106		0	0	0	9	(16)	0	0	99
Restructurings	0		0	0	0	0	0	0		0
Other	251		0	0	0	1,739	(121)	0		1,869
<b>Total</b>	<b>16,026</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,449</b>	<b>(5,917)</b>	<b>(4,708)</b>	<b>8</b>	<b>11,858</b>

## 24 Contingencies

### 24.1 Contingent liabilities

	31 March 2020	Reclassified 31 March 2019
	£000	£000
Provision has not been made in these accounts for the following amounts:		
Legal claims for alleged medical or employer negligence;		
Secondary care	7,714	6,829
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	286	318
Other (Please specify)	0	0
<b>Total value of disputed claims</b>	<b>8,000</b>	<b>7,147</b>
Amount recovered under insurance arrangements in the event of these claims being successful	(6,897)	(5,912)
<b>Net contingent liability</b>	<b>1,103</b>	<b>1,235</b>

Other litigation claims could arise in the future due to known incidents. The expenditure which may arise from such claims cannot be determined and no provision has been made for them.

Liability for Permanent Injury Benefit under the NHS Injury Benefit Scheme lies with the employer. Individual claims to the NHS Pensions Agency could arise due to known incidents.

Contingent liabilities includes claims relating to alleged clinical negligence, personal injury and permanent injury benefits under the NHS Injury Benefits Scheme. The above figures include contingent liabilities for all Health Bodies in Wales.

In addition to the above, provision within the accounts has not been made for remote contingent liabilities arising from legal claims of £0.072m (2018/19 £0.075m).

### Pensions tax annual allowance – Scheme Pays arrangements 2019/20

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;
- The Welsh Ambulance Services NHS Trust will then pay them a corresponding amount on retirement, ensuring that they are fully compensated for the effect of the deduction.

This scheme will be fully funded by the Welsh Government with no net cost to The Welsh Ambulance Services NHS Trust.

Clinical staff have until 31 July 2021 to opt for this scheme and the ability to make changes up to 31 July 2024.

Using information provided by the Government Actuaries Department and the NHS Business Services Authority, a national 'average discounted value per nomination' (calculated at £3,345) could be used by NHS bodies to estimate a local provision by multiplying it by the number of staff expected to take up the offer.

At the date of approval of these accounts, there was no evidence of take-up of the scheme by our clinical staff in 2019-20 and no information was available 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 2020, the existence of an unquantified contingent liability is instead disclosed.

## 24.2. Remote contingent liabilities

	31 March 2020 £000	31 March 2019 £000
Guarantees	0	0
Indemnities	0	0
Letters of comfort	0	0
Total	<u>0</u>	<u>0</u>

## 24.3 Contingent assets

	31 March 2020 £000	31 March 2019 £000
	0	0
	0	0
	0	0
	<u>0</u>	<u>0</u>

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>2020</b>	2019
	<b>£000</b>	£000
Property, plant and equipment	<b>2,864</b>	452
Intangible assets	<b>190</b>	20
<b>Total</b>	<b>3,054</b>	472

## 26. Losses and special payments

Losses and special payments are charged to the Income statement in accordance with IFRS but are recorded in the losses and special payments register when payment is made. Therefore this note is prepared on a cash basis.

### Gross loss to the Exchequer

Number of cases and associated amounts paid out during the financial year

	Amounts paid out during year to 31 March 2020	
	Number	£
Clinical negligence	9	70,762
Personal injury	85	1,316,520
All other losses and special payments	140	164,141
<b>Total</b>	<b>234</b>	<b>1,551,423</b>

Analysis of cases:

Case Reference	Case Type	Number of cases	Amounts paid out in year	Cumulative amount
Cases where cumulative amount exceeds £300,000			£	£
14RT4MN0003	Clinical negligence	1	(8,709)	704,493
14RT4PI0008	Personal injury	1	0	378,967
14RT4PI0012	Personal injury	1	0	382,000
15RT4MN0003	Clinical negligence	1	0	533,465
15RT4PI0033	Personal injury	1	237,000	4,314,610
<b>Sub-total</b>		<b>5</b>	<b>228,291</b>	<b>6,313,535</b>
<b>All other cases</b>		<b>229</b>	<b>1,323,132</b>	<b>9,479,714</b>
<b>Total cases</b>		<b>234</b>	<b>1,551,423</b>	<b>15,793,249</b>

## 27. Finance leases

### 27.1 Finance leases obligations (as lessee)

A contract was entered into with Airwave during 2007-08 in respect of the National Ambulance Radio Re-procurement Project. During the financial year 2019-20, the Airwave finance lease was extended to November 2022 due to the national replacement scheme being delayed.

This is the only asset included within 'Other' below.

#### Amounts payable under finance leases:

<b>LAND</b>	<b>31 March 2020 £000</b>	<b>31 March 2019 £000</b>
<b>Minimum lease payments</b>		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Less finance charges allocated to future periods	0	0
<b>Minimum lease payments</b>	<b>0</b>	<b>0</b>
Included in: Current borrowings	0	0
Non-current borrowings	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<b>Present value of minimum lease payments</b>		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
<b>Total present value of minimum lease payments</b>	<b>0</b>	<b>0</b>
Included in: Current borrowings	0	0
Non-current borrowings	0	0
<b>Total</b>	<b>0</b>	<b>0</b>



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

**Amounts payable under finance leases:**

**BUILDINGS**

	31 March 2020 £000	31 March 2019 £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 2020 £000	31 March 2019 £000
<b>Minimum lease payments</b>		
Within one year	2,037	971
Between one and five years	2,709	0
After five years	0	0
Less finance charges allocated to future periods	(109)	(30)
<b>Minimum lease payments</b>	<b>4,637</b>	<b>941</b>
Included in: Current borrowings	1,970	941
Non-current borrowings	2,667	0
<b>Total</b>	<b>4,637</b>	<b>941</b>
<b>Present value of minimum lease payments</b>		
Within one year	1,970	941
Between one and five years	2,667	0
After five years	0	0
<b>Total present value of minimum lease payments</b>	<b>4,637</b>	<b>941</b>
Included in: Current borrowings	1,970	941
Non-current borrowings	2,667	0
<b>Total</b>	<b>4,637</b>	<b>941</b>

## 27.2 Finance lease receivables (as lessor)

The Welsh Ambulance Services NHS Trust has no finance leases receivable as a lessor.

### Amounts receivable under finance leases:

	31 March 2020 £000	31 March 2019 £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 has extended the contract of the Airwave Finance Lease during 2019-20, this remains the only Finance Lease the Trust have. 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 2020 £000	31 March 2019 £000
<b>Movements in working capital</b>		
Decrease / (increase) in inventories	(138)	(190)
Decrease in trade and other receivables - non-current	(13)	43
(Increase) / decrease in trade and other receivables -current	(1,714)	6,103
Increase/(Decrease) in trade and other payables- non-current	0	0
Increase in trade and other payables- current	3,850	2,993
<b>Total</b>	<b>1,985</b>	<b>8,949</b>
Adjustment for accrual movements in fixed assets - creditors	(1,731)	(1,212)
Adjustment for accrual movements in fixed assets - debtors	(280)	280
Adjustment for PDC creditor due to the Welsh Government	(868)	0
<b>Total</b>	<b>(894)</b>	<b>8,017</b>

### 31. Other cash flow adjustments

	31 March 2020 £000	31 March 2019 £000
<b>Other cash flow adjustments</b>		
Depreciation	14,785	14,443
Amortisation	1,853	1,472
(Gains)/Loss on Disposal	0	0
Impairments and reversals	1,067	1,853
Release of PFI deferred credits	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	6,695	1,749
<b>Total</b>	<b>24,400</b>	<b>19,517</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. It has required a dynamic response which has presented 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 2020/21 and beyond. The organisation's Governance Framework will need to consider and respond to this need.

### 33. Related Party transactions

The Trust is a body corporate established by order of the Welsh Minister for Health and Social Services.

During the year none of the board members or members of the key management staff or parties related to them has undertaken any material transactions with the Trust.

The Welsh Government is regarded as a related party. During the year The Welsh Ambulance Services 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 :-

	Expenditure to related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Welsh Government	418	20,660	298	1,518
WHSSC/EASC	0	158,698	818	43
Aneurin Bevan University Health Board	147	8,716	42	257
Betsi Cadwaladr University Health Board	384	5,584	121	75
Cardiff & Vale University Health Board	33	4,523	2	543
Cwm Taf Morgannwg University Health Board	129	2,043	3	9
Hywel Dda University Health Board	149	4,516	6	46
Powys Teaching Health Board	43	1,159	43	82
Swansea Bay University Health Board	65	4,978	11	98
Public Health Wales NHS Trust	30	41	1	0
Velindre University NHS Trust	1,845	1,173	217	310
Health Education and Improvement Wales (HEIW)	0	757	0	5
Welsh Local Authorities	2,108	241	6	18
Cardiff University	0	0	0	0
Swansea University	0	0	0	0
Cardiff Metropolitan University	0	0	0	0
University of South Wales	0	0	0	0
University of Wales	0	0	0	0
Bangor University	0	0	0	0
Glyndwr University	0	0	0	0
	5,351	213,089	1,568	3,004

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 (2018/19: £0.010m) with no other transactions being made. Net assets of the charity amount to £0.4m.

The Welsh Government income shown above includes £1.067m relating to impairment funding and £8.914m that relates to PDC capital received during 2019/20.

### 34. 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	Secretary of Llandogo Memorial Green Committee. Vice Chair Manager Tintern Sports Club.
Emrys Davies *	Non-Executive Director	Director and Chair of Newport Road Maintenance Ltd. Retired Member of Unite.
Kevin Davies *	Vice Chairman and Non-Executive Director	Chair ABF The Soldiers Charity (Glamorgan) Member of the International Medical Panel, The HALO Trust. Emeritus Professor, University of South Wales. Independent Trustee St John Cymru Wales. Paton - The Motivation and Learning Trust. Deputy Lord Lieutenant South Glamorgan. Trustee Cowbridge Armed Forces Trust.
Bethan Evans *	Non-Executive Director (from 06/12/19)	Managing Director (Employed) My Choice Healthcare Ltd. Non Executive Board Member RHA (Housing Association). Company Director Moorlands Rehabilitation (Staffordshire) Ltd.
Pamela Hall *	Non-Executive Director	None
Paul Hollard *	Non-Executive Director	Independent Consultant NHS Wales and Welsh Government.
Joga Singh *	Non-Executive Director (from 06/12/19)	Geldards LLP, paid employment Chairman of Dasma's Singh Sabha Gurdwara Bhatra (Sikh Temple). Director of Strategy & Communications for Sikh Council of Wales, voluntary role. Memberships of the following legal profession organisations: • Law Society. • Employment Lawyers Association. Member of the Fairness Inclusion and Respect Committee for the Institute of Civil Engineers in Wales, voluntary role. Independent Member of the South Wales Police Ethics Committee, 2 – 3 days a year.
Martin Turner *	Non-Executive Director	Director and shareholder of Martin Turner Associates Ltd.
Jason Killens *	Chief Executive	Honorary Professorship at Swansea University.
Claire Bevan *	Executive Director of Quality and Nursing (left the Trust 31/12/19)	Honorary Contract Swansea University: Lecturing.
Brendan Lloyd *	Medical Director and Deputy Chief Executive ( DCE interim)	None
Claire Roche *	Executive Director of Quality and Nursing (from 01/01/20)	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 (from 08/07/19)	None
Andy Haywood	Director of Digital (from 20/1/20)	None
Estelle Hitchon	Director of Partnership and Engagement	None
Rachel Marsh	Director of Strategy, Planning and Performance	None
Louise Platt	Director of Operations (interim to 31/07/19)	None
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.



**34. Related Party transactions (continued)**

Material transactions between the Trust and related parties disclosed on page 68 during 2019-20 were as follows (unless already reported on page 68) :

	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	2,478	24	8	0
Geldards LLP	1	0	0	0
<b>TOTAL</b>	<b>2,479</b>	<b>24</b>	<b>8</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 2019 to 31 March 2020. This has been calculated from actual Welsh Government expenditure for the 6.3% staff employer pension contributions between April 2019 and February 2020 alongside Health Board/Trust/SHA data for March 2020.

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:

### STATEMENT OF COMPREHENSIVE INCOME £'000 FOR THE YEAR ENDED 31 MARCH 2020

Revenue from patient care activities	2019-20	6,137
Operating expenses	2019-20	6,137

### 3. Analysis of gross operating costs

#### 3. Revenue from patient care activities

Welsh Government	2019-20	6,137
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#### 5.1 Operating expenses

Directors' costs	2019-20	46
Staff costs	2019-20	6,091

### 10.1 Employee costs

#### Permanent Staff

Employer contributions to NHS Pension Scheme	2019-20	6,091
Charged to capital	2019-20	0
Charged to revenue	2019-20	6,091

### 20. Trade and other payables at the SoFP Date

#### Current

Pensions: staff	Balance at 31 March 2020	0
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**37. Other Information (continued)**

HM Treasury agreed with the Financial Reporting Advisory Board (FRAB), to defer the implementation of IFRS 16 Leases until 1 April 2021, 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 2020-21 financial statements.

## 37. Other Information (continued)

**Covid 19**

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. It has required a dynamic response which has presented 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 2020/21 and beyond. The organisation's Governance Framework will need to consider and respond to this need.

The COVID-19 pandemic presented a number of challenges to the organisation, additional COVID -19 specific costs incurred during the latter part of this financial year are listed below:-

	<b>£000</b>
Additional variable staffing costs	61
Infrastructure costs	14
Non-Emergency Patient Transport Service Vehicle modifications	27
ICT Licenses	16
Personal Protective Equipment (PPE) *	72
	<b>190</b>

\*PPE excludes stock issued from Welsh and UK Pandemic stores as these have been issued at nil Value.

Additional Capital expenditure of £0.165m was incurred.

The impact of COVID-19 on year-end creditors and stock was not material as although planning began early in March 2020, in general the supply of additional staffing, goods and services did not take place until after 31st March 2020.

**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, WALES; The National Health Service Trusts (Transfer of Staff, Property Rights and Liabilities)



**GIG**  
CYMRU  
**NHS**  
WALES

Ymddiriedolaeth GIG  
Gwasanaethau Ambiwylans Cymru  
Welsh Ambulance Services  
NHS Trust



# ACCOUNTABILITY REPORT AND ANNUAL ACCOUNTS

**2019-20**





**GIG**  
CYMRU  
**NHS**  
WALES

Ymddiriedolaeth GIG  
Gwasanaethau Ambiwylans Cymru  
Welsh Ambulance Services  
NHS Trust



# ACCOUNTABILITY REPORT

## 2019-20

## 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 Parliament. 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 2019-20 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.

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



**GIG**  
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**NHS**  
WALES

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Gwasanaethau Ambiwylans Cymru  
Welsh Ambulance Services  
NHS Trust

# **CORPORATE GOVERNANCE REPORT**

## **2019-20**

## 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 2019-20. 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	Secretary of Llandogo Memorial Green Committee. Vice Chair Manager Tintern Sports Club.
Emrys Davies *	Non-Executive Director	Director and Chair of Newport Road Maintenance Ltd. Retired Member of Unite.
Kevin Davies *	Non-Executive Director	Chair ABF The Soldiers Charity (Glamorgan) Member of the International Medical Panel, The HALO Trust. Emeritus Professor, University of South Wales. Independent Trustee St John Cymru Wales. Paton - The Motivation and Learning Trust. Deputy Lord Lieutenant South Glamorgan. Trustee Cowbridge Armed Forces Trust.
Bethan Evans *	Non-Executive Director (from 6/12/19)	Managing Director (Employed) My Choice Healthcare Ltd. Non Executive Board Member RHA (Housing Association). Company Director Moorlands Rehabilitation (Staffordshire) Ltd.
Pamela Hall *	Non-Executive Director	None
Paul Hollard *	Non-Executive Director	Independent Consultant NHS Wales and Welsh Government.
Joga Singh *	Non-Executive Director	Geldards LLP, paid employment

Name	Position	Declaration
	(from 9/12/19)	Chairman of Dasma's Singh Sabha Gurdwara Bhatra (Sikh Temple). Director of Strategy & Communications for Sikh Council of Wales, voluntary role. Memberships of the following legal profession organisations: <ul style="list-style-type: none"> <li>• Law Society.</li> <li>• Employment Lawyers Association.</li> </ul> Member of the Fairness Inclusion and Respect Committee for the Institute of Civil Engineers in Wales, voluntary role. Independent Member of the South Wales Police Ethics Committee, 2 – 3 days a year.
Martin Turner *	Non-Executive Director	Director and shareholder of Martin Turner Associates Ltd.
Jason Killens *	Chief Executive	Honorary Professorship at Swansea University.
Claire Bevan *	Executive Director of Quality and Nursing (Left the Trust 31/12/19)	Honorary Contract Swansea University: Lecturing.
Brendan Lloyd *	Medical Director and Deputy Chief Executive (Interim)	None
Claire Roche *	Executive Director of Quality and Nursing (From 1/1/20)	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 (from 8/7/19)	None
Andy Haywood	Director of Digital (from 20/1/20)	None
Estelle Hitchon	Director of Partnership and Engagement	None
Rachel Marsh	Director of Strategy, Planning and Performance	None
Louise Platt	Director of Operations (Interim) (To 31/7/19)	None
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 Board's Sustainability Report that forms a key part of the Performance Report section of the Trust's Annual Report, provides greater detail in relation to the environmental, social and community issues facing the Trust. It also details some of the steps being taken by the Trust to tackle sustainability, these include:

- integrating the principles of sustainable development into every day decision making;
- focusing on reducing the consumption of finite resources and minimising waste to landfill in line with Welsh Government requirements; and
- adopting a carbon based management approach specifically aimed at reducing CO2 including adapted vehicle and building design along with sustainable travel and agile working arrangements.

During 2019-20 the Trust was once again successful in its external assessment by BSI and remains the only Ambulance Service in the UK to hold the ISO14001:2015 (Environmental Management System) accreditation.

### **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.

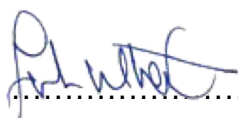
The relevant responsibilities of Accountable Officers, including their responsibility for the propriety and regularity of the public finances for which they are answerable, and for the keeping of proper records, are set out in the Accountable Officer's Memorandum issued by the Welsh Government

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  
(Jason Killens)



..... Dated 25 June 2020



## 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:


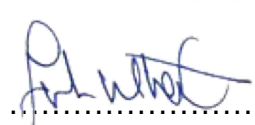

- apply on a consistent basis accounting principles laid down by the Welsh Ministers with the approval of the Treasury
- make judgements and estimates which are responsible and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and 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 25 June 2020
Chief Executive		Dated 25 June 2020
Director of Finance and Corporate Resources		Dated 25 June 2020

# 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 2019-20 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.

Further information on the corporate health of the organisation can be found in the Trust's 2019-20 Annual Quality Statement, whilst information on our performance over the last twelve months is set out in the Trust's 2019-20 Annual Report.

Looking forward, our targets and ambitions are explained in the Trust's 'Integrated Medium Term Plan (IMTP) 2020/21-2022/23' 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 employ over 3,000 people throughout Wales (comprising allied health professionals including paramedics, clinical services staff, nursing, administrative and clerical and other staff) and we operate from 90 ambulance stations, three clinical contact centres, three regional offices and five vehicle workshops. We also have our own national training facility to ensure our staff maintain high levels of performance and receive regular professional development.

Our services are focused in three main areas – unscheduled care, planned non-emergency transport and telephone and online advice:

- Our unscheduled care services (emergency and urgent care) provide support to patients with illnesses that are immediately life-threatening through to minor injuries and we are increasingly providing pathways to divert patients out of the hospital environment in order to treat people closer to home, where it is appropriate to do so.
- Our planned Non-Emergency Patient Transport Service (NEPTS) helps thousands of patients each year to get to their hospital and medical appointments.
- NHS Direct Wales provides telephone and online advice to patients who feel unwell, helping to signpost patients to, or arrange, the most appropriate care for them. The pathfinder 111 service (see "Governance of hosted

organisations" below), introduced in some parts of Wales in 2016 is being rolled out across Wales incrementally, and provides the basis for a more integrated model of future health care provision.

### **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.

### **NHS Wales Escalation and Intervention Arrangements**

In September 2016, the Trust saw its status under the NHS Wales Escalation and Intervention Arrangements de-escalated by the Welsh Government from 'enhanced monitoring' to 'routine arrangements'. This position remained unchanged during 2019-20.

### **Governance of hosted organisations**

In June 2015, the Trust was appointed by Welsh Government as the host organisation for the pilot (and evaluation) phase of the 111 Pathfinder service which aims to improve the delivery of urgent primary care by providing a single access point to help patients get urgent help when they need it, as well as improving access to health information and advice.

A national 111 Programme Board has overseen implementation of the service which has so far been rolled out within four health board areas (Swansea Bay, Aneurin Bevan, Hywel Dda and Powys, and also the Bridgend locality which now sits within Cwm Taf Morgannwg).

In 2020-21 plans are in place for the service to be further rolled out to the rest of Cwm Taf Morgannwg, and following implementation of a new 111 operating system into Betsi Cadwaladr and Cardiff and Vale health boards, completing the full roll out across Wales.

Regular 111 reports and updates were provided to Trust Board and Finance and Performance Committee during 2019-20 and there has been a number of Board discussions on the role of 111 and the governance arrangements around the future delivery model.

## Scope of responsibility

At the time of preparing this Annual Governance Statement the Trust and the NHS in Wales is facing unprecedented and increasing pressure in planning and providing services to meet the needs of those who are affected by Covid-19, whilst also planning to resume other activity where this has been impacted.

The required response has meant the whole organisation has had to work very differently both internally and with our staff, partners and stakeholders and it has been necessary to revise the way the governance and operational framework is discharged. In recognition of this, Dr Andrew Goodall, Director General Health and Social Services/NHS Wales Chief Executive wrote to all NHS Chief Executives in Wales, with regard to "Covid-19 - Decision Making and Financial Guidance". The letter recognised that organisations would be likely to make potentially difficult decisions at pace and without a firm evidence base or the support of key individuals which under normal operating circumstances would be available. Nevertheless, the organisation is still required to demonstrate that decision-making has been efficient and will stand the test of scrutiny with respect to compliance with Managing Welsh Public Money and demonstrating value for money after the Covid-19 crisis has abated and the organisation returns to more normal operating conditions.

To demonstrate this the organisation is recording how the effects of Covid-19 have impacted on any changes to normal decision making processes, for example through the use of a register recording any deviations from normal operating procedures. Where relevant these, and other actions taken have been explained within this Annual Governance Statement.

In addition, 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 are 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 and can be accessed through this link <https://www.ambulance.wales.nhs.uk/en/396>. A summary of the key actions taken by the Trust on this matter are listed in Appendix 1.

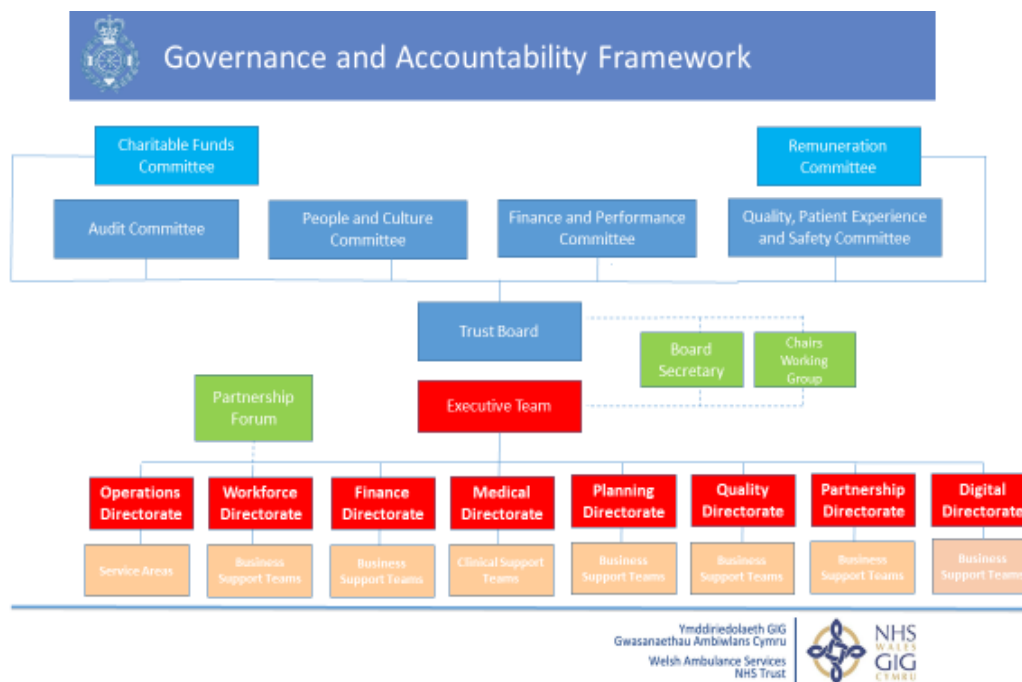
The Trust Board is accountable for governance, risk management and internal control in the organisation. The Chief Executive (and Accountable Officer) of the Trust has responsibility for maintaining appropriate governance structures and procedures. This includes ensuring that the Trust has a sound system 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 2020 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 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 2019-20, a number of appointments and changes of personnel have been made amongst Board members and senior staff of the Trust. As a result, at 31 March 2020, there were no interim arrangements at this level of the organisation.

- With regards to Non-Executive Directors, the vacancies and interim arrangements reported in the 2018-19 Annual Governance Statement have been filled with the substantive appointments in December 2019 of Bethan Evans, Jogi Singh and Martin Turner. With their appointments, the Trust Chairman completed a review of committee representation that was approved by Trust Board in January 2020.
- Following a strategic review by the Chief Executive (December 2018), a new board level post of Director of Digital Services was recruited to during 2019-20 and a number of changes have been made to the remaining Management Team portfolios and consequential reporting arrangements. In addition to these changes, the interim arrangements reported last year for the Director of Operations and the Director of Strategy, Planning and Performance have been filled with substantive appointments, and the Trust has appointed a new Executive Director of Quality and Nursing following the retirement of the previous post holder in December 2019. The interim post of Executive Director of Finance and ICT reported in the 2018-19 Accountability Report was replaced in February 2020 with the substantive appointment of the Executive Director of Finance and Corporate Resources.

The table below sets out the Board governance and accountability framework that was introduced in April 2019. This was introduced following a review by a Board appointed working group that identified that far too much business was being considered by the then Finance and Resources Committee and recommended that this committee be disbanded from 1 April 2019 and replaced by a Finance and Performance Committee, and a People and Culture Committee. The recommendation was approved by Trust Board on 13 December 2018.



## Trust Board

The Trust Board is programmed 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, and four further (non-voting) Directors. Two trade union partners also attend Board meetings.

All Trust Board meetings in 2019-20 were appropriately constituted and were quorate. In addition to the scheduled six meetings of the Trust Board, an extra four meetings were held in August 2019, October 2019, January 2020 and February 2020 due to urgent business (details of meeting dates and members attendance is listed in **Appendix 1**). Agendas and Minutes of the meetings are available to the public and audio recordings of the 'Open' Board sessions are available via the Trust's website for members of the public to listen to discussions and to understand how decisions have been reached. On occasions the Trust Board will additionally hold 'closed' sessions where private and confidential information is discussed. Whilst the public are not entitled to attend, the Minutes of the meeting are published on the Trust's website.

The key focus of the Board during the year was delivery of performance and quality assurance and improvement 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 from February 2020.

Examples of the key governance and control matters addressed by the Trust Board during 2019-20 were:

- Annual report, accounts and governance statements;
- Board assurance framework;
- Brexit preparedness;
- Committee terms of reference and Minutes of committees;
- Engagement and communications framework;
- Integrated medium term plan – delivery and refresh;
- Integrated quality and performance reports;
- Quality, safety and patient experience integrated reports; and
- Audit Wales structured assessment and annual report.

The full list of items discussed by the Trust Board during 2019-20 are listed in **Appendix 2** (Table 1).

### **Board Development**

The Board Development Programme continued in 2019-20 with bi-monthly meetings that consisted of three key areas: development of the board collectively and individually; statutory and essential knowledge based development and training; and thirdly, strategic discussion.

Examples of issues discussed at Board Development sessions during 2019-20 were:

- Health and safety training;
- Key strategic and performance measures;
- People and health and wellbeing strategies;
- Roles & responsibilities of a Trustee;
- Strategic equality objectives; and
- Topical issues including system pressures.

The full list of items discussed at Board Development sessions during 2019-20 are listed in **Appendix 2** (Table 8).

### **Board Committees**

The Board has established five standing Board Committees, 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.

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. Supporting the formal structure set out above, is a Chairs' Working Group that met 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 2019-20 (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 2019-20 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.

The full list of items discussed by the Audit Committee during 2019-20 are listed in **Appendix 2** (Table 2).

During 2019-20 Audit Committee completed two reviews of its performance and effectiveness. Firstly, in December 2019 the Committee concluded that following a self-assessment review by the Committee Chair and Board Secretary that it met the governance requirements defined in the All Wales Audit Committee handbook. Secondly, in January 2020 a survey of committee participants was undertaken to gather feedback on the effectiveness of the committee and to identify areas for improvement. This was received by Audit Committee in March 2020 where a number of development opportunities were identified.

### 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 2019-20 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. The full list of items discussed by the Charitable Funds Committee during 2019-20 are listed in **Appendix 2** (Table 3).

During 2019-20, 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 three times during 2019-20.



## 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 five times during 2019-20 (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 2019-20 were:

- Business case for Microsoft Windows and O365;
- Capital programme updates;
- Emergency services mobile communication program;
- ISO14001 update – environment and sustainability;
- Finance performance reports and savings delivery updates;
- Monthly integrated quality and performance report;
- NEPTS transfer of work; and
- Policy approvals e.g. fuel card, CCTV, information governance, data quality, business continuity.

The full list of items discussed by the Finance and Resources Committee during 2019-20 are listed in **Appendix 2** (Table 4).

## 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 2019-20 (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 2019-20 were

- Improving disciplinary/investigation timelines;
- Monthly integrated performance report;
- People and culture strategy development;
- Quarterly workforce performance reports;
- Sickness absence deep dive;
- Staff survey follow-up; and
- University status

The full list of items discussed by the People and Culture Committee during 2019-20 are listed in **Appendix 2** (Table 5).

## 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 2019-20 (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 2019-20 were:

- Annual quality statement and quarterly quality assurance reports;
- Clinical audit programme;
- Deep dive on winter lessons;
- Monthly integrated performance report
- Quality Steering Group terms of reference/action notes
- Patient experience and community involvement highlight reports; and
- Regulation 28 reports.

The full list of items discussed by the Quality, Patient Experience and Safety Committee during 2019-20 are listed in **Appendix 2** (Table 6).

## 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 met five times during 2019-20 and the list of items discussed are listed in **Appendix 2** (Table 7).

## **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 2019-20. 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 2020.

	Emrys Davies	Kevin Davies	Bethan Evans	Pamela Hall	Paul Hollard	Joga Singh	Martin Turner	Martin Woodford
Audit	✓			Chair	✓	✓	✓	
Charitable Funds		Chair	✓		✓		✓	
Finance and Performance	✓		✓			✓	Chair	
People and Culture		✓	✓		Chair	✓		
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 2020. 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.

Issues considered by the Partnership Team in 2019-20 included; the NHS anti-violence collaborative: obligatory responses to violence in healthcare document, health and safety cleaning at stations, meal breaks, lone working and solo responding, IMTP delivery updates, sickness and the Trust's nine point action plan. These being in addition to new appointments, policies, winter plans and Band 6 competencies.

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 2020 and up to the date of approval of the annual report and accounts.

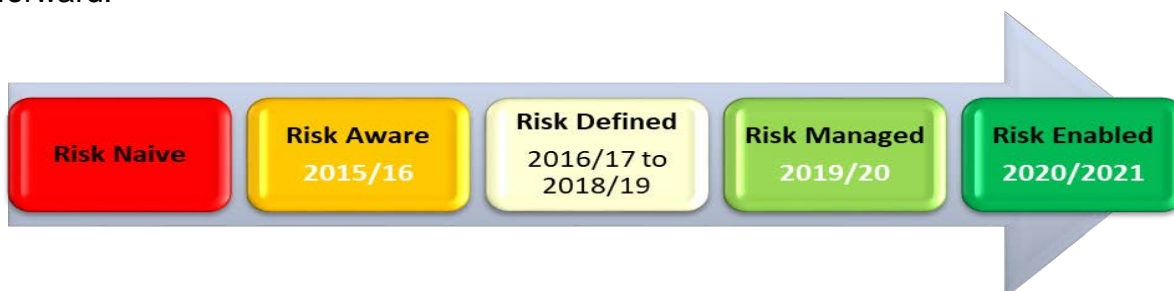
The Trust recognises that, as a result of the Covid-19 pandemic emergency, some changes to the Trust's internal controls were necessary in order to allow the Trust to respond quickly and effectively to the emergency, whilst at the same time maintaining good governance. A paper detailing the changes that 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 has continued to develop and embed its approaches to risk management as set out in the 2018-19 Annual Governance Statement. 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 was approved at Trust Board in July 2018 and in the last twelve months was reviewed at Board Development in October 2019 and Audit Committee in March 2020 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 in order to provide assurance that risks are managed and an effective internal control, assurance and escalation system is in place. This provides the Board with assurance about how the organisation is able to identify, monitor and escalate and manage risks in a timely fashion at an appropriate level.

Moving forward, the strategy will continue to be reviewed and approved on at least an annual basis by the Trust Board or delegated committee with the next review scheduled for July 2020.

The latest version of the Trust's Risk Management Strategy and Framework can be found via this link

[https://www.ambulance.wales.nhs.uk/Media/Agenda%20bundle%20\(43\).pdf](https://www.ambulance.wales.nhs.uk/Media/Agenda%20bundle%20(43).pdf)

### **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. As such, the Trust will not accept risks that materially impair its reputation or cause any disrepute with stakeholders.

However it has to 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. The Trust will be developing a full and more comprehensive risk appetite statement during 2020/21 and Board time has been set aside in this respect.

### **Risk Profile**

The risk profile of the Trust is subject to ongoing in-year revision but as at 5 March 2020 (Audit Committee date) there were 12 strategic risks scoring 15 or over on the Trust's (High Level) Corporate Risk Register, with four of these scoring 20 or above. These are set out below.

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

<b>Risk</b>	<b>Score</b>	<b>Lead Directorate</b>
Unable to attend patients in community who require See & Treat	25	Operations
Patients delayed on ambulances outside A&E. (Previously described as Patients unable to access secondary care)	25	Operations
Business continuity for recording digital patient clinical records	20	Medical and Clinical
Lack of preparedness for infectious diseases	20	Quality, Safety and Patient Experience

Risk	Score	Lead Directorate
On-call CCA ability to cover 24/7 command	16	Operations
Tier 1 Compliance to Formal Concerns	16	Quality, Safety and Patient Experience
High Sickness Absence Rates	16	Workforce and OD
Cleanliness in Ambulance Stations	16	Operations
Continued Availability of Digital Pens	16	Digital
Trust Reputation	15	Partnerships and Engagement
Vaccine Preventable Diseases	15	Workforce and OD
Health and Safety	15	Quality, Safety and Patient Experience

### Risk Review Process

The Trust's Executive Management Team and Audit Committee regularly received, considered and commented on the Risk Register during 2019-20. 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.

In 2019-20 the Trust developed and embedded the e-risk platform on Datix in order to increase risk review capabilities across the organisation and as part of the plans to become risk enabled by 2020-21. The Assistant Director Leadership Team (ADLT) reviewed the Corporate Risk Register at each of its meetings and provide recommendations to the Executive Management Team for its consideration. The Risk Management Development Group has provided a forum to evaluate new risks for review by the ADLT. More broadly, the corporate risks have been reviewed by the Trust Board and the Quality, Safety & Patient Experience Committee over the course of the pandemic.

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.

### Risk Management (Covid-19)

The need to plan and respond to the Covid-19 pandemic presented a number of challenges to the organisation. A number of new and emerging risks were identified. Whilst the organisation did have a major incident and business continuity plan in place, as required by the Civil Contingencies Act 2004, the scale and impact of the pandemic has been unprecedented. Significant action has been taken at a national and local level to prepare and respond to the likely impact on the organisation and population. This has also involved working in partnership on the

multi-agency response as a key member of the Strategic Co-ordination Group. There does remain a level of uncertainty about the overall impact this will have on the immediate and longer term delivery of services by the Trust, although we are confident that all appropriate action has been taken.

The Trust 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. It will be necessary to ensure this is 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 their strategic objectives.

As a result of the Covid-19 outbreak, three new risks have been identified and, at the time of writing, these were being assessed and scored. The risks relate to the delayed initiation of chest compressions (resuscitation), the supply of Personal Protection Equipment and the revised governance arrangements as a result of the pandemic planning.

### **Board Assurance Framework Report**

As part of the work in developing the risk management strategy and framework, the Trust has also developed a board assurance framework document.

The first functioning assurance document was introduced at the September 2017 meeting of the Trust Board. Since then the template itself has remained consistent; however, the board assurance framework report has undergone a series of developments to ensure alignment to the Trust's new strategic themes and actions as described across several iterations of the Integrated Medium Term Plan.

The board assurance framework report is regularly fine-tuned to ensure it remains a sound mechanism by which the Board gain assurance on how well the Trust is meeting its strategic themes and risks and controls. Risks are drawn from the corporate risk register and represent the main risks for the Trust. These risks are brigaded under the most appropriate strategic theme together with the controls and mitigations as detailed in the Corporate Risk Register.

### **Trust Policies**

The Trust implemented a new policy process during 2017-18 to bring all Trust policies 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. In addition, a central policy register has been developed to provide tighter governance processes around version control and to track policies through the system.

At the end of 2019-20, the Trust was able to report that 63% (compared to 50% as at 31 March 2019) of the Trust's policies had navigated the policy process and were now in-date. The remainder of the policies have been prioritised for 2020-21. The Board also approved amendments to the policy process for those policies that have already been through the new policy process and which only need minor amendments.

As a result of the progress on this matter in 2019-20 the corporate risk to the Trust has been reduced and is managed at a Directorate level.

### **Emergency Preparedness**

The Trust has a Major Incident Plan that is regularly reviewed and that takes full account of the requirements of the Civil Contingencies Act (2004), Welsh Government Emergency Planning Core Guidance to NHS Wales and relevant best practice guidance.

The Trust's Business Continuity Policy and the Pandemic Flu plan were reviewed and approved by Trust in October 2019, the Pandemic Flu plan itself was invoked on 4 March 2020 in response to the Covid-19 outbreak and the necessary structures were put in place to manage the Trust's response to the virus.

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

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**

The Trust Annual Quality Statement (2019-20) has been coordinated to align with the production of this Annual Governance Statement to ensure that the Trust has strengthened the interface of these important documents with a focus on patients, experience and outcomes. This has informed our assurance process and focus on continuous improvement to achieve compliance with the Health and Care Standards and Commissioning Framework with the core quality requirements.

The Annual Quality Statement explains progress by the Trust in delivering our Quality Strategy and how this strategy aligns with the new Quality Governance Bill from Welsh Government. When published, the Annual Quality Statement will be available to view on the Trust's publication page

<http://www.ambulance.wales.nhs.uk/en/11>.

Throughout 2019-20 regular quality governance reports were presented to the Quality, Patient Experience and Safety Committee and Trust Board (see Appendix 2, Tables 1 and 6). In particular, in January 2020 Trust Board considered a quality governance self-assessment following the report on maternity services at Cwm Taf University Health Board by the Royal College of Obstetricians and Gynaecologists and the Royal College of Midwives. In addition, each quarter throughout 2019-20 the Quality, Patient Experience and Safety Committee considered an update from the Director of Quality and Nursing on Trust compliance to the Health and Care Standards and performance by the Trust on a wide range of quality performance measures.



Details of the Trust's quality governance arrangements during the Covid-19 outbreak can be found via the following link (see Item 4.1 presented to the Quality, Patient Experience and Safety Committee 12 May 2020).

[https://www.ambulance.wales.nhs.uk/Media/Agenda%20bundle%20\(40\).pdf](https://www.ambulance.wales.nhs.uk/Media/Agenda%20bundle%20(40).pdf)

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

Prior to 2016-17, the Board completed an annual self-assessment on how well the Board considered the governance and accountability arrangements within the Trust have matured. The self-assessment was based on the Governance Accountability Module which was part of the former Health Care Standards. There is no longer a requirement to complete this module, nor is there any separate evaluation of the Board's assessment. The Board also consider that, as the Trust has matured, the self-assessment module, introduced in 2009-10, has become increasingly dated and the whole self-assessment exercise less meaningful.

As a result, from 2016-17, the Board decided not to complete the self-assessment module but, instead, to rely on the more tangible actions taken throughout the year which provided the Board with checks and balances and a gauge to its own level of maturity. This approach has again been taken in 2019-20 and examples of how this has been measured throughout the year is detailed in the following paragraphs.

The Board has continued to work with the Academi Wales training and development options, including following their three stage 'Maturity Model for Boards' programme. The Board has completed the Immunity to Change programme, which is the second stage of the maturity model. The Board is continuing to work with Academi Wales on this training with a focus on developing relationships including the role of high performing boards and those with a maturing board profile. This work will be progressed during 2020-21, delayed slightly from the previous year due to the appointments of a number new Board members and, towards the end of the year and into 2020-21, the Covid-19 pandemic. The Board did, however, continue to receive specific training and engagement on a variety of subjects, including the role of the Board as a trustee, safeguarding, health and safety, risk and the board assurance framework

The Board has also worked and engaged with numerous other organisations in Wales and from across the UK. The Board uses these opportunities to compare, contrast and benchmark itself, as well as to learn and, in some cases, challenge its own methods of working. For example, the Chair and Chief Executive meet regularly with their counterparts from other UK ambulance trusts and have discussed and compared practices and processes. Such discussions are brought back to Trust Board where Board members are able to compare such matters as governance processes, committee structures and portfolios, operating practices and performance management.

In 2018-19 the Board (Chair, Chief Executive, Executive and Non-Executive Directors and other Directors) met with their counterparts from Velindre NHS Trust, another NHS Wales Trust. During the meeting, the two Boards were able to compare and contrast each other's governance and operating arrangements and to learn and share experiences. A number of actions and further work was agreed at

the meeting which has since been followed-up and which continued to be progressed during 2019-20.

The Chair of the Trust's Audit Committee also chairs the NHS Wales Audit Chairs Group. This enables open and frank discussions on matters of common interest and learning as well as sharing best practice. Auditors and other stakeholders attend part of the meetings which allows for independent feedback as well as sharing of best practice. A similar group for Quality Committee Chairs was also established during 2019-20.

The Board also has a programme of engagement and partnership working with the Trust's NHS Wales colleagues. For example, Board Members are aligned to Health Board areas and engage regularly with their counterparts in Health Boards including, on occasions, attending their Board and committee meetings. Additionally, the Trust's formal Board meetings are held in Health Board areas and include engagement sessions with local officials, stakeholders and members of the public. The Board receives valuable feedback from these sessions. All the NHS Wales Chairs, Chief Executives, Audit Committee Chairs and Board Secretaries meet regularly and are further examples of how the Board benchmarks, learns and shares best practice. The Trust recognises, however, that some of the engagement activities were curtailed towards the end of 2019-20, which will continue into 2020-21, due to the Covid-19 pandemic.

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.

As stated previously in this report, in keeping with the recommendations contained in the NHS Wales Audit Committee Handbook, the Audit Committee Chair sought feedback from those who regularly attend Committee meetings to get feedback on how well others feel the Committee was working and fulfilling its role. Findings were taken into account which helped inform and shape the Committee's role and agendas going forward. Other Committees carried out similar surveys during 2018-19 and these are expected to be repeated again in 2020-21. All the Committees' terms of reference have been reviewed in the last 12 months and this was concluded in May 2019 with final Board approval.

The Board also planned to carry out a similar survey by gaining feedback from Board members, i.e. those who regularly attend Board meetings and relevant stakeholders. This was planned towards the end of 2019-20 but was postponed as a result of the

Covid-19 pandemic. It is hoped that this will be reinstated as soon as practicably possible in 2020-21.

### **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 2011. 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.

In accordance with expectations from Welsh Government, the Trust submitted to Welsh Government in early 2019 a refreshed IMTP for the three year period starting 2019-20. This was prepared in consultation with staff, partners and stakeholders,

and was approved by Trust Board on 29 January 2019 in accordance with the IMTP timetable requirements and was subsequently approved by Welsh Government.

(<https://www.ambulance.wales.nhs.uk/Media/Documents/Publications/IMTP%202019-22%20FINAL.pdf>).

As a result of the onset of the Covid-19 pandemic, the Trust postponed the majority of its non-operational programmes in order to divert resources to support our front line essential services during the crisis. This did not materially impact on the Trust's 2019-20 IMTP but will have some impact on the 2020-23 IMTP, particularly in the 2020-21 financial year. The Board has been fully engaged and has approved the redeployment of resources in order to respond to the emergency and has also been fully engaged with plans on how the Trust intends to recover from this position.

The Trust's 2019-20 IMTP documented 42 strategic deliverables which we wanted to progress. Whilst good progress has been made towards delivering these key commitments, there remains work to do. There have been a range of factors that have impacted on our ability to deliver against our quality and performance standards, including demand and capacity pressures, wider health system pressures and internal constraints linked to our estate and capital developments.

Set out below are some headlines of IMTP progress during 2019-20.

<p>We successfully implemented the 111 Service into Aneurin Bevan and Powys Health Boards</p>	<p><b>Ffoniwch 111</b> Mewn achos BRYS sydd ddim yn bygwth bywyd</p> <p><b>Phone 111</b> When it's URGENT but not life threatening</p>	<p>We won the National NHS Wales Innovation Award for our End Of Life Care service</p> <p>We delivered a WISH service for terminally ill patients</p> <p>We successfully transferred Swansea Bay &amp; Hywel Dda Health Board non-WAST NEPTS work to WAST</p>	
	<p>We expanded our APP rotational model across Wales</p> <p>We were the first UK ambulance service to train Paramedic Prescribers</p>	<p>We approved our People &amp; Culture and Transforming Education &amp; Training Strategies</p> 	<p>We launched the Mental Health portal to support staff health and wellbeing</p>
<p>We developed and implemented our National Falls Framework</p> <p>We developed our first Public Health Plan</p> <p>We launched our safeguarding E-referral System</p> <p>We were recognised as best practise for our Mental Health &amp; Dementia Improvement plans</p>	 <p>We successfully collaborated with the Project A Initiative</p> 	<p>We hosted the first 999 Weekend with South Wales Fire &amp; Rescue Service and South Wales Police</p>   <p>We introduced 25 self-charging petrol hybrid vehicles</p>	<p>We developed an Outline Business Case to replace our Fleet workshop in South East Wales</p> <p>We gained approval of our business cases to develop a Make Ready Depot in Cardiff</p> <p>We progressed our electronic Risk Register system</p> <p>We completed a detailed EMS Demand &amp; Capacity review</p> <p>We jointly supported a range of service transformation programmes across NHS Wales</p>  <p>We expanded our Clinical Desk capacity</p>
<p>We embedded the Optima modelling software into business analysis</p>	 <p>We implemented our Improvement &amp; Innovation (WIIN) Network</p>		

With regards to operational performance, 2019-20 was a very challenging year for the Trust and for the whole health and social care system in Wales. From an EMS ambulance perspective it meant that we were not always able to deliver the quality of services that we would want and the public should expect. Performance against key performance targets deteriorated in the winter months and for the first time since the introduction of the Trust's new clinical response model, the Red 8 minute response fell below the 65% target, response times for Amber patients increased, and growing numbers of patients had to wait over 12 hours for a response. The long waits have had an impact on outcomes for our patients, with a number of related Serious Adverse Incidents recorded as a result.

The Trust has worked hard with our commissioners over the course of 2019-20 to complete a comprehensive Demand and Capacity Review, which has allowed us to understand the actions that need to be taken to bring response times for all patients back to acceptable levels. A major part of our plan in the next 2-3 years will therefore be to work in partnership with the Chief Ambulance Services Commissioner and health boards to deliver a transformational programme of change, which will see growth in the number of staff and ambulances available, and improvements in Trust and system wide efficiency levels.

Full details on our performance during 2019-20 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 2019-20 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 2019-20.

## Data security

The Trust had no reported "serious untoward incidents" during 2019-20 in relation to data security.

## Ministerial Directions

Ministerial Directions are published by Welsh Government as part of their [health and social care publications](#). One Ministerial Direction was received and disseminated by the Trust during this reporting period regarding the [NHS Pension Tax Proposal 2019 to 2020](#). Further details on this can be found in the Trust's 2019-20 Annual Accounts.



Welsh Health Circulars (WHCs) were reintroduced in 2014-15 and the Trust has established a process to log and assess those that are applicable to the Trust. See **Appendix 1** regarding WHC 2019/027: Review of standing orders, reservation and delegation of powers.

### Indexation

In 2019-20 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 2019-20.

### **Trust Board**

As set out earlier in this report, the Board, functioning as a corporate decision body, regularly considered throughout 2019-20 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 2019-20 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:

	<p>The Trust Board can take <b>reasonable assurance</b> that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to moderate impact on residual risk exposure until resolved.</p>
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This conclusion is consistent to the “reasonable assurance” Head of Internal Audit Opinion reported in the Trust’s 2018-19 Annual Governance Statement.

During the 2019-20 financial year Internal Audit produced 26 reports on Trust activities, as summarised in the table below.

IA Assurance Conclusion	No. of Reports
No	0
Limited	6
Reasonable	16
Substantial	2
Not Rated	2
<b>Total</b>	<b>26</b>

The figures in the table above differ from the number of reports presented to Audit Committee in 2019-20 (36). This is due to 14 of the reports presented at the May 2019 and September 2019 meetings being concerned with Internal Audit work undertaken in 2018-19 and as such, these were taken into account in the 2018-19 Head of Internal Audit Opinion.

In addition, four of the reports included in the total above were completed after the last Audit Committee meeting of the 2019-20 business cycle (March 2020). These will be reported to Audit Committee in its first meeting in the 2020-21 business cycle (June 2020) or as soon as possible thereafter but whose assurance conclusion has been included in the 2019-20 Head of Internal Audit Opinion.

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

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

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

Set out below are the four reports that had a conclusion of ‘Limited Assurance’ that were reported to Audit Committee during 2019-20.

NB. 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.

#### Vehicle Hire

Reviewed how taxi services and other vehicle hire was procured for patient transport and identified areas for improvement with regards to contract governance and quality assurance, and for invoice audit and approval.

Two recommendations for improvement were identified of which one, concerning alternative provider contract governance, was categorised as high priority. A management action plan was agreed by Audit Committee in September 2019 who monitored progress on completion at its meetings in December 2019 and March 2020.

At 31 March 2020, neither of the recommendations had been completed; however, both were partially complete.

#### Appropriately Equipped Paramedics

Assessed the process for the maintenance and monitoring of clinical equipment managed by the Trust, and identified shortcomings in both the system control/design for appropriately equipped paramedics, and in the operation of the designed system/controls.

Ten recommendations for improvement were identified of which two were categorised as high priority. A management action plan was agreed by Audit Committee in December 2019 who monitored progress on completion at its meeting in March 2020.

At 31 March 2020, six of the recommendations had been completed with the remaining four not yet due for completion.

#### Cleaning Standards

Identified shortcomings in the Trust's governance arrangements and operational procedures for the cleaning of vehicles and station, and identified a number of areas for improvement.

Four recommendations for action were identified, of which three were categorised as high priority. A management action plan was agreed by Audit Committee in March 2020 and progress will be monitored by the Committee during 2020-21.

#### Continuous Professional Management (CPD) Follow Up

Identified that whilst the Trust had made progress actioning the findings and recommendations from a 2018-19 Internal Audit report of CPD management, three recommendations remained open.

Three updated recommendations for action were identified, of which two were categorised as high priority. A management action plan was agreed by Audit



Committee in March 2020 and progress will be monitored by the Committee during 2020-21.

Copies of all the Internal Audit reports listed above 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 2019-20 can also be found via this link having been considered by Audit Committee at the June 2020 meeting.

The two reports listed below have been agreed with Trust officers with 'Limited Assurance' conclusions but have yet to be presented to Audit Committee. These are scheduled for scrutiny in June 2020.

- Drivers' Medicals
- Trade Union Release Time - Follow up

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

The 2019 Structured Assessment concluded that the Trust has set a clear, long-term vision for the organisation supported by changes to its structure and workforce. The Trust is strengthening risk management and governance arrangements in some areas, including changes to Board frequency and committee structures. The Trust continues its good track record of delivering its financial duties and has made some improvements to performance reporting. However, it could further improve performance in areas including red and amber calls, and sickness absence; move beyond annualised cycles of capital planning; improve reporting of single tender actions and strengthen the board assurance framework.

Set out below are the key findings and challenges for the Trust from the work undertaken in 2019 by Audit Wales.

#### Governance

The Trust has strengthened governance arrangements, although performance in key areas is not improving as planned and it could strengthen use of the Board Assurance Framework.

- Changes to Board meetings and committee structures are having a positive impact on scrutiny and oversight, but there is scope to make some improvements to papers and standing orders need to reflect recent changes
- The Trust is taking steps to strengthen its risk management arrangements, and while its board assurance framework continues to evolve, there is scope for further improvement
- While performance reporting has improved, the performance management framework is out-of-date, and performance is not improving in line with plans for several metrics
- Planned changes to corporate functions and a re-balancing of executive portfolios should support modernisation of the organisation

#### Strategic Planning

There is a clear strategic vision, generally good planning arrangements and strengthened delivery arrangements, with scope to make some further improvements.

- The Trust has established a clear vision for the organisation, and has taken some steps to engage more effectively with partners and staff, but will need to work to ensure alignment between its long-term strategic framework and long-term commissioning intentions.
- The Trust has an effective planning process for its IMTP which draws on demand and capacity and increasing benchmarking information, however the timescales of agreeing its winter plans creates pressure for ensuring measures are implemented appropriately.
- The Trust has improved some arrangements to support the delivery of its IMTP, including establishing a small programme management office, though there is scope to strengthen Committee oversight.

### Managing Financial Resources

The Trust continues to meet its statutory financial duties, but it could improve capital planning, savings delivery, and reporting of single tender actions.

- The Trust has a track record of achieving financial balance although departmental delivery to budget and performance against individual savings schemes remains variable.
- While the Trust's overall financial planning process is generally effective capital planning is not sufficiently strategic despite some recent improvements to processes.
- The Trust's financial management and controls are generally effective, with plans to formalise finance business support to strengthen arrangements.
- Changes to the committee structure and risk management arrangements have strengthened financial performance oversight, though reporting of single tender actions lacks clarity.

### Managing Workforce Productivity and Efficiency

There is ongoing work to modernise the workforce, improve staff wellbeing and address challenges with training and sickness absence.

- The Trust is taking steps to redesign its workforce but has not yet achieved a sustained reduction in sickness absence rates.
- The Trust is seeking to manage training challenges for its current and future workforce and its appraisal and mandatory training rates continue to improve.
- The Trust engages with staff and is improving staff wellbeing through work on staff conflict, violence and aggression and mental health.

### Structured Assessment Recommendations

The recommendations arising from the 2019 Structured Assessment work are set out below.

- The Board should explore ways to strengthen the board assurance framework as a live and robust assurance tool for its corporate objectives by:
  - a) ensuring relevant Committees and groups regularly review controls and assurances to assess their effectiveness and identify any gaps; and
  - b) ensuring the relevant committees have regular oversight of the strategic objectives and risks assigned.
- A review of the Trust's performance management framework is well overdue and the framework now needs to be updated to ensure it reflects:
  - a) recent changes to local delivery planning arrangements; and

- b) arrangements for monitoring delivery of the IMTP, clarifying the respective roles of the Board, the Finance and Performance Committee and the Strategic Transformation Board.
- The Trust needs to develop a less annualised approach to capital planning. It should develop an asset management strategy to help plan the use of capital in a more joined up way over the medium-term.
- Improve the clarity and detail of the regular reports on single tender actions provided to the Audit Committee to enable effective and robust scrutiny, for example:
  - a) including greater level of detail as to why the action was needed; and
  - b) providing narrative to describe variations between budgeted and actual cost; and
  - c) ensuring all awarded actions within the reporting period are detailed within the report.

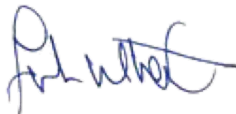
The Structured Assessment was considered and agreed by Trust Board on 30 January 2020 and progress by the Trust on the recommendations set out above will be monitored by Audit Committee throughout 2020-21.

## 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 2020-21 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 2020 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: 25 June 2020**

## 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 2019-20. The table excludes the four Directors 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 (10), Remuneration (5)
Emrys Davies	Non-Executive Director	<b>Quality, Patient Experience and Safety Committee (QuEST) Chair</b> Trust Board (10), Audit (2), Charitable Funds (1), Finance and Performance (4), People and Culture (3), QuEST (4), Remuneration (2)
Kevin Davies	Non-Executive Director	<b>Trust Board Vice Chair, Charitable Funds Committee Chair</b> Trust Board (8), Charitable Funds (2), Finance and Performance (3), People and Culture (2), QuEST (4), Remuneration (1)
Bethan Evans	Non-Executive Director (From 6/12/19)	Trust Board (4), Charitable Funds (1), Finance and Performance (1), People and Culture (1), QuEST (1)
Pamela Hall	Non-Executive Director	<b>Audit Committee Chair</b> Trust Board (9), Audit (3), Finance and Performance (4), People and Culture (3), Remuneration (5)
Paul Hollard	Non-Executive Director	<b>People and Culture Chair</b> Trust Board (9), Audit (4), Charitable Funds (2), Finance and Performance (1), People and Culture (4), QuEST (4), Remuneration (2)
Joga Singh	Non-Executive Director (From 9/12/19)	Trust Board (4), Audit (1), Finance and Performance (1), Remuneration (2)
Martin Turner	Non-Executive Director	<b>Finance and Performance Chair</b> Trust Board (6), Audit (4), Finance and Performance (3), Remuneration (2)

<b>Section 2 Chief Executive and Executive Directors</b>		
Jason Killens	Chief Executive	Trust Board (10), Remuneration (4)
Claire Bevan	Executive Director Quality and Nursing (left 31/12/19)	Trust Board (5), QuEst (1)
Claire Roche	Executive Director Quality and Nursing (from 1/1/20)	Trust Board (4), QuEst (1)
Chris Turley	Executive Director Finance and ICT (Interim) (1/4/19-31/1/20) Executive Director Finance & Corporate Resources (From 1/2/20)	Trust Board (10), Audit (4), Charitable Funds (2), Finance and Performance (5), People and Culture (2)
Brendan Lloyd	Executive Director Medical and Deputy Chief Executive (Interim)	Trust Board (10), QuEst (2)
Claire Vaughan	Executive Director (Workforce and OD)	Trust Board (10), Charitable Funds (1), Finance and Performance (1), People and Culture (4), Remuneration (3)

Note: The Audit Committee is regularly supplemented by Executive Directors 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 (extraordinary meeting) were held as closed/virtual access meetings. The Minutes of the meetings will be made available to the public on the Trust's website once approved.
- 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, Chairs' action meetings were held on 7 April 2020, 13 April 2020 and 17 April 2020 to deal with urgent business. The action notes arising from the meetings were presented to Trust Board on 30 April 2020 for ratification.
- 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 will be made available to the public on the Trust's website once approved.

- The scheduled meeting of the Quality, Patient Experience and Safety Committee on 12 May 2020, and the Finance and Performance Committee meeting on 14 May were held as virtual access meetings. The Minutes of the meetings will be made available to the public on the Trust's website once approved.
- 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.

An assessment was also made 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 meetings. As the duration of the pandemic and the subsequent measures to be taken to mitigate spread are not yet known it will be necessary to keep this matter under review.

### **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.

During 2019-20 a number of appointments and changes of personnel were 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 2020, the Trust Chairman had drafted a revised set of Non Executive Director Board Champion responsibilities (as set out in the table below), with the aim for these to be considered by Trust Board in 2020-21.

	<b>Board Champion</b>
Emrys Davies	Quality, safety and patient experience (includes SAls, complaints, IPC, WIN, Welsh language and continuous improvement) Environment and sustainability (carbon neutrality, climate change).
Kevin Davies	Service redesign: Ambulance Taskforce, WAST gatekeeper (111, CCC). Workforce education (university status and Partnership Committee).
Bethan Evans	Service redesign; mental health & older people. Patient, public and stakeholder engagement (includes volunteers, CFRs, blue light collaboration).
Pam Hall	Digital (strategy development, major ICT projects). System controls and risk management (includes BAF, information governance, Caldicott).
Paul Hollard	Service redesign: EMS "left shift" and development (pathways, APP). Strategy development and forward planning (includes IMTP development, major service changes, performance framework) (NB Martin Turner in support) Workforce planning and re-design (includes demand and capacity review implementation, workforce UHP).
Joga Singh	Service redesign: NEPTS development.

	<b>Board Champion</b>
	Staff engagement and well-being (includes health and safety, workforce diversity).
Martin Turner	Financial/operational performance and sustainability (includes benchmarking, VfM) NB Emrys Davies in support on operational performance/metrics. Asset management (includes estate/fleet/ capital planning).

### **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.

At the 21 November 2019 Board meeting, the Trust adopted revised Model Standing Orders as per the Welsh Health Circular: Review of standing orders, reservation and delegation of powers (WHC 2019/027).

The Trust's governance structure accords with the governance e-manual and the Welsh Government's citizen-centres 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 2019-20. All meetings were quorate.

	<b>CALENDAR OF MEETINGS 2019-20</b>									
<b>Trust Board</b>	30/5/19	18/7/19	1/8/19	19/9/19	8/10/19	21/11/19	6/1/20	30/1/20	18/2/20	26/3/20
<b>Audit</b>	23/5/19	12/9/19	5/12/19	5/3/20						
<b>Charitable Funds</b>	5/9/19	13/2/20								

	CALENDAR OF MEETINGS 2019-20									
Finance and Performance	25/4/19	16/7/19	24/10/19	23/1/20	18/3/20					
People and Culture	9/4/19	9/7/19	15/10/19	10/3/20						
QuEst	21/5/19	3/9/19	26/11/19	25/2/20						
Remuneration	27/6/19	8/8/19	17/12/19	7/2/20	31/3/20					
Board Development	22/5/19	30/7/19	8/10/19	12/12/19	18/2/20					

The Trust's Annual General Meeting was held on 19 July 2019.



## AGS APPENDIX 2

### BOARD AND COMMITTEE ITEMS OF BUSINESS 2019/20 (Excluding Procedural Matters, Minutes of Committees)

**TABLE 1 - TRUST BOARD**

Open Items - Report Title	30/5/19	18/7/19	1/8/19	19/9/19	8/10/19	21/11/19	6/1/20	30/1/20	18/2/20	26/3/20
Committee Terms of Reference	✓									
Annual Accounts and Accountability Report 2018/9	✓									
WAO – Audit of Financial Statements Report 2018/9	✓									
Annual Quality Statement	✓									
Draft Annual Report 2018/9	✓									
Annual Performance Report 2018/9	✓									
Strategic Framework for Engagement 2019/22	✓	✓				✓				
111 Programme Update	✓									
IMTP 2018/9 – Quarter 4 Update	✓									
Monthly Integrated Quality and Performance Report	✓	✓		✓		✓		✓		
Use and Application of Charitable Funds	✓									
Financial Performance 2019/20 Report	✓	✓		✓		✓		✓		
Committees Update/Minutes	✓	✓		✓		✓		✓		
WHC – National Audit Plan	✓									
NHS Collaborative Leadership Forum Minutes	✓									
Capital Programme		✓								
NEPTS Third Party Management Solution		✓								
Transforming Education and Training Strategy		✓								
University Status		✓								
IMTP 2019/20 Update		✓				✓				
Board Assurance Framework		✓		✓				✓		
EASC/WHSCC/WASPT Minutes		✓		✓		✓		✓		
Chair's Actions – Procedure Review				✓						
Appointment of Director of Quality and Nursing				✓						
Health and Social Care (Quality and Engagement) Wales Bill				✓						
Major Trauma Network for South Wales and South Powys				✓						

Open Items - Report Title	30/5/19	18/7/19	1/8/19	19/9/19	8/10/19	21/11/19	6/1/20	30/1/20	18/2/20	26/3/20
Brexit Update				✓				✓		
IMTP 2020/23 Plan Development				✓		✓				
Patient Experience and Community Involvement				✓						
Information Governance Annual Report				✓						
Public Health Plan				✓						
Board and Committee Calendar						✓				
Cardiff Make Ready Depot – Business Case						✓				
Integrated 111 GP OoH System Full Business Case						✓				
People and Culture Strategy						✓				
111 Peer Review and Action Plan						✓				
Charitable Funds Annual Report and Accounts						✓				
Director of Quality Integrated Highlight Report						✓				
Standing Orders						✓				
Self-Assessment of Quality Governance Arrangements							✓			
Trust Board Venues								✓		
Non Executive Director - Committee Membership								✓		
Appointment of Director of Finance & Corporate Resources								✓		
Structured Assessment and Annual Audit Report								✓		
Integrated Medium Term Plan 2020/21 - 2022/23								✓		
Operational Performance Position								✓		
Contracting Authority Agreement – Integrated Information Solution for 111 Wales									✓	
RFID Asset Management Procurement									✓	
Mobile Device Procurement									✓	
Respiratory Protection Provision									✓	

Closed Items - Report Title	30/5/19	18/7/19	1/8/19	19/9/19	8/10/19	21/11/19	6/1/20	30/1/20	18/2/20	26/3/20
111 Programme Update	✓			✓						
Electronic Patient Client Record – Outline Business Case	✓									
Strategic Service Changes	✓			✓						
Partnership Proposal to Support the 108 Service in the State of Karnataka, India	✓									
Amber Review	✓									
Legal Claims	✓		✓					✓		

Closed Items - Report Title	30/5/19	18/7/19	1/8/19	19/9/19	8/10/19	21/11/19	6/1/20	30/1/20	18/2/20	26/3/20
Immediate Release			✓							
PCR/Digipen Business Case				✓						
Route to Market for HART Replacement Vehicles				✓						
Update of EASC Discussions				✓						
Brexit Preparedness				✓	✓					
Service Mapping				✓						
Significant Incident/REAP Level 3					✓					
Other System Pressures					✓					
EMS Demand and Capacity Review (ORH)						✓				
Minaeron Reporting Station						✓				
SE Wales Fleet Workshop Outline Business Case						✓				
EMS CCC Unplanned Critical Systems Outages						✓				
Operational Pressures/Patient Safety						✓				
UCS Pay Banding								✓		
Strategic Service Change								✓		
Update on the Discretionary Capital Programme 2019/20								✓		
Covid-19 Update										✓
Initial 2020/21 Revenue Budget										✓
Demand Management Plan For Higher Levels of Escalation										✓
2020/21 Vehicle Replacement BJC										✓
Homeworking Policy										✓
Board Assurance Framework										✓
Monthly Integrated Quality and Performance report										✓
Financial Performance 2019/20 Report										✓
Patient Safety Highlight Report										✓
Future Board Business: Essential Business, CEO Authority Levels, Advice From Board Secretaries										✓
EASC/WHSCC/WASPT Minutes										✓

Notes: the Board meeting of 26 March 2020 was held as a Closed session due to the Government Covid-19 restrictions for public gatherings.

**TABLE 2 - AUDIT COMMITTEE**

Open Items - Report Title	23/5/19	12/9/19	5/12/19	5/3/20
Annual Accounts and Accountability Report 2018/9	✓			
WAO – Audit of Financial Statements Report 2018/19	✓			
WAO Update Report/Audit Plan	✓	✓	✓	✓
Head of Internal Audit Opinion and Report 2018/19	✓			
Internal Audit – Trade Union Release Time	✓			
Internal Audit – Performance Management LDP	✓			
Internal Audit – Clinical Audit Follow Up	✓			
Internal Audit – Handover of Care at ED	✓			
Internal Audit – Health and Safety Follow Up	✓			
Internal Audit – Sickness Absence Mgt. Follow Up	✓			
Internal Audit – Welsh Risk Pool	✓			
Internal Audit – Cyber Security	✓			
Internal Audit – Losses and Special Payments	✓			
Internal Audit – Risk Management	✓			
Internal Audit – Vehicle Procurement Programme	✓			
Internal Audit – Research and Development	✓			
Internal Audit – Payroll Services	✓			
Internal Audit Update Report	✓			
Losses and Special Payments	✓	✓	✓	✓
Corporate Risk Register Quarterly Report	✓	✓	✓	✓
Internal Audit – Welsh Language Standards		✓		
Internal Audit – Project Management		✓		
Internal Audit – Vehicle Hire		✓		
Internal Audit – Annual Quality Statement		✓		
Internal Audit – Confidentiality: Caldicott Principles into Practice (C-PIP)		✓		
Internal Audit – Environmental Sustainability Reporting		✓		
Internal Audit – Handover of Care at EDs (Trust Related) Follow Up		✓		
Internal Audit – Handover of Care at EDs (Health Board Related) Follow Up		✓		
WAO – Performance Management Information		✓		
Audit Recommendation Tracker		✓		

Open Items - Report Title	23/5/19	12/9/19	5/12/19	5/3/20
E Datix Risk Module		✓		
NHS Wales Audit Committee Handbook – Self Assessment			✓	
Internal Audit – Raising concerns			✓	
Internal Audit – IMTP performance monitoring			✓	
Internal Audit – Local Delivery Plans performance management			✓	
Internal Audit – Project management			✓	
Internal Audit – Fuel spend			✓	
Internal Audit – Personal injury claims			✓	
Internal Audit – Appropriately equipped paramedics			✓	
Internal Audit – Freedom of information			✓	
Internal Audit – Allocation of discretionary capital			✓	
Handover of care at ED Follow up WAST Internal Audit report (Swansea Bay management response)			✓	
WAO Structured Assessment 2019			✓	
Audit Committee – Participants Survey				✓
Gifts and Hospitality				✓
Internal Audit – Single Tender Waivers				✓
Internal Audit – Travel & Subsistence Expenses Follow Up				✓
Internal Audit – Computer Aided Dispatch Benefits Realisation				✓
Internal Audit – IS Security: Appropriate System Access Follow Up				✓
Internal Audit – Cleaning Standards				✓
Internal Audit – Personal Safety: Violence and Aggression				✓
Internal Audit – CPD Management Follow Up				✓
Internal Audit – Volunteer Car Drivers: Governance Follow Up				✓
Board Assurance Framework				✓
Finance Report				✓
Risk Register Development Guide				✓
Risk Management Strategy				✓

Closed Items - Report Title	23/5/19	12/9/19	5/12/19	5/3/20
Tender Update Report and Single Tender Waiver Requests	✓	✓	✓	✓
Counter Fraud Update Report	✓	✓	✓	✓
HART Vehicle Procurement		✓		

**TABLE 3 – CHARITABLE FUNDS COMMITTEE**

<b>Open Items - Report Title</b>	<b>5/9/19</b>	<b>13/2/20</b>
Income and Expenditure – February/March 2019	✓	
Draft Charitable Funds Annual Report/Accounts 2018/19	✓	
Bids Panel Update	✓	✓
Trust Approach to Charitable Causes	✓	
Bursary Scheme Funding	✓	✓
Charitable Funds Investment Policy		✓
WAST Benevolent Fund		✓
Income and Expenditure for period 1 April 2019 - 31 January 2020		✓

<b>Closed Items - Report Title</b>		
No Items		

**TABLE 4 – FINANCE AND PERFORMANCE COMMITTEE**

Open Items - Report Title	25/5/19	16/7/19	24/10/19	23/1/20	18/3/20
Setting the Scene/Terms of Reference/Committee Links	✓				
Committee Development	✓				
Capital Management Board: establishment and ToR	✓				
Monthly Integrated Quality and Performance Report	✓	✓	✓	✓	✓
Finance Performance Report	✓	✓	✓	✓	✓
Savings Delivery Update	✓	✓	✓		
Capital Programme Update	✓	✓	✓	✓	
CAD Phase 2 and 3	✓				
Lessons Learnt From Year End Capital Planning	✓				
Fuel Card Policy	✓				
CCTV Policy	✓				
Access to Personal Information Policy	✓				
Information Security Policy	✓				
Risks Relevant to F&P Committee	✓	✓			
Finalisation of 2019/20 Budget		✓			
ICT Steering Group Update		✓	✓	✓	
111 Update		✓	✓		
Bevan Commission Exemplar Project		✓			
Delivery Value Based Healthcare		✓			
NEPTS Third Party Management Solution		✓			
NEPTS Transfer of Work		✓	✓		
Emergency Services Mobile Communication Program		✓	✓		
Major Trauma Network		✓	✓		
Wheels and Tyre Policy		✓			
Data Quality Policy		✓			
Sustainability Annual Report 2018/19		✓			
Cardiff Make Ready Depot – Business Case			✓		
Integrated 111GP OoH Business Case			✓		
Business Continuity Policy			✓		
Predictive Performance and Benchmarking			✓		
Revised Capital Management Board ToR			✓		
HART Reporting			✓		

Open Items - Report Title	25/5/19	16/7/19	24/10/19	23/1/20	18/3/20
Estates Annual Report			✓		
ISO14001 Update – Environment and Sustainability			✓		
Draft IMTP 2020/21				✓	
NHS Direct Wales/111 Peer Review & Action Plan				✓	
Operations - Quarterly Update Report				✓	✓
Fleet Replacement Programme				✓	
NHS E mail Policy				✓	
Initial 2020/21 Revenue Budget					✓
Aneurin Bevan UHB NEPTS Transfer of Work					✓

Closed Items - Report Title	25/5/19	16/7/19	24/10/19	23/1/20	18/3/20
EPCR Business Case Endorsement	✓				
Business Case for Microsoft Windows and O365	✓				
Update on Fleet Replacement Programme – 2019/20				✓	
2020/21 Vehicle Replacement BJC					✓



**TABLE 5 – PEOPLE AND CULTURE COMMITTEE**

Open Items - Report Title	25/5/19	9/7/19	15/10/19	10/3/20
Committee Terms of Reference	✓			
Setting the Scene	✓			
Quarterly Workforce Performance Report/Dashboard	✓	✓	✓	✓
Staff Survey Follow-Up	✓	✓	✓	
Gender Pay Gap	✓			
University Status	✓	✓	✓	✓
Trade Union Activities Annual Report	✓			
People and Culture Strategy Development		✓	✓	✓
Transforming Education and Development Strategy		✓		
Implementing the Leadership and Management Strategy		✓		✓
Team Leader Development Programme - Review		✓		
Risks Relevant to the Committee		✓		
Implementation of Welsh Language Standards		✓		
Treating People Fairly – Strategic Equality Plan		✓	✓	
NHS Wales Campaign – Dying to Work Charter		✓		
Monthly Integrated Performance Report		✓	✓	
Focus on Violence and Aggression Work			✓	
NHSDW/111 Retention			✓	
Improving Frontline Capacity and Resilience Over Winter			✓	
Occupational Health Service Provision			✓	
WASPT Activity Report			✓	
Improving Disciplinary/Investigation Timelines			✓	
NHS Wales Special Leave Policy			✓	
Committee Assurance Framework			✓	✓
WASPT Minutes			✓	
Sub Group Minutes		✓	✓	
Update on Resource Availability Programme				✓
Deep Dive: Sickness Absence				✓
Band 6 Paramedic Education Process				✓
Recruitment and Training Plans to deliver Commissioned Growth in EMS Capacity				✓

<b>Open Items - Report Title</b>	<b>25/5/19</b>	<b>9/7/19</b>	<b>15/10/19</b>	<b>10/3/20</b>
Public Sector Equality Duty – Developing Our Strategic Equality Objectives				✓
Transfer Policy				✓
Managing Families & Relatives Working Together Policy				✓
Update on DBS Checks				✓

<b>Closed Items - Report Title</b>	<b>25/5/19</b>	<b>9/7/19</b>	<b>15/10/19</b>	<b>10/3/20</b>
Suspensions Over 4 Months	✓	✓		
Lessons Learned From Employment Tribunal Case		✓		

**TABLE 6 – QUALITY, PATIENT EXPERIENCE AND SAFETY COMMITTEE**

<b>Open Items - Report Title</b>	<b>21/5/19</b>	<b>3/9/19</b>	<b>26/11/19</b>	<b>25/2/20</b>
Patient Story/Patient Story Tracker	✓	✓	✓	✓
Patient Experience and Community Involvement Highlight Report	✓	✓	✓	✓
Quarterly Quality Assurance Report	✓	✓	✓	✓
Monthly Integrated Performance Report	✓	✓	✓	✓
Annual Quality Statement	✓			✓
Educational Resource Designed to Reduce Harm From Pressure Damage in Wales	✓			
HSE Engagement with the Trust	✓			
Improvement and Innovation Network Update	✓			
IPR Progress Report	✓			
QuEst Committee Risks	✓			
Deep Dive on Winter Lessons	✓			
Regulation 28 Report	✓	✓	✓	✓
Operations Update	✓	✓	✓	✓
Non Medical Prescribing Policy	✓			
Patient Safety Newsletter	✓			
QSG Terms of Reference/Action Notes/Action Log	✓	✓	✓	
Mental Health and Dementia Update	✓			
Project A update	✓			
Public Health Plan	✓	✓	✓	
WHC National Clinical Audit Plan	✓			
Review of Maternity Services at Cwm Taf LHB – WAST Assurance Review		✓		
Clinical Audit Programme		✓		
Personal Injury File Review		✓		
Framework For Investigations of Patient Safety Serious Investigations		✓		
Amber Review Update Against Actins For Organisation		✓		
NEPTS Update		✓	✓	✓
Healthcare Inspectorate Wales Annual Report		✓		
Internal Audit Report – Health & Safety Follow Up		✓		

Open Items - Report Title	21/5/19	3/9/19	26/11/19	25/2/20
Internal Audit Report – Welsh Risk Pool Claims Mgt.		✓		
Internal Audit Report – Risk Management		✓		
Internal Audit Report – Annual Quality Statement		✓		
Information Governance Annual Report/Updates		✓	✓	
Adverse Childhood Experience Booklet		✓		
Hafal Action Plan		✓		
Public Services Ombudsman for Wales Annual Report and Accounts 2018/0		✓		
Public Services Ombudsman (Wales) Act 2019		✓		
Wales Air Ambulance Charity Annual Review 2018/9		✓		
Level 1 Falls Assistant Evaluation Report		✓		
Redress Reimbursement Guide		✓		
Once For Wales Concerns Management System		✓		
Data Quality Strategy			✓	✓
Public Services Ombudsman (Wales) Act 2019			✓	
Stage 1 Mortality Review			✓	
Station Audit – Vehicle Medicines Check			✓	
Domestic Abuse, Gender Based Violence and Sexual Violence 'Ask and Act' Policy			✓	
Premises and Vehicle Cleanliness Policy			✓	
Management of Controlled Drugs Policy			✓	
Dementia film for International Conference				✓
Learning Disability Delivery Plan				✓
Corers Engagement and Experience Survey				
Risks Aligned to Quest				✓
Deep Dive on Corporate Risks – Hospital Delays				✓
Shocktober Evaluation Report				✓
Restart a Heart Evaluation				✓
Delivering Clinical Excellence Strategy				✓
Medicines Management Policy				✓
Consent to Examination and Treatment Policy				✓
Aseptic Non Touch Techniques Policy				✓
Non Medical Prescribing Policy				✓
Risk Management Strategy and Framework 2018/21				✓

<b>Open Items - Report Title</b>	<b>21/5/19</b>	<b>3/9/19</b>	<b>26/11/19</b>	<b>25/2/20</b>
Risk Register Development Guide				✓
Personal Injury Claims Internal Audit Report				✓
All Wales Self-Assessment of Current Governance Arrangements				✓

<b>Closed Items - Report Title</b>	<b>21/5/19</b>	<b>3/9/19</b>	<b>26/11/19</b>	<b>25/2/20</b>
No Items				

**TABLE 7 - REMUNERATION COMMITTEE**

<b>Open Items - Report Title</b>					
This Committee is held in Private Session					

<b>Closed Items - Report Title</b>	<b>27/6/19</b>	<b>8/8/19</b>	<b>17/12/19</b>	<b>7/2/20</b>	<b>31/3/20</b>
Appointment and Remuneration of Trust Vice Chair	✓				
Non-Executive Director Appointments – Progress	✓				
Senior Managers Remuneration	✓				
Recruitment Plan – Director of Quality and Nursing	✓				
Director of Digital Services Remuneration	✓				
Executive Director Portfolio Changes	✓				
Remuneration - Executive Director of Finance and Corporate Resources, and Director of Strategy, Planning and Performance		✓			
Overtime Incentive Payments			✓		
Missed Meal Break Payment				✓	
Senior Manager Salary Schedule					✓
Exceptional Operational Allowances					✓

Notes: The scheduled meetings 27/9/19 and 5/12/19 were cancelled.

**TABLE 8 – BOARD DEVELOPMENT**

Items	22/5/19	30/7/19	8/10/19	12/12/19	18/2/20
Estates	✓				
University Status	✓				
Health and Safety Training	✓				
Independent Review of Cwm Taf Maternity Services	✓	✓			
Transforming Education	✓				
NEPTS	✓				
Topical Issues		✓		✓	✓
Ibabs Training		✓			
Key Strategic and Performance Measures		✓			
People and Health and Wellbeing Strategies		✓			
Board Assurance Framework			✓		
Corporate Risks			✓		
Integrated Medium Term Plan				✓	
E-PCT				✓	
Roles & Responsibilities of a Trustee					✓
Safeguarding					✓
Strategic Equality Objectives					✓
CCC - Clinical Review					✓

Notes: The items above are the scheduled matters but on the day additional items may have been added.



**GIG**  
CYMRU  
**NHS**  
WALES

Ymddiriedolaeth GIG  
Gwasanaethau Ambiwylans Cymru  
Welsh Ambulance Services  
NHS Trust

# REMUNERATION AND STAFF REPORT

## 2019-20



## 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 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 2019. 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 2019, 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, compensation for early termination and any continuing liability are shown in the tables below. There were no compensation payments or awards for senior managers during 2019-20.

### Remuneration Relationship

Details of the Trust's remuneration relationship are set out in Note 10.6 of the 2019-20 Annual Accounts.

### Senior Managers in Post 2019-20

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 2021
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	31 March 2022
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	Interim	23 July 2018	12 December 2019
Martin Turner	Non-Executive Director	Fixed Term	13 December 2019	12 December 2023
Jason Killens	Chief Executive Officer	Permanent	Prior to 1 April 2019	Not Applicable
Claire Bevan	Executive Director	Permanent	Prior to 1 April 2019	Not Applicable
Brendan Lloyd	Executive Director/ Interim Deputy CEO	Permanent	Prior to 1 April 2019	Not Applicable
Claire Roche	Executive Director	Permanent	1 January 2020	Not Applicable
Christopher Turley	Executive Director	Interim	Prior to 1 April 2019	31 January 2020 (Permanent Appt.)
Christopher Turley	Executive Director	Permanent	1 February 2020	Not Applicable
Claire Vaughan	Executive Director	Permanent	Prior to 1 April 2019	Not Applicable
Keith Cox	Board Secretary	Permanent	Prior to 1 April 2019	Not Applicable
Lee Brooks	Director	Permanent	8 July 2019	Not Applicable

Name	Position Title	Assignment Category	Start Date in Position	Fixed Term End Date
Andy Haywood	Director	Permanent	20 January 2020	Not Applicable
Estelle Hitchon	Director	Permanent	Prior to 1 April 2019	Not Applicable
Louise Platt	Director	Interim	Prior to 1 April 2019	31 July 2019 (end of acting up arrangements)
Rachel Marsh	Director	Secondment	Prior to 1 April 2019	30 October 2019 (Permanent Appt.)
Rachel Marsh	Director	Permanent	1 November 2019	Not Applicable

Further details of the contract arrangements of the Trust's senior managers in 2019-20 can be found in the Remuneration Table (and Notes) set out on pages 60 and 61 of this report.

#### Senior Managers who left the Trust during 2019-20

Name	Position Title	Assignment Category	Start Date in Position	Leaving Date
Claire Bevan	Executive Director	Permanent	Prior to 1 April 2019	31 December 2019

#### Senior Managers seconded from the Trust during 2019-20

Name	Position Title	Assignment Category	Start Date in Position	Leaving Date
Hannah Evans	Director	Permanent	Prior to 1 April 2019	6 August 2018
Patricia Roseblade	Deputy Chief Executive/ Director of Finance & ICT (Supernumerary)	Permanent	Prior to 1 April 2019	15 October 2018

Patricia Roseblade left the Trust on 15 October 2018 on an initial secondment to Powys Teaching Health Board before commencing a secondment with Swansea Bay University Health Board on 18 April 2019. 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 2020 in the Welsh Ambulance Services NHS Trust in the financial year 2019-20 was £160k to £165k (2018-19, £155k to £160k). This was 5.40 times (2018-19, 5.32 times) the median remuneration of the workforce, which was £30,091 (2018-19, £29,608).

	2019-20	2018-19
Band of Highest paid Director's Total Remuneration £000	160-165	155-160
Median Total Remuneration £000	30	30
Ratio	5.40	5.32

In 2019-20, 0 (2018-19, 0) employees received remuneration in excess of the highest-paid director.

Remuneration ranged from £17,652 to £162,500 (2018-19 £17,460 to £157,500).

The reason for the increase in remuneration together with the upward rise in ratio and median remuneration compared to 2018-19 are the result of movement within A4C pay bands and a 2% pay increase for Directors.

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.

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

## Salary and Pension Entitlements of Senior Managers

### Remuneration Report

Name and Title	2019-20				2018-19			
	Salary	Benefits in Kind	Pension benefits	Total	Salary	Benefits in Kind	Pension benefits	Total
	(bands of £5000)	Rounded to the nearest £100	£'000 (to nearest £1000)	(bands of £5000)	(bands of £5000)	Rounded to the nearest £100	£'000 (to nearest £1000)	(bands of £5000)
Martin Woodford (Chairman) (Note 1)	40-45			40-45	40-45			40-45
Kevin Davies (Non Executive Director / Vice Chairman) (Note 2)	15-20			15-20	5-10			5-10
Pamela J Hall (Non Executive Director)	5-10			5-10	5-10			5-10
James Mycroft (Non Executive Director) (Note 3)					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
Helen Birtwhistle (Non Executive Director) (Note 4)					5-10			5-10
Martin Turner (Non Executive Director) (Note 5)	5-10			5-10	5-10			5-10
Anoop Joga Singh (Non Executive Director) (Note 6)	0-5			0-5				
Bethan Evans (Non Executive Director) (Note 7)	0-5			0-5				
Jason Killens (Chief Executive) (Note 8)	155-160	4,000	156	315-320	80-85	1,600	61	140-145
Patricia Roseblade (Former Interim Chief Executive) (Note 9)					70-75	4,100	27	100-105
Christopher Turley (Executive Director of Finance & Corporate Resources) (Note 10)	100-105	5,400	35	140-145	95-100	4,600	95	195-200
Dr Brendan Lloyd (Medical Director / Interim Deputy Chief Executive)	150-155	4,100		155-160	145-150	3,300		150-155
Claire Vaughan (Executive Director of Workforce & OD)	90-95	-	23	115-120	90-95	-	20	110-115
Claire Bevan (Executive Director of Quality & Nursing) (Note 11)	80-85	900		80-85	100-105	3,500		105-110
Claire Roche (Executive Director of Quality and Nursing) (Note 12)	25-30	600	32	55-60				
Estelle Hitchon (Director of Partnership & Engagement)	90-95	-	14	100-105	85-90	-	25	115-120
Hannah Evans (Director of Planning & Performance) (Note 13)					30-35	-	16	45-50
Rachel Marsh (Director of Strategy Performance & Planning) (Note 14)	95-100	-	36	130-135	30-35	-	2	30-35
Richard Lee (Director of Operations) (Note 15)					65-70	-	10	75-80
Lee Brooks (Director of Operations) (Note 16)	80-85	2,700	11	90-95				
Louise Platt (Interim Director of Operations) (Note 17)	30-35	-	7	35-40	35-40	-	24	60-65
Andrew Haywood (Director of Digital Services) (Note 18)	20-25	-	3	20-25				
Keith Cox (Board Secretary)	85-90	-		85-90	85-90	-		85-90

Note 1 - Martin Woodford was appointed Chairman on 1st April 2019, prior to this date he was Interim Chairman									
Note 2 - Kevin Davies was appointed Vice Chairman on 1st April 2019									
Note 3 - James Mycroft left the Trust on 31st March 2019									
Note 4 - Helen Birtwistle left the Trust on 31st October 2018									
Note 5 - Martin Turner was Interim Non Executive Director until 13th December 2019, when he took over this role on a fixed term basis									
Note 6 - Anoop Joga Singh was appointed as Non Executive Director from 9th December 2019									
Note 7 - Bethan Evans was appointed as Non Executive Director from 6th December 2019									
Note 8 - Jason Killens joined the Trust as Chief Executive on 24th September 2018									
Note 9 - Patsy Roseblade left the Trust on 15th October 2018 on an initial secondment to Powys Teaching Health Board before commencing a secondment with Swansea Bay University Health Board on 16th April 2019									
Note 10 - Christopher Turley was Interim Executive Director of Finance & ICT until 1st February 2020 when he was appointed Executive Director of Finance & Corporate Resources									
Note 11 - Claire Bevan retired on 31st December 2019									
Note 12 - Claire Roche was appointed Executive Director of Quality and Nursing on 1st January 2020									
Note 13 - Hannah Evans left the Trust on external secondment to Swansea Bay University Health Board on 6th August 2018									
Note 14 - 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									
Note 15 - Richard Lee left the Trust on 7th November 2018 however was paid until 3rd December 2018 due to accrued annual leave									
Note 16 - Lee Brooks was appointed Director of Operations on 8th July 2019									
Note 17 - Louise Platt was appointed Interim Director of Operations on 1st November 2018 until 31st July 2019									
Note 18 - Andy Haywood joined the Trust as Director of Digital Services on 20th January 2020									

## 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 2020 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2020 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2020	Cash Equivalent Transfer Value at 31 March 2019	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)	7.5-10	15-17.5	40-45	110-115	738	585	116	33
Christopher Turley (Executive Director of Finance & Corporate Resources)	0-2.5	0-2.5	40-45	95-100	748	683	34	21
Dr Brendan Lloyd (Medical Director / Interim Deputy Chief Executive) *	0	0	0	0	-	-	-	-
Claire Vaughan (Executive Director of Workforce & OD)	0-2.5	-2.5-0	20-25	45-50	391	354	15	20
Estelle Hitchon (Director of Partnership & Engagement)	0-2.5	-2.5-0	25-30	60-65	525	488	13	19
Claire Bevan (Executive Director of Quality & Nursing)	0-2.5	0-2.5	40-45	130-135	-	956	- 748	17
Claire Roche (Executive Director of Quality and Nursing)	0-2.5	2.5-5	25-30	80-85	590	448	29	5
Rachel Marsh (Director of Strategy Performance & Planning)	0-2.5	0-2.5	35-40	55-60	607	551	29	17
Lee Brooks (Director of Operations)	0-2.5	0	25-30	0	292	265	4	17
Louise Platt (Interim Director of Operations)	0-2.5	0-2.5	25-30	60-65	482	441	6	7
Andrew Haywood (Director of Digital Services)	0-2.5	0	0-5	0	36	22	-	4
Keith Cox (Board Secretary) **	0	0	0	0	-	-	-	-
*Dr Brendan Lloyd chose not to be covered by the NHS pension arrangements in the prior year, as well as the current reporting year								
**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 2019-20 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	2019-20	2018-19
Additional Clinical Services	1,464	1,467
Administrative & Clerical	517	483
Allied Health Professionals	1,055	983
Estates & Ancillary	58	56
Medical & Dental	1	2
Nursing and Midwifery	165	149
<b>Total</b>	<b>3,260</b>	<b>3,140</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, Board Secretary) as at 31 March 2020 are set out below (excludes secondees out of the Trust). This compares to a Trust wide staff composition of 45% female, 55% male.

Gender	Headcount	%
Female	6	33
Male	12	67
<b>Total</b>	<b>18</b>	<b>100</b>

## Sickness Absence Data

	2019-20	2018-19
Days lost (long term)	61,110.67	60,459.52
Days lost (short term)	23,734.84	21,760.66
<b>Total days lost</b>	<b>84,845.51</b>	<b>82,220.18</b>
Average working days lost	16.25	16.37
Total staff employed in period (headcount)	3,530	3,378
Total staff employed in period with no absence (headcount)	955	1,123
<b>Percentage staff with no sick leave</b>	<b>28.01%</b>	<b>32.67%</b>

Note: 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

The Trust continues to performance manage absence robustly and has implemented a number of actions in 2019–2020. These include:

- 85% of staff that manage sickness absence across the Trust have undertaken the appropriate level of training of the new All Wales Attendance at Work Policy. This has enabled the Trust to fully embed the new focus on attendance at work and health and wellbeing.
- Meetings have continued within localities to discuss long and short term sickness with Occupational Health, HR and line managers in attendance. This has supported effective management and timely interventions to be deployed to support staff during periods of ill health.
- The fast-track musculoskeletal service across Wales has been in place since December 2018 to provide an initial triage service and to provide telephone advice and, where necessary, face to face physio within 5-7 days. The Trust has seen an increase in the number of referrals to these services during 2019-20 and has received positive feedback from staff.
- The Trust's on-line cognitive behavioural therapy service has been available to staff since January 2019. Staff utilisation of the service has increased of late.
- Sickness audits have been undertaken across the Trust by HR with initial focus being on hot spot areas identified through the monthly sickness absence data. The aim of the audits is to ensure that appropriate reporting and processes have been undertaken by managers.
- In July 2019, Swansea Centre for Health Economics provided the Trust research on the impact of the roles within emergency services on staff health

and wellbeing. This research will be taken forward by the Trust Clinical Psychologist during 2020-21.

#### 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 2019-20 in respect of consultancy costs was £0.300m (2018-19 £0.120m) across the following areas:

- Human Resource, Training and Education
- Organisation and Change Management
- Strategy

#### Off-Payroll Engagements

The Trust has a nil return in 2019-20 for off-payroll engagements. This is consistent to that reported in 2018-19.

#### Exit Packages

The Trust has a nil return in 2019-20 for exit package costs. This compares to a cost of £0.072m in 2018-19 for one exit package.



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Welsh Ambulance Services  
NHS Trust

# **NATIONAL ASSEMBLY FOR WALES ACCOUNTABILITY AND AUDIT REPORT**

## **2019-20**

## Introduction

The National Assembly for Wales 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 the National Assembly for Wales and that the financial transactions recorded in the financial statements conform to the authorities which govern them.

### 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 2019-20 over how, when and at what level charges were levied.

### Material remote contingent liabilities

The Trust has no material remote contingent liabilities within its 2019-20 accounts. This is consistent to that reported in 2018-19.

### Audit certificate and report

The certificate and report of the Auditor General to the National Assembly of Wales is attached on the following pages.

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

## **Report on the audit of the financial statements**

### **Opinion**

I certify that I have audited the financial statements of the Welsh Ambulance Services NHS Trust for the year ended 31 March 2020 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 HM Treasury's Financial Reporting Manual based on International Financial Reporting Standards (IFRSs).

In my opinion the financial statements:

- give a true and fair view of the state of affairs of the Welsh Ambulance Services NHS Trust as at 31 March 2020 and of its surplus for the year then ended; and
- have been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

### **Basis for opinion**

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)). 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 opinion.

### **Emphasis of matter**

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, instructing her to fund NHS clinical staffs' pension tax liabilities incurred by NHS Wales bodies in respect of the 2019-20 financial year. The Trust has disclosed the existence of a contingent liability at 31 March 2020, and my opinion is not modified in respect of this matter.

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

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you were:

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Chief Executive has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Other information**

The Chief Executive is responsible for the other information in the annual report and accounts. The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. 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.

In connection with my audit of the financial statements, my responsibility is to read the other information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

## **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.

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

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

- proper accounting records have not been kept;
- the financial statements 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.

## **Report**

I have no observations to make on these financial statements.

## **Responsibilities**

### **Responsibilities of Directors and the Chief Executive**

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.



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.



Adrian Crompton  
Auditor General for Wales  
2 July 2020

24 Cathedral Road  
Cardiff  
CF11 9LJ



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# ANNUAL ACCOUNTS

## 2019-20

# Welsh Ambulance Services NHS Trust

## Foreword

These accounts for the period ended 31 March 2020 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 around 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 2019-20. 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 2016-17.

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 2016-17, being the first three year period of assessment.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2020

	Note	2019-20 £000	2018-19 £000
Revenue from patient care activities	3	200,000	180,274
Other operating revenue	4	11,339	7,540
Operating expenses	5.1	(211,622)	(187,976)
<b>Operating (deficit)/surplus</b>		<b>(283)</b>	<b>(162)</b>
Investment revenue	6	117	98
Other gains and losses	7	296	212
Finance costs	8	(85)	(91)
<b>Retained surplus</b>	<b>2.1.1</b>	<b>45</b>	<b>57</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		374	333
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		(15)	0
Impairments and reversals		(161)	(510)
Transfers between reserves		0	0
Reclassification adjustment on disposal of available for sale financial assets		0	0
<b>Sub total</b>		<b>198</b>	<b>(177)</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>198</b>	<b>(177)</b>
<b>Total comprehensive income for the year</b>		<b>243</b>	<b>(120)</b>

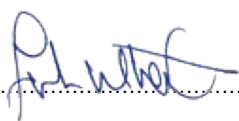
The notes on pages 6 to 75 form part of these accounts.

## STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

		Note	31 March 2020	31 March 2019
			£000	£000
<b>Non-current assets</b>				
	Property, plant and equipment	13	87,680	79,336
	Intangible assets	14	5,133	5,713
	Trade and other receivables	17.1	536	523
	Other financial assets	18	0	0
	<b>Total non-current assets</b>		<b>93,349</b>	<b>85,572</b>
<b>Current assets</b>				
	Inventories	16.1	1,556	1,418
	Trade and other receivables	17.1	9,086	7,372
	Other financial assets	18	0	0
	Cash and cash equivalents	19	24,582	13,626
			<b>35,224</b>	<b>22,416</b>
	Non-current assets held for sale	13.2	246	130
	<b>Total current assets</b>		<b>35,470</b>	<b>22,546</b>
<b>Total assets</b>			<b>128,819</b>	<b>108,118</b>
<b>Current liabilities</b>				
	Trade and other payables	20	(27,523)	(23,673)
	Borrowings	21	(1,970)	(941)
	Other financial liabilities	22	0	0
	Provisions	23	(7,293)	(4,884)
	<b>Total current liabilities</b>		<b>(36,786)</b>	<b>(29,498)</b>
<b>Net current assets/(liabilities)</b>			<b>(1,316)</b>	<b>(6,952)</b>
<b>Total assets less current liabilities</b>			<b>92,033</b>	<b>78,620</b>
<b>Non-current liabilities</b>				
	Trade and other payables	20	0	0
	Borrowings	21	(2,667)	0
	Other financial liabilities	22	0	0
	Provisions	23	(9,554)	(6,974)
	<b>Total non-current liabilities</b>		<b>(12,221)</b>	<b>(6,974)</b>
<b>Total assets employed</b>			<b>79,812</b>	<b>71,646</b>
<b>Financed by Taxpayers' equity:</b>				
	Public dividend capital		76,309	68,386
	Retained earnings		(6,209)	(6,254)
	Revaluation reserve		9,712	9,514
	Other reserves		0	0
	<b>Total taxpayers' equity</b>		<b>79,812</b>	<b>71,646</b>

The financial statements were approved by the Board on 25th June 2020 and signed on behalf of the Board by:

Chief Executive : Jason Killens.....



Date: 25th June 2020

The notes on pages 6 to 75 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 1 April 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
<b>Total in year movement</b>	<b>0</b>	<b>45</b>	<b>198</b>	<b>243</b>
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>	<b>76,309</b>	<b>(6,209)</b>	<b>9,712</b>	<b>79,812</b>

# STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

2018-19	Public Dividend Capital £000	Retained earnings £000	Revaluation reserve £000	Total £000
<b>Changes in taxpayers' equity for 2018-19</b>				
<b>Balance at 31 March 2018</b>	66,162	(6,311)	9,691	69,542
<b>Adjustment for Implementation of IFRS 9</b>	0	0	0	0
<b>Balance at 1 April 2018</b>	66,162	(6,311)	9,691	69,542
Retained surplus/(deficit) for the year		57		57
Net gain/(loss) on revaluation of property, plant and equipment		0	333	333
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	(510)	(510)
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	57	(177)	(120)
New Public Dividend Capital received	2,224			2,224
Public Dividend Capital repaid in year	0			0
Public Dividend Capital extinguished/written off	0			0
Other movements in PDC in year	0			0
<b>Balance at 31 March 2019</b>	68,386	(6,254)	9,514	71,646

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

	Note	2019-20 £000	2018-19 £000
<b>Cash flows from operating activities</b>			
Operating surplus/(deficit)	SOCI	(283)	(162)
Movements in working capital	30	(894)	8,017
Other cash flow adjustments	31	24,400	19,517
Provisions utilised		(1,706)	(5,917)
Interest paid		(85)	(91)
<b>Net cash inflow (outflow) from operating activities</b>		<b>21,432</b>	<b>21,364</b>
<b>Cash flows from investing activities</b>			
Interest received		117	98
(Payments) for property, plant and equipment		(23,476)	(18,892)
Proceeds from disposal of property, plant and equipment		393	233
(Payments) for intangible assets		(362)	0
Proceeds from disposal of intangible assets		0	0
(Payments) for investments with Welsh Government		0	0
Proceeds from disposal of investments 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>(23,328)</b>	<b>(18,561)</b>
<b>Net cash inflow (outflow) before financing</b>		<b>(1,896)</b>	<b>2,803</b>
<b>Cash flows from financing activities</b>			
Public Dividend Capital received		8,914	2,224
Public Dividend Capital repaid		(123)	0
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		365	0
Capital elements of finance leases and on-SOFP PFI		3,696	(1,527)
Cash transferred (to)/from other NHS Wales bodies		0	0
<b>Net cash inflow (outflow) from financing activities</b>		<b>12,852</b>	<b>697</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>10,956</b>	<b>3,500</b>
<b>Cash [and] cash equivalents at the beginning of the financial year</b>	19	<b>13,626</b>	<b>10,126</b>
<b>Cash [and] cash equivalents at the end of the financial year</b>	19	<b>24,582</b>	<b>13,626</b>

The notes on pages 6 to 75 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 2019-20 Manual for Accounts. The accounting policies contained in that manual follow the 2019-20 Financial Reporting Manual (FReM), which applies European Union adopted IFRS and Interpretations in effect for accounting periods commencing on or after 1 January 2019, except for IFRS 16 Leases, which is deferred until 1 April 2021; 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.

Where income is received from Non NHS bodies for a specific activity that is to be delivered in the following year that income is deferred. Only non-NHS income may be deferred.

The Trust receives income under the NHS Injury Cost Recovery Scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid e.g. by an insurer. The Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit that the individual has lodged a compensation claim. The income is measured at the agreed tariff for the treatments provided to the injured individual, less a provision for unsuccessful compensation claims and doubtful debts.

From 2018-19, 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.

Only non-NHS income may be deferred.

## **1.4 Employee benefits**

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

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

### **Retirement benefit costs**

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The latest NHS Pension Scheme valuation results indicated that an increase in benefit required a 6.3% increase (14.38% to 20.68%) which was implemented from 1 April 2019. As an organisation within the full funding scope, the joint (in NHS England and NHS Wales) transitional arrangement operated in 2019-20 where employers in the Scheme would continue to pay 14.38% employer contributions under their normal monthly payment process, in Wales the additional 6.3% being 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 the 2019-20 annual accounts. Payments made on their behalf by Welsh Government are accounted for on a notional basis. For detailed information see Note 37.1- Other Information within these accounts.

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

### **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 2017-18 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 2015-16, IFRS 13 Fair Value Measurement must be complied with in full. However IAS 16 and IAS 38 have been adapted for the public sector context which limits the circumstances under which a valuation is prepared under IFRS 13. Assets which are held for their service potential and are in use should be measured at their current value in existing use. For specialised assets current value in existing use should be interpreted as the present value of the assets remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential. Where there is no single class of asset that falls within IFRS 13, disclosures should be for material items only.

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

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

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

### **Subsequent expenditure**

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

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

## **1.7 Intangible assets**

### **Recognition**

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

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

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

### **Measurement**

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

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

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

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

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

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

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

## **1.9 Research and Development**

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

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

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

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

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

## **1.11 Leases**

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

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

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

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

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

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

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

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



### 1.12 Inventories

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

### 1.13 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Statement of Cash flows (SoCF), cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the cash management.

### 1.14 Provisions

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

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

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

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

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

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

The Welsh Risk Pool Services (WRPS) operates 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 2019-20. The WRPS is hosted by Velindre University NHS Trust.

#### **1.15 Financial Instruments**

From 2018-19 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, will be to change the calculation basis for bad debt provisions, changing from an incurred loss basis to a lifetime expected credit loss (ECL) basis.

All entities applying the FReM shall recognise the difference between previous carrying amount and the carrying amount at the beginning of the annual reporting period that includes the date of initial application in the opening general fund within Taxpayer's equity.

#### **1.16 Financial assets**

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

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

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

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

Financial assets are classified into the following categories: financial assets 'at fair value through SoCI; 'held to maturity investments'; 'available for sale' financial assets, and 'loans and receivables'.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

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

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

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

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

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

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

### **1.16.5 Loans and receivables**

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

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

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

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

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

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

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

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

#### **1.17 Financial liabilities**

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

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

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

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

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

### **1.17.3 Other financial liabilities**

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

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

Most of the activities of the NHS Wales organisation are outside the scope of VAT and, in general, output 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 any pooled budget arrangements with Local Authorities.

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

In the application of the Trust's 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.

Significant estimations are also made for continuing care costs resulting from claims post 1 April 2003. An assessment of likely outcomes, potential liabilities and timings of these claims are made on a case by case basis. Material changes associated with these claims would be adjusted in the period in which they are revised.

## 1.25 Provisions

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

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

### Probable & Certain Cases – Accounting Treatment

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

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

*\* 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 -0.75%.

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 £1.653m.

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

The NHS Wales organisation 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.

The Trust has none to report.



### **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 Not EU-endorsed.\*

Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable.

IFRS 16 Leases is to be effective from 1st April 2021.

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 2019-20 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 Welsh Ambulance Services NHS Trust has established that as it is the corporate trustee of the The Welsh Ambulance Services NHS Trust Charity, it is considered for accounting standards compliance to have control of the The Welsh Ambulance Services NHS Trust Charity as a subsidiary and therefore is required to consolidate the results of the The Welsh Ambulance Services NHS Trust Charity within the statutory accounts of The Welsh Ambulance Services NHS 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 Charity 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 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			2017-18 to 2019-20
	2017-18 £000	2018-19 £000	2019-20 £000	Financial duty £000
Retained surplus	70	57	45	172
Less Donated asset / grant funded revenue adjustment	0	0	0	0
Adjusted surplus/ (Deficit)	70	57	45	172

The Welsh Ambulance Services NHS Trust has met its financial duty to break even over the 3 years 2017-18 to 2019-20.

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

The NHS Wales Planning Framework issued to NHS Trusts places a requirement upon NHS Trusts to prepare and submit Integrated Medium Term Plans to the Welsh Government.

The Trust has submitted an Integrated Medium Term Plan for the period 2019-20 to 2021-22 in accordance with NHS Wales Planning Framework.

The Minister for Health and Social Services approval	Financial duty 2019-20 to 2021-22	
	Status	Approved
	Date	18/04/2019

The Welsh Ambulance Services NHS Trust has met its annual financial duty to have an approved financial plan for the period 2019-20 to 2021-22.

## 2. Financial Performance (cont)

### 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 2019-20.

#### 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:

	<b>2019-20</b>	2018-19
Total number of non-NHS bills paid	<b>45,221</b>	39,395
Total number of non-NHS bills paid within target	<b>43,949</b>	38,194
Percentage of non-NHS bills paid within target	<b>97.2%</b>	97.0%

The Trust has met the target.

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<b>3. Revenue from patient care activities</b>	<b>2019-20</b>	<b>2018-19</b>
	<b>£000</b>	<b>£000</b>
Local health boards	<b>31,050</b>	24,923
Welsh Health Specialised & Emergency Ambulance Services Committees (WHSSC & EASC)	<b>158,533</b>	147,684
Welsh NHS Trusts	<b>703</b>	675
Health Education and Improvement Wales (HEIW)	<b>0</b>	0
Foundation Trusts	<b>0</b>	0
Other NHS England bodies	<b>124</b>	100
Other NHS Bodies	<b>7</b>	2
Local Authorities	<b>4</b>	6
Welsh Government	<b>9,072</b>	6,320
Welsh Government - Hosted Bodies	<b>0</b>	0
Non NHS:		
Private patient income	<b>9</b>	9
Overseas patients (non-reciprocal)	<b>0</b>	0
Injury Costs Recovery (ICR) Scheme	<b>310</b>	349
Other revenue from activities	<b>188</b>	206
<b>Total</b>	<b>200,000</b>	180,274

<b>Injury Cost Recovery (ICR) Scheme income</b>	<b>2019-20</b>	<b>2018-19</b>
	<b>%</b>	<b>%</b>
To reflect expected rates of collection ICR income is subject to a provision for impairment of:	<b>21.79</b>	21.89

<b>4. Other operating revenue</b>	<b>2019-20</b>	<b>2018-19</b>
	<b>£000</b>	<b>£000</b>
Income generation	<b>0</b>	0
Patient transport services	<b>0</b>	0
Education, training and research	<b>1,193</b>	960
Charitable and other contributions to expenditure	<b>0</b>	0
Receipt of donations for capital acquisitions	<b>0</b>	0
Receipt of government grants for capital acquisitions	<b>0</b>	0
Non-patient care services to other bodies	<b>0</b>	0
Rental revenue from finance leases	<b>113</b>	0
Rental revenue from operating leases	<b>0</b>	121
Other revenue:		
Provision of pathology/microbiology services	<b>0</b>	0
Accommodation and catering charges	<b>0</b>	0
Mortuary fees	<b>0</b>	0
Staff payments for use of cars	<b>159</b>	212
Business unit	<b>0</b>	0
Other	<b>9,874</b>	6,247
<b>Total</b>	<b>11,339</b>	7,540

Other revenue comprises:

Non-ambulance transport for other NHS bodies	<b>0</b>	0
Personal injury benefit scheme (PIBS)	<b>3,233</b>	165
Air Ambulance paramedic funding	<b>135</b>	121
Hazardous Area Response Team (HART)	<b>2,392</b>	2,319
Other minor services income	<b>3,047</b>	1,788
Ambulance Radio Replacement Programme (ARRP)	<b>0</b>	0
Funding for impairments (as funds flow monies)	<b>1,067</b>	1,854
<b>Total</b>	<b>9,874</b>	6,247

<b>5. Operating expenses</b>	<b>2019-20</b>	<b>2018-19</b>
<b>5.1 Operating expenses</b>	<b>£000</b>	<b>£000</b>
Local Health Boards	233	0
Welsh NHS Trusts	858	0
Health Education and Improvement Wales (HEIW)	0	0
Goods and services from other non Welsh NHS bodies	0	1,060
WHSSC/EASC	0	0
Local Authorities	0	0
Purchase of healthcare from non-NHS bodies	5,147	2,828
Welsh Government	0	0
Other NHS Trusts	0	0
Directors' costs	1,325	1,182
Staff costs	147,850	131,284
Supplies and services - clinical	3,667	3,709
Supplies and services - general	1,132	1,337
Consultancy Services	300	120
Establishment	3,883	3,925
Transport	14,487	13,791
Premises	8,100	7,025
Impairments and Reversals of Receivables	0	0
Depreciation	14,785	14,443
Amortisation	1,853	1,472
Impairments and reversals of property, plant and equipment	1,067	1,842
Impairments and reversals of intangible assets	0	11
Impairments and reversals of financial assets	0	0
Impairments and reversals of non current assets held for sale	0	0
Audit fees	162	152
Other auditors' remuneration	0	0
Losses, special payments and irrecoverable debts	4,076	828
Research and development	0	0
Other operating expenses	2,697	2,967
<b>Total</b>	<b>211,622</b>	<b>187,976</b>

**5. Operating expenses (continued)**

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

		Reclassified
<b>Charges to operating expenses</b>	<b>2019-20</b>	<b>2018-19</b>
<b>Increase/(decrease) in provision for future payments:</b>	<b>£000</b>	<b>£000</b>
Clinical negligence;-		
Secondary care	563	(1,921)
Primary care	0	0
Redress Secondary Care	0	0
Redress Primary Care	0	0
Personal injury	5,046	1,479
All other losses and special payments	164	183
Defence legal fees and other administrative costs	184	252
Structured Settlements Welsh Risk Pool	0	0
Gross increase/(decrease) in provision for future payments	5,957	(7)
Contribution to Welsh Risk Pool	89	0
Premium for other insurance arrangements	0	0
Irrecoverable debts	40	(20)
<b>Less: income received/ due from Welsh Risk Pool</b>	<b>(2,010)</b>	<b>855</b>
<b>Total charge</b>	<b>4,076</b>	<b>828</b>

Personal injury includes £3.178m in respect of permanent injury benefits (2018-19 £0.156m). This expenditure includes £2m re new / reviewed cases and a charge of £0.873m relating to the change in the rate at which the provision for future payments is calculated.

	<b>2019-20</b>	<b>2018-19</b>
	<b>£</b>	<b>£</b>
Permanent injury included within personal injury £:	3,177,715	156,000

<b>6. Investment revenue</b>	<b>2019-20</b>	<b>2018-19</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	117	98
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	0	0
<b>Total</b>	<b>117</b>	<b>98</b>

<b>7. Other gains and losses</b>	<b>2019-20</b>	<b>2018-19</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	296	212
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>296</b>	<b>212</b>

<b>8. Finance costs</b>	<b>2019-20</b>	<b>2018-19</b>
	<b>£000</b>	<b>£000</b>
Interest on loans and overdrafts	0	0
Interest on obligations under finance leases	64	83
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>64</b>	<b>83</b>
Provisions unwinding of discount	21	8
Periodical Payment Order unwinding of discount	0	0
Other finance costs	0	0
<b>Total</b>	<b>85</b>	<b>91</b>



## 9. Operating leases

### 9.1 Trust as lessee

	2019-20	2018-19
	£000	£000
Payments recognised as an expense		
Minimum lease payments	1,628	1,799
Contingent rents	0	0
Sub-lease payments	0	0
<b>Total</b>	<b>1,628</b>	<b>1,799</b>
Total future minimum lease payments	2019-20	2018-19
Payable:	£000	£000
Not later than one year	1,666	1,345
Between one and five years	2,355	2,231
After 5 years	2,117	2,549
<b>Total</b>	<b>6,138</b>	<b>6,125</b>
Total future sublease payments expected to be received	0	0

## 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	2019-20 £000	2018-19 £000
Rent	0	0
Contingent rent	0	0
Other	113	115
<b>Total rental revenue</b>	<b>113</b>	<b>115</b>

Total future minimum lease payments	2019-20 £000	2018-19 £000
<b>Receivable:</b>		
Not later than one year	13	75
Between one and five years	0	13
After 5 years	2	2
<b>Total</b>	<b>15</b>	<b>90</b>

## 10. Employee costs and numbers

					2019-20	2018-19
10.1 Employee costs	Permanently employed staff	Staff on Inward Secondment	Agency Staff	Other Staff	£000	£000
	£000	£000	£000	£000	£000	£000
Salaries and wages	123,105	425	262	0	123,792	108,717
Social security costs	11,666	0	0	0	11,666	10,845
Employer contributions to NHS Pensions Scheme	14,010	0	0	0	14,010	13,083
Other pension costs	9	0	0	0	9	9
Other post-employment benefits	0	0	0	0	0	0
Termination benefits	0	0	0	0	0	0
<b>Total</b>	<b>148,790</b>	<b>425</b>	<b>262</b>	<b>0</b>	<b>149,477</b>	<b>132,654</b>
<b>Of the total above:</b>						
Charged to capital					415	301
Charged to revenue					149,062	132,353
<b>Total</b>					<b>149,477</b>	<b>132,654</b>
Net movement in accrued employee benefits (untaken staff leave accrual included above)					96	95

## 10.2 Average number of employees

	Permanently Employed	Staff on Inward Secondment	Agency Staff	Other Staff	2019-20 Total	2018-19 Total
	Number	Number	Number	Number	Number	Number
Administrative, clerical and board members	517	6	8	0	531	496
Ambulance staff	0	0	0	0	0	0
Medical and dental	1	0	0	0	1	2
Nursing, midwifery registered	165	0	0	0	165	149
Professional, scientific and technical staff	0	0	0	0	0	0
Additional Clinical Services	1,464	0	0	0	1,464	1,467
Allied Health Professions	1,055	0	0	0	1,055	983
Healthcare scientists	0	0	0	0	0	0
Estates and Ancillary	58	0	0	0	58	56
Students	0	0	0	0	0	0
<b>Total</b>	<b>3,260</b>	<b>6</b>	<b>8</b>	<b>0</b>	<b>3,274</b>	<b>3,153</b>

## 10.3. Retirements due to ill-health

	2019-20	2018-19
Number	1	8
Estimated additional pension costs £	4,733	354,668

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

	2019-20	2019-20	2019-20	2019-20	2018-19
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	0	0	0	0
£50,000 to £100,000	0	0	0	0	1
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	0	0	0	1

	2019-20	2019-20	2019-20	2019-20	2018-19
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	0	0	0	0
£50,000 to £100,000	0	0	0	0	71,983
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	0	0	0	71,983

There are no exit packages to report for this financial year.

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).

This disclosure reports the number and value of exit packages agreed in the year in line with the Welsh Government manual for accounts.

## 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 2020 in the Welsh Ambulance Services NHS Trust in the financial year 2019-20 was £160k to £165k (2018-19, £155k to £160k). This was 5.40 times (2018-19, 5.32 times) the median remuneration of the workforce, which was £30,091 (2018-19, £29,608).

In 2019-20, 0 (2018-19, 0) employees received remuneration in excess of the highest-paid director.

Remuneration ranged from £17,652 to £162,500 (2018-19 £17,460 to £157,500).

The reason for the increase in remuneration together with the upward rise in ratio and median remuneration compared to 2018-19 are the result of movement within A4C pay bands and a 2% pay increase for Directors.

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.

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 2020, is based on valuation data as 31 March 2019, updated to 31 March 2020 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%, and the Scheme Regulations were amended accordingly.

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

### **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 £6,136 and £50,000 for the 2019-20 tax year (2018-19 £6,032 and £46,350).

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.

	2019-20 Number	2019-20 £000	2018-19 Number	2018-19 £000
<b>NHS</b>				
Total bills paid in year	826	4,588	781	4,127
Total bills paid within target	686	3,746	667	3,547
Percentage of bills paid within target	83.1%	81.6%	85.4%	85.9%
<b>Non-NHS</b>				
Total bills paid in year	45,221	92,589	39,395	85,156
Total bills paid within target	43,949	90,773	38,194	83,558
Percentage of bills paid within target	97.2%	98.0%	97.0%	98.1%
<b>Total</b>				
Total bills paid in year	46,047	97,177	40,176	89,283
Total bills paid within target	44,635	94,519	38,861	87,105
Percentage of bills paid within target	96.9%	97.3%	96.7%	97.6%

12.2 The Late Payment of Commercial Debts (Interest) Act 1998	2019-20 £	2018-19 £
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 :

#### 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>	<b>9,095</b>	<b>20,127</b>	<b>0</b>	<b>10,095</b>	<b>20,349</b>	<b>71,808</b>	<b>27,875</b>	<b>1,778</b>	<b>161,127</b>
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>	<b>0</b>	<b>1,263</b>	<b>0</b>	<b>0</b>	<b>12,676</b>	<b>45,060</b>	<b>21,857</b>	<b>935</b>	<b>81,791</b>
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>	<b>9,095</b>	<b>18,864</b>	<b>0</b>	<b>10,095</b>	<b>7,673</b>	<b>26,748</b>	<b>6,018</b>	<b>843</b>	<b>79,336</b>
<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>

### 13. Property, plant and equipment :

#### 2018-19

	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 2018</b>	8,478	17,982	0	8,072	22,449	70,655	29,016	1,030	157,682
Indexation	167	171	0	0	0	0	0	0	338
Additions - purchased	0	27	0	18,698	(4)	1,071	32	0	19,824
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	580	4,274	0	(16,675)	234	8,721	(975)	748	(3,093)
Revaluation	0	(510)	0	0	0	0	0	0	(510)
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	(1,764)	0	0	0	(147)	(1)	0	(1,912)
Reclassified as held for sale	(130)	0	0	0	(2,330)	(8,542)	0	0	(11,002)
Disposals other than by sale	0	(53)	0	0	0	50	(197)	0	(200)
<b>At 31 March 2019</b>	<b>9,095</b>	<b>20,127</b>	<b>0</b>	<b>10,095</b>	<b>20,349</b>	<b>71,808</b>	<b>27,875</b>	<b>1,778</b>	<b>161,127</b>

#### Depreciation

<b>At 1 April 2018</b>	0	571	0	0	12,577	45,310	19,297	876	78,631
Indexation	0	5	0	0	0	0	0	0	5
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	(33)	0	(134)	0	(167)
Revaluation	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	(51)	0	0	0	(19)	0	0	(70)
Reclassified as held for sale	0	0	0	0	(2,309)	(8,542)	0	0	(10,851)
Disposals other than by sale	0	(53)	0	0	0	50	(197)	0	(200)
Charged during the year	0	791	0	0	2,441	8,261	2,891	59	14,443
<b>At 31 March 2019</b>	<b>0</b>	<b>1,263</b>	<b>0</b>	<b>0</b>	<b>12,676</b>	<b>45,060</b>	<b>21,857</b>	<b>935</b>	<b>81,791</b>

#### Net book value

<b>At 1 April 2018</b>	8,478	17,411	0	8,072	9,872	25,345	9,719	154	79,051
<b>Net book value</b>									
<b>At 31 March 2019</b>	<b>9,095</b>	<b>18,864</b>	<b>0</b>	<b>10,095</b>	<b>7,673</b>	<b>26,748</b>	<b>6,018</b>	<b>843</b>	<b>79,336</b>

#### Net book value at 31 March 2019 comprises :

Purchased	9,095	18,864	0	10,095	7,673	26,748	6,018	843	79,336
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 2019</b>	<b>9,095</b>	<b>18,864</b>	<b>0</b>	<b>10,095</b>	<b>7,673</b>	<b>26,748</b>	<b>6,018</b>	<b>843</b>	<b>79,336</b>

#### Asset Financing:

Owned	9,095	18,864	0	10,095	7,673	26,748	4,946	843	78,264
Held on finance lease	0	0	0	0	0	0	1,072	0	1,072
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 2019</b>	<b>9,095</b>	<b>18,864</b>	<b>0</b>	<b>10,095</b>	<b>7,673</b>	<b>26,748</b>	<b>6,018</b>	<b>843</b>	<b>79,336</b>

#### The net book value of land, buildings and dwellings at 31 March 2019 comprises :

	£000
Freehold	25,059
Long Leasehold	2,900
Short Leasehold	0
<b>Total</b>	<b>27,959</b>

### 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

£1.067 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	117
Equipment	No longer serviceable	33
Land	Surplus to requirement	146
		<u>296</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 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 sale	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>
<b>Balance b/f 1 April 2018</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Plus assets classified as held for sale in year	130	0	21	0	0	151
Revaluation	0	0	0	0	0	0
Less assets sold in year	0	0	(21)	0	0	(21)
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 sale	0	0	0	0	0	0
<b>Balance c/f 31 March 2019</b>	<b>130</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>130</b>

As at 31st March 2020, two properties are included within this category.

One property 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 this 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 2020/21.

The second property became surplus to requirement following the relocation of staff to shared accommodation with a Local Authority in 2019/20. This is in accordance with the Estates Strategic Outline Programme under which collaboration with other public services is a significant theme.

# 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
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>
Net book value At 1 April 2019	4,053	0	1,660	0	0	0	5,713
<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

	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 2018</b>	9,695	0	1,599	0	0	0	11,294
Revaluation		0			0	0	0
Reclassifications	1,533	0	1,560	0	0	0	3,093
Reversal of impairments	0	0	0	0	0	0	0
Impairments	(23)	0	0	0	0	0	(23)
Additions							
- purchased	0	0	0	0	0	0	0
- 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 2019</b>	11,205	0	3,159	0	0	0	14,364
<b>Amortisation</b>							
<b>At 1 April 2018</b>	5,880	0	1,144	0	0	0	7,024
Revaluation		0			0	0	0
Reclassifications	149	0	18	0	0	0	167
Reversal of impairments	0	0	0	0	0	0	0
Impairments	(12)	0	0	0	0	0	(12)
Charged during the year	1,135	0	337	0	0	0	1,472
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 2019</b>	7,152	0	1,499	0	0	0	8,651
Net book value At 1 April 2018	3,815	0	455	0	0	0	4,270
<b>Net book value At 31 March 2019</b>	4,053	0	1,660	0	0	0	5,713
<b>Net book value</b>							
Purchased	4,053	0	1,660	0	0	0	5,713
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 2019</b>	4,053	0	1,660	0	0	0	5,713

**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:	2019-20		2018-19	
	Property, plant & equipment	Intangible assets	Property, plant & equipment	Intangible assets
	£000	£000	£000	£000
Loss or damage from normal operations	0	0	0	0
Abandonment of assets in the course of construction	0	0	0	0
Over specification of assets (Gold Plating)	0	0	0	0
Loss as a result of a catastrophe	0	0	0	0
Unforeseen obsolescence	0	0	0	0
Changes in market price	0	0	0	0
Other (Specify)	1,067	0	1,842	11
Reversal of impairment	0	0	0	0
<b>Impairments charged to operating expenses</b>	<b>1,067</b>	<b>0</b>	<b>1,842</b>	<b>11</b>

### Analysis of impairments :

Operating expenses in Statement of Comprehensive Income	1,067	0	1,842	11
Revaluation reserve	176	0	510	0
<b>Total</b>	<b>1,243</b>	<b>0</b>	<b>2,352</b>	<b>11</b>

Included within the above total of £1.243m are the following items:-

- a review undertaken in connection with expenditure incurred on Trust buildings identified that a total impairment of £1.014m was required as there were instances where the value of the buildings had not been enhanced. Of this amount, £0.936m was charged to operating expenses.

- a review of equipment and vehicles during the year identified £0.125m of obsolete items requiring impairment. All of this was charged to operating expense.

- Llantwit Major land was identified for sale in year and required impairing by £0.015m following market price valuation. None of this was charged to operating expenses.

- the 2019/20 indexation for Land resulted all Land assets requiring impairment of £0.089m in accordance with paragraph 7.169 of the Manual for Accounts. Of this amount, £0.006m was charged to operating expenses.



## 16. Inventories

### 16.1 Inventories

	31 March 2020 £000	31 March 2019 £000
Drugs	115	152
Consumables	1,170	995
Energy	0	0
Work in progress	0	0
Other	271	271
<b>Total</b>	<b>1,556</b>	<b>1,418</b>
<b>Of which held at net realisable value:</b>	<b>0</b>	<b>0</b>

### 16.2 Inventories recognised in expenses

	31 March 2020 £000	31 March 2019 £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>

**Welsh Ambulance Services NHS Trust Annual Accounts 2019-20**
**17. Trade and other receivables**
**17.1 Trade and other receivables**

	31 March	Reclassified 31 March
	2020	2019
	£000	£000
<b>Current</b>		
Welsh Government	1,518	1,796
WHSSC & EASC	43	11
Welsh Health Boards	1,110	835
Welsh NHS Trusts	310	98
Health Education and Improvement Wales (HEIW)	5	49
Non - Welsh Trusts	0	0
Other NHS	13	6
Welsh Risk Pool Claim reimbursement:-		
NHS Wales Secondary Health Sector	3,887	2,198
NHS Wales Primary Sector FLS Reimbursement	0	0
NHS Wales Redress	0	0
Other	0	0
Local Authorities	18	6
Capital debtors- Tangible	0	280
Capital debtors- Intangible	0	0
Other debtors	1,163	838
Provision for impairment of trade receivables	(290)	(254)
Pension Prepayments		
NHS Pensions Agency	0	0
NEST	0	0
Other prepayments	1,309	1,509
Accrued income	0	0
Sub-total	9,086	7,372
<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
Welsh Risk Pool Claim reimbursement		
NHS Wales Secondary Health Sector	0	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	536	523
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	536	523
<b>Total trade and other receivables</b>	<b>9,622</b>	<b>7,895</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 £0.839m re Compensation Recovery Unit (2018-19 £0.872m).

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

	<b>31 March 2020 £000</b>	31 March 2019 £000
By up to 3 months	615	209
By 3 to 6 months	0	0
By more than 6 months	0	0
<b>Balance at end of financial year</b>	<b>615</b>	<b>209</b>

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

	<b>31 March 2020 £000</b>	31 March 2019 £000
Balance at 31 March		(291)
Adjustment for Implementation of IFRS 9		0
Balance at 1 April	(254)	(291)
Transfer to other NHS Wales body	0	0
Provision utilised (Amount written off during the year)	4	17
Provision written back during the year no longer required	0	0
(Increase)/Decrease in provision during year	(40)	20
ECL/Bad debts recovered during year	0	0
<b>Balance at end of financial year</b>	<b>(290)</b>	<b>(254)</b>

**17.4 Receivables VAT**

	<b>31 March 2020 £000</b>	31 March 2019 £000
Trade receivables	19	58
Other	0	0
<b>Total</b>	<b>19</b>	<b>58</b>

**18. Other financial assets**

	<b>31 March 2020 £000</b>	31 March 2019 £000
<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 2020 £000</b>	31 March 2019 £000
Opening Balance	<b>13,626</b>	10,126
Net change in year	<b>10,956</b>	3,500
<b>Closing Balance</b>	<b>24,582</b>	13,626
<b>Made up of:</b>		
Cash with Government Banking Service (GBS)	<b>24,551</b>	300
Cash with Commercial banks	<b>25</b>	20
Cash in hand	<b>6</b>	6
<b>Total cash</b>	<b>24,582</b>	326
Current investments	<b>0</b>	13,300
<b>Cash and cash equivalents as in SoFP</b>	<b>24,582</b>	13,626
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>24,582</b>	13,626

	31 March	Reclassified 31 March
20. Trade and other payables at the SoFP Date	2020	2019
Current	£000	£000
Welsh Government	299	59
WHSSC & EASC	818	426
Welsh Health Boards	228	346
Welsh NHS Trusts	218	277
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	1,267	1,147
National Insurance contributions payable to HMRC	1,791	1,627
Non-NHS trade payables - revenue	1,847	2,993
Local Authorities	6	8
Capital payables-Tangible	9,381	7,650
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	1,911	1,761
Non NHS Accruals	9,550	7,234
Deferred Income:		
Deferred income brought forward	145	75
Deferred income additions	62	70
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>27,523</b>	<b>23,673</b>

In respect of the Pensions figure shown above, £1.891m relates to the NHS Pension scheme (2018-19 £1.751m) and £0.020m to the NEST pension scheme (2018-19 £0.010m).

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

	31 March 2020 £000	Reclassified 31 March 2019 £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>	<u><b>27,523</b></u>	<u><b>23,673</b></u>

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>2020</b>	<b>2019</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	1,970	941
Other	0	0
<b>Total</b>	<b>1,970</b>	<b>941</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	2,667	0
Other	0	0
<b>Total</b>	<b>2,667</b>	<b>0</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>2020</b>	<b>2019</b>
<b>Amounts falling due:</b>	<b>£000</b>	<b>£000</b>
In one year or less	0	0
Between one and two years	0	0
Between two and five years	0	0
In five years or more	0	0
Sub-total	0	0
Wholly repayable within five years	0	0
Wholly repayable after five years, not by instalments	0	0
Wholly or partially repayable after five years by instalments	0	0
Sub-total	0	0
Total repayable after five years by instalments	0	0

The Trust has not received a loan advance or strategic funding from the Welsh Government.



22. Other financial liabilities

	31 March 2020 £000	31 March 2019 £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 2020 £000	31 March 2019 £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

#### 2019-20

Reclassified

#### Current

	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
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
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>

#### Non Current

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
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>

#### TOTAL

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	0
Pensions relating to: other staff	99	0	0	0	0	16	(16)	(7)	0	92
Restructurings	0	0	0	0	0	0	0	0	0	0
Other	1,869	0	0	0	0	708	0	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>

#### Expected timing of cash flows:

	In year to 31 March 2021 £000	Between 01-Apr-21 to 31 March 2025 £000	Thereafter £000	Totals £000
Clinical negligence:-				
Secondary Care	1,977	0	0	1,977
Primary Care	0	0	0	0
Redress Secondary Care	0	0	0	0
Redress Primary Care	0	0	0	0
Personal injury	2,408	1,965	7,516	11,889
All other losses and special payments	0	0	0	0
Defence legal fees and other administration	312	0	0	312
Structured Settlements - WRPS	0	0	0	0
Pensions - former directors	0	0	0	0
Pensions - other staff	19	60	13	92
Restructuring	0	0	0	0
Other	2,577	0	0	2,577
<b>Total</b>	<b>7,293</b>	<b>2,025</b>	<b>7,529</b>	<b>16,847</b>

"Other" provisions £2.577m (2018-19 £1.869m) relates to a provision of £1.653m 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, £0.543m in relation to the re-banding of an Unscheduled Care Post from a Band 3 to a Band 4 and £0.381m for dilapidation of leasehold premises.

23. Provisions (continued)

2018-19

NHS Trust

Current

	Reclassified					Reclassified	Reclassified	Reclassified		Reclassified
	At 1 April 2018	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 2019
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Clinical negligence:-										
Secondary Care	4,414	0	0	0	0	1,314	(1,008)	(3,235)	0	1,485
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	3,821	0	0	0	0	2,719	(4,064)	(1,240)	8	1,244
All other losses and special payments	0	0	0	0	0	285	(183)	(102)	0	0
Defence legal fees and other administration	262	0	0	0	0	383	(248)	(131)	0	266
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	7	0	9	(16)	0	0	20
Restructurings	0		0	0	0	0	0	0		0
Other	251		0	0	0	1,739	(121)	0		1,869
<b>Total</b>	<b>8,768</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>6,449</b>	<b>(5,640)</b>	<b>(4,708)</b>	<b>8</b>	<b>4,884</b>

Non Current

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	7,172	0	0	0	0	0	(277)	0	0	6,895
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	86		0	(7)	0	0	0	0	0	79
Restructurings	0		0	0	0	0	0	0		0
Other	0		0	0	0	0	0	0		0
<b>Total</b>	<b>7,258</b>	<b>0</b>	<b>0</b>	<b>(7)</b>	<b>0</b>	<b>0</b>	<b>(277)</b>	<b>0</b>	<b>0</b>	<b>6,974</b>

TOTAL

Clinical negligence:-										
Secondary Care	4,414	0	0	0	0	1,314	(1,008)	(3,235)	0	1,485
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	10,993	0	0	0	0	2,719	(4,341)	(1,240)	8	8,139
All other losses and special payments	0	0	0	0	0	285	(183)	(102)	0	0
Defence legal fees and other administration	262	0	0	0	0	383	(248)	(131)	0	266
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	106		0	0	0	9	(16)	0	0	99
Restructurings	0		0	0	0	0	0	0		0
Other	251		0	0	0	1,739	(121)	0		1,869
<b>Total</b>	<b>16,026</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,449</b>	<b>(5,917)</b>	<b>(4,708)</b>	<b>8</b>	<b>11,858</b>

## 24 Contingencies

### 24.1 Contingent liabilities

	31 March 2020	Reclassified 31 March 2019
	£000	£000
Provision has not been made in these accounts for the following amounts:		
Legal claims for alleged medical or employer negligence;		
Secondary care	7,714	6,829
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	286	318
Other (Please specify)	0	0
<b>Total value of disputed claims</b>	<b>8,000</b>	<b>7,147</b>
Amount recovered under insurance arrangements in the event of these claims being successful	(6,897)	(5,912)
<b>Net contingent liability</b>	<b>1,103</b>	<b>1,235</b>

Other litigation claims could arise in the future due to known incidents. The expenditure which may arise from such claims cannot be determined and no provision has been made for them.

Liability for Permanent Injury Benefit under the NHS Injury Benefit Scheme lies with the employer. Individual claims to the NHS Pensions Agency could arise due to known incidents.

Contingent liabilities includes claims relating to alleged clinical negligence, personal injury and permanent injury benefits under the NHS Injury Benefits Scheme. The above figures include contingent liabilities for all Health Bodies in Wales.

In addition to the above, provision within the accounts has not been made for remote contingent liabilities arising from legal claims of £0.072m (2018/19 £0.075m).

### Pensions tax annual allowance – Scheme Pays arrangements 2019/20

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;
- The Welsh Ambulance Services NHS Trust will then pay them a corresponding amount on retirement, ensuring that they are fully compensated for the effect of the deduction.

This scheme will be fully funded by the Welsh Government with no net cost to The Welsh Ambulance Services NHS Trust.

Clinical staff have until 31 July 2021 to opt for this scheme and the ability to make changes up to 31 July 2024.

Using information provided by the Government Actuaries Department and the NHS Business Services Authority, a national 'average discounted value per nomination' (calculated at £3,345) could be used by NHS bodies to estimate a local provision by multiplying it by the number of staff expected to take up the offer.

At the date of approval of these accounts, there was no evidence of take-up of the scheme by our clinical staff in 2019-20 and no information was available 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 2020, the existence of an unquantified contingent liability is instead disclosed.

## 24.2. Remote contingent liabilities

	31 March 2020 £000	31 March 2019 £000
Guarantees	0	0
Indemnities	0	0
Letters of comfort	0	0
Total	<u>0</u>	<u>0</u>

## 24.3 Contingent assets

	31 March 2020 £000	31 March 2019 £000
	0	0
	0	0
	0	0
	<u>0</u>	<u>0</u>

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>2020</b>	2019
	<b>£000</b>	£000
Property, plant and equipment	<b>2,864</b>	452
Intangible assets	<b>190</b>	20
<b>Total</b>	<b>3,054</b>	472

## 26. Losses and special payments

Losses and special payments are charged to the Income statement in accordance with IFRS but are recorded in the losses and special payments register when payment is made. Therefore this note is prepared on a cash basis.

### Gross loss to the Exchequer

Number of cases and associated amounts paid out during the financial year

	Amounts paid out during year to 31 March 2020	
	Number	£
Clinical negligence	9	70,762
Personal injury	85	1,316,520
All other losses and special payments	140	164,141
<b>Total</b>	<b>234</b>	<b>1,551,423</b>

Analysis of cases:

Case Reference	Case Type	Number of cases	Amounts paid out in year	Cumulative amount
Cases where cumulative amount exceeds £300,000			£	£
14RT4MN0003	Clinical negligence	1	(8,709)	704,493
14RT4PI0008	Personal injury	1	0	378,967
14RT4PI0012	Personal injury	1	0	382,000
15RT4MN0003	Clinical negligence	1	0	533,465
15RT4PI0033	Personal injury	1	237,000	4,314,610
<b>Sub-total</b>		<b>5</b>	<b>228,291</b>	<b>6,313,535</b>
<b>All other cases</b>		<b>229</b>	<b>1,323,132</b>	<b>9,479,714</b>
<b>Total cases</b>		<b>234</b>	<b>1,551,423</b>	<b>15,793,249</b>

## 27. Finance leases

### 27.1 Finance leases obligations (as lessee)

A contract was entered into with Airwave during 2007-08 in respect of the National Ambulance Radio Re-procurement Project. During the financial year 2019-20, the Airwave finance lease was extended to November 2022 due to the national replacement scheme being delayed.

This is the only asset included within 'Other' below.

#### Amounts payable under finance leases:

<b>LAND</b>	<b>31 March 2020 £000</b>	<b>31 March 2019 £000</b>
<b>Minimum lease payments</b>		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Less finance charges allocated to future periods	0	0
<b>Minimum lease payments</b>	<b>0</b>	<b>0</b>
Included in:		
Current borrowings	0	0
Non-current borrowings	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<b>Present value of minimum lease payments</b>		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
<b>Total present value of minimum lease payments</b>	<b>0</b>	<b>0</b>
Included in:		
Current borrowings	0	0
Non-current borrowings	0	0
<b>Total</b>	<b>0</b>	<b>0</b>



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

**Amounts payable under finance leases:**

**BUILDINGS**

	31 March 2020 £000	31 March 2019 £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 2020 £000	31 March 2019 £000
<b>Minimum lease payments</b>		
Within one year	2,037	971
Between one and five years	2,709	0
After five years	0	0
Less finance charges allocated to future periods	(109)	(30)
<b>Minimum lease payments</b>	<b>4,637</b>	<b>941</b>
Included in: Current borrowings	1,970	941
Non-current borrowings	2,667	0
<b>Total</b>	<b>4,637</b>	<b>941</b>
<b>Present value of minimum lease payments</b>		
Within one year	1,970	941
Between one and five years	2,667	0
After five years	0	0
<b>Total present value of minimum lease payments</b>	<b>4,637</b>	<b>941</b>
Included in: Current borrowings	1,970	941
Non-current borrowings	2,667	0
<b>Total</b>	<b>4,637</b>	<b>941</b>

## 27.2 Finance lease receivables (as lessor)

The Welsh Ambulance Services NHS Trust has no finance leases receivable as a lessor.

### Amounts receivable under finance leases:

	31 March 2020 £000	31 March 2019 £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 has extended the contract of the Airwave Finance Lease during 2019-20, this remains the only Finance Lease the Trust have. 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 2020 £000	31 March 2019 £000
<b>Movements in working capital</b>		
Decrease / (increase) in inventories	(138)	(190)
Decrease in trade and other receivables - non-current	(13)	43
(Increase) / decrease in trade and other receivables -current	(1,714)	6,103
Increase/(Decrease) in trade and other payables- non-current	0	0
Increase in trade and other payables- current	3,850	2,993
<b>Total</b>	<b>1,985</b>	<b>8,949</b>
Adjustment for accrual movements in fixed assets - creditors	(1,731)	(1,212)
Adjustment for accrual movements in fixed assets - debtors	(280)	280
Adjustment for PDC creditor due to the Welsh Government	(868)	0
<b>Total</b>	<b>(894)</b>	<b>8,017</b>

### 31. Other cash flow adjustments

	31 March 2020 £000	31 March 2019 £000
<b>Other cash flow adjustments</b>		
Depreciation	14,785	14,443
Amortisation	1,853	1,472
(Gains)/Loss on Disposal	0	0
Impairments and reversals	1,067	1,853
Release of PFI deferred credits	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	6,695	1,749
<b>Total</b>	<b>24,400</b>	<b>19,517</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. It has required a dynamic response which has presented 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 2020/21 and beyond. The organisation's Governance Framework will need to consider and respond to this need.

### 33. Related Party transactions

The Trust is a body corporate established by order of the Welsh Minister for Health and Social Services.

During the year none of the board members or members of the key management staff or parties related to them has undertaken any material transactions with the Trust.

The Welsh Government is regarded as a related party. During the year The Welsh Ambulance Services 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 :-

	Expenditure to related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Welsh Government	418	20,660	298	1,518
WHSSC/EASC	0	158,698	818	43
Aneurin Bevan University Health Board	147	8,716	42	257
Betsi Cadwaladr University Health Board	384	5,584	121	75
Cardiff & Vale University Health Board	33	4,523	2	543
Cwm Taf Morgannwg University Health Board	129	2,043	3	9
Hywel Dda University Health Board	149	4,516	6	46
Powys Teaching Health Board	43	1,159	43	82
Swansea Bay University Health Board	65	4,978	11	98
Public Health Wales NHS Trust	30	41	1	0
Velindre University NHS Trust	1,845	1,173	217	310
Health Education and Improvement Wales (HEIW)	0	757	0	5
Welsh Local Authorities	2,108	241	6	18
Cardiff University	0	0	0	0
Swansea University	0	0	0	0
Cardiff Metropolitan University	0	0	0	0
University of South Wales	0	0	0	0
University of Wales	0	0	0	0
Bangor University	0	0	0	0
Glyndwr University	0	0	0	0
	5,351	213,089	1,568	3,004

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 (2018/19: £0.010m) with no other transactions being made. Net assets of the charity amount to £0.4m.

The Welsh Government income shown above includes £1.067m relating to impairment funding and £8.914m that relates to PDC capital received during 2019/20.

### 34. 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	Secretary of Llandogo Memorial Green Committee. Vice Chair Manager Tintern Sports Club.
Emrys Davies *	Non-Executive Director	Director and Chair of Newport Road Maintenance Ltd. Retired Member of Unite.
Kevin Davies *	Vice Chairman and Non-Executive Director	Chair ABF The Soldiers Charity (Glamorgan) Member of the International Medical Panel, The HALO Trust. Emeritus Professor, University of South Wales. Independent Trustee St John Cymru Wales. Paton - The Motivation and Learning Trust. Deputy Lord Lieutenant South Glamorgan. Trustee Cowbridge Armed Forces Trust.
Bethan Evans *	Non-Executive Director (from 06/12/19)	Managing Director (Employed) My Choice Healthcare Ltd. Non Executive Board Member RHA (Housing Association). Company Director Moorlands Rehabilitation (Staffordshire) Ltd.
Pamela Hall *	Non-Executive Director	None
Paul Hollard *	Non-Executive Director	Independent Consultant NHS Wales and Welsh Government.
Joga Singh *	Non-Executive Director (from 06/12/19)	Geldards LLP, paid employment Chairman of Dasma's Singh Sabha Gurdwara Bhatra (Sikh Temple). Director of Strategy & Communications for Sikh Council of Wales, voluntary role. Memberships of the following legal profession organisations: • Law Society. • Employment Lawyers Association. Member of the Fairness Inclusion and Respect Committee for the Institute of Civil Engineers in Wales, voluntary role. Independent Member of the South Wales Police Ethics Committee, 2 – 3 days a year.
Martin Turner *	Non-Executive Director	Director and shareholder of Martin Turner Associates Ltd.
Jason Killens *	Chief Executive	Honorary Professorship at Swansea University.
Claire Bevan *	Executive Director of Quality and Nursing (left the Trust 31/12/19)	Honorary Contract Swansea University: Lecturing.
Brendan Lloyd *	Medical Director and Deputy Chief Executive ( DCE interim)	None
Claire Roche *	Executive Director of Quality and Nursing (from 01/01/20)	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 (from 08/07/19)	None
Andy Haywood	Director of Digital (from 20/1/20)	None
Estelle Hitchon	Director of Partnership and Engagement	None
Rachel Marsh	Director of Strategy, Planning and Performance	None
Louise Platt	Director of Operations (interim to 31/07/19)	None
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.



**34. Related Party transactions (continued)**

Material transactions between the Trust and related parties disclosed on page 68 during 2019-20 were as follows (unless already reported on page 68) :

	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	2,478	24	8	0
Geldards LLP	1	0	0	0
<b>TOTAL</b>	<b>2,479</b>	<b>24</b>	<b>8</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 2019 to 31 March 2020. This has been calculated from actual Welsh Government expenditure for the 6.3% staff employer pension contributions between April 2019 and February 2020 alongside Health Board/Trust/SHA data for March 2020.

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:

### STATEMENT OF COMPREHENSIVE INCOME £'000 FOR THE YEAR ENDED 31 MARCH 2020

Revenue from patient care activities	2019-20	6,137
Operating expenses	2019-20	6,137

### 3. Analysis of gross operating costs

#### 3. Revenue from patient care activities

Welsh Government	2019-20	6,137
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#### 5.1 Operating expenses

Directors' costs	2019-20	46
Staff costs	2019-20	6,091

### 10.1 Employee costs

#### Permanent Staff

Employer contributions to NHS Pension Scheme	2019-20	6,091
Charged to capital	2019-20	0
Charged to revenue	2019-20	6,091

### 20. Trade and other payables at the SoFP Date

#### Current

Pensions: staff	Balance at 31 March 2020	0
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**37. Other Information (continued)**

HM Treasury agreed with the Financial Reporting Advisory Board (FRAB), to defer the implementation of IFRS 16 Leases until 1 April 2021, 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 2020-21 financial statements.

## 37. Other Information (continued)

**Covid 19**

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. It has required a dynamic response which has presented 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 2020/21 and beyond. The organisation's Governance Framework will need to consider and respond to this need.

The COVID-19 pandemic presented a number of challenges to the organisation, additional COVID -19 specific costs incurred during the latter part of this financial year are listed below:-

	<b>£000</b>
Additional variable staffing costs	61
Infrastructure costs	14
Non-Emergency Patient Transport Service Vehicle modifications	27
ICT Licenses	16
Personal Protective Equipment (PPE) *	72
	<b>190</b>

\*PPE excludes stock issued from Welsh and UK Pandemic stores as these have been issued at nil Value.

Additional Capital expenditure of £0.165m was incurred.

The impact of COVID-19 on year-end creditors and stock was not material as although planning began early in March 2020, in general the supply of additional staffing, goods and services did not take place until after 31st March 2020.

**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, WALES; The National Health Service Trusts (Transfer of Staff, Property Rights and Liabilities)

# Audit of Accounts Report – Welsh Ambulance Services NHS Trust

Audit year: 2019-20

Date issued: June 2020

Document reference: 1908A2020-21



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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 2019-20 accounts in this report.
- 2 We have already discussed these issues with the Executive Director of finance.
- 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 £2.116m 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 – personal interests £10,000, companies £50,000
  - Directors remuneration - £5,000
- 6 At the Audit Committee on the 18 June 2020, we explained that a number of elements of work remained outstanding at the date of the Committee. We have now completed our audit work.
- 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 this year in the face of the challenges posed by this pandemic. We are extremely grateful to the professionalism of the team in supporting us to complete our audit in such difficult circumstances.
- 9 The pandemic has 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 was changed by Welsh Government from 28 April 2020 to 22 May 2020.</li> <li>• We received the draft accounts on 21 May 2020.</li> <li>• Our deadline for completing our audit was changed from 29 May 2020 to 30 June 2020.</li> <li>• We expect your audit report to be signed on 2 July 2020.</li> </ul>
<b>Electronic signatures</b>	If still necessary at the time of approval and signing, we will accept electronic signatures and electronic transfer of files.
<b>Audit evidence</b>	<p>As in previous years, we received the majority of audit evidence in electronic format. We have used various techniques to ensure its validity. Where we have been unable to obtain access to paper documents because of COVID-19 restrictions we have devised alternative audit methodologies to obtain sufficient audit evidence. Specifically:</p> <ul style="list-style-type: none"> <li>• WAST officers provided electronic working papers in accordance with our agreed Audit Deliverables Report;</li> <li>• WAST officers provided audit evidence to the audit team via the NHS Wales Informatics Service' Secure File Sharing Portal (a secure, web-based portal);</li> <li>• WAST officers were available by video conferencing for discussions, and also for the sharing of on-screen information/evidence; and</li> <li>• Audit Wales also secured remote read only access to the WAST Oracle ledger which enabled the audit team to query the ledger and hence reduce the burden on WAST 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 correspond effectively with WAST officers throughout the audit.</li> <li>• Video conference based WAST Audit Committee meetings have enabled us to proficiently discharge our responsibility for reporting to those charged with governance.</li> </ul>

- 10 We will be reviewing what we have learned for our audit process from the COVID-19 pandemic and whether there are innovative practices that we might adopt in the future to enhance that process.

## Proposed audit report

- 11 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**.
- 12 We issue a 'qualified' audit opinion where we have material concerns about some aspects of your accounts; otherwise we issue an unqualified opinion.
- 13 The audit report also includes an emphasis of matter, 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.
- 14 The Trust has disclosed the existence of a contingent liability at 31 March 2020, and my opinion is not modified in respect of this matter.
- 15 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.
- 16 Our proposed audit report is set out in **Appendix 2**.

## Significant Issues arising from the audit

### Uncorrected misstatements

- 17 There are no misstatements identified in the accounts, which remain uncorrected.

### Corrected misstatements

- 18 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

- 19 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 this year is shown in **Exhibit 2**:

## Exhibit 2 – significant issues arising from the audit

Significant issues arising from the audit		
Contingent liability arising from the ministerial direction relating to senior NHS staffs' pension tax liabilities	I have requested that the Trust sets out in Note 24 - Contingent liabilities – additional narrative 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. I have also drawn the reader's attention to this disclosure in an emphasis of matter paragraph in my audit report.  My opinion is not modified in respect of this matter.

- 20 At the Audit Committee meeting on the 18 June 2020, we reported a further matter in relation to assets under construction (AUC). As part of the audit, we estimated that £3.4 million of AUC were brought forward on 1 April 2019 and remained as AUC as at 31 March 2020. We have since received a reasonable explanation from officers explaining the rationale for holding these assets as AUC throughout the financial year. We will however issue a recommendation in a separate report to the Trust emphasising the need to regularly monitor the levels of its AUC to ensure assets are operationalised as soon as possible and the risk of obsolescence is minimised.

## Recommendations

- 21 We intend to report a number of recommendations in a separate report to the Trust which will be presented to the Audit Committee scheduled for the Autumn 2020.

# Appendix 1

## Final Letter of Representation

Audited body's letterhead

Auditor General for Wales

Audit Wales

24 Cathedral Road

Cardiff

CF11 9LJ

25 June 2020

## Representations regarding the 2019-20 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 Service NHS Trust for the year ended 31 March 2020 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.

Significant assumptions used in making accounting estimates, including those measured at fair value, are reasonable.

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.

We have assessed the £3.4 million of assets under construction that have been in existence for the financial year and can confirm that their value does not require an impairment.

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.

## **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 the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Board on 25 June 2020.

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

Chief Executive

Date: 25 June 2020

Signed by:

Martin Woodford

Chair

Date: 25 June 2020

# Appendix 2

## Proposed audit report

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

#### Report on the audit of the financial statements

##### Opinion

I certify that I have audited the financial statements of the Welsh Ambulance Services NHS Trust for the year ended 31 March 2020 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 HM Treasury's Financial Reporting Manual based on International Financial Reporting Standards (IFRSs).

In my opinion the financial statements:

- give a true and fair view of the state of affairs of the Welsh Ambulance Services NHS Trust as at 31 March 2020 and of its surplus for the year then ended; and
- have been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

##### Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)). 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 opinion.

##### Emphasis of matter

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, instructing her to fund NHS clinical staffs' pension tax liabilities incurred by NHS Wales bodies in respect of the 2019-20 financial year. The Trust has disclosed the existence of a contingent liability at 31 March 2020, and my opinion is not modified in respect of this matter.

## Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you were:

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Chief Executive has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

## Other information

The Chief Executive is responsible for the other information in the annual report and accounts. The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. 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.

In connection with my audit of the financial statements, my responsibility is to read the other information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

## 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.

## 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 Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and the Annual Governance Statement has been prepared in accordance with Welsh Ministers' guidance; and

- the information given in the Accountability report for the financial year for which the financial statements are prepared is consistent with the financial statements and the 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, Accountability Report or the Annual Governance Statement.

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

- proper accounting records have not been kept;
- the financial statements 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.

## Report

I have no observations to make on these financial statements.

## Responsibilities

### Responsibilities of Directors and the Chief Executive

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.

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.

Adrian Crompton  
Auditor General for Wales  
2 July 2020

24 Cathedral Road  
Cardiff  
CF11 9LJ

# 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>Statement of Comprehensive Income for the year 31 March 2020</b>  'Net gain on revaluation of PPE and Intangible assets held for sale' has reduced by £161,000 and 'Impairment and reversals' increased by a corresponding amount to correctly classify a downward revaluation incurred in the year.	To ensure correct disclosures within the statement of comprehensive income.
£Nil impact on the overall financial position	<b>Note 13 Property Plant and Equipment</b>  Our testing identified a credit of £449,000 within Assets Under Construction (AUC) relating to the balancing liability from the old Airwaves asset.  This has now been removed from AUC additions and accounted for against the cost of the new Airwaves asset.	To ensure that assets are correctly accounted for within the financial statements

Value of correction	Nature of correction	Reason for correction
£Nil impact on the overall financial position	<p><b>Note 19 Cash and Cash Equivalents</b></p> <p>The cash and cash equivalents note has been amended to disclose the net movement of cash in the year and the final balance of cash at 31 March 2020 which were found to be incorrectly disclosed within the note.</p>	To ensure the cash and cash equivalents note correctly disclosure the cash position at 31 March 2020 within the financial statements.
£Nil impact on the overall financial position	<p><b>Note 20 Trade and Other Payables at the SoFP Date</b></p> <p>Capital payables – tangible has increased from £8,107,000 to £9,381,000 and Non-NHS trade payables revenue reduced by a corresponding amount due to capital creditors misclassified within the note.</p>	To ensure that payables are correctly classified within the financial statements.
Provisions and Welsh Risk Pool receivable overstated by £126,000. £Nil impact on the overall financial position	<p><b>Note 23 Provisions</b></p> <p>Provisions and Receivables have been reduced by £99,000. Our testing of provisions and the Welsh Risk Pool (WRP) receivable (within <b>note 17.1 Trade and other receivables</b>) identified that, due to a number of errors, the liability was overstated by £99,000 and the corresponding amount due from the WRP overstated by this amount.</p>	To ensure provisions and receivables are correctly stated with the financial statements.

Value of correction	Nature of correction	Reason for correction
£Nil impact on the overall financial position	<b>Note 24.1 Contingent Liabilities</b> An additional contingent liability has been included 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.	To ensure that contingent liabilities are correctly disclosed in the financial statements.
£Nil impact on the overall financial position	<b>Note 24.1 Contingent Liabilities</b> The WRP contingent liability has been reduced by £222,000 following our review which identified that this had been overstated within the note.	To ensure that contingent liabilities are correctly disclosed in the financial statements.
£Nil impact on the overall financial position	Note 24.1 Contingent Liabilities Contingent liabilities have been reduced by £204k. Our audit work identified the following overstatements: <ul style="list-style-type: none"> <li>• expenditure incurred in the year was not deducted from the liability disclosed for one case, an overstatement of £138,000.</li> <li>• a case was found to have been included in the liability twice, an overstatement of £64,000. This has also had a corresponding impact on the amount recoverable from the WRP disclosed within contingent liabilities overstating this by £39,000.</li> </ul>	To ensure that contingent liabilities are correctly disclosed in the financial statements.
There have also been a number of minor amendments and disclosure updates as a result of our work.		





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We welcome correspondence and telephone calls in Welsh and English.  
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.



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

<b>AGENDA ITEM No</b>	4.1
<b>OPEN or CLOSED</b>	OPEN
<b>No of ANNEXES ATTACHED</b>	1

## 2020/21 IMTP PROGRESS REPORT

<b>MEETING</b>	Trust Board
<b>DATE</b>	25 <sup>th</sup> June 2020
<b>EXECUTIVE</b>	Rachel Marsh, Director of Strategy, Planning and Performance
<b>AUTHOR</b>	Alexander Crawford, Assistant Director of Strategy and Planning
<b>CONTACT DETAILS</b>	<a href="mailto:alexander.crawford2@wales.nhs.uk">alexander.crawford2@wales.nhs.uk</a>

<b>CORPORATE OBJECTIVE</b>	Delivery of the Trust's IMTP and Long Term Strategy
<b>CORPORATE RISK (Ref if appropriate)</b>	Various re IMTP funding and delivery
<b>QUALITY THEME</b>	All
<b>HEALTH &amp; CARE STANDARD</b>	All

<b>REPORT PURPOSE</b>	To update on the ongoing process for reviewing IMTP deliverables and the approach to prioritising delivery as we continue to respond flexibly to the COVID-19 pandemic and plan for recovery.
<b>CLOSED MATTER REASON</b>	

## REPORT APPROVAL ROUTE

WHERE	WHEN	WHY

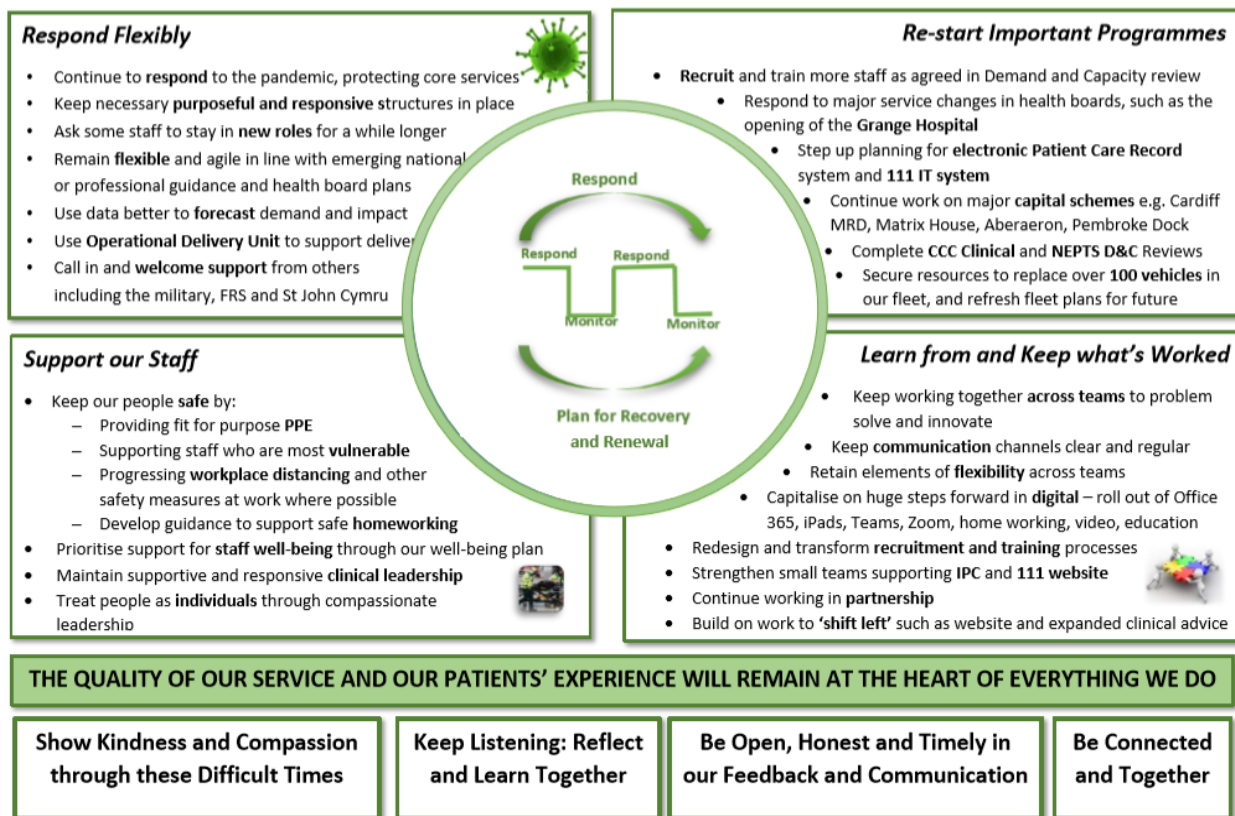
## SITUATION

1. The purpose of this paper is to:

- Update Trust Board with an interim position statement on the priority areas of the Integrated Medium Term Plan (IMTP); and
- Update the Board on the ongoing process for reviewing IMTP deliverables and the approach to prioritising deliverables as we continue to respond flexibly to the COVID-19 pandemic and plan for recovery.

## BACKGROUND

2. The Board received an update at its meeting in May on the progress against the IMTP deliverables and associated work programmes that have been identified as priorities during the COVID-19 response phase. These are represented in the following table which summarised the Trust's Operational Plan for Q1.



3. The last Board paper highlighted that the level of resource required to support core services during the response phase meant that programmes of work to deliver the IMTP had to be scaled down temporarily. Whilst there had been significant progress on the recruitment of the additional 136 WTE staff as part of the EMS Demand and Capacity implementation programme, the progress in other areas of the IMTP had slipped.

4. Whilst the Trust has yet not reinstated a formal, separate delivery mechanism previously overseen by the Strategic Transformation Board, it has maintained a line of sight through

the Executive Management Team and Business Continuity and Recovery Cell to the programmes of work identified as priorities in the Q1 Operating plan submitted to Welsh Government in May. The position in May was reported to the Board as follows:

Priority Deliverables	RAG status
Transform the EMS service in line with the <b>Demand and Capacity Review</b> outcomes, increasing numbers of front line staff, & working to achieve internal & system-wide efficiency improvements.	Green
Engage with Aneurin Bevan UHB on the implementation of the Clinical Futures Strategy & opening of <b>The Grange University Hospital</b>	Yellow
Procure and implement a Welsh Ambulance Services NHS Trust <b>Electronic Patient Clinical Records (ePCR)</b>	Green
<b>Fully embed the 111 service</b> across Wales	Yellow
Progress priorities of the <b>Estates SOP</b> for the next 3 years.	Yellow
Implement an <b>integrated clinical hub</b>	Red
Continued Transformation of the NEPTS	Yellow
Fleet Strategic Outline Plan (SOP)	Yellow
Prepare for the Health & Social Care (Quality & Engagement) (Wales) Bill Scaling up PTR and Safeguarding	Yellow
Develop a Digital Transformation Strategy	Green
Fully Implement new regional escalation arrangements (Q1/2) including finalisation of sustainable resource requirements	Green

5. Since the last Trust Board meeting the position remains largely the same, with the following key points to note:

- The Recruitment and Training workstream within the EMS Demand and Capacity implementation programme remains on track. An assessment of all other workstreams which were put on hold in March 2020 has been completed. The assessment took into account the impact on the programme deliverables, resource required and the sensitivities relating to the wellbeing of our workforce. Agreement in principle has been reached to recommence as follows: the Resource Availability workstream will recommence work on Improving Attendance; recommendations of the CCC Clinical Review are being currently reviewed and an updated position is anticipated to be available for discussion and further planning in July 2020 to finalise this work-stream. Due to the nature and scale of change required, the Roster Review and CAD Phase 3 workstreams continue to be on hold but some preparatory background work will be undertaken.
- The work to develop and implement the transport solution for the Grange University Hospital is progressing at pace, and joint working with Aneurin Bevan University Health Board has brought us close to the final clinical model for dispatch and response. The Health Board will be determining, at the end of June, whether it can mobilise its own resources to potentially open the Hospital from mid-November, which will determine a lead time for WAST to secure the required transport

resources. This is not without challenge but the WAST internal project team is rapidly working through options to secure the necessary resources and a full update will be brought to the Board in due course.

- Progress has been made on the development of a Business Case to permanently establish an Operational Delivery Unit in support of the Trust's system leadership ambitions and in support of national and regional escalation arrangements, and there will be detailed discussions with commissioners at the EASC management group later in the month.
  - For 111 implementation the position is as reported in May, although aim is to work towards full implementation fully into Cwm Taf Morgannwg by the end of September 2020.
  - The Integrated Clinical Hub deliverable remains red, as the resources required to progress the findings of the CCC clinical review are focussed on maintaining capacity during the ongoing response to COVID-19.
  - The ePCR business case, Estates SOP and Fleet SOP have all continued to progress internally but delivery will depend partly on the final position on the availability of capital funding in Wales.
6. In order to monitor delivery of these key priorities more effectively, and as part of the Operating Plan Framework for Welsh Government, the Business Continuity and Recovery Cell is developing a tracker, which will include monitoring the outputs of these priority work programmes in quarters 1 and 2. However, the position remains fluid and flexible, as other priorities may be driven by external factors such as statutory duties or new and emerging national commissioning priorities.
7. A more detailed update will be brought to the Board at its next meeting in July.

## **ASSESSMENT**

8. In May, the Board noted the work that had started to review the whole of the IMTP as part of the Trust's pandemic recovery planning process. The aim was to complete the review by mid-June. However, whilst work to develop a methodology for the review has been finalised the review itself is still progressing due to the continued pressure to support a flexible pandemic response. To assist this work, the Planning Team has been working with directorate leads and started to pre-populate templates to support Executive Directors in this review.
9. In some cases, Board sub-committees have received detailed updates on progress of IMTP deliverables such as those relating to workforce strategies at People and Culture Committee and the further work undertaken by the Director of Digital to develop a digital strategy which was presented at the last Board Development session. Any existing updates to sub-committees will therefore form the basis for evaluation of those deliverables, so as not to duplicate effort.
10. We do not expect the review to recommend the closure of any of the IMTP deliverables themselves. However, there may be changes to the milestones for delivery. It is

important that we do not try to do too much too soon, as this will stretch resources amongst a workforce that has already been working above and beyond capacity to deliver the response to the COVID-19 pandemic.

11. Welsh Government has recently issued its Operational Framework Guidance for Quarter 2 and a plan will need to be prepared, with Board support, by a deadline of 3<sup>rd</sup> July 2020. There is a clear focus on how NHS organisations continue to support essential services as well as a clear set of priorities that WAST will need to deliver from a Welsh Government and Commissioner perspective. This will further drive the need for us to prioritise our work in the next quarter.
12. The Business Continuity and Recovery Cell is developing a set of “principles” for prioritisation of work which will assist the Trust in making further choices about its IMTP priorities, as well as helping to guide directorates to focus their delivery plans which underpin the IMTP. Following discussion with Executives, these principles will be set out in the Operational Plan for Q2 which Board members will review and comment on in due course.

### **Risks to delivery**

13. A full assessment of risks to recovery is being developed through the Business Continuity and Recovery Cell. This will include the risks to delivery of our key IMTP priorities. In the meantime, the Board is asked to note two overriding risks:
  - As noted above, the Strategic Transformation Board (STB) has been stood down during the pandemic. A key action within the Trust’s Operational Plan for Q2 will be to recommend structures for recovery and delivery of the Trust’s key priorities. Consideration will be given for the need to either re-establish STB in one form or another, or to use an alternative, existing Executive forum for reviewing progress of the IMTP and local delivery plans.
  - The response to the COVID-19 pandemic has been facilitated in part by the additional funding made available to the NHS. However, the scale of funding is such that Welsh Government now needs to review its funding mechanisms including the availability of capital, which puts some of our key deliverables that are not yet funded at risk.

### **Summary**

14. The Trust has continued to focus its IMTP delivery on the key priorities agreed by the Board, and work is continuing across the Trust to bring delivery back on track across those priority deliverables. Work is also underway to review all 30 IMTP deliverables to reframe our plan for year 1 alongside the need to develop quarterly Operational Plans as directed by Welsh Government. The Trust needs to continually review its priorities whilst the threat of future COVID-19 (as well as seasonal) demand remains and we are therefore developing set of principles to guide our choices for quarter 2 and beyond.

### **RECOMMENDATION**

**15. The Board is asked to:**

- Note the interim review of progress made on the priority IMTP deliverables in Q1, in light of the COVID-19 pandemic response.
- Note the two overarching risks to delivery, pending a full evaluation of such risks as part of our recovery planning process.



<b>AGENDA ITEM No</b>	4.2
<b>OPEN or CLOSED</b>	OPEN
<b>No of ANNEXES ATTACHED</b>	1

## MONTHLY INTEGRATED QUALITY and PERFORMANCE REPORT– May 2020

<b>MEETING</b>	Trust Board
<b>DATE</b>	25 <sup>th</sup> June 2020
<b>EXECUTIVE</b>	Rachel Marsh – Director of Strategy, Planning and Performance
<b>AUTHOR</b>	Kerri Hitchings – Commissioning and Performance Manager / Nicola Quiller – Commissioning & Performance Officer
<b>CONTACT DETAILS</b>	<a href="mailto:kerri.hitchings3@wales.nhs.uk">kerri.hitchings3@wales.nhs.uk</a> <a href="mailto:Nicola.quiller@wales.nhs.uk">Nicola.quiller@wales.nhs.uk</a>

<b>CORPORATE OBJECTIVE</b>	IMTP priority objective (ALL)
<b>CORPORATE RISK (Ref if appropriate)</b>	ALL Risks
<b>QUALITY THEME</b>	ALL
<b>HEALTH &amp; CARE STANDARD</b>	ALL

<b>REPORT PURPOSE</b>	To note and discuss the Trust's performance and improvement actions
<b>CLOSED MATTER REASON</b>	Not applicable.

### REPORT APPROVAL ROUTE

<b>WHERE</b>	<b>WHEN</b>	<b>WHY</b>
Trust Board	25 June 20	Consideration



## SITUATION

1. The purpose of this report is to provide a single report which details the Trust's performance against key quality and performance indicators for May 2020.
2. Please note, this version of the report has been reduced to focus on the top 10 indicators only during the current COVID-19 pandemic period and narrative updates have not been sought from colleagues currently engaged in the COVID-19 response.

## BACKGROUND

3. The Emergency Ambulance Services Committee (EASC) commissioning intentions (based on the Ambulance Quality Indicators (AQIs)) and the Welsh Government Delivery and Outcomes Framework (which in turn informs the Welsh Government Balanced scorecard) form the basis of the Trust's performance indicators. The Framework and the commissioning intentions represent what the Trust is held publically to account on in terms of our quality and performance metrics and form the basis of the metrics used in this report.
4. The Emergency Medical Services (EMS) AQIs are published quarterly by the Emergency Ambulance Services Committee (EASC) on their website; <http://www.wales.nhs.uk/easc/ambulance-quality-indicators>. The latest quarter (Oct 2019 – Dec 2019) was published on 30 January 2020. Monthly information is published by Welsh Government on Red and Amber performance. <http://gov.wales/statistics-and-research/ambulance-services/?lang=en>. Future publications of the AQIs are currently on hold due to the Trust's focus on the COVID-19 pandemic.
5. The main body of this report for consideration is included as **Annex One**, which includes a dashboard of the top indicators and subsequent pages dedicated to each indicator with analysis. Annex Two and Annex Three which would also normally be included with this report, have not been included for this iteration of the report due to the current focus on the COVID-19 pandemic. Future versions will also be updated to reflect the 2020/21 IMTP outcome measures, once work on the IMTP can resume.

## ASSESSMENT

6. This section contains a highlight of the main areas of interest and concern.
7. A full assessment of the top indicators is included in **Annex One**, including key improvement actions; however, for this version of the report improvement actions are only those that have continued through the COVID-19 Pandemic that have a specific impact to the indicators included in this report.

## **111 and NHSDW**

- 8. NHSDW website visits increased by 223%** in the last quarter (March 2020 to May 2020), compared to the same period last year. **There were 419,866 NHSDW unique website visits in May 2020 and 805,402 in April 2020 compared to 1,630,239 in March 2020.** The significant increase in visits in March and April was attributable to the launch of the new Coronavirus Symptom Checker launched promptly in reaction to the current COVID-19 pandemic and the initial Government advice for anyone with COVID-19 symptoms to access the symptom checker via the NHSDW website for further advice.
- 9. 111 call demand decreased in May 2020.** Increases in March and April will also be due to the current COVID-19 pandemic and early Government advice for the public to contact 111 if they had symptoms of the virus. This message has been replaced by advice to use the new NHSDW website Coronavirus Symptom Checker, resulting in the service seeing a **decrease in calls in May 2020 to 45,450**; however, this demand was still high for the time of year.
- 10. The percentage of 111 Offered Calls Abandoned after 60 Seconds** decreased in May; however, it is likely that as redeployed colleagues return to substantive duties and the cessation of overtime incentives for CCC staff this will increase pressure on the service. Performance was at its worst in March 2020 at 43.3% abandoned calls as demand rose by 223.8% compared to March 2019; however, this improved through April and into May to 8.5% as demand begun to decrease, however this is still higher than the normal expected rate for call abandonment in 111 services which is circa 2%.
- 11.** The performance of 111 calls receiving a timely response to start their definitive clinical assessment also remains a challenge, with the exception of the highest priority calls, P1CT, the others, P2CT and P3CT are still not meeting the 90% target. Improvements have been seen through May 2020 with P2CT achieving 87.9% and P3CT achieving 85.8% both significant improvements when compared to previous months.
- 12.** Urgent measures were put in place to increase the 111 call taking capacity to cope with the increased COVID-19 demand, with 14 additional call takers and 24 additional clinicians sourced temporarily. This is in addition to the recruitment already underway and was sourced via agency, fixed terms contracts and through the redeployment of staff throughout WAST. Many of these staff have now returned to their substantive post, but remain available to be pulled back to the service if a second wave of the pandemic presents.

## **Hear & Treat**

- 13. Hear & Treat performance has declined during the COVID-19 pandemic period,** compared with performance in recent months, and the total volume of calls taken through this route has decreased significantly. The Clinical Service Desk (CSD) and NHSDW (Hear & Treat) achieved 8.9% in May 2020 and 8.5% performance in April 2020.
- 14.** 3,070 ambulances were stopped in May 2020, compared to 3,280 in May 2019. The revised performance parameter identified in the EMS Demand & Capacity Review is 10.2%, but

agreement on when this will need to be reached has not yet been finalised with commissioners.

- 15.** Performance improved in May 2020 to 8.9%, however this is largely due to the number of staff redeployed and staff overtime incentives currently in place. As these incentives cease into June 2020 and redeployed staff return to substantive posts it is expected that this will impact performance. In May 2020, 4.1% of hear & treat was by NHSDW/111, this falls above the expected rate of c. 3.5% - 4.0% and is a continued improvement when compared to April at 2.9%.

### **Verified Demand**

- 16.** In May 2020 the total verified incident demand was 34,570. In April 2020 verified incident demand reduced to 32,655, with 4,473 incidents related to CoVID-19 (Card-36) demand, compared to 6,198 in April. Card-36 went live on 02 April 2020.

### **Red Performance**

- 17.** Red performance achieved the 65% target in May, the percentage of emergency responses to Red incidents within 8 minutes was 70.2%, a further improvement compared to 67.70% in April. In May 2019, performance also achieved 70.2%.
- 18.** Red 95<sup>th</sup> percentile performance has fluctuated over the pandemic period, improving in May 2020 to 15 minutes and 51 seconds compared to 16 minutes and 42 seconds in April 2020 and 17 minutes 14 seconds in March 2020. In May 2019, the 95<sup>th</sup> percentile response time was 16 minutes and 03 seconds.
- 19.** Red Demand has seen a slight decrease in May 2020 to 1,824 calls from 1,897 in April 2020. Despite this decrease, overall year on year there has still been a 15.38% increase. The previous increase is largely attributable to a change in application of the MPDS which has increased the number of breathing difficulties calls being categorised as Red incidents. This occurred before the COVID-19 pandemic period. The decrease in Red demand in the last two months is reflected across all of the prioritisation categories with Total Verified Demand in May 2020 decreasing by 19.79% when compared with the same period last year. Further detailed activity data can be found on page 14 of Annex One.
- 20.** Despite the reduction in Red demand during this unprecedented time of the COVID-19 pandemic, there have been key factors that have affected Red performance, in particular, the prioritising of EA production over RRV production, resulting in lower levels of RRV resources than would normally be the case. This along with no contribution from CFRs and UFRs has affected our ability to respond to Red calls (this has been a particular issue in Hywel Dda and is currently subject to further collaborative analysis between the Trust and the National Collaborative Commissioning Unit).
- 21.** A full assessment of Red performance and the actions being taken can be found on **page 7 of Annex One**.

### **Amber Performance**

**22. Amber performance has improved significantly in the last few months, particularly in May 2020.** Amber 65<sup>th</sup> and 95<sup>th</sup> percentile response times have had the best performance in May 2020 we have seen for over two years, with Amber Median also at similar levels. Amber 95<sup>th</sup> percentile in May 2020 was 1 hours and 40 minutes compared to May 2019 at 02 hours 41 minutes. Amber 65<sup>th</sup> percentile in May was 29 minutes compared to 40 minutes in May 2019. Amber Median was 21 minutes compared to 26 minutes in May 2019.

**23.** The improvement in Amber performance during the pandemic period has been supported by a number of factors: the focus on resourcing has been on EA production over RRV production; Amber demand has decreased by 13% in May 2020 compared to May 2019; and the number of hours lost to notification to handover delays at hospital in May 2020 decreased by 86% compared to the same period last year, as demand for A&E during the pandemic has also significantly decreased; this is from decreases of both Ambulance conveyances (see section below) and walk-ins to A&E by the public. All of these factors result in higher levels of EA availability to respond to Amber calls.

### **Conveyance**

**24. Conveyance to Major EDs decreased in May 2020 compared to the same period last year.** The Trust conveyed 15,905 patients to major emergency department (EDs) in May 2020, compared to 19,089 in the same period last year. Conveyance to Major EDs as a proportion of total verified incidents has also improved; May 2020 was 46.01% compared to 47.78% in May 2019. This indicator (it is not a formal measure at this time) captures the impact of all “shift left” activity, for example hear & treat, see & treat, pathways and conveyance to non-major EDs. The target for this indicator is a reduction trend.

**25.** May 2020 saw a decline in the number of incidents treated at scene and in the number of incidents referred to an alternative provider compared to March and April as we moved out of the peak pandemic phase and normal incident demand begins to return to normal.

### **Notification to Handover Delays**

**26. Lost hours from notification to handover delays continued to improve in May 2020;** 1,900 lost hours compared to 1,927 April 2020 and 7,101 in May 2019. This is a result of reduced activity during the pandemic period at A&E as ambulance conveyances decrease, general hospital activity decreases and walk-ins to A&E by the public also decrease as people are choosing to stay away from using emergency services during this unprecedented time. It is unclear how the public’s behaviour will continue through the pandemic; however, early indications suggest that A&E attendances will now start to increase through June 2020.

### **Resources**

**27.** Emergency Ambulance Unit Hours Production (UHP) recorded 100% again in May 2020 as in April. The improved position is a result of prioritising EA production over RRV production

in response to the current COVID-19 pandemic; however, the result is a continued decrease in RRV production in May.

- 28.** Monthly abstractions from the rosters have a big impact on UHP. In May, total abstractions stood at 33% compared to 31% in April and 35% in March. The highest proportion was annual leave at 11%, however this is lower than normal due to the pandemic lockdown measures.
- 29.** Sickness abstractions decreased in May 2020 as the level of sickness fell across the Trust. May 2020 sickness saw an in-month decrease to 6.26% from 6.29% April and 7.51% in March 2020.
- 30.** Decreases were seen across the other abstraction areas, such as training; however, the benefit of these were offset by the additional COVID-19 abstraction (ex. Sickness) as some staff are required to self-isolate, accounting for 4.1% of abstractions in May. The abstractions were covered by a mix of relief (18.18%) and overtime (10%). The remaining gap explains the shortfall in UHP across all vehicles. In addition, 13,716 hours were provided by the Armed Forces and students. However throughout June and July 2020 as we move into Quarter 2 of the Trust's Pandemic Plan and students return to placements and the 3 Military Aid to the Civil Authority support plans cease this will place increased pressure on the Trust.

### **Concerns Response Time**

- 31.** The **response to concerns within 30 days** was 74% in May compared to 68% in April 2020 and 54% in March 2020 and is therefore still not quite achieving the 75% target, despite improvements being put in place to improve compliance. This measure is closely linked to handover and response times as the majority of concerns have related to timeliness to respond across the whole system, therefore collaboration with other health boards is essential going forward. Despite the improvement in response times and handover delays in the last month, there will be a time lag in the response to concerns.

### **Finance & Performance Committee Scrutiny**

- 32.** A full performance report was not submitted to the F&P Committee in May, however, the Committee considered and reviewed data within the most recent COVID-19 data pack, which includes data on a number of key performance indicators. The F&P Committee noted that full reports would be recommenced for the next meeting. It was agreed that a session would be arranged to take NEDS on the committee through the indicators in more detail to allow for greater understanding, particularly for those new to the organisation. It was also agreed that further consideration was required on the indicators that the F&P committee would review in detail.

### **Conclusion and Forward Look**

- 33.** As we move through the COVID-19 pandemic initial response and into the "new normal" we are expecting further impacts on all areas of the Trust's performance. The biggest

impact in the initial phase was on 111/NHSDW performance. Wales moved through the first peak of the pandemic in early April, with the number of confirmed COVID-19 cases and the number of COVID-19 verified incidents now beginning to decrease. It is not clear yet if and when a second peak may occur.

**34.**A Collaborative Forecasting & Modelling Group has been created in response to the pandemic which is co-ordinating, planning and delivering forecasts and modelling in response to CoVID-19 and the emerging "new normal". The Group is likely to remain in place post CoVID-19..

**35.**The Group is currently developing a "most likely" and "reasonable worst case" forecast for COVID-19 incidents in conjunction with our current total "core" demand forecast to model what this means for our frontline resourcing requirements in quarters 2, 3 and 4. This group is linked to the WG National Modelling Forum, the Welsh Modelling Collaborative and Optima.

## **RECOMMENDATION**

The Board is asked to:-

- **Note and discuss** the performance outlined in the May Monthly Integrated Quality and Performance Report.



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# Monthly Integrated Quality and Performance Report May 2020

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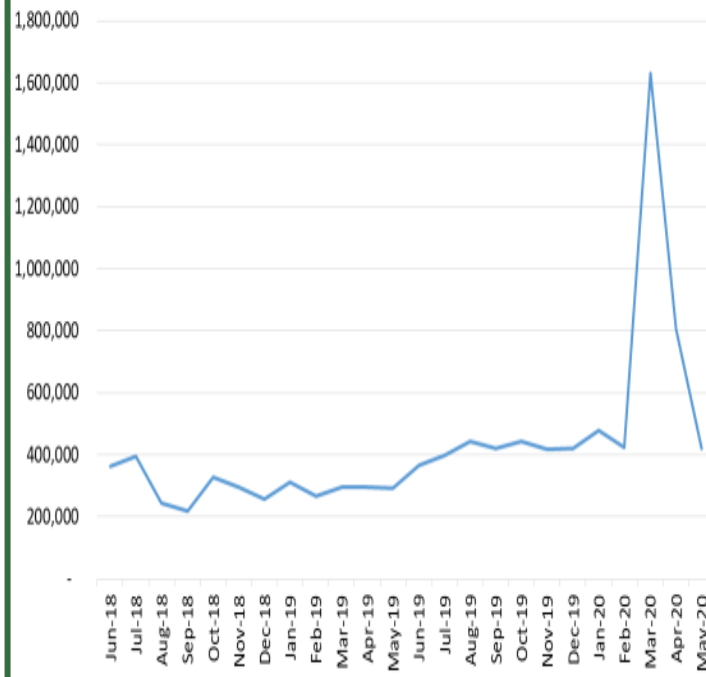
# SECTION 1 - MONTHLY INDICATORS

## TOP INDICATORS DASHBOARD

Themes	No.	Top 10 Monthly Indicators	Lead Director	Target 2019/20	Baseline Position (2018/19)	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	2 Year Trend	RAG
<b>Our Goal - Delivering Excellence</b>																			
Provide the right care in the right place, wherever and whenever it is needed	1	Number of hits to the NHS24 website	DQSPE	Improvement trend	3,696,770	364,768	397,017	441,412	421,774	442,937	417,566	420,251	476,887	422,566	1,630,239	805,402	419,866		G
	2	Call Volumes to NHS24	DoO	Combined Improvement trend	243,840	17,721	17,894	17,370	15,507	15,864	15,661	19,120	15,393	16,335	32,031	20,734	18,009		G
		Call Volumes to 111	DoO		277,395	28,891	28,625	33,079	36,089	35,648	40,009	55,245	38,903	40,079	103,285	52,263	45,450		
	3	% of calls ended following WAST telephone assessment (hear & treat)	DoO	12.0%	7.8%	8.7%	8.5%	8.3%	8.6%	8.8%	9.0%	10.4%	9.3%	8.2%	6.5%	8.5%	8.9%		R
	4	% of verified incidents that were conveyed to major Eds	MD	Reduction Trend	48.60%	46.59%	50.52%	46.77%	46.25%	45.76%	44.50%	40.87%	45.65%	47.14%	41.15%	41.17%	46.01%		G
<b>Our Strategic Enablers</b>																			
Continue to provide the best possible care, outcomes and experiences to our patients in our core service	5	% of emergency response to red incidents arriving within 8 minutes	DoO	65%	75.1%	72.5%	69.3%	69.0%	68.4%	66.3%	61.4%	62.0%	66.0%	67.8%	64.5%	67.7%	70.2%		A
		Red 95th percentile	DoO	Reduction Trend	00:15:25	00:16:04	00:16:38	00:16:54	00:16:57	00:17:17	00:18:06	00:19:12	00:17:39	00:15:57	00:17:14	00:16:42	00:15:51		A
	6	Amber 95th percentile	DoO	Reduction Trend	02:38:42	02:51:56	03:05:12	03:26:29	03:28:25	04:03:30	04:27:59	05:48:22	03:39:00	03:13:35	04:29:50	02:08:01	01:40:43		A
		Amber 65th percentile	DoO	Reduction Trend	00:37:00	00:41:04	00:45:21	00:47:34	00:48:26	00:52:36	00:59:13	01:17:17	00:49:34	00:45:51	01:01:14	00:34:30	00:29:29		A
		Amber Median	DoO	Reduction Trend	00:24:11	00:26:53	00:29:33	00:30:52	00:30:50	00:33:10	00:36:36	00:48:03	00:31:20	00:29:47	00:38:28	00:23:50	00:21:05		A
	7	Number of lost hours following handover to clear over 15 minutes	DoO	Improvement trend	11,282	644	342	283	300	327	338	395	411	340	303	314	327		G
	8	% of concerns that received a response (reg 24, or interim Reg 26) within 30 days timeframe	DQSPE	75%	46%	33%	29%	44%	66%	91%	71%	61%	61%	62%	54%	68%	74%		A
		% Serious adverse incidents assured within the agreed WG timeframe	DQSPE	90%	33%	50%	0%	66%	75%	75%	100%	100%	0%	0%	0%	0%	33%		R
	9	Emergency Ambulance unit hours production	DoO	95%	92.8%	91%	89%	86%	88%	90%	92%	91%	98%	92%	90%	100%	100%		G
Support our people to be the best that they can be	10	% sickness absence for staff (all staff)	DWOD	6.3%	7.14%	6.24%	6.65%	7.55%	7.12%	7.32%	6.93%	7.33%	7.16%	6.42%	7.51%	7.68%	6.29%		R



Number of NHS Direct Wales unique website visits



### Improvement Actions

Key Improvement Actions	Completion Date	Performance Update	RAG
Develop access to services online and through internet application	Mar-20	COVID-19 Symptom Checker created and live for March 2020. Directory of Services completed. Significant uplift in use of website driven by pandemic.	GREEN
Utilise video and other technologies to enhance the way our services are accessed	Mar-20	Board approved Apple iPads for all frontline staff have been purchased and being prepared for roll out. Migration of all staff to 0365 to enable easier access from mobile devices has continued as planned through the pandemic. This has further supported home working for a large number of staff with Microsoft Teams enabling improved communications.	Green
Continue to improve website through addition of new symptom checkers - Four to be added to NHSDW Website	Mar-20	From early February 2020, as news started to be conveyed to the public about Covid-19 the team was originally requested to signpost people from the NHSDW website to the PHW website for Covid-19 information. However, as the pandemic and public advice gathered pace and cases were confirmed with Covid-19 in Wales the PECI team, in collaboration with clinical and web development colleagues, developed an in-house Covid-19 symptom checker, signposting the public away from 111 and encouraging them to go online to support operational demand. This was supported by social media and media activity secured corporately to reinforce the message to the public. Wider work on website development on hold with focus on CoVID-19.	GREEN
Strengthen the resilience of the website	2020/21	Investment of clinical, technical and information development expertise and resources.	GREEN
Communication to the public – signposting to relevant services e.g. hear & treat	Continuous	Continuous communications and engagement plan linked to NHS Wales and WG key messages by the PECI and Communications Team.	GREEN
Utilise intelligence/data to monitor patient behaviour and use of the website	Continuous	Use of google analytics and other data sets to be reported alongside WAST operational response data. Use intelligence data to respond to people's needs.	

### Analysis

There were 419,866 NHSDW unique website visits in May 2020 and 805,402 in April 2020, compared to 1,630,239 in March 2020. The significant increase in visits during March and April was attributable to the launch of the new Coronavirus Symptom Checker launched promptly in reaction to the current pandemic and the initial Government advice for anyone with COVID-19 symptoms to access the symptom checker via the NHSDW website for further advice. In May 2020, the most viewed pages were: Coronavirus symptom checker (377,614 visits); stomach pain symptom checker (96,678), rash symptom checker (58,815); generally unwell symptom checker (41,612); and back pain symptom checker (37,099). In May 2020, 61.6% of searches were accessed by females and the largest proportion of viewers by age fell in the 25-34 years old band, 29.61%. This trend is consistent with previous months.

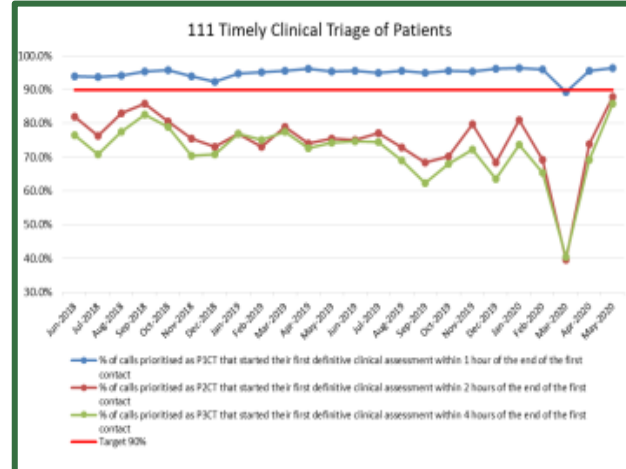
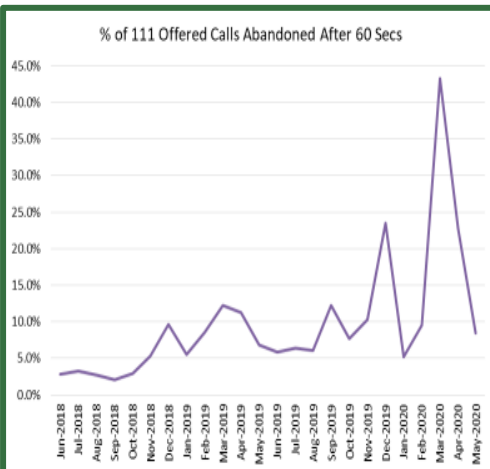
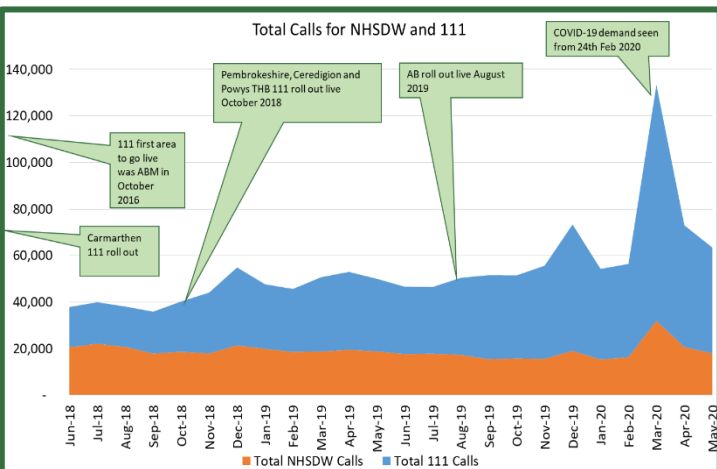
Visits to the website for the last quarter, (February 2020 to April 2020) recorded were 2,855,507 compared to 884,962 visits in the same period last year, an increase of 1,970,545 which equates to 223%. The target is an improvement trend.

It is recognised that development is required to improve the ways of measuring the impact of this service. This was reviewed in 2019/20 and the outcome was an action to explore the establishment of a new indicator to report monthly on the top symptom checks used, how many visits to the page, the number of completed assessments and of those not completed, the % of the symptom check that was completed to enable trends to be built. In 2019/20 further discussions were on hold due to higher priority work taking precedence. This will be reviewed in 2020/21 when services return to normal.



## INDICATOR 2 – Call Volumes to NHS Direct Wales (NHSDW) and 111 as a combined total to increase 2019/20 Target – Combined Improvement Trend

G



### Analysis

111 call demand decreased in May 2020 to 45,450 calls compared to 52,263 in April and 101,252 in March 2020. The sharp increase in March is due to the current COVID-19 pandemic and early Government advice for the public the contact 111 if they had symptoms of the virus. This message was replaced by advice to use the new NHSDW website Coronavirus Symptom Checker and therefore the service has seen a steady decrease in call volumes, however demand remains high for the time of year.

111 was rolled out to All Wales as the main contact number for the service however the full 111 service was not rolled out to all areas. Plans to complete the full roll-out across Wales will be re-assessed in light of the current pandemic.

NHSDW call demand continues to decrease overall, however the service also saw a spike in demand in March and April following the pattern of 111 due to the current pandemic. Despite the increase in the last two months, there has been a year on year decrease of 5.8%. Overall, the volume of 111 and NHSDW calls has increased as per target.

The 111 call abandonment has seen a year on year increase of 7.3% for the period June 2018 to May 2020. The increases in the last 12 months are driven by very poor performance in Dec 19 (winter pressures) and Mar 20 (pandemic). May 20 saw a decrease in abandonment rates to 8.5%, but this remains higher than the service would wish. The normal expected rate for 111 services is c.2%. The high abandonment rate is caused by lack of capacity to meet demand.

The highest priority calls, P1CT, continue to provide a timely response, starting their definitive clinical assessment within 1 hour of the end of first contact, which with the exception of March 2020 continuously achieves the 90% target, in May 2020 it achieved 96.3%. The lower priority calls, P2CT and P3CT, whilst continuing to be below the 90% target for providing a response within 2 hours and 4 hours respectively, have seen their best performance in May 20, which represents a much improved service to patients, and relates to the fact that additional clinicians have been utilised as part of pandemic actions. These are not funded permanently however.

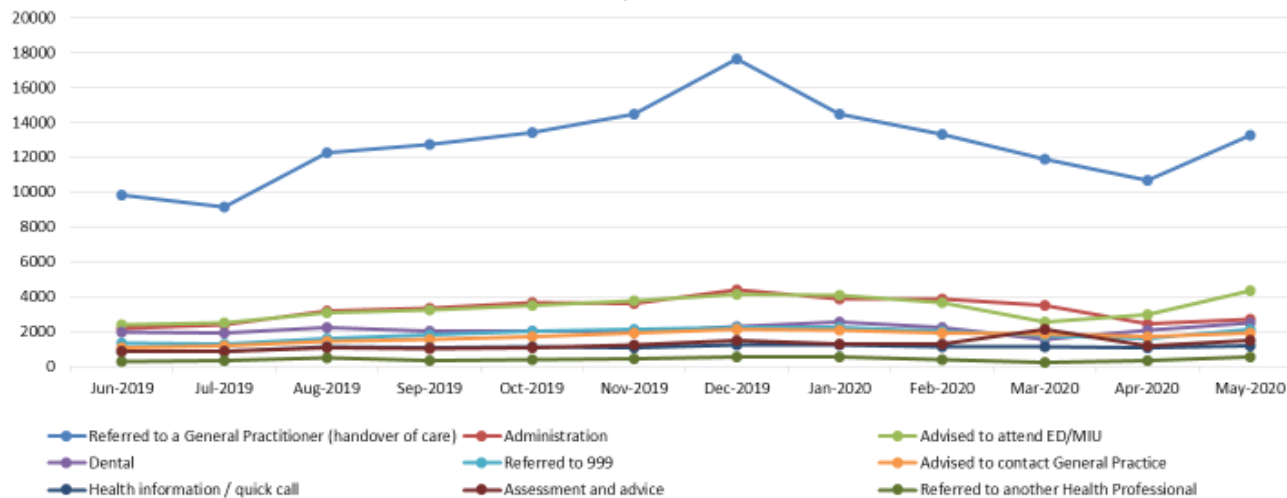
### Improvement Actions

Key Improvement Actions	Completion Date	Progress Update	RA G
Complete rollout of 111 service across Wales	2020/21	The 111 number has been rolled out across Wales in March in response to the COVID-19 Pandemic, however this is for the number only, the full 111 service roll-out is still to take place. These roll-outs will now need to be re-assessed in light of the current Pandemic.	GREEN
Recruitment Plans for Paramedics and Band 5 nurses to NHSDW	Ongoing	In response the current pandemic 24 Clinicians (111/NHSDW) have currently been sourced to improve capacity temporarily. There is still a requirement to improve capacity on a permanent basis.	GREEN
Review of 111 and capacity	TBC	The review of demand and capacity for both 111 and NHSDW services was concluded in 2019/20 with agreement reached for the revised call taker numbers. Recruitment has commenced to secure the increased staffing numbers required. Temporary call taker capacity was also been sourced via agency and re-deployment of a large number of WAST staff in response to the COVID-19 Pandemic. 14 call takers and 24 clinicians have been recruited to date. Some of these staff have returned to their substantive post but now they are trained they will be available to pull back into the service as and when required through the pandemic. A WAST Forecasting & Modelling Group has been formed to develop the "most likely" and "Reasonable worst case" COVID-19 and total demand forecast for WAST to determine if further recruitment is needed for all areas frontline of the Trust, this work is ongoing.	GREEN
Invest in the NHS 111 Wales website	2020/21	Invest in the NHS 111 Wales website to include patient enabling features that will enhance people's ability to self-care, prevent unnecessary calls and reduce the number of contacts they have to make with health/social care providers/systems. Link the website with wider health service functions; enable integration with NHS/Social care systems; develop further symptom checkers available.	



## INDICATOR 2 – Call Volumes to NHSDW and 111 as a combined total to increase continued 2019/20 Target – Combined Improvement Trend

### 111 Calls by Final Outcome



### Analysis

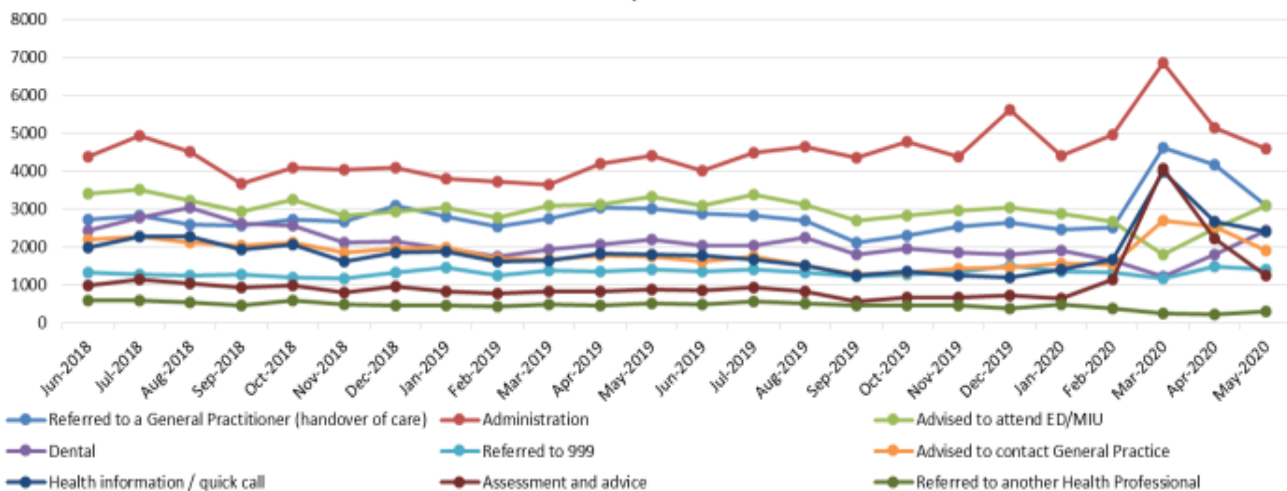
Following on from the previous 111 and NHSDW slide, the 111 WG standards set out a defined list of common final outcomes to report as call volumes. This is intended to allow an understanding of the most common outcomes for patients presenting the service and to be able to compare trends and similarities both within HBs, and between HBs. This will assist in planning future services.

For the purpose of this report, both the 111 and NHSDW call volumes have been split by final outcome for the purpose of understanding both services within WAST.

The most significant final outcome for 111 calls is consistently **Referral to a General Practitioner (GP) (handover of care)**. The next two top outcomes in May 2020 were calls advised to attend ED/MIU accounting for 18.1% and administration, which are calls ended non-clinically, such as caller not wishing to proceed, call aborted, call duplicated, etc. accounting for 11.2% of calls. The remaining outcomes in order of volume accounted for: dental (10.3%); referred to 999 (8.9%); advised to contact GP (7.9%); assessment and advice (6.2%); health information/quick call (4.9%); and referred to another Health Professional (2.2%).

Final outcomes for NHSDW see a wider variety between the different dispositions. The top final outcome for NHSDW is consistently Administration accounting for 20.1% in May 2020. The remaining outcomes, in order of volume of calls accounted for would normally see advised to attend ED/MIU however reflecting the current pandemic the referral to GP has taken over as the second top outcome. The outcomes are: referred to GP (handover of care) (13.6%); advised to attend ED/MIU (13.5%); dental (10.7%); health information/ quick call (10.5%); advised to contact GP (8.4%); referred to 999 (6.2%); assessment and advice (5.5%); and referred to another Health Professional (1.4%).

### NHSD Calls by Final Outcome





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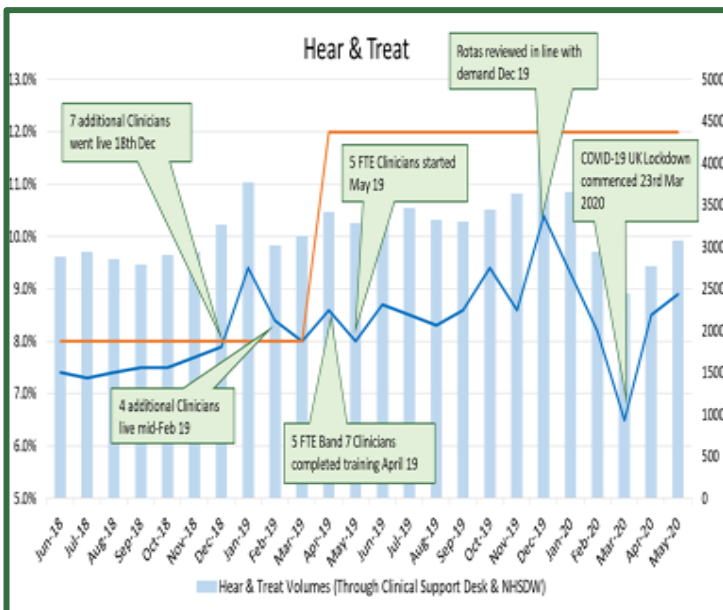
# OUR GOAL DELIVERING EXCELLENCE

PROVIDE THE RIGHT CARE, IN THE RIGHT PLACE, WHEREVER AND WHENEVER IT IS NEEDED

FPC

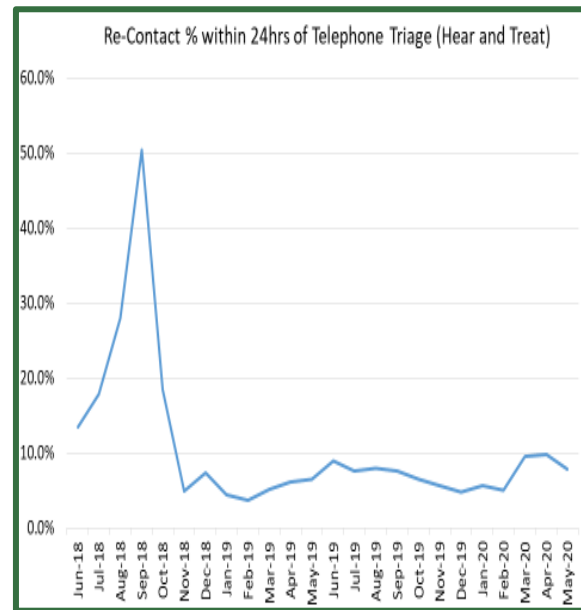
## INDICATOR 3 – % of calls ended following WAST telephone assessment (HEAR & TREAT) 2019/20 Internal Target – 12% Commissioning Intention – increasing volumes

R



### Improvement Actions

Key Imp. Actions	Completion Date	Progress Update	RAG
Additional Clinicians for the CSD	Jun-19	The original action was complete in 2019/20 however in reaction to the COVID-19 pandemic, an additional 17 CSD Clinicians have been sourced through redeployment of paramedics, some agency and some fixed term hires.	C

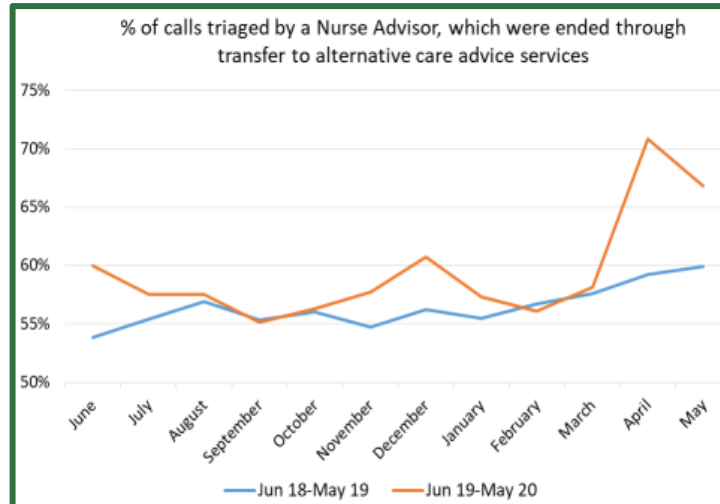


### Analysis

The **Clinical Service Desk (CSD)** and **NHSDW (Hear & Treat)** achieved 8.9% performance in May, compared to 8.5% in May 2019 and 7.2% May 2018. 3,070 ambulances were stopped in May 2020, compared to 3,280 in May 2019. Performance improved in May to 8.9%, however this is largely due to the number of staff redeployed and staff overtime incentives currently in place. As these incentives cease into June 2020 and redeployed staff return to substantive posts it is expected that this will impact performance. In May 2020, 4.1% of hear & treat was by NHSDW/111, this falls above the expected rate of c. 3.5% - 4.0% and is a continued improvement when compared to April at 2.9% (\*\*Amended from the previous months report due to publication of the official AQI's)

The percentage of re-contacts within 24 hours of telephone hear and treat has fluctuated considerably over the last two years, the peak in September 2018 at 50.4% was a result of one frequent caller who was taken through our frequent caller process, resulting in the re-contact rates to return to normal levels. Levels have stabilised in May to 7.9% in May compared to re-contact rates of 9.8% in April and 9.5% in March 2020.

The percentage of calls triaged by nurse advisor ended through transfer of alternative care advice services has been on an increasing trend, however this saw a slight decline in May to 66.8% compared to 70.8% in April 2020. The high level in April was due to a high number of calls through the peak of the pandemic from young people "worried well", calling as they were feeling unwell but were just seeking assurance and wanting a trained professional to check them over rather than calling for an ambulance to take them to hospital, therefore more patients being safely resolved by a nurse.







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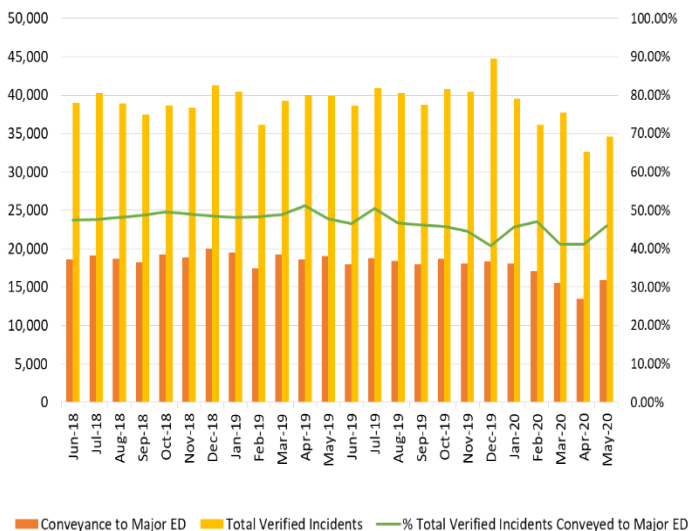
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FPC

## INDICATOR 4 – % of verified incidents that were conveyed to Major ED 2019/20 Target – Reduction Trend

G

Conveyance to Major ED



### Analysis

The Trust conveyed 15,905 patients to major emergency department (EDs) in May 2020, compared to 19,089 in the same period last year. The graph above demonstrates that numbers and proportions conveyed reduced in Mar and Apr 20 as conveyance to hospital has reduced during the current COVID-19 pandemic. However, numbers and proportions have increased again in May 20. Overall the average rate year on year has improved for the last 12 months, April 19 to May 20 the average rate is 45.20%, compared to the same period the previous year which had a rate of 48.63%.

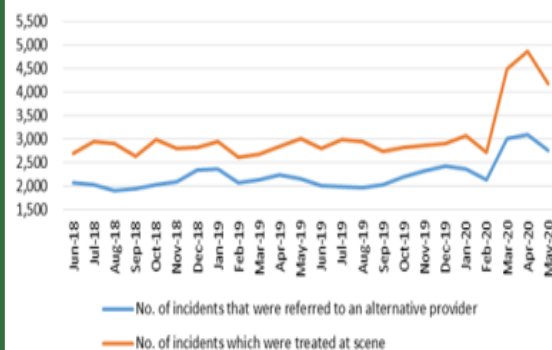
Correspondingly, the last 3 months have seen significant increases in the number of incidents treated at scene and incidents referred to an alternative provider. Whilst these changes are likely to relate to changes due to the pandemic, work will be required to identify whether these can be sustained appropriately into the future.

The percentage of see & treat incidents that re-contact the service within 24 hours remains low; however has seen an increase in May 20 to 1.3% from 0.7% in May 2019.

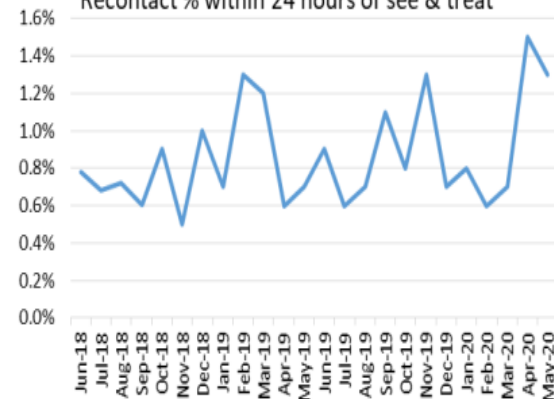
### Improvement Actions

IMTP Deliverable	Completion Date	Performance Update	RAG
Continue expansion of APP role (If funded and agreed with Commissioner)	Sep-19	The EMS Demand & Capacity Review identified an expansion of APPs through to Dec-24. Currently more specific modelling is being done, in particular, the level of APP hours (and their impact) that could be produced in winter 2020/21. All IMTP projects were stopped during the initial CoVID-19 response (with the exception of the EMS D&C), so APPs will be picked up again in Q2.	GREEN
Develop new pathways with Health Boards	Baseline assessment and review Sept-19.  Introduction of new pathways Oct – March 20.	The existing pathways under development were put on hold during the COVID-19 pandemic with work on Consultant Connect taking priority instead, therefore the evaluation due to take place on the AB COPD pathway has not been completed as planned in March 2020. Meetings are due to take place in June 2020 for this to be re-programmed. The two Alternative Care pathways (mental health and ambulatory care services) remain on hold but Consultant Connect may provide the solution.  The Consultant Connect Pathway was rolled out across Wales on a National basis in reaction to the COVID-19 Pandemic with bespoke discussions with HBs. The Consultant Connect technology has been useful in supporting the pathway decision making but there is a significant risk that Welsh Government only provide the funding for 12 months. Discussions will continue internally and with commissioners on priorities both for consultant connect and for introduction of alternative care pathways (included in draft national unscheduled care goals for this year.	GREEN
ePCR	2021-22	The project is currently at Full Business Case stage with the Project Board coming back together in May and approving the tender exercise to commence 01 June 2020, due to complete end of July 2020. Providing suitable bids are received the FBC will complete in August for submission for approval to WG. If approval received from WG in 2020, likely roll-out could commence at end of Q4 2020/21.	GREEN

Incidents Treated at Scene and Incidents Referred to Alternative Providers



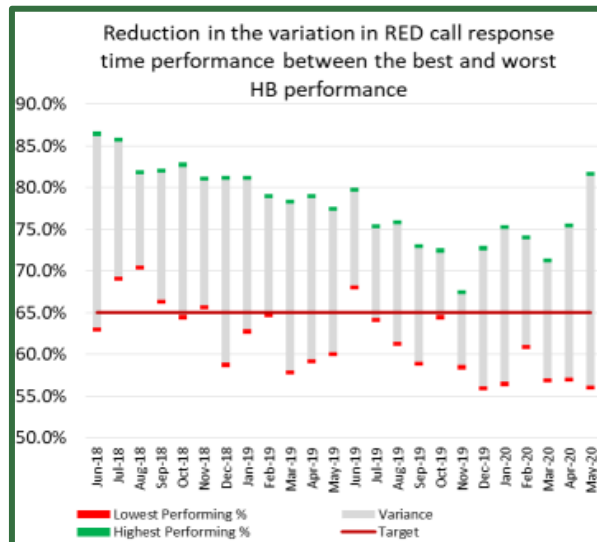
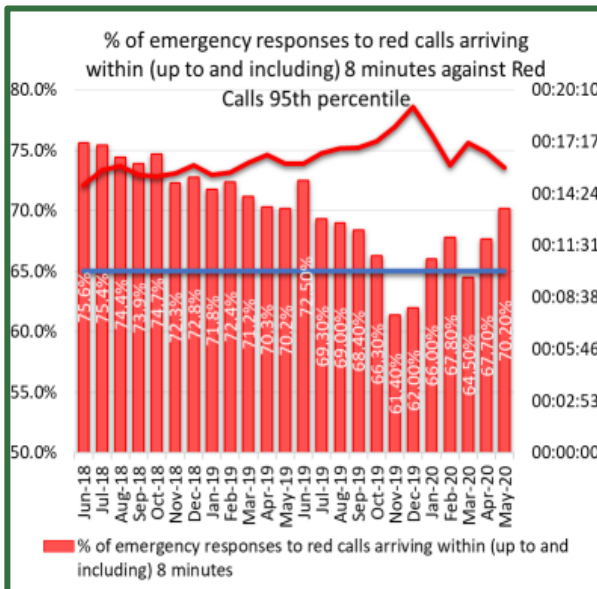
Recontact % within 24 hours of see & treat





### INDICATOR 5 – RED % of Emergency Responses to Red Calls Arriving within 8 minutes to Improve and Red 95<sup>th</sup> Percentile 2019/20 Target – 65% and Red 95<sup>th</sup> Percentile reduction trend

65%  
A  
95th



Improvement Actions			
Key Improvement Actions	Completion Date	Progress Update	RAG
Weekly Ops Performance Demand and Capacity Review meeting	Weekly ongoing	This weekly meeting of the Senior Operations Team is used to review performance and demand forecasts to inform decision making around resources	GREEN
Hywel Dda Deep Dive	June 2020	A deep dive took place into Hywel Dda Red performance as despite the All Wales Red 8 minute performance improving, Hywel Dda did not achieve the 65% target. Analysis concluded that the switch-off of CFRs and the reduction of RRV production due to increased focus on EA production had the biggest detriments to red performance due to the rural and sparsely populated area. The was presented to the CASC during the Quality and Delivery meeting in June 2020. Meeting scheduled for Wednesday 24 <sup>th</sup> June to discuss next steps.	GREEN

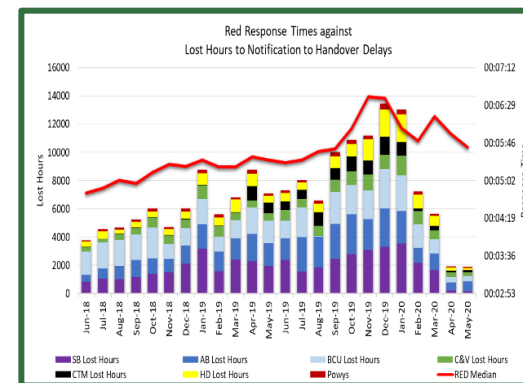
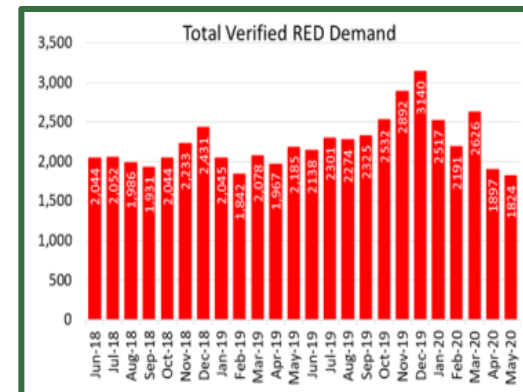
### Analysis

Red performance has further improved in May 2020, achieving the 65% target at an all Wales level and the 70% performance ambition (70.2%). However, overall performance has been gradually declining over the last 12 months, due to increases in demand and reduction in number of running calls. Performance is currently being boosted through 3 Military Aid to the Civil Authority (MACA) agreements and some Fire Service support, both of which will cease as we move into July 2020. It is expected that this will impact performance pan-Wales, as these have been particularly beneficial to the Trust, particularly around decontamination support, ambulance driving and support to clinicians.

The three main determinants of Red performance are Red demand, unit hours produced and handover lost hours. However during this unprecedented time of the COVID-19 pandemic there have been other factors that have also affected red performance. The focus on resourcing has been on EA production over RRV production, resulting in lower levels of RRV resources that would normally be the resource available to quickly respond to Red calls. This along with no contribution from CFR and UFR's has affected the ability to respond to red calls, this is particularly an issue for the more rural areas of Hywel Dda and Powys which have seen poor red performance in May 2020.

Red demand increased by 15.38% overall year on year, despite the recent decreases in April and May 20 as our total normal demand has decreased since the start of the pandemic period in March 2020. The increase in is largely attributable to a change in application of the MPDS which has increased the number of breathing difficulties calls being categorised as Red incidents.

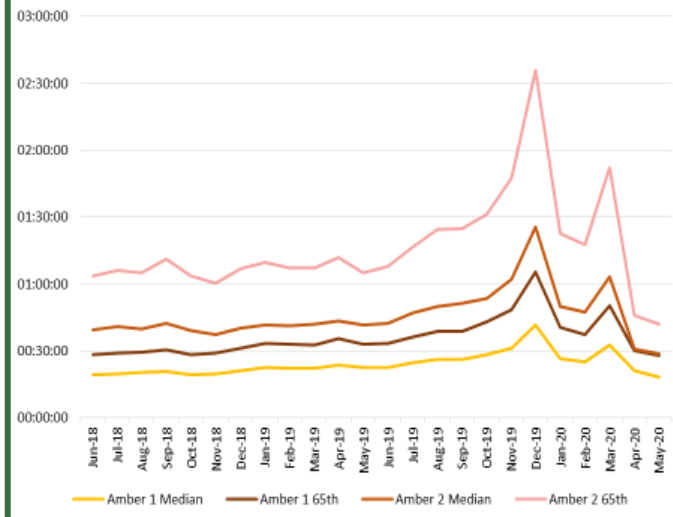
The 65% target was not achieved by 2 HB in May 2020, Cwm Taf Morgannwg achieved 62.5% and Hywel Dda achieved 55.8%. The variation between best and worst performing health boards was particularly wide in May 20. Red 95th percentile has been on a gradual worsening trend over the two years displayed, however there have been improvements in recent months in line with the 65% 8 minute performance.



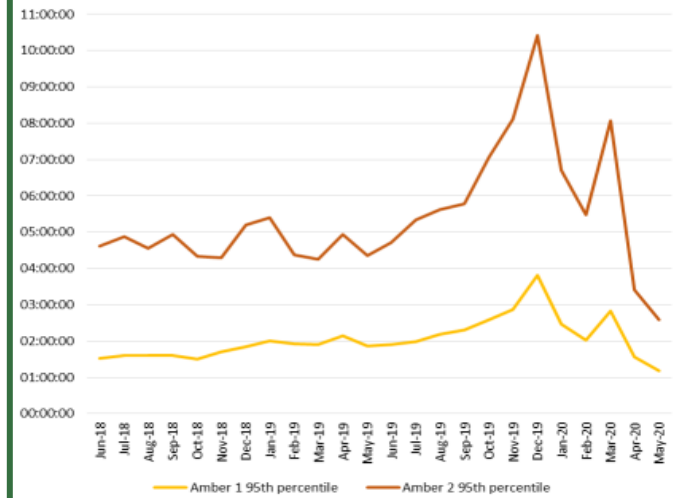
## INDICATOR 6 – amber MEDIAN, 65<sup>th</sup> Percentile and 95<sup>th</sup> Percentile to Reduce across all Health Board Areas 2019/20 Target – Reduction Trend

A

Amber 1 & 2 - Median and 65th Percentile



Amber 1 & 2 - 95th Percentile

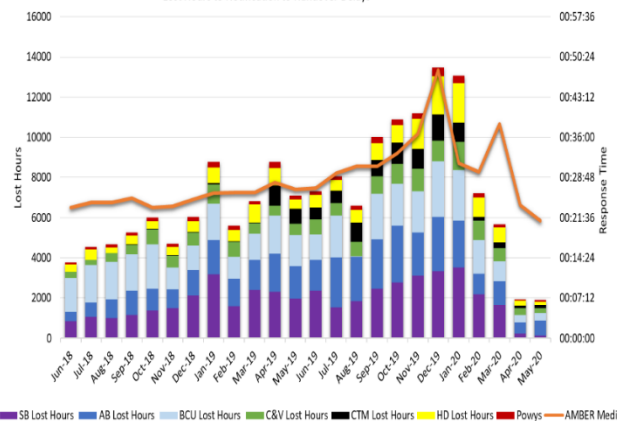


### Analysis

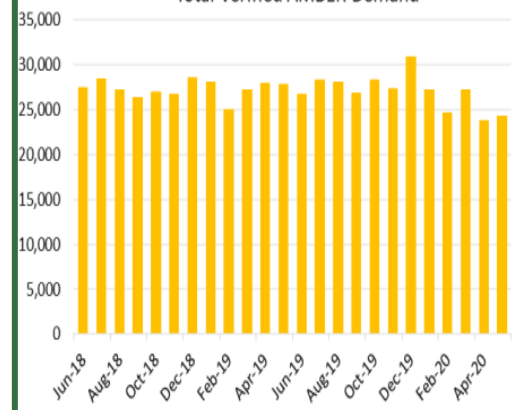
Amber performance has improved significantly in the last few months and particularly in May 2020. Amber 65<sup>th</sup> and 95<sup>th</sup> percentile response times have had the best performance in May 2020 we have seen for over two years, with Amber Median also at similar levels. The target is a reduction trend. Verified Amber demand has also decreased during the unprecedented pandemic period as our total normal demand has also decreased. This is despite 85% of COVID-19 incidents being categorised as Amber.

In May 2020, there were 3 patients waiting over 12 hours, a significant decrease compared to 17 in April and 227 in Mar. There is significant correlation between Amber performance and lost hours due to notification to handover delays, as demonstrated in the middle graph on this page. The number of hours lost to notification to handover delays in May decreased to 1,900 as demand for A&E during the pandemic has also significantly decreased. This compares to 7,101 hours in the same period last year. Further information on handover delays can be found on slide 10.

Amber Response Times against  
Lost Hours to Notification to Handover Delays



Total Verified AMBER Demand

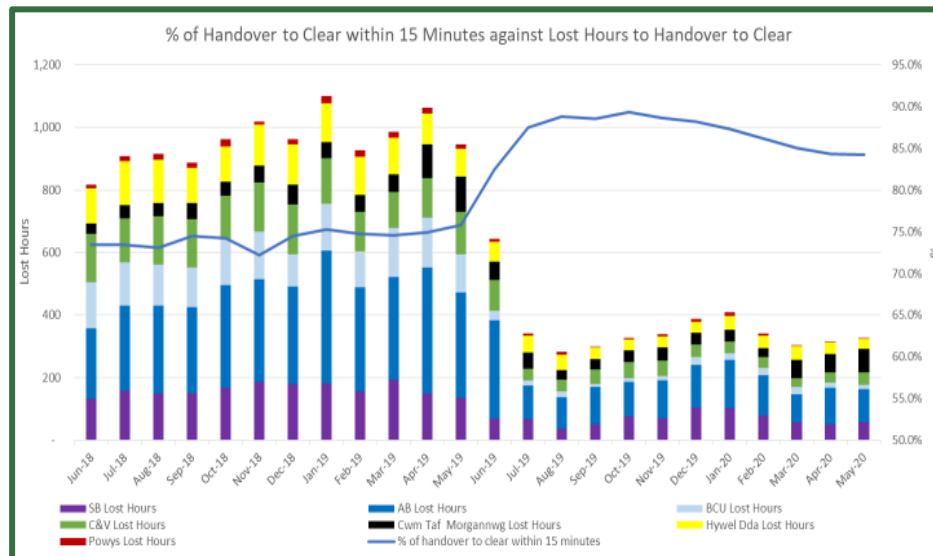


### Improvement Actions

Other Key Improvement Actions	Completion Date	Progress Update	RAG
Demand and Capacity Review	Nov-19	A programme board has been established and is meeting every three weeks. The projects in this programme have been suspended due to CoVID-19 with the exception of the recruitment and training project which is ahead of target. Significant progress has been made by the recruitment and training team to adapt processes in the light of COVID-19, enabling recruitment to be on plan. Work is now progressing on starting up other elements of the programme.	GREEN

## INDICATOR 7 – Number of hours lost due to *Handover to clear* delays over 15 minutes 2019/20 Target – Reduction Trend

G



### Analysis

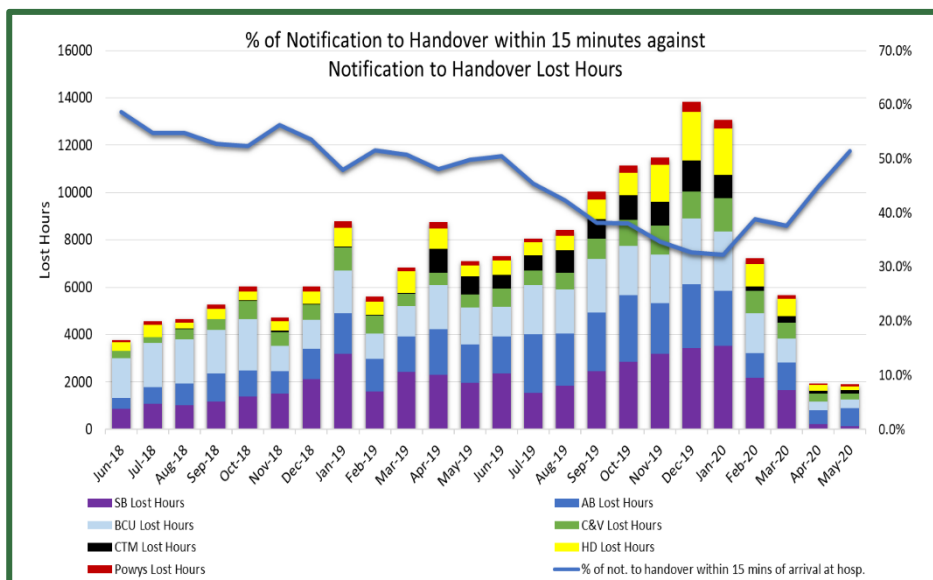
**Handover to clear delays have decreased to a new low level. 4,315 hours were lost** in the last 12 months, period June 2019 to May 2020, compared to 11,488 hours in the same period last year. In May, a total of 326 hours were lost to handover to clear delays. A significant improvement compared to the previous year where there were 947 lost hours in May 2019.

The **percentage of handover to clear within 15 minutes** of transfer of patients to hospital staff was 84.2% in May 2020, compared to 84.3% in May 2019. The target is a reduction trend.

**100,017 hours were lost to Notification to Handover, i.e. hospital handover delays, over the last 12 months, compared to 72,117 in same period two years ago (Jun-18 to May-19).** 1,900 hours were lost in May 2020, 86% decrease compared to 7,101 in May 2019.

The improvements in notification to handover delays can be seen in all 7 Health Boards in April 2020 compared to the previous month. This significant decrease is a result of decreased demand in A&E departments across Wales during the COVID-19 pandemic as public are avoiding using the service, mirroring the decrease in "normal" demand WAST has also experienced during the pandemic. This has had significant positive impacts on WAST performance, particularly Amber response times as can be seen on slide 9.

### Improvement Actions



Key Improvement Actions	Completion Date	Progress Update	RAG
Hospital Handover Delays	Ongoing	<p>Whilst delays have significantly improved, there remains a concern that these may rise again and this will therefore remain a priority.</p> <p>Long delays continue to be escalated to health boards, up to CEOs if required.</p> <p>Representations continue across the system and with commissioners to highlight that long delays are unacceptable and flow and capacity needs to be sufficient to handle arrivals by both ambulances and walk ins.</p> <p>The Trust is in the process of presenting an approach to more joined up and harder public message through a sustained campaign to government about the appropriate use of ED, ambulance and unscheduled care.</p> <p>Some system re-design is being proposed post CoVID that will allow for a much greater emphasis on utilising online and telephone access to care perhaps leading to ED appointments for non life threatening cases (not ambulance arrivals). This would be a significant additional work programme for the Trust and for the wider unscheduled care system</p>	





# OUR STRATEGIC ENABLERS

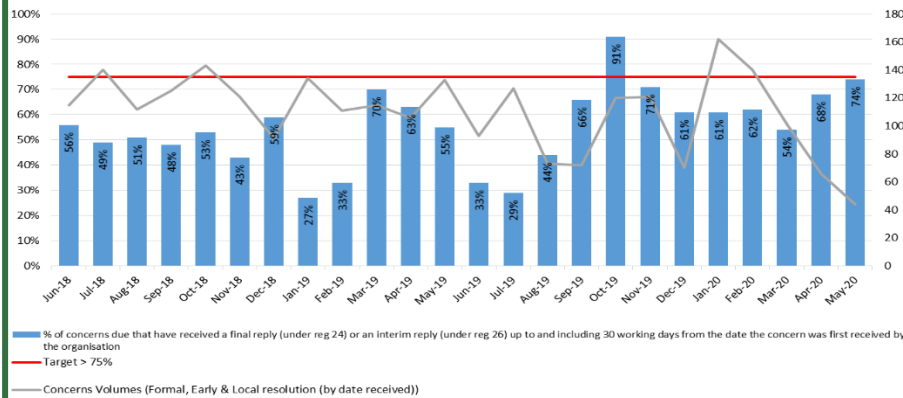
CONTINUE TO PROVIDE THE BEST POSSIBLE CARE, OUTCOMES AND EXPERIENCE TO OUR PATIENTS AND OUR CORE SERVICES

QUEST

## INDICATOR 8 – % of concerns that received a final response under regulation 24 within 30 days; and % of serious incidents assured within agreed timescales

R

% of concerns with a response within 30 days against concerns volumes



### Analysis

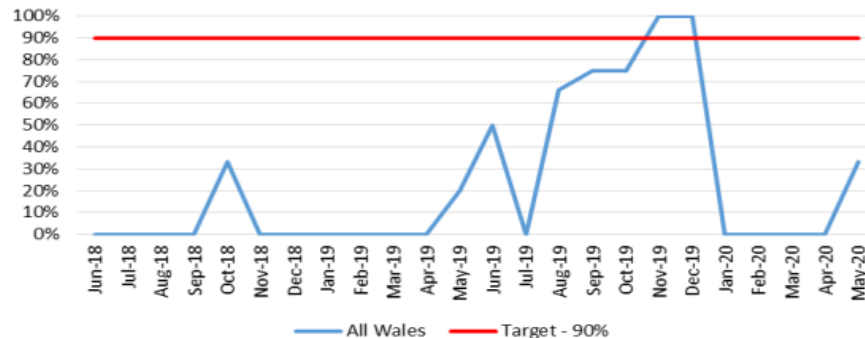
The **percentage of responses to concerns** increased slightly in May to 74% compared to 68% in April and 54% in March. Performance in May narrowly missed the 75% target, despite improvements being put in place to increase in compliance. The number of total concerns has continued to decrease since January 2020 and in May (44) decreased when compared to April (66), this is the lowest number recorded.

33% of Serious Adverse Incidents were assured within the agreed WG timeframe in May 2020, compared to 20% in May 2019.

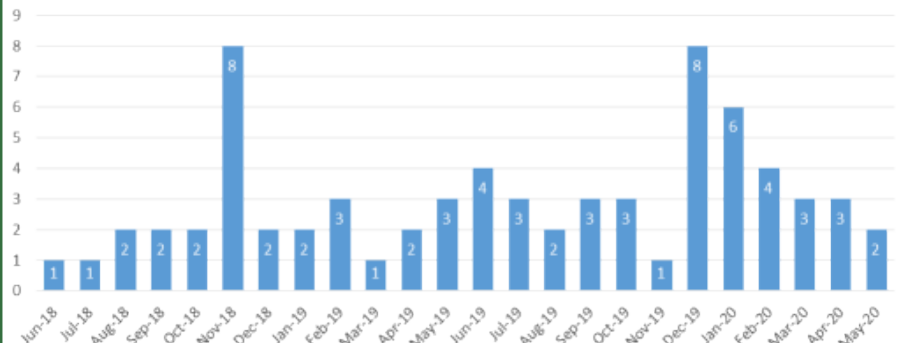
There were 2 SCIF forums held in May 2020, during which 12 cases were discussed, 2 of these cases were reported to WG. Of the remaining 10 incidents, none were passed to Health Boards as Serious Incident Framework 'Appendix B' incident referrals.

There were 2 SAI's reported to WG within this reporting period. Compared to 3 reported in the previous month (Apr 2020), this a decrease when compared to the same reporting period of the previous year (May 2019), where 3 SAI's were reported to WG. Year on year the overall volumes of SAI's are on an increasing trend. The sharp increase in December/January is concerning and has been linked to the significant delays across the system, the decrease in February supports this as handover delays come down and response times begin to improve.

% Of Serious Adverse Incidents Assured within the Agreed WG Timeframe



Number of SCIF cases reported as Serious Adverse Incidents (SAI) By Date Reported to WG by WAST



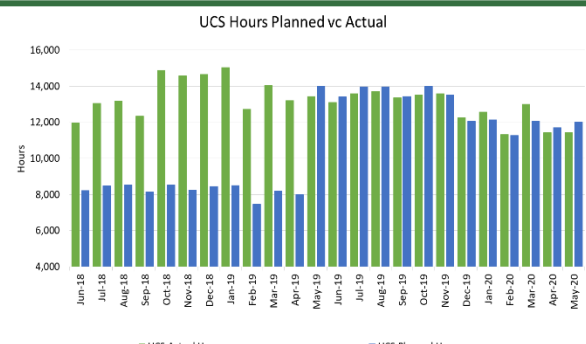
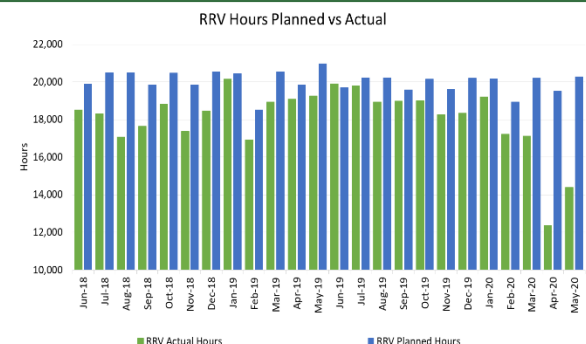
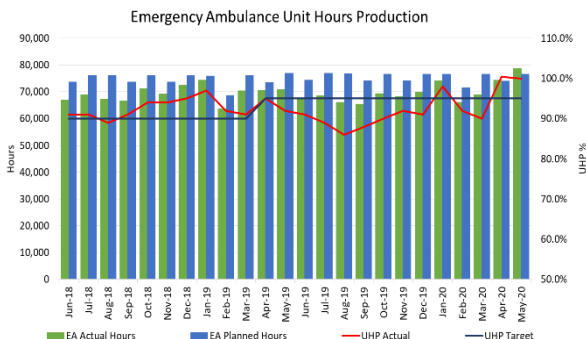
### Improvement Actions

Key Improvement Actions	Completion Date	Progress Update	RAG
Winter Planning 2019/20	Sep-19	The 2019/20 winter plan period has now finished and under normal arrangements a review of the winter period would have been undertaken. 2019/20 winter planning activity has been suspended due to CoVID-19, but consideration is now being given to how we plan for winter 2020/21 with CoVID-19 in the system.	GREEN



## INDICATOR 9 – Emergency Ambulance Unit Hours Production 2019/20 Target – 95%

G



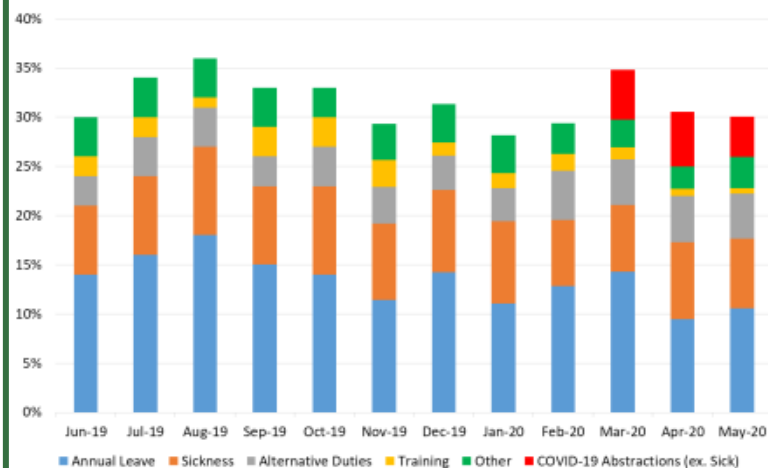
### Analysis

Emergency Ambulance Unit Hours Production (UHP) was again 100% in May 2020 the same as April. The improved position is a result of prioritisation of EA production over RRV production in response to the current COVID-19 pandemic. However the result is again a significant decrease in RRV production in May. The actual emergency ambulance hours available over the last two years is at a stable level overall despite in month fluctuations. Linked to this are the actual hours available of UCS and RRV crews.

It has been agreed with the NCCU that a 95% target for RRV and EA UHP would be acceptable as an interim measure however this was identified as a stretching target by the Demand & Capacity Review with the relief gap.

Monthly abstractions from the rosters have a big impact on UHP. These are included in the graph above. In May, total abstractions have increased to 33% compared to 31% in April but declined when compared to March at 35%. The highest proportion was annual leave at 11%, however this is considerably lower than normal due to the pandemic lockdown measures, some staff are choosing to cancel annual leave that was booked for holidays, despite encouragement to take annual leave for welfare purposes. Decreases were also seen across the other areas, such as training. These were offset by the additional COVID-19 abstraction (ex. Sickness) as some staff are required to self-isolate, accounting for 4.1% of abstractions in May. The abstractions were covered by a mix of relief (18.18%) and overtime (10%). The remaining gap explains the shortfall in UHP across all vehicles. In addition, 13,716 hours were provided by Military and Students. However throughout June and July 2020 as we move into Quarter 2 of the Trust's Pandemic Plan and students return to placements and the 3 Military Aid to the Civil Authority support plans cease this will place increased pressure on the Trust.

### Pan Wales Total Rota Abstraction Hours



### Improvement Actions

Other key Improvement Actions	Completion Date	Progress Update	RAG
Reduce vacancy levels through Big Bang events	Annually	The 20/21 EMS Recruitment & Training Plan has been finalised and is being reported to the EMS Demand & Capacity Programme Board each month (this has continued to meet during CoVID-19 and recruitment and training has continued). Recruitment levels ahead of target.	GREEN
New Resource Dashboard	Continuous	Allows staff and managers to redistribute resources appropriately to ensure that we maximise actual against planned unit hours of production. UHP clock in operation daily by Resource and Ops Teams, it is being used on a weekly basis by Senior Ops to review against forecasted demand; ongoing work supported by HI and Cardiff University MSc Projects will support further development.	GREEN

### INDICATOR 10 – % Sickness Absence for All Staff 2019/20 Target – 6.3%

R

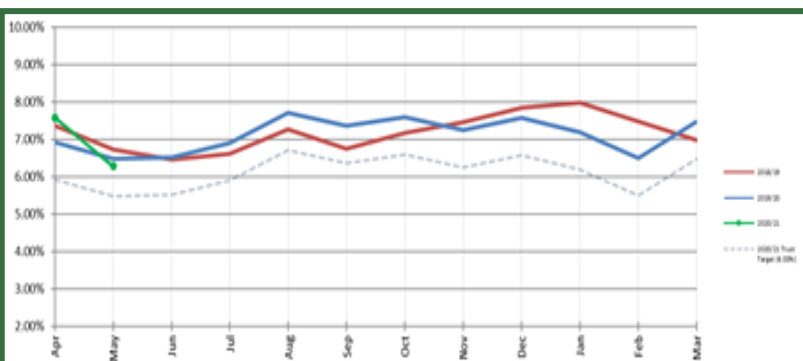
#### Analysis

The May 2020 in-month sickness rate was 6.29% compared to 7.68% in April 2020 and 7.51% in March 2020. The rolling 12-month Sickness rate in May was 7.11%. Long term sickness in May 2020 was 4.13% and short term sickness was 2.15%. Mental Health accounted for 1.51% and Other Musculoskeletal accounted for 0.55%, these continue to be the top two reasons for sickness absence. Due to the early reporting this month we do not have the remaining detailed data to undertake the full analysis.

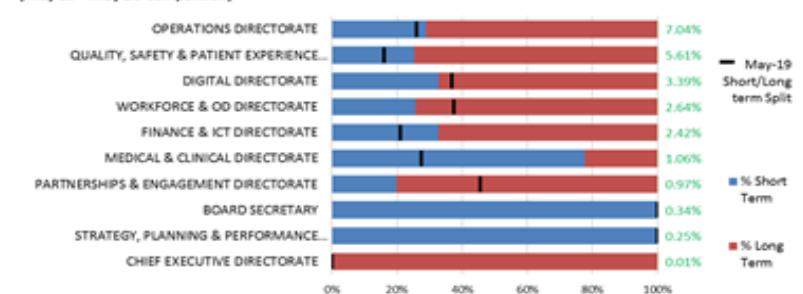
*N.B. the Monthly LTS (long term and short term) Cases Opening/Closing graph is reported one month behind.*

#### Improvement Actions

Key Improvement Actions	Completion Date	Performance Update	RA G
Development of Health and Wellbeing strategy	2020/21	Covid19 Colleague Health and Wellbeing Strategy first draft released in April 2020 and regularly reviewed.	GREEN
Workforce and OD representation in meetings	Continuous	Present in all Pandemic cells and Local Pandemic Teams (LPTs) from April 2020.	GREEN
Occupational Health and Employee Wellbeing Services	Continuous	Regular reminders of how to contact wellbeing services and provision. Reminders of free aps and helplines. Wellbeing resource guide sent to all properties and available online. All Workforce and OD are aware of support available with regular meetings with WOD and OH and Wellbeing taking place.	GREEN
Health & Wellbeing Cells	Continuous through pandemic	H&W cell & Health and Wellbeing Steering group meetings identifying actions to support specific group and needs	GREEN
Mental health awareness training	Continuous	Mental Health Awareness training by Champion online. Available free to all staff currently.	GREEN
Compassionate Leadership Handout	May 2020	Creation of compassionate leadership handout and other useful resources available within H&W strategy (including action cards on Covid19 Fatigue) were distributed in May 2020.	GREEN
Additional therapy support	May 2020	Begin to mobilise additional therapy support ready for the recovery phase. Recruitment of counsellors to the bank.	GREEN
Wellbeing Workshops	Continuous	Wellbeing team are running Three drop in sessions each week. One workshop each week.	GREEN



#### 12 months Sickness Absence - Short / Long Term by Directorate (May 19 - May 20 Comparison)













































#### Monthly LTS Cases Opening/Closing





## SECTION 2 - ACTIVITY DASHBOARD

### SECTION 4: WAST Activity Dashboard

Description	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	2 Year Trend
	17,721	17,894	17,370	15,507	15,864	15,661	19,120	15,393	16,335	32,031	20,734	18,009	
	28,891	28,625	33,079	36,089	35,648	40,009	54,245	38,903	40,079	103,285	52,263	45,450	
	2,487	2,534	2,732	2,712	2,707	2,481	2,828	2,605	2,390	2,357	2,477	2,536	
	40,133	43,471	43,015	41,839	44,678	44,846	51,818	42,104	38,049	43,474	33,145	33,365	
	6,280	7,121	6,649	6,573	6,895	6,240	3,548	6,711	6,025	5,247	4,351	6,025	
	3,334	3,463	3,321	3,295	3,438	3,630	4,639	3,656	2,936	2,447	2,766	3,070	
	38,645	40,861	40,230	38,776	40,786	40,481	44,812	39,543	36,115	37,726	32,655	34,570	
	2,138	2,301	2,274	2,325	2,532	2,892	3,140	2,517	2,191	2,620	1,897	1,824	
	26,765	28,250	28,085	26,814	28,265	27,319	30,814	27,149	24,612	27,192	23,753	24,207	
	9,565	10,101	9,689	9,502	9,973	10,081	10,660	9,724	9,184	7,756	7,005	8,356	
	2,805	2,988	2,958	2,740	2,822	2,871	2,907	3,072	2,729	4,500	4,867	4,188	
	14,812	15,197	14,947	14,831	15,718	15,202	15,717	16,851	15,935	15,008	12,839	14,929	
	18,008	18,817	18,447	17,934	18,661	18,018	18,318	18,053	17,023	13,444	13,444	15,905	
	63,843	71,464	65,344	64,537	70,758	65,876	61,228	68,848	63,342	53,905	29,781	30,542	
	3,825	4,719	4,832	4,149	4,587	4,609	4,707	-	-	-	-	-	
	29,211	33,133	28,929	30,471	34,108	30,781	25,406	-	-	-	-	-	
	16,998	17,882	17,948	16,670	17,753	17,119	17,699	-	-	-	-	-	
	4,668	5,498	4,851	4,051	4,249	3,912	4,102	-	-	-	-	-	
	4	3	2	3	3	1	8	6	4	3	3	2	
	93	127	73	72	120	121	70	162	140	101	66	44	
	120	150	139	116	150	143	193	153	111	111	86	117	



<b>AGENDA ITEM No</b>	<b>4.3</b>
<b>OPEN or CLOSED</b>	<b>OPEN</b>
<b>No of APPENDICES (ANNEXES) ATTACHED</b>	<b>3</b>

## FINANCIAL PERFORMANCE AS AT MONTH 02 2020/21

<b>MEETING</b>	<b>TRUST BOARD</b>
<b>DATE</b>	<b>25<sup>th</sup> June 2020</b>
<b>EXECUTIVE</b>	<b>Director of Finance &amp; Corporate Resources</b>
<b>AUTHORS</b>	<b>Jason Collins / Ed Roberts</b>
<b>CONTACT DETAILS</b>	<b>Chris Turley Tel 01633 626201 Chris.Turley2@wales.nhs.uk</b>

<b>CORPORATE OBJECTIVE</b>	<b>IMTP priorities</b>
<b>CORPORATE RISK (Ref if appropriate)</b>	<b>CRR42, CRR45 &amp; CRR46</b>
<b>QUALITY THEME</b>	
<b>HEALTH &amp; CARE STANDARD</b>	<b>2.1, 2.4, 3.1</b>

<b>REPORT PURPOSE</b>	<b>To provide the Board with an update on the financial performance of the Trust for Month 2 of the 2020/21 Financial year.</b>
<b>CLOSED MATTER REASON</b>	<b>N/A</b>

## REPORT APPROVAL ROUTE

<b>WHERE</b>	<b>WHEN</b>	<b>WHY</b>
EMT	10 <sup>th</sup> June 2020	To note (via detailed briefing)
Trust Board	25 <sup>th</sup> June 2020	To note

**WELSH AMBULANCE SERVICES NHS TRUST  
TRUST BOARD  
FINANCIAL PERFORMANCE AS AT MONTH 2 2020/21**

## **SITUATION**

1. This summarised report provides the Trust Board with an update on the financial performance of the Trust as at 31<sup>st</sup> May 2020 (Month 2), with a more detailed report attached as **Appendix 1**.

## **BACKGROUND**

2. The key points to note in relation to the **delivery of the Statutory Financial Targets for the 2020/21 year to date** (1<sup>st</sup> April 2020 – 31<sup>st</sup> May 2020) are that:
  - The cumulative revenue financial position reported is a small **underspend against budget of £0.007m, assuming funding for the additional costs incurred in month as a result of COVID-19**. The forecast for 2020/21 assumes at present a balanced position, however this is the assumed position against a set of risks discussed later on in this paper, also it is only based on the first two month's performance;
  - In line with the financial plans that support the **approved IMTP** gross savings of £0.805m have been achieved against a year to date target of £0.961m, thus a slight **under achievement against plan, this however relates to impacts of COVID-19**;
  - Public Sector Payment Policy is on track with **performance, against a target of 95%, of 96.7% for the number, and 97.8% of the value** of non NHS invoices paid within 30 days.
3. The main financial risks remain the outcome of the current appeal against the ruling in relation to the payment of holiday pay on voluntary overtime, non-delivery of saving targets, winter pressure costs and the of course the continuing assumptions in relation to the costs being incurred as a result of the COVID-19 pandemic.

## **ASSESSMENT**

### **Revenue financial position**

4. Due to the COVID-19 pandemic, the Trust has recorded additional spend in the Month 2 position totalling £3.135m, £1.431m of pay costs, £1.914m of non-pay, £0.137m of unachieved savings targets. This has been offset somewhat by reduced expenditure of £0.347m. It is assumed in the financial position that this net additional cost will be fully funded by income via WG / EASC.

### **Income**

5. Reported Income against the initial budget set to Month 2 shows an adverse variance of £0.135m. The deficit is because of the net financial recording of the COVID-19 pandemic and no recoveries for coverage of sporting events.

### **Pay costs**

6. Overall, the total pay variance at Month 2 is an under-spend of £0.119m. A high level of pay savings are reported in the majority of corporate functions due to funded vacancies. However,

this was offset somewhat by overspends in the Ambulance response and Medical and Clinical Services Directorates.

## **Non-pay Costs**

7. The non-pay position at Month 2 is a favourable variance of £0.023m, this is attributed to fuel underspend, due to reduced forecourt prices, in addition to Taxi and Travel & Subsistence underspends. This has been offset by a number of factors including overspend on Fleet Maintenance, staff uniforms, medical supplies and services and some un-achievement on saving schemes.

## **Savings**

8. Our financial plan identifies that a minimum of £4.3m of savings and cost containment measures will be required to achieve financial balance in 2020/21. £0.805m of savings have been delivered between 1<sup>st</sup> April and 31<sup>st</sup> May 2020 against a target of £0.961m, however as mentioned above this underachievement is mainly attributable to COVID-19 and the position currently assumes this shortfall will be funded from WG.

## **Capital**

9. At Month 2 the Trust's current approved Capital Expenditure Limit (CEL) for 2020/21 is £13.726m. To date there has been £0.749m of Capital expenditure incurred which is in line with our plans at this stage of the year.
10. A paper was taken to Finance and Performance Committee (F&PC) on the 21<sup>st</sup> May 2020, to note and agree the carried forward cost commitments from the 2020/21 to allow these schemes to be completed. The Committee also received an update on the progress of developing the prioritised capital programme for 2020/21.
11. Following the above meeting, information was communicated from WG that no further capital funding could currently be assumed this financial year; this has resulted in the Trust having to reassess the proposal taken to F&PC. Trust Board will be further updated on this today.
12. Work is ongoing to ensure the Trust delivers on its contractual obligations along with delivering a capital plan that allows commenced schemes to be completed and as many of the Trust priority works progressed.

## **Public Sector Payment Policy (PSPP)**

13. Public Sector Payment Policy (PSPP) compliance up to Month 2 was 96.7% against the 95% WG target set for non-NHS invoices by number and 97.8% by value.

## **RECOMMENDED That the Trust Board:**

- **Note the Month 2 revenue and capital financial position and performance of the Trust as at 31<sup>st</sup> May 2020;**
- **Note the Month 2 Welsh Government monitoring return submissions include with Appendix 1 below (as required by WG).**



**WELSH AMBULANCE SERVICES NHS TRUST  
TRUST BOARD  
FINANCIAL PERFORMANCE AS AT MONTH 2 2020/21**

## INTRODUCTION

1. This paper provides the Board with a detailed update on the financial performance of the Trust as at 31<sup>st</sup> May 2020 (Month 02).
2. The Month 2 revenue financial position has a small **underspend against budget of £0.007m, after assuming funding for the new revenue costs associated with the COVID-19 pandemic**. The forecast for 2020/21 remains a balanced position, however this is the assumed position given the risks discussed later on in this paper and noting this is only based on two month's performance.

## FINANCIAL PERFORMANCE YEAR TO DATE

### Revenue position

3. The table below presents an overview of the financial position for the period 1<sup>st</sup> April to 31<sup>st</sup> May 2020.

Revenue Financial Position for the period 1st April - 31st May				
	Annual Budget £000	Year to date		
		Budget £000	Actual £000	Variance £000
Income	-216,017	-37,346	-37,211	135
Expenditure				
Pay	156,492	26,407	26,288	-119
Non-pay	44,486	8,433	8,398	-35
Total pay & non-pay expenditure	200,978	34,840	34,686	-154
Depreciation & Impairments / interest payable & receivable	15,039	2,506	2,518	12
Total	0	0	-7	-7

## Summary of Key areas of variance

### Revenue position

4. Due to the COVID-19 pandemic, the Trust has recorded additional spend in the Month 2 position totalling £3.135m, £1.431m of pay costs, £1.914m of non-pay, £0.137m of unachieved savings targets. This has been offset somewhat by reduced expenditure of £0.347m. It is assumed in the financial position that this will be fully funded by income via WG / EASC. The above has been reflected within the detail below.



## **Income**

5. Reported Income against the initial budget set to Month 2 shows an adverse variance of £0.135m. The deficit is because of the net financial recording of the COVID-19 pandemic and no recoveries for coverage of sporting events.

## **Pay costs**

6. Overall, the total pay variance at Month 2 is an under-spend of £0.119m. A high level of pay savings are reported in the majority of corporate functions due to funded vacancies. However, this was offset somewhat by overspends in the Ambulance response and Medical and Clinical Services Directorate.
7. COVID related pay costs incurred and accrued amounted to £1.431m and are as follows:
  - Overtime - £0.836m and this included initiatives relating to payment for attendance allowance to operational staff, hours in excess of normal averaged overtime, overtime to Band 8 staff and payment of overtime to those in corporate functions who worked excess hours in April 20 supporting COVID activities;
  - Student Paramedics - £0.167m who worked on bank contracts;
  - Salary recharge costs for training Fire and Rescue staff estimated at £0.082m;
  - Additional staff utilised to support 111 and 999 costs (Call Handlers, Clinicians etc) £0.216m;
  - Staff who increased contracted hours on a temporary basis and those who had temporary increases in grading and supported pandemic cells and agency costs £0.130m.

## **Non-pay Costs**

8. The non-pay position at Month 2 is an favourable variance of £0.023m, this is attributed to fuel underspend, due to reduced forecourt prices, in addition to Taxi and Travel & Subsistence underspends. This has been offset by a number of factors including overspend on Fleet Maintenance, staff uniforms, medical supplies and services and some un-achievement on saving schemes.
9. COVID related additional non pay expenditure incurred and accrued for Month 2 totalled £1.914m. Areas of additional spend included:
  - Transport - £0.650m and included procuring private providers to support NEPTS and field and surge sites and also extended use of St Johns provision to support EMS;
  - PPE, IPC and Clinical Supplies - £0.730m;
  - Project Management and Consultancy support - £0.110m provided via Lightfoot, ORH and Optima;
  - Telephony Costs - £0.062m from additional costs of 111 call volume;
  - Rent & Utilities - £0.066m from extended 111 and 999 areas;
  - Estimated costs for MACA arrangements of £0.200m;
  - Other areas included general equipment, cleaning and uniforms.

## Savings

10. Our financial plan identifies that a minimum of £4.3m of savings and cost containment measures will be required to achieve financial balance in 2020/21. £0.805m of savings have been delivered between 1st April and 31st May 2020 against a target of £0.961m.

11. As detailed above part of the shortfall £0.137m is attributable to the impact of COVID-19 pandemic, and the Trust has assumed this will be covered by additional funding from WG as part of coverage for the net cost impact of the COVID-19 outbreak; however as this is yet to be confirmed this is currently reported as a shortfall from plan.

- Workforce, efficiencies and transformation has achieved savings / cost containment of £0.098m for the financial year, against a target of £0.098m;
- Through management of non-operational vacancies £0.357m has been saved against a target of £0.364m to date;
- The saving target set for Fleet Efficiencies were not realised in Month 2 with only £0.052m savings have been achieved against the plan of £0.055m;
- Overall, £0.025m has been delivered against a target of £0.025m within corporate efficiencies;
- There are a number of local schemes, which have over achieved by £0.002 Month 2 achieving savings of £0.117m.

## Financial Performance by Directorate

12. Whilst there is a small surplus reported at Month 2 there are a number of variances between directorates as shown in the table below.

13. It should also be noted that the report now reflects the re-alignment of the Directorates, with Fleet now moving from the Operational Directorate into the Finance and Corporate Resources Directorate along with Estates moving from Planning and Performance. ICT and Health Informatics have moved from Finance into the Digital Directorate.

Directorate	Financial position by Directorate @ 31st May			
	Annual Budget	Year to date		
		Budget	Actual	Variance
	£000	£000	£000	£000
Operations Directorate	113,017	18,455	18,023	-432
Chief Executive Directorate	1,738	290	292	3
Board Secretary	307	51	52	1
Partnerships & Engagement Directorate	641	100	99	-1
Finance and Corporate Resources Directorate	13,334	2,274	2,408	134
Planning and Performance Directorate	689	115	108	-7
Quality, Safety and Patient Experience Directorate	3,756	592	590	-2
Digital Directorate	9,120	1,493	1,477	-16
Workforce and OD Directorate	3,770	628	611	-17
Medical & Clinical Services Directorate	2,554	421	426	5
Trust Reserves	22,504	2,481	2,806	325
Trust Income ( mainly WHSSC)	-171,429	-26,899	-26,899	-0
<b>Overall Trust Position</b>	<b>0</b>	<b>0</b>	<b>-7</b>	<b>-7</b>

14. There are variances within each of the Directorates. These are considered in the tables and narrative below.

## Operations

	Breakdown of Financial position for Operations @ 31st May			
	Annual Budget	Year to date		
		Budget	Actual	Variance
	£000	£000	£000	£000
Income	-37,290	-6,455	-6,460	-5
Pay	128,969	21,624	21,503	-121
Non Pay	21,338	3,286	2,980	-306
<b>Total</b>	<b>113,017</b>	<b>18,455</b>	<b>18,023</b>	<b>-432</b>

15. Pay variances relate to vacancies including managerial, and administrative. Operational pay savings are partly offset by expenditure in non-pay for services provided by voluntary services and external suppliers.
16. Non-Pay variances includes fuel costs which was due to reduced forecourt prices and free fuel provided for the first two months. Associated savings due to reduced COVID activities in NEPTS and travel.
17. The table below provides detail of how this translates against individual budget areas.

	Breakdown of Financial position for Operations @ 31st May			
	Annual Budget	Year to date		
		Budget	Actual	Variance
	£000	£000	£000	£000
<b>Operational Budgets</b>				
Operational Directorate Management and Support	2,329	404	364	-40
Operations Directorate - Resilience/Business Continuity	681	-118	-135	-17
Operations Directorate - Ambulance Response	85,117	14,335	14,149	-187
Operations Directorate - CCC	21,906	3,606	3,489	-118
Deputy Director of NEPTS	2,984	227	157	-70
<b>Total Operations budgets</b>	<b>113,017</b>	<b>18,455</b>	<b>18,023</b>	<b>-432</b>

## Corporate budgets

Breakdown of Financial position for Corporate @ 31st May				
	Annual Budget	Year to date		
		Budget	Actual	Variance
	£000	£000	£000	£000
Income	-1,822	-339	-388	-49
Pay	19,873	3,194	3,150	-44
Non Pay	18,031	3,108	3,301	193
<b>Total</b>	<b>36,082</b>	<b>5,963</b>	<b>6,063</b>	<b>100</b>

18. The directorate level table presented in paragraph 23 provides the detail in relation to the financial position of each of the corporate directorates. To note, the majority are underspent and however in totality are reporting a combined overspend of £0.100m. As mentioned above this is mainly in non-pay and relates to overspend associated with fleet maintenance and underachievement of savings schemes.

## Trust Reserves / Depreciation and Other

Breakdown of Financial position for Reserves, Depreciation & Other I & E @ 31st May				
	Annual Budget	Year to date		
		Budget	Actual	Variance
	£000	£000	£000	£000
Income	-5,302	-3,653	-3,465	189
Pay	7,650	1,589	1,635	47
Non Pay	20,156	4,545	4,635	90
<b>Total</b>	<b>22,504</b>	<b>2,481</b>	<b>2,806</b>	<b>325</b>

19. Reserves section includes the net impact of COVID 19 activities and hence the opposite impact of non-pay savings recorded in directorate financial positions and the under achievement of savings plan targets.

## Treatment of COVID-19 spend

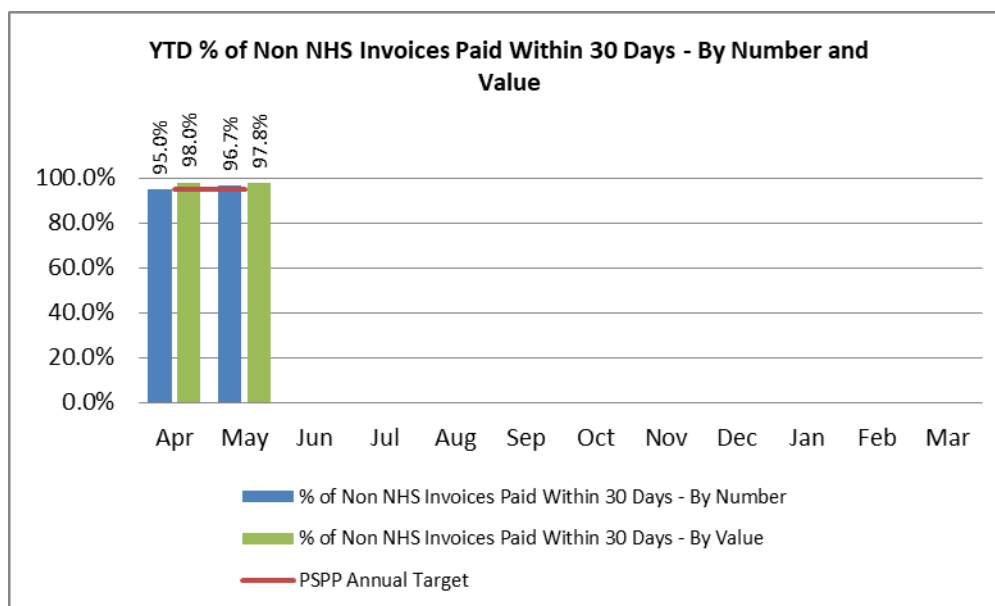
20. The summary of the COVID-19 revenue costs reported in the Month 2 financial position are as per the table below:

	<b>Month 2 (May 20) £000</b>
Total Pay	1,431
Total Non-Pay	1,914
Non Delivery of Savings	137
Expenditure Reductions	-347
<b>Total</b>	<b>3,135</b>

21. As previously noted the Month 2 position assumes that these costs will be fully funded and hence income will be provided to offset as this additionality is over and above that included in the initial 2020/21 financial plan and Board approved budget.
22. Current COVID-19 revenue cost projections for the financial year 2020/21 are now estimated at £8.948m. As we are aware the future response to this pandemic is unknown and although the forecast costs should be reasonably robust the estimated costs for the remainder of the year will be subject to ongoing review and are clearly sensitive to the changing impact of the Trust's required response to the pandemic going forward. Many of the detailed cost estimates that underpin this have been expressed as monthly costs, with the actual full 2020/21 costs therefore being dependent on how many months these will continue to be required for. Currently this generally assumes many of these are needed until at least July / August 2020 – if not, the actual costs will be less, if required longer (or are needed to be stood back up again later in the financial year) costs are likely to be greater than currently estimated. Hence these costs will continually need to be refined.
23. To note there is one main exclusions from the costs included in the position for the PPE stock released from UK and Welsh Pandemic stock which are currently issued without cost recharge to NHS Wales organisations.

### **Public Sector Payment Policy (PSPP)**

24. Public Sector Payment Policy (PSPP) compliance up to Month 2 was 96.7% against the 95% WG target set for non-NHS invoices by number and 97.8% by value.



## Capital

25. At Month 2, the Trust's current approved Capital Expenditure Limit (CEL) is £13.726m.
26. To date there has been £0.749m of Capital expenditure incurred which is in line with our plans at this stage of the year.
27. A paper was taken to Finance and Performance Committee (F&PC) on the 21st May 2020, to note and agree the carried forward cost commitments from the 2020/21 to allow these schemes to be completed as planned. The Committee also received an update on the progress of developing the prioritised capital programme for 2020/21.
28. Following the above meeting, information was communicated from WG that no further capital funding could be assumed this financial year, including currently that assumed for the 2020/21 fleet replacement programme. This has resulted in the Trust having to reassess and reprioritise the initial discretionary capital plan for 2020/21.
29. Work is ongoing to ensure the Trust delivers on its contractual obligations along with delivering a capital plan that allows commenced schemes to be completed and Trust priority works to be progressed as much as possible in the short term, with some schemes inevitably having to be currently put on hold. Trust Board will receive a further update on this work today, therefore.

## Risks and assumptions

30. The risks for the financial year are still being fully assessed and as we move through the early part of the financial year, we will review the risks to ensure that the level of likelihood is assessed along with the financial value.
31. Non delivery of Saving Plans/CIP's has been included as a risk and this is included due to the inability to proceed with some schemes as the organisation has been responding and focusing on COVID 19 activities.
32. The re-based accrual funded by the Welsh Government in respect of the impact of voluntary overtime on holiday pay now totals £1.653m and this continues to be held on the balance sheet. This related to an estimate made on the impact for the two years ended 31 March

2020. A Court of Appeal date is still awaited in connection with this issue. No accruals are included within the 2020/21 position at present but we have included a medium rated risk of £1.0m in connection with this.

33. Given the pressures the Trust felt last winter, the Trust has included a figure of £0.500m to cover any unfunded winter pressures; this has been deemed as a medium risk.

34. The total quantum of funding for addressing COVID-19 across Wales remains fluid and, in some cases, uncertain. There is a risk that the Trust's total operational cost of addressing the pandemic cannot be contained within available funding resulting in a potential overspend against the planned and forecast outturn for 2020/21. Along with other organisations in NHS Wales, examples of mitigating actions to manage this risk include:

- Grip and control
- Financial modelling and forecasting is co-ordinated on a regular basis;
- Financial reporting to Welsh Government (and CASC) on local costs incurred as a result of COVID-19 to inform central and local scrutiny, feedback and decision-making;
- Oversight arrangements in place at Board level and through the Committee structures

Exploring alternative funding sources

- Trust funding arrangements, including confirmed additional support from Welsh Government and Commissioners;
- Potential to explore funding arrangements through the Regional Partnership Board and Local Authority partners.

### **Welsh Government Monthly monitoring returns**

35. As is required by Welsh Government, **Annexes 2 and 3** provide the Board with copies of the Monthly Monitoring Return narrative and tables for Month 2.

## **Annex 2**



Monitoring Return  
WAST month 02 202

## **Annex 3**



Month 02 - Welsh  
Ambulance Services





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

<b>AGENDA ITEM No</b>	<b>4.4</b>
<b>OPEN or CLOSED</b>	<b>OPEN</b>
<b>No of ANNEXES ATTACHED</b>	

## RISK MANAGEMENT REPORT

<b>MEETING</b>	Trust Board
<b>DATE</b>	25 June 2020
<b>EXECUTIVE</b>	Director of Quality & Nursing
<b>AUTHOR</b>	Director of Quality & Nursing
<b>CONTACT DETAILS</b>	Claire Roche 07807 382720 <a href="mailto:Claire.roche2@wales.nhs.uk">Claire.roche2@wales.nhs.uk</a>

<b>CORPORATE OBJECTIVE</b>	All
<b>CORPORATE RISK (Ref if appropriate)</b>	DATIX 199 (QSPE Directorate Risk Register)
<b>QUALITY THEME</b>	Governance, Leadership & Accountability; Safe Care
<b>HEALTH &amp; CARE STANDARD</b>	2.1

<b>REPORT PURPOSE</b>	To receive and note
<b>CLOSED MATTER REASON</b>	Not Applicable

## REPORT APPROVAL ROUTE

<b>WHERE</b>	<b>WHEN</b>	<b>WHY</b>
Executive Management Team	15 June 2020	To receive and note
Audit Committee	18 June 2020	To receive and note
Trust Board	25 June 2020	To receive and note

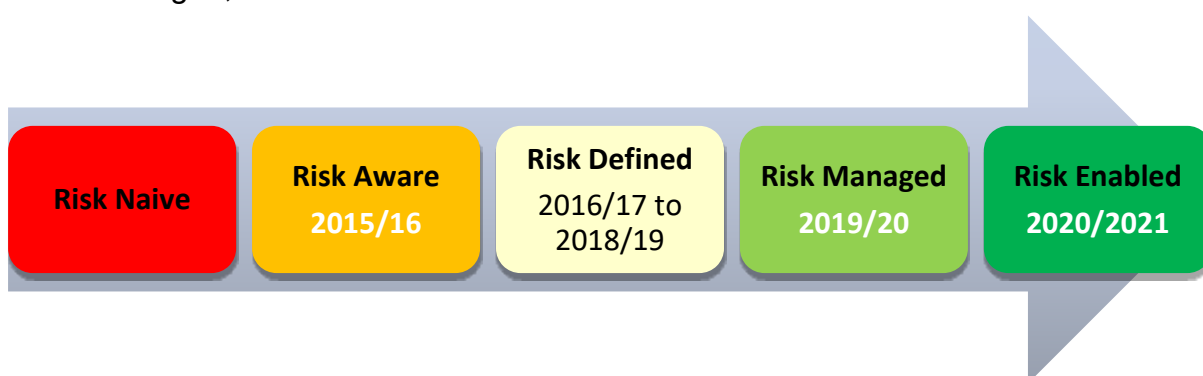
### SITUATION

- 1 The Corporate Risk Register Quarterly Report has been presented to the Audit Committee for the last four years in its current format.
- 2 As a result of the Covid-19 pandemic, on this occasion, the Corporate Risk Register Report was presented to Trust Board on 28 May 2020.

- 3 Therefore, the Corporate Risk Register Report was not shared at the last Audit Committee meeting. This however, presents us with the opportunity to progress our Risk Management Strategy and expedite our risk maturity progression.

## BACKGROUND

- 4 The Trust's Risks Management Strategy 2018/21 presents a clear overview of the Trust's intentions in relation to risk management and the approach by all staff to support the establishment, maturation and maintenance of effective risk management across the organisation through 2018/21.
- 5 The Trust has adopted the Institute of Internal Auditors definition of risk maturity and journey which has 5 stages: Risk Naive; Risk Aware; Risk Defined; Risk Managed; and Risk Enabled.



- 6 The risk maturity of the Trust was reviewed in October 2019 by the Trust Board and the Trade Union Partners. It was agreed that the Trust would aim to be *Risk Managed* by 2019/2020, moving towards *Risk Enabled* during 2020/21.
- 7 The Trust has now fully adopted the DATIX Electronic Risk Management Module and all risks are recorded in one central electronic repository.
- 8 This now supports the Trust to manage risks in a timely manner and therefore the organisation needs to transition from a quarterly Corporate Risk Register that reports risk retrospectively to a report that provides assurance to the Audit Committee that risks are being managed pro-actively and that our processes and systems enable us to be a *Risk Enabled* organisation.
- 9 A *Risk Enabled* organisation is where risk management and internal control is fully embedded Trust wide.
- 10 This report intends to describe the proposed process that will enable this transition during 2020/21.

## ASSESSMENT

- 11 The processes that have been implemented over the last year include:
- The Assistant Director Leadership Team (ADLT) are responsible for reviewing existing and new risks. They provide recommendations to the Executive

Management Team as to which risks should remain, escalate or de-escalate to or from the Corporate Risk Register. They are also responsible for ensuring that all risks are reviewed and that actions to mitigate risks are effective;

- The Executive Management Team (EMT) consider the recommendations of ADLT and approve the risks on the Corporate Risk Register (CRR);
- Trust Board Sub Committees have oversight of risks relevant to their function;
- Audit Committee has previously received the CRR in addition to the Board Assurance Framework; and
- Until now, this process has occurred quarterly.

12 This governance process for the management of risks will continue. However, the rhythm for these processes will become more dynamic:

- ADLT will review risks on a monthly basis, providing regular recommendations to EMT;
- EMT will approve the risks to be included on the CRR monthly;
- This activity will be undertaken using the 'live' electronic Risk Register. Supplementary written documents will not be provided;
- Trust Sub-board Committees will receive a Summary Report of those risks they have oversight of (this will include maturity of the Committee assurance Framework), accompanied by a 'live' review of the electronic Risk Registers if required; and
- Audit Committee will receive a Summary Report of the activity of risk management during the preceding quarter, accompanied by a 'live' review of the electronic CRR if required.

13 This transition to using the electronic Risk Register as our standard method of risk review will support our transition to being a risk enabled organisation as risks will be reviewed in as real time as possible as opposed to a retrospective assessment.

**RECOMMENDED: That the Board receives and notes the proposed transition to the Audit Committee receiving a Risk Management Report as opposed to a Quarterly Corporate Risk Register Report, supported by a real time electronic Risk Register.**

## EQUALITY IMPACT ASSESSMENT

An Equality Impact Assessment is not required for this report.

## REPORT CHECKLIST

Issues to be covered	Paragraph Number (s) or “Not Applicable”
Equality Impact Assessment	Not Applicable
Environmental/Sustainability	All
Estate	All
Health Improvement	All
Health and Safety	All
Financial Implications	All
Legal Implications	All
Patient Safety/Safeguarding	All
Risks	All
Reputational	All
Staff Side Consultation	Yes



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

<b>AGENDA ITEM No</b>	<b>4.5</b>
<b>OPEN or CLOSED</b>	<b>OPEN</b>
<b>No of ANNEXES ATTACHED</b>	

## EXECUTIVE DIRECTOR OF QUALITY AND NURSING PATIENT SAFETY HIGHLIGHT REPORT

<b>MEETING</b>	Trust Board
<b>DATE</b>	25 June 2020
<b>EXECUTIVE</b>	Executive Director of Quality & Nursing
<b>AUTHOR</b>	Assistant Director of Quality & Nursing
<b>CONTACT DETAILS</b>	Wendy Herbert 01792 315886 <a href="mailto:wendy.herbert3@wales.nhs.uk">wendy.herbert3@wales.nhs.uk</a>

<b>CORPORATE OBJECTIVE</b>	Quality at the heart
<b>CORPORATE RISK (Ref if appropriate)</b>	CRR 31
<b>QUALITY THEME</b>	Safe Care; Individual Care; Effective Care; Dignified Care
<b>HEALTH &amp; CARE STANDARD</b>	3.1, 3.2, 3.3, 4.1, 4.2, 6.2, 6.3

<b>REPORT PURPOSE</b>	To provide assurance to the Board on patient safety related topics, focussing on monitoring and learning
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### REPORT APPROVAL ROUTE

<b>WHERE</b>	<b>WHEN</b>	<b>WHY</b>
Executive Management Team	10 June 2020	For information, discussion and noting
Trust Board	25 June 2020	For information, discussion and noting

PUTTINGS THINGS RIGHT			
Formal concerns			
	Jan 2020	Feb 2020	Mar 2020
Total Received	162	140	101
Total Closed	163	118	141
2 Day Acknowledgment % for	91%	91%	61%
30 Day Response due % for	61%	62%	54%
Ombudsman			
Cases Received	3	4	1
Cases Closed	5	1	3
Reports Received	0	0	0
Coroners			
Information request	19	17	33
Identified as Interested Party	0	1	0
Staff attended	0	0	0
Regulation 28 issued	1	0	1
Response to Regulation 28 in 56 working days	0	1	0
Response to Regulation 28 outside 56 working days	0	0	0
Serious Adverse Incidents (SAIs) to Welsh Government (reporting date)			
Serious Case Incident Forums held	8	4	4
Serious Case Incident Forums Cases	49	14	14
WAST SAIs reportable to Welsh Government	6	4	3
Appendix B reported on the Joint Investigation Framework	21	3	2
SAI Closures Submitted - Total	0	0	1
SAIs Closed (by WG) - Total	0	1	0
Claims			
Personal Injury - Received	7	9	2
Personal Injury - Closed	0	0	9
Clinical Negligence - Received	3	1	1
Clinical Negligence - Closed	0	0	1
Road Traffic Collision & Damage to Property - Received	35	16	11
Road Traffic Collision & Damage to Property - Closed	25	15	31

## SETTING THE CONTEXT FOR THE QUARTER

- 1 During this quarter the Trusts verified incidents were 113,384, compared to 115,854 for the same period last year. In addition to this our 111 call volumes for this quarter were 182,267.
- 2 From the total of verified incidents above, the following can be extrapolated:
  - Red - 7,328
  - Amber - 78,953
  - Green - 26,664
- 3 Overall demand saw a 2.1% reduction in Quarter 4 2019/20 compared to Quarter 4 2018/19.
- 4 The Trust lost a total of 25,958 hours to handover delays across this quarter, which equated to a 22% increase compared to the same period last year.
- 5 Red performance was above the 65% target for the first 2 months of this quarter, respectively, 66% and 67.8%, with the last quarter achieving 64.5%. This performance percentage was lower than the same periods in 2019, 71.8%, 72.4% and 71.2% respectively.
- 6 Amber median performance in this quarter was 31 minutes (26 minutes), 29 minutes (26 minutes) and 38 minutes (26 minutes) respectively. The 95<sup>th</sup> percentile was 3 hours 39 minutes (2 hours 58 minutes), 3 hours 13 minutes (2 hours 46 minutes) and 4 hours and 30 minutes (2 hours 41 minutes) respectively. The figures in brackets are for the same period in 2019.

## SITUATION

- 7 The purpose of this Patient Safety Highlight Report is to provide an update to the Trust Board on the key information in relation to Putting Things Right (PTR) and Patient Safety. The Report provides information to the Board on Concerns, Serious Adverse Incidents (SAIs) and Coroner's activity. In addition, it will identify the themes and trends emerging from our concerns portfolio, and provide assurance to the Board on the progress and the implementation of corrective Action Plans against these.
- 8 The Trust's quarterly Quality Assurance Report is presented to the Quality, Patient Experience and Safety Committee (QuEST) to monitor and measure the emergent trends from quality data and information in relation to the Health & Care Standards and Commissioning Core Requirements.
- 9 As a result of the COVID-19 pandemic, an extra-ordinary Quarter 1 Quality Assurance Report was submitted to QuEST on 12 May 2020, accompanied by a Patient Safety, Concerns and Learning Report.
- 10 During this reporting period, the World Health Organisation (WHO) declared a pandemic relating to the COVID-19 virus on 11 March 2020. Following this

declaration, it was proposed and implemented that a number of core functions within the Putting Things Right function cease, or be limited, to allow staff members to be redeployed to support the Welsh Ambulance Services NHS Trust (WAST) business continuity arrangements.

- 11 In addition to this, 2 of Investigating Supervising Officers (ISOs) within the Clinical Contact Centre (CCC) environment were re-deployed to support critical functions. This had the effect of reducing the investigative capacity by 66%.

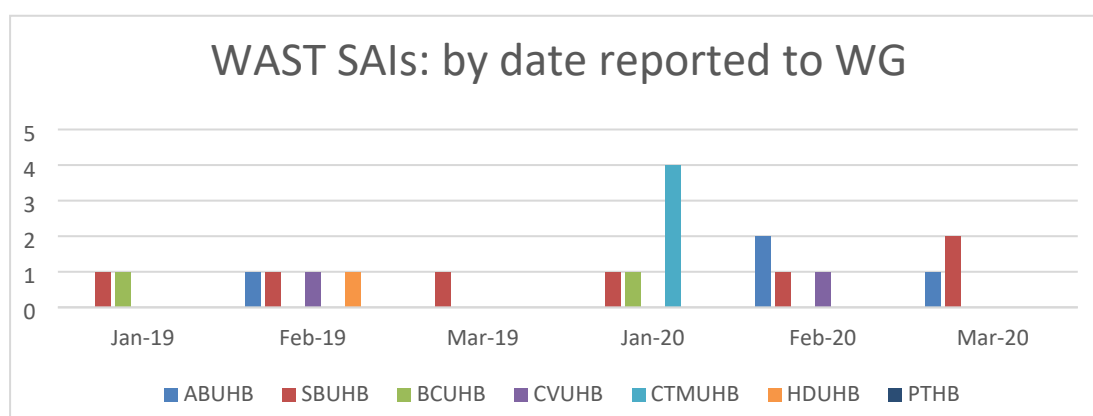
## BACKGROUND

- 12 This Patient Safety Highlight Report covers the period of 1 January - 31 March 2020.
- 13 This Report will specifically focus on key issues surrounding patient safety and concerns, providing assurance to the Board on monitoring arrangements and learning.
- 14 Please note that the data contained within this report is accurate at the time of reporting. Data may be subject to change as incident case types may be regraded during the investigation process.

## ASSESSMENT

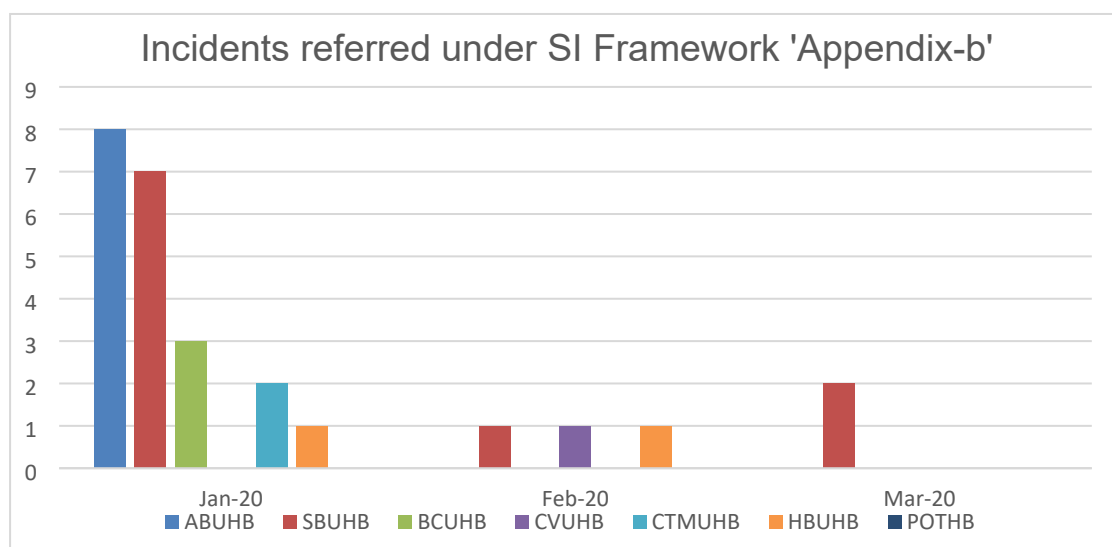
### Serious Case Incident Forum (SCIF) and Serious Adverse Incidents (SAIs)

- 15 During this reporting period 16 SCIFs were convened, with 77 incidents being discussed. From these SCIFs, 13 WAST SAIs were reported to Welsh Government (WG). In addition, 26 were shared with the respective Health Board via the Joint Serious Investigation Framework 'Appendix B.
- 16 The main challenge for the PTR Team during this quarter has been in relation to system wide emergency pressures in demand and delays at hospital sites, which impact on service delivery. These challenges were compounded in March 2020 due to the declaration of the pandemic.
- 17 The table below provides a comparison between the same reporting periods of Quarter 4, 2019 versus Quarter 4, 2020.





- 18 In addition to the above we have also reported 26 incidents under the Joint SI Framework during this quarter.
- 19 The table below illustrates the volumes of incidents that have been referred to respective Health Boards.

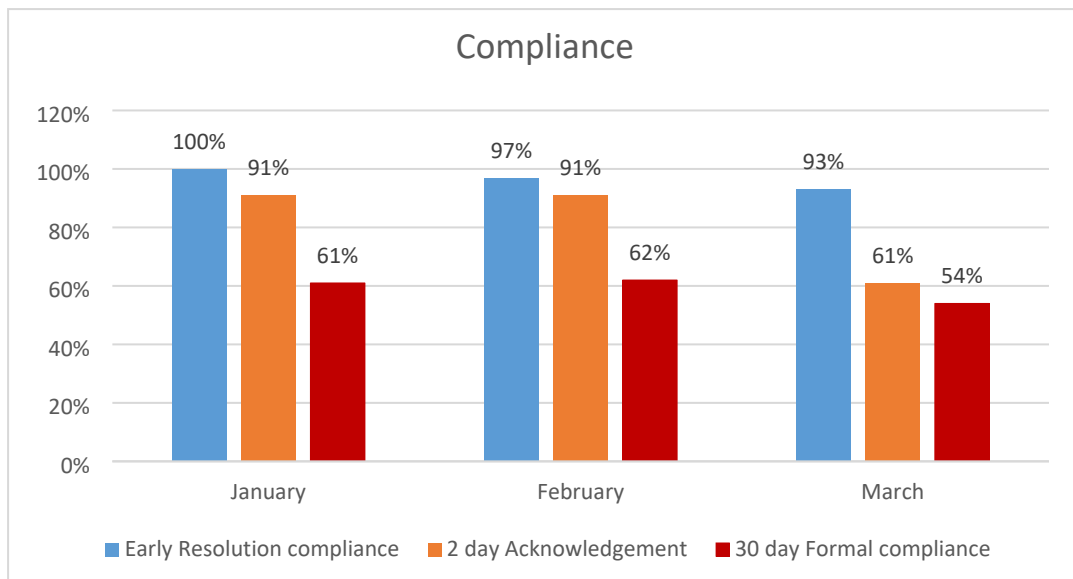


- 20 The high level initial themes and trends from this quarter's portfolio of SAls are:
- Call classification issue 8
  - Welfare check issue 1
  - Dispatch issue 1
  - Clinical issue 2
  - Delayed Response 1
- 21 All of the Investigative Reports are subject to a robust Quality Assurance (QA) Process and accompanied by an Action Plan which will highlight both individual and organisational learning needs. In addition to this, a SAI Closure Form will be required to be submitted to Welsh Government (Appendix Y - Closure Summary for Serious Adverse Incidents) and will include:
- Problems identified
  - Contributory factors
  - Confirmation of actions implemented and arrangements for completing outstanding actions
- 22 Following submission to WG and prior to closure, the WG Quality Division reviews all SAI submissions to ensure that the learning is considered and embedded.
- 23 There were 12 SAls due for closure within this quarter, with 1 being closed in March, 5 in April, and 2 in May, with 4 remaining open. Of the cases that remain open, 3 reports have been received and are being prepared for closure, with 1 outstanding.

- 24 Following a robust and proportionate investigation the main learning issues have been identified:
- The re-issue of the 'Managing Welfare Check' (SOP) to all CCC staff, including clinicians ensuring the correct dispatch code is generated;
  - All clinicians will be informed if 'GP Out of Hours' is experiencing delays in real time, which will be taken into account when advising callers of ambulance dispatch;
  - A bulletin has been distributed to all 111 staff reminding them of the importance of 'here and now' symptoms with every call;
  - The CCC is currently working on a number of learning measures:
    - A monthly coaching bulletin relating to the 'Ineffective Breathing Descriptors' will be circulated to all Emergency Medical Dispatchers (EMDs);
    - The CCC team will be creating a 'Topic of the Month' focusing solely on this issue;
    - All EMDs are to complete the International Academy of Emergency Dispatch (IAED) College of Learning 'Ineffective Breathing' course online exam.
  - The Trust has recently commissioned an independent Demand and Capacity review, to ensure that operational resourcing is matched to demand. Implementation of some of the recommendations within this review is intended to improve ambulance response times to all priority calls; and
  - The Trust is continuing to review the operational resourcing profile using the latest data, to ensure the level of resources on duty can manage the level of demand experienced.

### **Early Resolution (ER), Local Resolution (LR) and Formal Concerns**

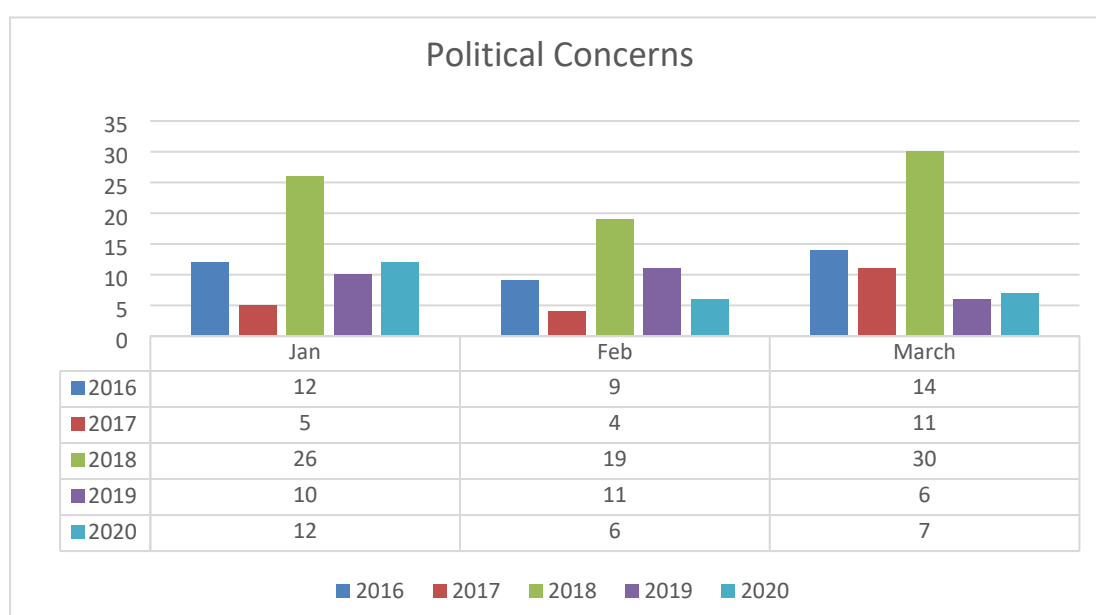
- 25 The PTR Team has been working in collaboration with WG and the Welsh Risk Pool regarding the new Concerns Process. The new Process has been redefined from 1 October 2019 and is included in this report for clarity:
- Early Resolution - 2 day Key Performance Indicator (KPI) (previously an On the Spot concern);
  - Local Resolution - Although dealt with under the Regulations they do not require a formal Regulation 24 letter of response. Local resolution can be achieved by telephone, email or a face to face meeting. The spirit of the Regulations must be followed and the complainant must be satisfied with the response;
  - Formal - This requires a formal letter of response, as required under the Regulations. These are currently signed off by the Chief Executive Officer, following quality assurance of the investigation and letter. The KPI is 75%, which requires the closure of the response letter within 30 days. The 30 days are segmented into 20 days for investigation and quality assurance (QA), 5 days to identify whether there is a potential Breach of Duty and Qualifying Liability in Tort, and 5 days for the letter to be placed through QA.
- 26 The table below provides an analysis on all areas within the PTR portfolio for this quarter:



- 27 The data presented in the table above will only be accurate at the time of reporting. During this quarter the main challenge for the PTR Team has been the volume of concerns which were registered (403 in comparison to 311 for the previous quarter and 360 for the same quarter last year).
- 28 March 2020 has seen a reduction in the 2 day acknowledgment target which is down from 91% to 61%. This was due, in the main, to the re-deployment of staff to support operations and the 111 service. In addition, the PTR Department experienced some ICT issues in relation to the upgrade to Office 365 and the preparation, more latterly in this quarter, for staff working from home due to the pandemic outbreak.
- 29 In terms of our 30 day, Tier 1 target, the overall performance for the quarter has been disappointing. The volume of incoming concerns and staff re-deployment has created a negative impact. However, during this period the PTR Team has closed a total of 422 concerns and the focus moving forward will be to improve the overall 30 day performance. An improvement in performance for April (68%) and May 2020 (74%) has already taken place.
- 30 Moving through the next quarter, it is imperative that all Directorates support the PTR function to ensure that we continue to reduce the backlog of concerns before moving into winter pressures. To illustrate this at a point in time, the figures demonstrated 170 open concerns, with 91 in backlog with our current position of 64 open concerns and 32 in backlog.
- 31 A key element to this target is the volume of completed and QA Investigation Reports within the 20 day KPI. Unfortunately, this still remains low and as previously mentioned the re-deployment of key CCC staff who usually support the concerns and QA Process has had a significant impact.
- 32 The themes and trends emerging from this quarter's investigations remain primarily delayed responses to patients awaiting a response within the communities.

## **Political and Ombudsman Investigations**

- 33 The table below illustrates the volume of political concerns comparing the past 5 years of the same quarter. The majority of the concerns continue to be in relation to the time taken to respond in emergency situations.
- 34 The monthly report on political concerns that the PTR Team has designed, which gives oversight to the Executive Director of Quality & Nursing, Chief Executive and Chairman, has been tested. Following this, adjustments have been made to ensure the report reflects the true position of the concerns.
- 35 The first quarter of the calendar year has seen a decrease in political concerns during March, which may be attributed to the COVID-19 pandemic.



- 36 In relation to Ombudsman investigations during this reporting quarter, we have:
- Received 8 new cases;
  - Closed 9 cases;
  - Received no final reports that have concluded;
  - There are currently 11 open investigations, with one report being received with ongoing actions. There are 12 cases where investigations are in progress, or draft reports have been received; and
  - The Trust continues to receive decision notices from the Ombudsman where no investigation is undertaken, as the Trust is able to demonstrate a comprehensive investigation has been undertaken through the concerns process.
- 37 The requirements of the Ombudsman's new clinical standards do not appear to be affecting the submissions of the draft reports. The Trust has tended to submit all supporting policies, procedures and Standard Operating Procedures (SOPs) prior to the Ombudsman's changes.

- 38 The Trust will ensure accurate completion of the new documentation supporting local and early resolution of concerns to prepare for future challenge by the Ombudsman.
- 39 During COVID-19 the Ombudsman office has not notified of any decisions to undertake new investigations. The Trust has received 3 draft reports, 2 of which have recommendations for the Trust, namely:
- Apologies were relayed to the patient for the complaint handling issues identified. The Ombudsman felt that the letter of response did not go into enough detail around the investigation, explaining why the conclusions that had been drawn were reached. However, the Ombudsman did support the investigation.
  - Considers how best to record meetings with complainants, and how to make those recordings available to complainants and any other relevant interested parties.
  - Within two months of the date of the final version of this report WAST should ensure that the learning identified in this case is shared with all of its Call Handlers.
- 40 We continue to liaise closely with the Ombudsman's Officers, which has allowed the Trust to accept draft reports and supply information to the Ombudsman, rather than stockpile the actions.

### **Coroner's activity**

- 41 The Trust has not received any Regulation 28 Prevention of Future Deaths Reports within this quarter in respect of inquests originating within the quarter. Therefore, there were no responses to the Coroner which include any that fell outside of the 56 day timeframe.
- 42 The months of January, February and March each showed the receipt of requests from Coroners for statements and information only. None of these developed into inquests when staff were summoned to attend a hearing or an inquest in which the Trust was given Interested Person status.

### **Key achievements**

- 43 The last 4-6 weeks of the quarter coincided with the start of COVID-19 restrictions, including the loss of a key member of the Inquest Team due to temporary redeployment. Despite the Legal Services Team contacting the Coroners to advise that our capacity to respond to their requests may be compromised, the rate at which statements and disclosure requests were received had not abated. Therefore, a key achievement during this period was our ability to maintain our level of assistance to coroners by absorbing the workload amongst remaining staff.

**RECOMMENDED: That the Board receives this report for information, discussion and noting.**

## EQUALITY IMPACT ASSESSMENT

An Equality Impact Assessment is not required for this report.

## REPORT CHECKLIST

Issues to be covered	Paragraph Number (s) or “Not Applicable”
Equality Impact Assessment	Not Applicable
Environmental/Sustainability	Yes
Estate	Yes
Health Improvement	Not Applicable
Health and Safety	Yes
Financial Implications	Yes
Legal Implications	Yes
Patient Safety/Safeguarding	All
Risks	All
Reputational	All
Staff Side Consultation	None



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

<b>AGENDA ITEM No</b>	<b>5.1</b>
<b>OPEN or CLOSED</b>	<b>OPEN</b>
<b>No of ANNEXES ATTACHED</b>	<b>3</b>

## PROCEDURAL MATTERS

<b>MEETING</b>	Trust Board
<b>DATE</b>	25 June 2020
<b>EXECUTIVE</b>	Board Secretary
<b>AUTHOR</b>	Corporate Governance Officer
<b>CONTACT DETAILS</b>	Steve Owen, 01745 532994, <a href="mailto:steven.owen2@wales.nhs.uk">steven.owen2@wales.nhs.uk</a>

<b>CORPORATE OBJECTIVE</b>	N/A
<b>CORPORATE RISK (Ref if appropriate)</b>	N/A
<b>QUALITY THEME</b>	N/A
<b>HEALTH &amp; CARE STANDARD</b>	N/A

<b>REPORT PURPOSE</b>	To confirm as a correct record the Minutes of the Board and other procedural matters as required.
<b>CLOSED MATTER REASON</b>	N/A

## REPORT APPROVAL ROUTE

<b>WHERE</b>	<b>WHEN</b>	<b>WHY</b>

## **Minutes**

- 1 To confirm as a correct record the minutes of the open session of the meeting of the Board held on 28 May 2020.

## **Matters arising**

- 2 To deal with any matters arising from those minutes not dealt with elsewhere on this agenda. In addition, the Trust Board Action Log is attached for consideration.

## **Chair's Action**

3. To ratify the decisions taken in the Chair's Action meeting on 5 June 2020.
  - Urgent Care Service – The costs associated with the business case for Welsh Government (Settlement Terms) which were in the region of £480,000, recognising that this was within the provision that had already been made within the 2019/20 Annual Accounts, was approved. (Notes of meeting attached)

## **RECOMMENDED: That**

- (1) **the minutes of the meeting of open session of the Board held on 28 May 2020 be confirmed as a correct record and consideration be given to any matters arising, together with the actions set out in the action log; and**
- (2) **the Chair's action as described was noted.**



**UNCONFIRMED MINUTES OF THE OPEN MEETING OF THE WELSH AMBULANCE  
SERVICES NHS TRUST BOARD, HELD on THURSDAY 28 MAY 2020  
Meeting Conducted via Zoom**

**PRESENT:**

Martin Woodford	Chair of the Board
Jason Killens	Chief Executive
Lee Brooks	Director of Operations
Keith Cox	Board Secretary
Emrys Davies	Non Executive Director
Professor Kevin Davies	Non Executive Director
Bethan Evans	Non Executive Director
Pam Hall	Non Executive Director
Andy Haywood	Director of Digital Services
Estelle Hitchon	Director of Partnerships and Engagement
Paul Hollard	Non Executive Director
Nathan Holman	Trade Union Partner
Dr Brendan Lloyd	Medical Director
Rachel Marsh	Director of Planning and Performance
Claire Roche	Executive Director of Quality and Nursing
Joga Singh	Non Executive Director
Andy Swinburn	Associate Director of Paramedicine
Chris Turley	Director of Finance and Corporate Resources
Damon Turner	Trade Union Partner
Martin Turner	Non Executive Director
Claire Vaughan	Director of Workforce & OD

**IN ATTENDANCE**

Mike Armstrong	Assistant Board Secretary
Julie Boalch	Corporate Governance Manager
Stephen Clarke	Head of Mental Health (Part)
Joel Garner	Communications Officer
Leanne Hawker	Head of Patient Experience and Community Involvement
Lois Hough	Head of External Communications
Fflur Jones	External Audit
Osian Lloyd	Internal Audit
Naomi Machin	Communications Officer
Steve Owen	Corporate Governance Officer
Jeff Prescott	Corporate Support Officer
Rachel Watling	Head of Internal Communications

**OBSERVERS/MEMBERS OF  
THE PUBLIC**

Sarah Atherton  
Bethan Barne  
Bob Barr  
Cheryl Carlisle  
Geraint Davies  
Keith Dorrington  
Catherine Goodwin  
Sean Hamilton  
Sian Howys  
Mandy Jenkins  
Superintendent Jones-John  
Isobel Jonnes  
Malcom Latham  
Victoria Madelin  
Rhodri Morgan  
Dennis Moss  
James Shaughnessy  
Glyn Thomas  
Alun Williams  
Helena Woodford

113 viewed on Facebook

### **APOLOGIES**

Chantal Patel

University Representative

## **48/20 WELCOME AND APOLOGIES FOR ABSENCE**

### **Welcome and apologies**

The Chair welcomed all to the meeting and advised that it was an open session of the Board; it was being conducted through the medium of Zoom and being broadcasted on Facebook; a first for the Trust. He explained some of the administrative functions of Zoom for the benefit of Trust Board members and advised any members of the public that they would not be able to ask any questions as it was a meeting being held in public and not a public meeting

### **Apologies**

Apologies were recorded in respect of Chantal Patel, University representative

### **Declarations of interest**

The standing declarations of interest were formally recorded in respect of:

Professor Kevin Davies, Independent Trustee of St John Cymru, Emrys Davies, retired member of Unite and Nathan Holman, Councillor of Llannon Community Council.

**RESOLVED: That the standing declarations and apologies as described above were formally recorded.**

## **49/20 CHAIR INTRODUCTION AND UPDATE**

The Chair, on behalf of the Board placed on record the Trust's appreciation of the efforts made by all staff, particularly those on the front line and also thanked senior managers for their dedication and leadership during the pandemic. He then reflected on the sad loss of Paramedic Gerallt Davies due to Covid-19-19.

He recognised the importance of staying connected during this time and was thankful for the technology available to the Trust which had enabled staff and senior management to stay connected and hold productive discussions. It had also enabled Committees to continue to meet, albeit virtually, and to conduct normal Trust business.

There had been many positives which had arisen as a result the pandemic; dialogue with staff had improved, technology had shown different ways of working and there had been a real sense of togetherness and connection with Health Boards and the general public,

**RESOLVED: That the update was noted.**

## **50/20 CHIEF EXECUTIVE UPDATE - VERBAL**

The Chief Executive echoed the Chair's comments in respect of this new era of public engagement and transparency of the Trust's business with its first live streamed Trust Board meeting in public today. As the Trust continued to learn to work with this and other platforms it would inevitably help it to improve and shape the services provided by listening and connecting more widely with communities.

He drew attention to the following key areas:

1. Operating arrangements for next three to six months had been published which focused around four themes: the ability to respond flexibly; the restart of important programmes; supporting staff; and learning from and keeping those new initiatives that had worked
2. There had been work focusing on working with Trade Union partners regarding Personal Protective Equipment (PPE) and ensuring workplaces were Covid-19 secure. This has included the boosting of the local NHS supply chain stock to the Trust; orders of new personal issue face masks for staff who failed fit testing and site specific risk assessments in the CCC estate
3. Military aid would continue for a further six weeks in both vehicle decontamination and non-clinical emergency ambulance driving roles
4. Future recovery and resilience phases - Going forward there would be several phases the Trust will embark upon to return to some form of normal business. These will include the debriefing phase, planning for future phases and recovery and resilience planning. There would, over the next six to twelve months, be a number of "response" and "monitoring" phases. The regular number of key groups and delivery cells meetings had been curtailed.
5. A plan for a gradual return to some workplaces from mid to late June was underway providing those workplaces were Covid-19-19 secure

6. Work was ongoing to deliver year one of the EMS demand and capacity review in terms of recruiting which was progressing positively
7. A new EMT conversion course, being conducted virtually was due to commence in July
8. Work was underway regarding delivery and roll out of the electronic Patient Clinical Record (ePCR)
9. Red 8 performance for May was currently at 70.2% and May would therefore deliver in excess of the minimum standard nationally
10. A new application had recently been released, 'Consultant Connect' which enabled clinicians to talk to other clinicians directly about their patient in the hospital setting
11. Further to the Chair's comments in thanking staff, the Chief Executive reiterated his personal thanks to all staff during this pandemic. and also mentioned staff who were in intensive care as a result of Covid-19-19

#### **Comments:**

1. Was the Trust involving the police when there had been incidents of violence against staff? Jason Killens advised that the Trust had a zero tolerance and perused action against people who were violent and aggressive towards staff and had seen a number of them jailed for such offences. Claire Vaughan added that the Trust worked closely with the police and Crown Prosecution Service to ensure the safety of staff. Claire Roche remarked that there had been significant media interest in these incidents and although in the minority, the impact on affected staff was long lasting.
2. There had been concerns about the lack of people going to A&E, was this likely to change once restrictions were eased? Jason Killens advised that in the last 14 days the Trust had seen a steady increase in non-Covid-19 related calls such as chest pains etc. Lee Brooks added that 111 services had seen a significant increase in activity at the beginning of the pandemic which had now reduced. There had been a small and steady increase in non-Covid-19 related calls since April but this remained down compared to pre-pandemic levels. Jason Killens added that the overall message was that the NHS remained open for business and would continue to be there for those in need of medical assistance.
3. Dr Brendan Lloyd commented that calls relating to mental health were anticipated to increase significantly following lock down measures being eased; the Trust would factor this into any future planning going forward

**RESOLVED: That the update was noted.**

## **51/20 PROCEDURAL MATTERS**

### **Minutes**

The Minutes of the closed session of the Trust Board held on 30 April 2020 and 18 May 2020 were confirmed as a correct record.

#### Action Log:

Number 29 and 30 - Application for University status – Estelle Hitchon updated the Committee advising that the application would be re-considered and Welsh Government (WG) would reconsider this in September. Keith Cox advised that work was ongoing in terms of preparation work, i.e. Terms of Reference. Items to remain on the log

Number 31 and 32 – Rachel Marsh explained that the IMTP was on the agenda today but not a normal quarterly update, these actions to remain on the log.

Number 33 – Claire Roche advised that the patient safety report, containing details of open PTR actions, would be presented at the next Trust Board meeting. Remain on log

Number 34 – Revised Standing Orders, query why HEIW was not included. Keith Cox advised this had been raised with WG but a response was still awaited. Remain on log.

Number 35 – To develop the Trust's thinking, next steps and strategies around violence and aggression – Claire Vaughan gave an update explaining that this would be considered at the P and C committee in July, with an update to the Board on 1 October 2020

Number 36 – Pilot services initiative, Claire Roche explained that this had been paused due to Covid-19-19, an update would be provided at a future Board meeting

The Chair asked for the status column within the log to be populated and updated for the June Trust Board meeting.

#### **RESOLVED: That**

- (1) the minutes of the meeting of the closed session of the Board held on 26 March 2020 and 18 May 2020 were confirmed as a correct record; and**
- (2) the action log was considered and updated as described above.**

#### **52/20 DISCHARGING BOARD AND COMMITTEE RESPONSIBILITIES DURING COVID-19-19**

Keith Cox gave an overview of the governance arrangements during the pandemic advising the Board of meetings that had taken place and those that had been rearranged.

He further added that it was essential good governance was maintained and would stand up to any future scrutiny. Overall, only two committees had been suspended with others being moved to alternative dates. During this time, three Chairs actions meetings had taken place to address urgent issues which had arisen. On the whole, the Trust can be assured that good governance had been maintained throughout.

In terms of the guidance received from Welsh Government, assurance can be taken that this had been adhered to.

#### Comments:

1. Chris Turley added there was more focus now on ensuring good financial governance and the Trust had been particularly strong in this area, the monitoring of which was carried out by the Finance and Performance committee.
2. The Chair of Audit Committee Pam Hall, commented that the Audit Committee meeting had been deferred to 18 June 2020 due to the change in the annual accounts timetable issued by WG. In the interim, close liaison had been maintained with the Board Secretary and both internal and external auditors.
3. In terms of the Quest Committee, the Chair Emrys Davies advised that the Committee had recently met and the governance had been focused and the requirements from WG had been maintained
4. Paul Hollard, Chair of the People and Culture Committee (P and C) assured the Board that whilst the meeting scheduled in April had been postponed to 2 June 2020, several P and C issues had been discussed at other Committees
5. Jason Killens assured the Board that the appropriate due diligence in terms of overall governance had, and continued to be undertaken.
6. Keith Cox explained that a robust structure of record keeping was in place to capture the decisions being made during the pandemic.

**RESOLVED: That the Trust Board noted and commented on how Board and Committee responsibilities have been discharged by the Trust during the Covid-19-19 pandemic response phase.**

## **53/20 PATIENT/STAFF STORY**

Steve Clarke, the Trust's Head of Mental Health spoke to the Board about his experiences during the pandemic following his redeployment to the Clinical Contact Centre (CCC). He emphasised the importance of recognising Mental Health issues when a caller contacted the Trust and the services which could be offered. The addition of mental health nurses to the CCC had given the Trust the ability to offer a more substantial service. This had allowed more focus on mental health callers and ensuring they were receiving the appropriate help and support.

The team had received very positive feedback from colleagues in the CCC who were appreciative of the work they did and recognised the increased need for such services at this time. Steve Clarke recognised that when considering mental health and the impact of the pandemic, it was important to include Trust staff within that group as everyone was vulnerable to incidents of mental health, not just members of the public.

The Trust now has a good infrastructure and was well placed to deliver mental health support, especially now that this service was expected to see additional demand.

A mental health keep talking portal had been set up with a target of reaching 50% of the workforce by the end of the calendar year; this had now been met with the platform now being widely known and used amongst staff. It also gave staff immediate access to online therapy.

## Comments:

1. What was the key learning of the last ten weeks and what were the top three things that the Trust could do to improve services and support? Steve Clarke explained that the Trust had a Mental Health access review to see how people were accessing care and this traced their journeys to discover how experiences of support could be improved.

The demand was significantly different to that of the Police whereby the Trust was seeing new callers as opposed to callers who were already known to mental health services. A significant amount of support could be given telephonically; examples given included sourcing food, housing and other support services to help those in crisis.

In terms of improving services and support, fostering and instilling a culture of Wellbeing was vital to addressing mental health.

Jason Killens was keen to see, through the Executive Management Team (EMT), an update on the measures being taken to improve mental health support to staff. Claire Roche advised that the evaluation of the learning would be presented to the EMT in due course. Claire Vaughan added that the Trust was in the process of refreshing its approach to contact and engagement in terms of mental health.

2. The proactive approach towards mental health was very positive and it should be borne in mind that once the worst of the pandemic was over the impact across Wales from a mental health perspective would be prevalent

The Board acknowledged and thanked Steve Clarke and his team for their support during the pandemic and looked forward to the outcome of the further work being undertaken.

**RESOLVED: That the update was noted.**

## **54/20 STRATEGIC EQUALITY OBJECTIVES, ANNUAL REPORT AND GENDER PAY GAP REPORTING**

Claire Vaughan gave an update on the Trust's Strategic Equality Objectives (SEO) adding that the Trust was required to publish an annual equality report and gender pay gap report. Due to Covid-19 the previously scheduled reporting dates had been suspended.

She spoke about the gender pay gap and recognised that the majority of the Trust's staff were male. It was noted that there were a number of external factors to consider such as traditional family roles and child care but the Trust was making good progress towards closing the gender pay gap. The Trust was continuing to engage with partners and had seen an increase in the recruitment of female staff members.

Members attention was drawn to the following:

1. The SEO's were being submitted for approval and Claire Vaughan gave assurance that the Welsh version was currently being translated.

2. The Data reports followed a standard format but required further work to connect with other data sources in the Trust which would enable for more sophisticated analysis and understanding. The Trust was working with colleagues to improve and make the data more accessible
3. Gender pay gap report, this was a measure that showed the average difference of average earnings between men and women. The work force was predominantly male, and the report highlighted that more women were being employed in the Trust and being encouraged to apply for leadership roles.

## Comments

1. Treating People Fairly Plan, and the phrase 'work in partnership' – could this be expanded to explain who the partners were? Claire Vaughan explained that considerable work was being conducted by Leanne Hawker, in which there was engagement amongst others with the Equality Commission and several other key stakeholders across communities, whilst trying to make the plan as accessible as possible.
2. Measurement indicators for each of the objectives, assurance was asked if they were feasible. Claire Vaughan commented that the primary concern was data from the Electronic Staff Register was still relatively basic. Further work was being undertaken to improve the data and consideration on this would be further discussed at the next meeting of the People and Culture Committee meeting.
3. Following a query in terms of the tables relating to nationalities, Claire Vaughan explained that these were the standard categories issued nationally; the Trust was unable to influence this particular data
4. In terms of mentoring for female staff what was the Trust doing? Estelle Hitchon gave details of how the Trust was providing support in this area
5. As the Trust developed and delivered the strategy would it look to broaden the number of partners? Claire Vaughan explained that a great deal of work was taking place across directorates; Claire Roche added that communicating and engaging with harder to reach groups was being focused on. Estelle Hitchon informed the Board there was an opportunity to connect with people in a different way; and the Trust should harness the technology going forward

Jason Killens, on behalf of the Board, thanked Claire Vaughan and her team in developing and leading the work. The objectives for the next four years will enable the Trust to develop a culture that was inclusive and diverse.

**RESOLVED: That the Board noted and endorsed the reports.**

## **55/20 PLANNING AND PERFORMANCE UPDATE**

### **2020/21 IMTP Progress Report**

Rachel Marsh provided the Committee with an overview on progress and drew attention to the following:



1. Delivery of the demand and capacity programme – The Trust was looking to recruit 571 staff in total this year in order to deliver turnover and increase the workforce by 136, 57% of this had already been achieved
2. Welsh Government have introduced a quarterly operational framework and the Trust has produced its plan for Quarter one. This covered both existing IMTP priorities and learning from Covid-19 response.
3. The Trust was now considering which areas within the IMTP that could be delivered; a report would be presented at the June Board meeting to include an update on the recovery phase of the IMTP

Comments:

1. In terms of the objective regarding providing care closer to home and avoid transporting patients to hospital; what were the Trust's views on the clinical governance aspects of 'Consultant Connect', an Application designed to make clinician to clinician communication uncomplicated. Dr Brendan Lloyd commented that this system was being used in England and informed the Board that it was steadily being rolled out across Wales, with Swansea Bay being the first to go live. Dr Lloyd explained in more detail how the application worked and gave a list of those pathways which the Trust would be linked into, for example Emergency medicine, elderly care and stroke care. He added it was very early days and would be submitting update reports through the Quest Committee
2. Following a question regarding the opening of the Grange hospital. Rachel Marsh stated that originally it had been scheduled to be open in March 2021, however, work was ongoing to facilitate a revised date
3. Lee Brooks commented that now was a great opportunity to take forward the new innovations that had emerged during the past few weeks

**RESOLVED: That**

- (1) **the progress made on key IMTP deliverables in Q1 to date, in light of the COVID-19-19 pandemic response was noted; and**
- (2) **the approach to flexible recovery planning which will inform any changes to the milestones and actions required to deliver the IMTP, with a fuller review to be brought back to the June Board meeting was noted.**

**Monthly Integrated Quality and Performance Report - April 2020**

Rachel Marsh explained that the report highlighted the Trust's position as at the end of April 2020. It did not consist of the full data as normal but gave a sense of the status of the top ten indicators; a more comprehensive report would be presented in due course.

Comments:

1. It would be useful to understand some of the nuances and variations across Wales and understand where the challenges existed

2. In terms of the approved IMTP, there would be a requirement for some areas within it to change, how flexible were WG in regard to this? Rachel Marsh explained that formal guidance had not yet been received from WG; much of the IMTP was extant but there would be a degree of flexibility.
3. Lee Brooks gave an overview of the red performance data explaining the challenges in determining whether the level of demand experienced during the winter period would continue.
4. Was the increase in the percentage of calls triaged by a nurse advisor which ended in transfer to alternative care advice Covid-19-19 related? Lee Brooks advised it was due to the increased volume of calls associated with Covid-19-19 symptoms and application of self-care options other than ambulance response, this had presented the shift in percentage

**RESOLVED: That the performance outlined in the April Monthly Integrated Quality and Performance Report was discussed and noted.**

## **56/20 FINANCIAL PERFORMANCE AS AT MONTH 01 2020/21**

Chris Turley provided the Board with an update on the financial performance of the Trust for Month One of the 2020/21 Financial year.

This was set against delegated budgets translated into the detail required from the IMTP financial plan and the Board approved budget for 2020/21. Detailed delegated budget meetings between the CEO and senior budget holders were now to be held.

The Trust entered the year in a fairly healthy position financially although noted that it had since faced significant costs due to the pandemic.

Chris Turley drew attention to the following points:

1. The draft accounts for 2019/20 had been submitted to Audit Wales, and would be presented to the Audit committee on 18 June 2020 and the subsequent Board meeting on 25 June 2020 for approval.
2. By quarter one a much more comprehensive position would be available
3. Capital – A detailed discussion was held at the last Finance and Performance (F and P) Committee meeting which considered what commitments would be brought forward and what the plan was going forward, with a detailed initial capital plan to be presented to the next Trust Board meeting.
4. Covid-19-19 costs, £1.4m in month one; there was a risk that all costs identified as Covid-19-19 related may not be fully refunded. There will clearly be scrutiny from WG in respect of these costs

Comments:

Martin Turner, Chair of F and P added that whilst WG had been very supportive and encouraging it was still a challenging year to achieve the savings target. In terms of the Capital programme there was a requirement to agree this as a Board going forward. There

was a need to focus more on the top issues affecting the Trust, F and P Committee would be scrutinising and focussing on this data

**RESOLVED: That**

- (1) the Month one revenue and capital financial position and performance of the Trust as at 30 April 2020 was noted; and**
- (2) the Month one Welsh Government monitoring return submissions included with Appendix 1 (as required by WG) were noted.**

**57/20 CORPORATE RISK REGISTER EXTRAORDINARY QUARTERLY REPORT, QUARTER 4 , 2019/20 AND PART Q1 2020/21 (COVID-19-19)**

Claire Roche presented the report explaining that it was an extraordinary report and that due to Covid-19-19 the CRR had not been through the normal scrutiny and monitoring process; notwithstanding this, it was recently presented at the Executive Management Team (EMT) and the Quest Committee.

Since Quest, a number of risks had undergone an assessment and therefore this report provided an up to date report of risks currently sitting on the Corporate Risk Register.

**Key risks:**

1. Number 69, lack of preparedness for infectious diseases, specifically around the Fit testing compliance of respiratory protective masks for front line staff. The risk had undergone a major review and the risk score had significantly reduced; the EMT has recommended that this risk now sat within the Quality directorate risk register and be removed from the CRR
2. New risk, number 303, this concerned the recognition of the donning of PPE which could adversely affect the timeliness to respond to patients who required resuscitation. The risk was being reviewed on a regular basis in conjunction with medical and clinical colleagues. Work was on-going to seek to mitigate the risk by practical rapid donning arrangements
3. Numbers 223 and 224, both related to the usual pressures within the system; one being the ability to attend to patients in the community and the other about the risk to the patient presenting at ED as a result of delays being encountered outside A and E departments. These were also being reviewed, both have reduced significantly and had reached their target score

**Comments**

1. Number 69, lack of preparedness for infectious diseases, confused as to why this would be de- escalated to a directorate risk register given there may be further spikes in the pandemic? Claire Roche explained this was a specific risk around Fit testing and further explained that a new risk assessment would need to be undertaken. Members noted that the Command and Control structure managed the risks in real time

2. Jason Killens commented on the reasons for the overall improved output and better patient experiences. In terms of the use of PPE, it was inevitable there would be a delay to some patients depending on the circumstances. Andy Swinburn gave an overview on the training being undertaken to speed up the process regarding the donning of high level PPE which would alleviate the delay in response. Jason Killens commented that the Trust was continually remaining agile to current and any new risks emerging

**RESOLVED: That the Trust Board received and noted the Corporate Risk Register.**

## **58/20 COVID-19-19 QUALITY GOVERNANCE SPECIAL REPORT**

Claire Roche presented the report advising the Board that it had already been presented at the recent Quest meeting.

The report outlined how the Trust had maintained and discharged its responsibility for quality while continuing to focus on patient safety, patient experience and the health, safety and wellbeing of all those involved within the Trust.

Comments:

1. Emrys Davies, Chair of Quest informed the Board that the report had been discussed at length and the assurance gained was in line with WG expectation. The Committee was satisfied and impressed with the way the Trust had been able to adapt, develop and change its operation and performance to the challenges faced.
2. Members commended the CEO and the team on the regular update meetings for staff which had and would continue to improve working relationships; this was reiterated by Estelle Hitchon adding it was a great opportunity to solidify the connectivity with staff and the public on a range of issues going forward.
3. Had any content of the report been included in the Trust's submission to the Health and Social Care Committee by way of evidence in terms of the impact of the pandemic? Estelle Hitchon advised that she would cross reference with the report to ensure the relevant content was included.
4. Clarification was sought in terms of the number of Covid-19 related incidents entered on Datix (Software that records incidents) Claire Roche explained that Datix had been updated to record all incidents relating to Covid-19-19. The main types of incidents being reported related to communication issues between various departments and staff PPE issues

**RESOLVED: That the report was noted.**

## **59/20 CONSENT ITEMS**

### **Update from Committees**

Quest:

Emrys Davies drew attention to the following areas:

1. Outlined the work being carried out by the Patient Experience Community Involvement team
2. Infection Prevention Control work had stepped up significantly due to the pandemic
3. Complaints handling and Coroners activity continued
4. Safeguarding processes were still in place and were operational

Finance and Performance:

Martin Turner advised that meetings had been held albeit with limited agendas. There had been a focus on the priority areas. There was a meeting in June which would consider the Capital programme

The Audit and People and Culture Committee had not met recently

### **Minutes of Committees**

1. Quality, Patient Safety and Experience Committee meeting held on 25 February 2020
2. Finance and Performance Committee meeting held on 18 March 2020
3. Remuneration Committee meeting held on 27 June 2019, 8 August 2019, 17 December 2019, 7 February 2020 and 31 March 2020

**RESOLVED: That the Committee updates were noted and the Minutes of the above meetings were endorsed.**

### **60/20 ANY OTHER BUSINESS**

1. Lee Brooks thanked the Non Executive Directors, Community First Responders and voluntary car drivers for their contributions during the pandemic. Estelle Hitchon commented that a social media campaign to recognise volunteers was underway
2. Chris Turley made reference to a Desktop audit on ISO 14001, (effective environmental management) in which the Trust's accreditation had been extended for another 12 months

The Board recorded a note of thanks to all those involved in organising the Zoom event.

**RESOLVED: That the AOB was noted.**

**Date of next meeting: 25 June 2020**

## Minutes of Chairs Action Meeting

Friday 5<sup>th</sup> June 2020  
Via Microsoft Teams

Present: Martin Woodford, Chairman (MW)  
Jason Killens, Chief Executive (JK)  
Keith Cox, Board Secretary (KC)  
Chris Turley, Director of Finance (CT)  
Claire Vaughan, Executive Director of Workforce & OD (CV)  
Emrys Davies, Non-Executive Director (ED)  
Kevin Davies, Non-Executive Director (KD)  
Joga Singh, Non-Executive Director (JS)

### **Urgent Care Service – Approval of Costs Associated with the Business Case for Welsh Government (Settlement Terms)**

The matter required urgent approval ahead of the next scheduled Trust Board meeting and, therefore, an urgent Chair's Action meeting was required. This was to seek approval of the costs involved in the submission of a business case to Welsh Government for their approval to settle an ongoing dispute relating to the Urgent Care Service (UCS) workforce.

The Chairman opened the meeting and noted that the report would be taken as having been read by all Members.

Chris Turley provided an overview of the paper which described the terms of the deal and the costs involved circa £360,000 including on costs, the provision for which had been made within the draft 2019/20 accounts, which also included additional costs for the transition of the UCS workforce to a band 4 TEMT role from 1 January 2020.

The value of the business case was above individual Director delegated limits for the Trust and therefore required Trust Board approval.

Martin Woodford enquired of the staff who wished to stay on a Band 3 contract and how that would fit into the financial assumptions noting that it was assumed all staff involved would transfer from a UCA to a Band 4 trainee EMT. Claire Vaughan advised that there is no protection for the Band 3 staff if they choose to opt out of the deal.

Emrys Davies raised a query regarding training for the new EMTs and what the Trust had learned from the transfer of staff from Band 5 to 6. Claire Vaughan advised that whilst the circumstances may appear similar, they are in fact different in so far as the change in paramedic banding from band 5 to 6 did not involve a change in job description, rather the Trust used the opportunity to introduce a range of additional new competencies to the paramedic workforce; in this case, the UCA workforce will be transitioning to a new and different role and job description with a clear training programme required, however, support will be available to assist staff in their transition and ongoing educational requirements.

Jason Killens advised that the UCA vote will be closed by 8<sup>th</sup> June 2020 and the results of this would be published early next week. Following this it was expected that the business case would be presented to Welsh Government for formal sign off and a settling of the contractual detail through the ACAS framework would take place..

Members reviewed and approved the recommendations as set out below and described in the supporting paper:

**Recommendation:**

All Members present were content to approve the recommendation as stated in the paper, and as described below:

1. To approve the costs of the proposal contained in the suite of private and confidential/legally privileged papers. In total, this will be in the region of £480,000 but also recognising that this is within the provision that has already been made within the draft 2019/20 Annual Accounts.



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<b>AGENDA ITEM No</b>	<b>5.1bi</b>
<b>OPEN or CLOSED</b>	<b>OPEN</b>
<b>No of ANNEXES ATTACHED</b>	

## URGENT CARE SERVICE – APPROVAL OF THE BUSINESS CASE SUBMITTED TO WELSH GOVERNMENT

<b>MEETING</b>	Trust Board
<b>DATE</b>	23 June 2020
<b>EXECUTIVE</b>	Executive Director of Workforce & OD
<b>AUTHOR</b>	Board Secretary
<b>CONTACT DETAILS</b>	Claire Vaughan – Claire.Vaughan@wales.nhs.uk

<b>CORPORATE OBJECTIVE</b>	
<b>CORPORATE RISK (Ref if appropriate)</b>	
<b>QUALITY THEME</b>	All
<b>HEALTH &amp; CARE STANDARD</b>	Health and Care Standard 7.1

<b>REPORT PURPOSE</b>	To update the Board on the progressed made in respect of the proposed settlement of the ongoing dispute in respect of the Urgent Care Service.
<b>CLOSED MATTER REASON</b>	

## REPORT APPROVAL ROUTE

<b>WHERE</b>	<b>WHEN</b>	<b>WHY</b>
Executive Management Team	3rd June 2020	For discussion
Remuneration Committee	5th June 2020	For decision on proposal
Chair's Action	5 <sup>th</sup> June 2020	For decision on costs



## **SITUATION**

To update the Trust Board on the outcome of the business case, in respect of the Urgent Care Service, which was submitted to the Welsh Government following Remuneration Committee and Chairs Action consideration.

## **BACKGROUND**

On 5 June 2020 the Remuneration Committee considered a proposal to settle an ongoing dispute regarding the Urgent Care Service (UCS). The proposal included making an ex-gratia payment to a number of UCS staff. The Remuneration Committee supported the proposed settlement recognising that this would be subject to consultation with staff and Welsh Government approval before the finer detail of the terms could be agreed and implemented. A subsequent Chair's Action meeting, also held on 5 June 2020, approved the costs involved but, again, recognised that this would be subject to Welsh Government approval as part of the business case submission.

## **ASSESSMENT**

Following the Remuneration Committee and Chair's Action meetings on 5 June 2020, and following acceptance from the staff consultation, a business case detailing the proposed offer was submitted to the Welsh Government for approval.

The Welsh Government responded on 17 June and confirmed that they were content to support an ex-gratia payment to UCS staff as part of a broader negotiated settlement and felt that was a pragmatic way to resolve the ongoing dispute.

The finer details of the settlement terms will now be finalised by management in consultation with Trade Union partners prior to implementation. This is expected to be completed shortly.

## **RECOMMENDATION**

The Trust Board is asked to note the progress made on this matter and, in particular, the approval of the business case by the Welsh Government which enables the Trust to move forward to agree final terms with Trade Union Partners.

**WELSH AMBULANCE SERVICES NHS TRUST**  
**TRUST BOARD ACTION LOG FOLLOWING MEETING ON 28 May 2020**

**CURRENT ITEMS**

<b>No:</b>	<b>Minute Ref</b>	<b>Date Raised</b>	<b>Subject</b>	<b>Agreed Action</b>	<b>Lead</b>	<b>Status</b>
29	84/19	21 Nov 2019 And 28 May 2020	University Status application	To provide an update on the application process – timescales	Estelle Hitchon	Lead NED, Lead Director and Board Secretary have met to discuss and review progress thus far and that the outcome of enquiries with Welsh Government in relation to the timeline for the submission of any application is awaited. People and Culture Committee has been updated on progress.
30	84/19	21 Nov 2019 And 28 May 2020	University Status governance process	To provide an update on TOR, Committee structure etc...	Keith Cox	As above
31	87/19	21 Nov 2019 And 28 May 2020	IMTP 2019/20 Quarterly update	Future reports should contain a RAG rating for the action and one for action outcome	Rachel Marsh	This will be included once normal reporting measures are re-established
32	87/19	21 Nov 2019 And 28 May 2020	IMTP 2019/20 Quarterly update	Amber review - Within the narrative, list the actions that other organisations were responsible for and a separate list for the Trust's actions.	Rachel Marsh	As above

<b>No:</b>	<b>Minute Ref</b>	<b>Date Raised</b>	<b>Subject</b>	<b>Agreed Action</b>	<b>Lead</b>	<b>Status</b>
33	91/19	21 Nov 2019 And 28 May 2020	Patient Safety Highlight Report	Further detail on the number of PTR actions still open to be expressed in future reports	Claire Roche	The Patient Safety Report will be presented at next Trust Board. This will include further detail on the number of open PTR actions.
34	93/19	21 Nov 2019 And 28 May 2020	Revised Standing Orders	Query why HEIW not included	Keith Cox	Response still awaited from Welsh Government
35	CLOSED SESSION 39/19	21 Nov 2019 And 28 May 2020	Staff Story	Safeguarding Group to link in with the People and Culture Committee to develop the Trust's thinking, next steps and strategies around violence and aggression	Claire Roche  Claire Vaughan	Update to be provided at Trust Board meeting on 1 October, following the People and Culture meeting in July.
36	28/20	26 Mar 2020 And 28 May 2020	Pilot Nurses initiative	How was this progressing? A further and more comprehensive update would be provided at the next Board meeting.	Claire Roche	The pilot and the evaluation were interrupted as a result of the Covid-19 pandemic. An update of this will be given at a future Trust Board (however this will not be ready in time for the June TB)
37	55/20	28 May 2020	IMTP	To include Update on Recovery phase	Rachel Marsh	Item on Agenda



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# People & Culture Committee Chair's Brief

Meeting held 2<sup>nd</sup> June 2020

*As a result of COVID-19, the Committee did not meet in April as planned. In recognition of this, the meeting held on 2<sup>nd</sup> June was dedicated to firstly reviewing activity over the planning, preparation and response phase and secondly, looking ahead at the coming months in the context of delivery of our IMTP and People & Culture Strategy commitments.*

## Workforce COVID Summary Report

The Deputy Director of Workforce and OD provided committee members with an overview of the Workforce response to the challenges presented by COVID-19, highlighting activity undertaken and lessons learned. The Committee was appraised of the processes associated with redeployment of colleagues into core functions and the 'Call to Arms' recruitment campaign, including our close working relationship with NWSSP teams to support COVID-specific recruitment activity. WOD colleagues acknowledged and shared lessons learned from these exercises, which will inform future application of similar initiatives. Members discussed the potential to formalise the redeployment process to enable more efficient implementation, including the possibility of assigning secondary roles; conversations are already underway with Executive colleagues regarding the potential for a RAG system to be introduced to clearly articulate which staff are to be redeployed at what point in time. Assurance was provided to the Committee in terms of risk assessment processes used to inform key decisions, for example in relation to pre-employment checks.

The Assistant Director, Professional Education and Training provided attendees with an overview of the work undertaken by the Education and Training Team both in terms of responding to COVID and the continued delivery of training associated with the additional 136 WTEs commissioned for this year. In order to support the organisation's response to the pandemic, the Team designed, developed and delivered bespoke training packages for Swansea University Paramedic Science (HEI) students, Community First Responders, Military personnel and Fire and Rescue Service colleagues. First year HEI students underwent training to support operations from a NEPTS perspective, whilst second (final) year students were provided with training to enable them to support with EMS activity. CFRs, Military and FRS colleagues received training to support with driving duties, supervised clinical interventions and moving and handling processes. Committee members noted the significant work led by the Trust's Head of Workforce Transformation and undertaken by the Education Team to implement digital delivery of the EMT programme, responding to the need for social distancing but also providing a blended approach to learning through online delivery, small group work, self-directed study and face-to-face assessment / tuition. The Committee was pleased to hear that other UK Ambulance Services are learning from the WAST approach to delivery of this programme and work is now underway to further improve the learner experience in preparation for future programmes.

The Organisational Culture and Workplace Wellbeing Lead shared with the Committee the excellent work undertaken to support and promote the wellbeing of colleagues across the Trust. Members were appraised of the many interventions and support mechanisms that have been made available, including wellbeing Q&A sessions, visits to stations that have experienced loss, the AACE Mental Health Awareness Week webinar, delivery of workshops, distribution of laundry bags, virtual raffles, development of TRIM practitioners (including Moral Injury training), compilation of a COVID-19 Resources Guide and the WAST Mental Health portal. Colleagues acknowledged the invaluable support and contribution of TUPs in all of this activity and a conversation was held regarding the need to now focus on enabling colleagues to continue supporting each other, recognising the camaraderie demonstrated at all levels. The Chair formally expressed thanks to all teams, recognising the outstanding efforts of colleagues across the organisation.



# People & Culture Committee Chair's Brief

Meeting held 2<sup>nd</sup> June 2020

## Recruitment of the Additional 136 WTEs

The Committee received a presentation by the Trust's Head of Workforce Transformation in relation to progress made towards recruitment of the additional 136 WTEs commissioned for 2020/21. The Committee formally noted the significant progress made by the team, including improvements made to the onboarding process, development of additional Driving and Clinical Instructors, robust reporting systems and streamlined processes. The Chair thanked the Team for providing robust assurance around this agenda, recognising the impact of this project in terms of organisational reputation, patient care, quality and experience.

## Committee Assurance Framework

Members discussed several local, national and strategic risks relevant to the Committee, including those associated with immunisation, recruitment, DBS checks, COVID-19 (including BAME and older / vulnerable people), on call CCA ability to cover 24/7 command and sickness absence rates. The Committee further noted the Head of Audit Opinion Report and the concerns raised in relation to audits within the Workforce Management domain; further detail around the planned actions to address these concerns will be brought to the July PCC meeting and Audit Recommendations will be added as a standing agenda item.

## MTP & Strategic Deliverables - Progress Review

The Deputy Director of WOD provided members with a summary of progress made in relation to workforce IMTP deliverables and our People and Culture Strategy objectives, outlining where progress has been affected both positively and negatively by COVID. From an Education and Training perspective, development of a digital solution for EMT training has enabled accelerated delivery of some strategic intentions, whilst conversely, COVID has halted national work associated with the Staff Survey and planned work to refresh the Trust's behaviours. The Director of WOD highlighted the challenges associated with the Resource Availability project and Volunteering agenda, given Operations colleagues' current focus on COVID response. Committee members acknowledged the significant progress demonstrated despite COVID challenges and a discussion was held in relation to prioritising the work to refresh our organisational behaviours; this was supported by the Committee. Colleagues were appraised of recent discussions with HEIW following review of WAST's education commissioning intentions, and an update was provided regarding the conversations underway in relation to the Grange Hospital initiative and associated workforce implications.

## Workforce Performance Report

The Deputy Director of WOD shared the Workforce Performance Report, highlighting specific points of interest to the Committee. Members discussed the impact of COVID-19 on sickness absence rates, with colleagues noting the need to further understand the data and the impact of COVID on staff. A discussion was held regarding colleagues who are shielding and how they are being supported, with TUPs highlighting the positive impact of flexible approaches to working on colleagues, resulting in greater engagement and improved wellbeing. The Committee noted the reduced appraisal compliance rate resulting from a focus on COVID-related activity and assurance was given that planning is underway to reengage colleagues with the appraisal process.



Date of Next Meeting: Tuesday 14<sup>th</sup> July 2020



# Audit Committee Briefing

18<sup>th</sup> June 2020

<b>2019/20 Internal Audit Plan</b>	<p>The Deputy Head of Internal Audit provided an overview of the final <b>3 Internal Audit reports</b> from the 2019/20 plan as follows:</p> <ul style="list-style-type: none"> <li>• Risk Management &amp; Assurance - <i>Reasonable</i></li> <li>• Welsh Risk Pool Claims Management - <i>Substantial</i></li> <li>• Driver's Medicals - <i>Limited</i></li> </ul>	<b>Audit Recommendation Tracker</b>	<p>The Committee received a position statement in relation to the outstanding recommendations on the <b>audit tracker</b> and noted the management's approach to address these following suspension of all activity during the 1<sup>st</sup> quarter of the year. It was agreed that a more comprehensive review of progress will take place at the September 2020 Committee now that activity has been resumed.</p>
<b>2019/20 Internal Audit Position</b>	<p>The <b>final 2019/20 Internal Audit position</b> was 25 out of 29 planned audits complete:</p> <ul style="list-style-type: none"> <li>• 2 x Not Rated</li> <li>• 5 x Limited Assurance</li> <li>• 16 x Reasonable Assurance</li> <li>• 2 x Substantial Assurance</li> </ul>	<b>Audit Recommendation Tracker Enhancements</b>	<p>In addressing actions agreed at the March 2020 Audit Committee, the Governance Team had further enhanced the tracker tool in order to assign recommendations to relevant Committees for oversight in addition to identifying barriers to implementation and proposals for mitigating any risks identified pending implementation of the recommendations.</p>
	<p>The 4 outstanding audits were deferred to the 2020/21 plan; 3 of which were due to the CoVID-19 pandemic and 1 due to lack of progress. These were:</p> <ol style="list-style-type: none"> <li>NEPTs Journey Planning</li> <li>Cardiff MRD and Workshop</li> <li>Role of Advanced Paramedic Practitioner</li> <li>Trade Union Release Time</li> </ol>	<b>Head of Internal Audit Opinion and Annual Report 2019/20</b>	<p>The Head of Internal Audit provided an overview of the report and confirmed that a Reasonable Overall Assurance opinion was reflected in the Annual Governance Statement for 2019/20.</p>
<b>2020/21 Internal Audit Plan</b>	<p>The 2020/21 Internal Audit Plan had been suspended for the 1<sup>st</sup> quarter of the year due to the CoVID-19 pandemic. In recognition of this, the plan had been revised to take account of these exceptional circumstances and several adjustments agreed. The Audit Committee approved the revised Internal Audit Plan for 2020/21 acknowledging the need for flexibility.</p>	<b>Audit Wales Reports</b>	<p>The Audit Wales Audit of Financial Statements Report 2019/20 set out for Committee consideration the matters arising from the audit of the 2019/20 financial statements reporting under ISA 260. It is the Auditor General's intention to issue an unqualified audit report on the Trust's financial statements. An update on the work programme relating to the pandemic was received by Committee.</p>
<b>Annual Accounts and Accountability Reports 2019/20</b>	<p>Members received the draft reports which had been submitted to the Welsh Government as unaudited on 21st May 2020, in line with the agreed timetable. The final, audited accounts and accountability report were recommended for approval at Trust Board for their approval on 25th June 2020.</p>	<b>Risk Management Report</b>	<p>The Director of Quality &amp; Nursing advised Committee that, as result of the CoVID-19 pandemic, the Quarter 1 Corporate Risk Register was presented to Trust Board on the 28<sup>th</sup> May 2020 in advance of Audit Committee. Proposals were endorsed by the Committee to transition to using the live electronic Risk Register to review the Corporate Risks alongside a supplementary report at future meetings.</p>
<b>Losses and Special Payments</b>	<p>The total net <b>Losses and Special Payments</b> made during the period 1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2020 amounted to £0.828 million. This related to actual payments made, less reimbursements received from the Welsh Risk Pool and did not relate to any adjustments made to the provision.</p>	<b>Closed Session of Audit Committee</b>	<p>The Committee met under a closed session to discuss updates relating to <b>Counter Fraud</b>, the <b>Tender Update Report</b> and <b>Single Tender Waiver</b> requests. The Counter Fraud Annual Report 2019-10 and Annual Plan 2020-21 were both approved by Committee.</p>



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<b>AGENDA ITEM No</b>	<b>5.3</b>
<b>OPEN or CLOSED</b>	<b>OPEN</b>
<b>No of ANNEXES ATTACHED</b>	<b>3</b>

## MINUTES OF COMMITTEES

<b>MEETING</b>	<b>TRUST BOARD</b>
<b>DATE</b>	<b>25 June 2020</b>
<b>PRESENTED BY</b>	<b>Trust Board Chairman</b>
<b>AUTHOR</b>	<b>Board Secretary</b>
<b>CONTACT DETAILS</b>	<b>Keith Cox, 01633 626221, <a href="mailto:Keith.Cox2@wales.nhs.uk">Keith.Cox2@wales.nhs.uk</a></b>

<b>CORPORATE OBJECTIVE</b>	<b>N/A</b>
<b>CORPORATE RISK (Ref if appropriate)</b>	<b>N/A</b>
<b>QUALITY THEME</b>	<b>N/A</b>
<b>HEALTH &amp; CARE STANDARD</b>	<b>N/A</b>

<b>REPORT PURPOSE</b>	<b>To formally receive the Minutes of Committees</b>
<b>CLOSED MATTER REASON</b>	<b>N/A</b>

## REPORT APPROVAL ROUTE

<b>WHERE</b>	<b>WHEN</b>	<b>WHY</b>

## MINUTES OF COMMITTEES

1. The Trust's Standing Orders, approved in line with Welsh Government guidance, require that a number of Board Committees are established. In line with this guidance and following the review of structures undertaken by the Board in March 2015, the following bodies were established:

- Audit Committee
- Charitable Funds Committee
- *Finance and Resources Committee (Now disbanded)*
- Quality, Patient Experience and Safety Committee
- Remuneration Committee
- Welsh Ambulance Services Partnership Team

Following the disbandment of the Finance and Resources Committee in January 2019, two new Committees were formed:

- Finance and Performance Committee
- People and Culture Committee

2. The purpose of this report is to provide an update on the work of these bodies, the detail for which is listed below and appended are the relevant Minutes. The Board is asked to receive this report and to formally adopt the Minutes of the Committees. The Board are reminded that the Chairman at its meeting on 4 June 2015 proposed that only confirmed Minutes of Committees should be presented to the Board. This was formally accepted by the Board. As a result of this a number of actions and or recommendations outlined in the Minutes of these Committees have already been progressed.
3. The following Committee Minutes which have been approved by the relevant Committee are included in the supporting papers for adoption and noting by the Board:

### AUDIT COMMITTEE

The Minutes of the Audit Committee meeting held on 5 March 2020 are attached. The Chair of the Committee, Pam Hall wishes to reassure the Board that:

- (i) all of the business which the Committee has dealt with during the period has been properly and appropriately scrutinised and debated; and
- (ii) the strategies, policies and documents which are being presented for ratification or sign off by the Board have been considered with due diligence and are now fit for purpose.

### 4. QUALITY, PATIENT SAFETY AND EXPERIENCE COMMITTEE

The Quality, Patient Safety and Experience Committee has not convened since the last Trust Board meeting.

### 5. FINANCE AND PERFORMANCE COMMITTEE

The Finance and Performance Committee has not convened since the last Trust Board meeting. However it did meet on 19 June 2020 to discuss one item in closed session. The Minutes were not considered at that meeting.



## **6. PEOPLE AND CULTURE COMMITTEE**

The Minutes of the People and Culture Committee meeting held on 10 March 2020 are attached. The Chair of the Committee, Paul Hollard wishes to reassure the Board that:

- (iii) all of the business which the Committee has dealt with during the period has been properly and appropriately scrutinised and debated; and
- (iv) the strategies, policies and documents which are being presented for ratification or sign off by the Board have been considered with due diligence and are now fit for purpose.

## **7. REMUNERATION COMMITTEE**

The Remuneration Committee convened on 5 June 2020. There were no Minutes submitted for approval at that meeting.

## **CHARITABLE FUNDS COMMITTEE**

8. The Minutes of the Charitable Funds Committee meeting held on 2 June 2020 are attached. The Chair of the Committee, Professor Kevin Davies wishes to reassure the Board that:

- (v) all of the business which the Committee has dealt with during the period has been properly and appropriately scrutinised and debated; and
- (vi) the strategies, policies and documents which are being presented for ratification or sign off by the Board have been considered with due diligence and are now fit for purpose.

**RECOMMENDED: That the Board endorse the above minutes.**

**CONFIRMED MINUTES OF THE PEOPLE AND CULTURE COMMITTEE MEETING  
(OPEN SESSION) HELD ON 10 MARCH 2020 IN THE HENLLYS ROOM,  
VANTAGE POINT HOUSE, CWMBRAN WITH A VC LINK TO ST ASAPH and  
OTHER AREAS**

**Chairman: Paul Hollard**

**PRESENT:**

Paul Hollard	Non Executive Director and Chairman
Claire Roche	Director of Quality and Nursing
Professor Kevin Davies	Non Executive Director
Bethan Evans	Non Executive Director
Angela Roberts	Trade Union Partner (Via VC)
Craig Brown	Trade Union Partner (Via VC)
Sarah Davies	Workforce and OD Business Manager
Paul Seppman	Trade Union Partner
Estelle Hitchon	Director of Partnerships and Engagement
Louise Platt	Assistant Director of Operations
Claire Vaughan	Director of Workforce and OD
Helen Watkins	Deputy Director of Workforce and OD
Sara Williams	Workforce and OD Business Partner
Roger John	Paramedic Band 6 Education Lead
Julie Stokes	Senior Workforce Transformation Manager
Jeff Prescott	Corporate Support Officer

**APOLOGIES:**

Chris Turley	Director of Finance and Corporate Resources
Joga Singh	Non Executive Director
Andrew Challenger	Senior Education and Development Lead
Sharon Thorpe	Trade Union Partner

**01/20 WELCOME AND APOLOGIES FOR ABSENCE**

The Chairman welcomed all to the meeting of the People and Culture Committee and advised that the meeting was being audio recorded.

**02/20 DECLARATIONS OF INTEREST**

The standing declaration of Professor Kevin Davies as Independent Member of St John Cymru was recorded.

**RESOLVED: That the declaration as described above was RECORDED.**

## **03/20 MINUTES/ACTION LOG**

The Minutes of the open meeting held on 15 October 2019 were considered and agreed as a correct record subject to the following amendments:

1. Sarah Davies to be added to the attendees list.

### **Action Log**

The Committee considered the action log and agreed that all outstanding actions were now completed.

### **RESOLVED: That**

**(1) subject to the amendment above, the Minutes of the meeting held on 15 October 2019 were AGREED and;**

**(2) all outstanding actions were now COMPLETED.**

## **04/20 WORKFORCE PERFORMANCE SCORECARD REPORT**

Helen Watkins gave an overview of the January 2020 key trends and improvement actions which had been identified by the Workforce and OD performance reporting dashboard. The dashboard provided a number of key performance indicators for the Trust's workforce, aligned to the key themes of the Trust's developing People & Culture Strategy. The Committee was asked to note the headlines and key trends which included:

- Ambulance response vacancies had increased by 0.41% in January to 6.15%. Clinical Team Leader (CTL) vacancies continued to be held open pending the outcome of the CTL review.
- The All Wales target for the average number of calendar days taken from when a vacancy was created on TRAC to a conditional offer being sent was 44 days. In January, the Trust's figure was 62.4 days, an increase of 20.1 days from December. Consequently, a work stream would be set up as part of a new Resource Availability Programme to address this issue.
- 2 intakes of 30 Urgent Care Assistants were due to be appointed shortly with 30 at the end of January and a further 30 in February.
- The rolling 12-month Sickness rate in January was 7.13% which represented a decrease of 0.06% from December and a reduction of 0.19% compared to January last year. The in-month figure for January 2020 decreased by 0.17% compared to December. This was a decrease of 0.82% compared to January 2019 figures

- In-month Long-term sickness had increased by 0.22% from the previous month. However, this represented a decrease of 1.00% compared to December 2018.
- The rolling 12-month Short-Term sickness rate had remained the same as the previous month although this meant it was 0.07% higher than January 2019. However, there was a decrease of 89 'in-month' occurrences compared to January.
- The overall Statutory & Mandatory Training rates had been above the 85% Target all year and were at their highest rate this year at 92.72%.
- Band 6 Competencies as at January were 94.16% for Year 1 and 36.92% for Year 2. An action plan had been compiled and implemented to ensure compliance by year end.

Members received the update and observed the following:

Some of the key headlines and trends were slightly below the levels of performance that the Trust would expect. However, some of the data was from January and was not necessarily reflective of the current position which was anticipated to have improved.

The Trust efforts around recruitment were encouraging although lessons could be learned from other organisations. Furthermore, the Trust should look at ways to improve retention rates and diversity of staff with greater emphasis on those from ethnic minorities.

**RESOLVED: That the update was NOTED.**

## **05/20 UPDATE ON RESOURCE AVAILABILITY**

Louise Platt gave an update on the governance, reporting and oversight arrangements associated with the Resource Availability programme. It was explained that the current overall RAG status of the programme was Amber and further work was underway to ascertain which aspects of good practice the Trust could adopt following the visit to West Midlands Ambulance Service (WMAS). When complete, this additional work would be mapped against the Resource Availability programme so that progress could be monitored and reviewed within the programme. This would then be included in future programme updates.

Following discussions and clarification with the work stream leads, it was identified that the following work streams had evolved into the programme:

1. Improving attendance
2. Improving recruitment timescales
3. Modernising bank arrangements
4. Resource Policy and practice
5. Other workforce efficiencies
6. Electronic timesheet Implementation

7. Reducing lost hours – return to base
8. Reducing lost hours – Handover to clear
9. Improving Resource Information

The update made it clear that further work was required to quantify some aspects of the existing project work streams and these would be the priority over the next quarter. In addition, Further work on the programme infrastructure had been identified and it was anticipated that this would be incorporated into the next People and Culture Committee update.

Members received the update and observed that while the progress was encouraging, it should be noted that system pressures over the winter period had adversely impacted upon resource availability and the anticipated demand in regards to the Covid-19 outbreak would only increase the strains upon the service. Accordingly, the Trust may need to review which services and functions are prioritised in order to maintain capacity. In Addition, recruitment was clearly a priority and this was something that the Trust should focus on, even if resources were stretched.

In response, Claire Vaughan confirmed that the Trust was fully committed to the recruitment drive and would be pressing ahead with this, even in the face of potentially unprecedented demand.

**RESOLVED: That the update was NOTED.**

**06/20**

## **SICKNESS ABSENCE – PROGRESS REVIEW**

Julie Stokes gave a presentation and progress update on the deep dive exercise into sickness absence. The review showed that the current overall sickness absence rate was 7.16% which represented a decline in overall sickness with a downward trend since 2018. However, some areas did show a slight increase in sickness rates although these were very small. In the Aneurin Bevan University Healthboard Area, the Trust had seen an increase of just 0.01%, taking the figure in that area from 6.72% to 6.73%.

Despite the reduction in sickness absence rates, data showed that the average length of sickness cases had increased overall and further work and analysis would be required to understand why this was the case. Mental health related sickness accounted for some of the longer absences and the Committee felt that this may be a positive reflection of the Trust's work to support staff with mental health related sickness through initiatives like TRiM as staff were now being encouraged to seek help and support for mental health issues.

The presentation highlighted a number of activities and actions which the Trust was focusing on. These included:

- A Mental Health Portal launched in November 2019 (CIPD Award).
- The introduction of an OH Business Manager Post.
- Participation in the All Wales OH review

- Learning from West Midlands Ambulance Trust (Processes, resourcing department, senior management structure, recording of absence)
- An Internally developed video (Health and Wellbeing, Mental Health & Sickness Management)
- 85% of managers had undertaken new All Wales Attendance at Work Training
- A new Occupational Health and Wellbeing Manager started in post Dec 2019.
- Improved OH timescales (3-3.5 weeks OH consultation – 3 - 7 days Fast Track Physio)
- Recruitment of Consultant Psychologist (Health and Wellbeing, Role design) due to start in post January 2020
- Providing additional psychological support to staff working in Clinical Contact Centres during times of peak demand.
- Ensure recording of sickness absence is accurate and consistent across the Trust.

Julie Stokes expanded upon the lessons which had been learned from the West Midland Ambulance Services NHS Trust. A number of organisational changes had been identified which would be beneficial to staff and management. One of these included the provision for staff to have 24/7 access to management in order to get support when required. This would allow staff to speak with any appropriate manager who was available rather than having to wait for their own line manager to be on shift. In addition, greater partnership working between trade unions was encouraged to allow TU reps from other Unions to represent staff at initial or lower level discussions when their own Union representative was not available.

Members noted the update and observed that while the overall downward trend in sickness was encouraging, the Trust should be mindful of the impact the Covid-19 pandemic may have upon staff sickness and the overall absence rates.

The greater partnership working between Unions by the West Midlands Ambulance Service was generally agreed to be a positive move which would be beneficial to staff, Unions, Managers and the Trust as a whole. However, these representations should only be encouraged at the lower level of proceedings.

**RESOLVED: That the update was NOTED.**

**07/20**

## **BAND 6 PARAMEDIC EDUCATION PROCESS – PROGRESS UPDATE**

Roger John gave an overview of the current Band 6 Paramedic Education process and explained that the Trust was now in the second year of a three year process which allowed Paramedic's to evidence their competencies in line with the previously agreed pay deal. Feedback from those who were engaging in the process was very positive and in particular, the reflective learning element was found to be very helpful. Year two data, when compared to year one showed an increase in the number of eligible staff who were now fully compliant as well as steady progress from other staff members who were on track to complete the competencies within the three year period.

However, for the minority of staff who were not currently on target to meet the criteria, the Trust had made provisions for local ESM's to meet with individuals and their locality manager where a plan and timetable for completion would be set out, with an agreed extension. If at the end of the extension there was still no completion of the work, HR processes would then be followed to assist the individual in completion of the required competencies. This extra support was to ensure that the process was not punitive in any way and that the Trust was as supportive as possible to staff who required additional time or support.

Roger John stated that the Trust was monitoring the progress of staff and regular reminders were being sent to try and avoid a situation whereby staff were left with significant work to complete before the deadline. In addition, the Trust was keen to avoid late submissions of work and would continue to support staff to manage their workloads.

Planning ahead, the Trust should consider the support that Newly Qualified Paramedics (NQP's) would require in order to attain the Band 6 competencies. It was recognised that due to having new starters and NQPs constantly, it would be extremely difficult for the Trust to see 100% attainment for year one as all NQPs require regular reviews throughout the 2 year consolidation period as well as ongoing assessment of evidence against the NQP Clinical Learning Outcomes.

Members received the update and raised the following observations:

The Trust recognised that there is still some work to be done in order to help staff to manage their competencies and ensure the workload is evenly spread out to avoid being overburdened and making late submissions.

There are challenges in regard to newly qualified paramedics and the Trust will need to address these. This is particularly relevant as the Trust looks to increase its workforce and take on more paramedics who fall into this category.

**RESOLVED: That the Band 6 Paramedic Education update was NOTED.**

**08/20**

## **RECRUITMENT AND TRAINING PLANS TO DELIVER COMMISSIONED GROWTH IN EMS CAPACITY**

Claire Vaughan and Helen Watkins provided the Committee with an update regarding the development of recruitment and training plans and the arrangements being put into place to secure delivery of the commissioned growth in the EMS establishment resulting from the 2019/20 Demand and Capacity Review.

The Demand and Capacity review had identified that the Trust would require around 562 WTE (Whole Time Equivalent) additional staff members over the next five years. These would comprise of 118.5 Paramedics, 374.5 Emergency Medical Technicians, 48.3 Urgent Care Assistants and 20.7 Advanced Paramedic Practitioners. The Trust did not expect any significant changes or challenges to recruitment in the first year although the volume of recruitment into Urgent Care Assistant positions would prove more challenging. This was due to the reducing

supply of eligible candidates (against current criteria), as a result of changes to those who could hold the C1 driving licence category.

Claire Vaughan reiterated that that recruitment of new staff remained a top priority for the Trust and in order to meet the projected workforce growth, further detailed planning work was required to develop the recruitment project plan. This planning work would include the following:

- C1 licence (candidate eligibility): implementation of a process to support prospective candidates to acquire the necessary driving licence category, recognising the growing challenge associated with supply of eligible candidates;
- Opportunities for partnering with relevant organisations to ensure adequate supply of suitable candidates. This should include Job Centre Plus and Armed Forces partners.
- Supply of timely and detailed information from the Operations Directorate on WTE requirements by locality and base stations to inform recruitment plans and activity.
- Close links to the NWSSP recruitment team to ensure people were brought on board in a timely manner, experiencing a positive recruitment experience.

Members received the update and observed that although the C1 driving qualification was desirable, not all employees would require this as the Ambulance service was fundamentally a clinical service and the recruitment of clinical staff was paramount.

**RESOLVED: That the update, progress to date and the arrangements in place to assure delivery were NOTED.**

**09/20**

## **UNIVERSITY STATUS UPDATE**

Estelle Hitchon updated the Committee and confirmed that she had now taken over as Executive Lead from Claire Vaughan and will work alongside the Board Secretary and Kevin Davies to attain University status for the Trust. Estelle Hitchon informed the Committee that further discussions were due to take place with Welsh Government on March 19<sup>th</sup> and following this, the Trust should have a greater understanding of the timelines in place around the University status process.

In addition, arrangements had been made to attend an event with other organisations which did not currently have university status in order to further understand and clarify the requirements. It was anticipated that a further update would be presented to the Trust Board on March 26<sup>th</sup>.

**RESOLVED: That the University status update was NOTED.**



**PUBLIC SECTOR EQUALITY DUTY – DEVELOPING OUR STRATEGIC EQUALITY OBJECTIVES**

Claire Vaughan gave a presentation on the Trust's Strategic Equality Objectives (SEO's). The SEO's had previously been discussed at Board Development and the purpose of the presentation was to update members on the latest developments and changes. Claire Vaughan outlined the key objectives and principles which the Trust would focus on and explained that following engagement feedback, the themes had evolved into a set of guiding principles which would underpin the Trust's ambition. This incorporated several Strategic Objectives which included:

- By 2024 the Trust would continue to learn about, celebrate, and promote the diversity of all people, to ensure they feel safe, valued and respected at work.
- By 2024, take action to maximise health opportunities and strengthen the voice of all citizens to ensure the people who use Trust services have equity of access and improved experience with access to services that are sensitive to the needs of all.
- By 2024, take action to increase awareness and tackle key equalities issues that may arise from a person's 'protected characteristics' to ensure Trust services, culture, and people understand and are responsive to the needs of all.
- By 2024, take positive action to increase representation and create a positive experience of work for individuals from diverse backgrounds, cultures and identities to ensure the Trust is seen as a great place to work, volunteer, develop, and grow for all.
- Identifying and understanding the gender pay gap in the Trust and work in partnership to address this.

Members received the presentation and discussed the various aims and objectives outlined above. In particular, members noted the challenges around diversity and the gender pay gap as well as providing support to staff for such things as childcare, especially single parents. Initiatives and improvements in these areas would enable staff to fulfil their work commitments while maintaining a good work/life balance. In return, this would allow the Trust to retain talented and skilled workers who may otherwise be unable to continue working.

**RESOLVED: That the update was NOTED.**

**LEADERSHIP AND MANAGEMENT DEVELOPMENT STRATEGY UPDATE**

The Leadership and Management Development Strategy update paper was presented as read. No comments or queries were received from committee members and the update was noted.

**RESOLVED: That the update was NOTED.**

**12/20      DEVELOPING OUR PEOPLE AND CULTURE STRATEGY TRACKING AND BENEFITS MAP**

The People and Culture Strategy Tracking and Benefits papers was presented as read. Committee members were invited to consider the papers and provide comments if required. Members considered the papers and no comments or observations were raised.

**RESOLVED: That the update was NOTED.**

**13/20      WELSH AMBULANCE SERVICES NHS TRUST: ENGAGEMENT FRAMEWORK UPDATE AND NEXT STEPS**

Estelle Hitchon gave an update on progress against the delivery plan along with a proposal to refresh the engagement framework following feedback from non-executive directors as well as experience based on delivery in 2019/20.

Estelle Hitchon explained that despite aligning some elements of the engagement work, it continued to feel fragmented overall and while the Trust has a number of stakeholders, external and internal factors altered the relative significance of these during the year with what seemed a priority in January 2019 seeming less of a priority later on. Consequently, there was a risk of trying to capture too much via framework.

Members received the update and queried whether there were any key areas that the Trust could focus on in order to achieve tangible results and progress given the large number of stakeholders that the Trust engages with.

Estelle Hitchon stated that a number of the engagement elements came directly from the Trust's Integrated Medium Term Plan (IMTP). However, it may be beneficial to see which elements, outside of those from the IMTP that the Trust could focus on.

**RESOLVED: That the update was NOTED.**

**14/20      TRANSFER POLICY – FOR APPROVAL**

Committee members were asked to approve the Transfer Policy. Paul Hollard confirmed the approval route for the policy prior to it coming before the People and Culture Committee and noted that this was the final stage of the process. Members noted the approval route and the policy was approved.

**RESOLVED That the Transfer policy was APPROVED.**

## **15/20 MANAGING FAMILIES AND RELATIVES WORKING TOGETHER POLICY – FOR APPROVAL**

Committee members were asked to approve the Managing Families and Relatives Working Together Policy. Paul Hollard confirmed the approval route for the policy prior to it coming before the People and Culture Committee and noted that this was the final stage of the process. Members noted the approval route and the policy was approved.

**RESOLVED That the Managing Families and Relatives Working Together Policy was APPROVED.**

## **16/20 COMMITTEE ASSURANCE FRAMEWORK**

Claire Vaughan highlighted the key aspects of the developing People and Culture Committee Assurance Framework and explained that work was continuing to develop new People and Culture risks, review existing risks and also the implementation Board approved strategies and plans. Since the previous meeting, two additional risks had been identified around DBS checks for existing staff and Job Evaluations. In addition to these risks, work was also being developed to ensure that concerns relating to the impact on the emotional and physical wellbeing of staff as a result of sustained system pressures were clearly articulated and assessed.

The Committee was then asked to consider the sources of assurance and progress being made towards delivery of the 2019/20 IMTP Strategic People Objectives including:

- Delivering an approved People & Culture Strategy.
- Refreshing the Commitment to Volunteering and delivering a Volunteering Strategy.
- Delivering an approved Health & Wellbeing Strategy.
- Delivering an approved Transforming Education Strategy.
- Implementing 'year one' deliverables of the Leadership and Management Development Strategy.

Claire Vaughan detailed the progress which had been made in each of these areas along with additional information on future proposals before welcoming and comments or observations on the report.

Members received the report and noted the key risks and developments contained within the report.

**RESOLVED That: The update was NOTED.**

## **17/20 UPDATE ON DBS CHECKS**

Helen Watkins gave an update on the status of DBS checks for Trust employees and reported on the significant progress being made in this area. Helen Watkins assured members that all staff who had joined the Trust prior to DBS checks being required had now been identified. Furthermore, the vast majority of these staff members had now undergone DBS checks with no issues identified.

A small number of staff DBS checks had returned a positive disclosure and the Trust was working closely with the Safeguarding team, staff and managers to determine the most appropriate course of action which may include:

- Continuing in post with no further action.
- Temporary redeployment to another role whilst initial assessment is undertaken.
- Suspension from duties whilst an initial assessment is undertaken.
- Disciplinary process being invoked.

Following the update, members noted the substantial progress which had been made and recognised the significant reduction in risk that the Trust now faced as a result of this work.

**RESOLVED That THE UPDATE WAS noted.**

## **18/20 ISSUES TO BE RAISED AT BOARD**

Paul Hollard confirmed that the following issues were to be raised at Board:

- Audit recommendations from the Audit Committee would now come into the People and Culture Committee where they will form part of the Committee Assurance Framework.
- Recommendation that the Executive Management team prioritises issues relating to the Covid-19 Pandemic.
- Updates on progress around Assurance Framework, DBS checks and Deep Dive into sickness to be given to the Board.

**RESOLVED: That the above issues to be raised at Board were AGREED.**

## **19/20 MINUTES OF SUB GROUPS: WASPT – SESG - TPF**

The Minutes of the Welsh Ambulance Services Partnership Team, Strategic Education Steering Group & Treating People Fairly sub groups were confirmed as correct records.

**RESOLVED That the Minutes of the above subgroups were CONFIRMED.**

**Date of Next Meeting: Tuesday 21 April 2020.**



**CONFIRMED MINUTES OF THE PEOPLE AND CULTURE COMMITTEE MEETING  
(CLOSED SESSION) HELD ON 10 MARCH 2020 IN THE HENLLYS ROOM,  
VANTAGE POINT HOUSE, CWMBRAN WITH A VC LINK TO ST ASAPH and  
OTHER AREAS**

**Chairman: Paul Hollard**

**PRESENT:**

Paul Hollard	Non Executive Director and Chairman
Claire Roche	Director of Quality and Nursing
Professor Kevin Davies	Non Executive Director
Bethan Evans	Non Executive Director
Angela Roberts	Trade Union Partner (Via VC)
Craig Brown	Trade Union Partner (Via VC)
Sarah Davies	Workforce and OD Business Manager
Paul Seppman	Trade Union Partner
Estelle Hitchon	Director of Partnerships and Engagement
Louise Platt	Assistant Director of Operations
Claire Vaughan	Director of Workforce and OD
Helen Watkins	Deputy Director of Workforce and OD
Sara Williams	Workforce and OD Business Partner

**APOLOGIES:**

Chris Turley	Director of Finance and Corporate Resources
Joga Singh	Non Executive Director
Andrew Challenger	Senior Education and Development Lead
Sharon Thorpe	Trade Union Partner

**01/20 WELCOME AND APOLOGIES FOR ABSENCE**

The Chairman welcomed all to the meeting of the People and Culture Committee and advised that the meeting was closed to members of the public and was being audio recorded.

**02/20 DECLARATIONS OF INTEREST**

The standing declaration of Professor Kevin Davies as Independent Member of St John Cymru was recorded.

**RESOLVED: That the declaration as described above was RECORDED.**

## **03/20      JOB EVALUATION**

The Job Evaluation paper was presented as read and for noting only.

**RESOLVED: That the Job Evaluation paper was NOTED.**

## **04/20      REPORT ON 4 MONTH+ SUSPENSIONS AND NOTABLE TRIBUNAL CASES**

Helen Watkins provided the committee with a brief overview of the number of suspensions in the Trust which were over 4 months in duration. The report also included a short summary of cases which had been lodged with the Employment Tribunal. There were currently three employees who had been on suspension for over four months under the Disciplinary policy within the Trust. All three cases involved allegations of inappropriate behaviour. These cases were all subject to ongoing police investigations and the Trust was unable to proceed until these investigations were concluded.

In addition, three cases for Unfair Dismissal and/or Disability Discrimination had been lodged against the Trust with an Employment Tribunal. One of these cases was successfully defended with the remaining cases due to be heard in March.

**RESOLVED: That the report was NOTED.**

## **05/20      ANY OTHER BUSINESS**

There was no other business.

**Date of Next Meeting: Tuesday 21 April 2020**

## **WELSH AMBULANCE SERVICES NHS TRUST**

### **CONFIRMED MINUTES OF THE OPEN MEETING OF THE AUDIT COMMITTEE OF THE WELSH AMBULANCE SERVICES NHS TRUST HELD ON THURSDAY 5 MARCH 2020 AT VANTAGE POINT HOUSE, CWMBRAN WITH VC FACILITIES**

#### **PRESENT :**

Pam Hall	Non Executive Director and Chair
Paul Hollard	Non Executive Director
Joga Singh	Non Executive Director
Martin Turner	Non Executive Director

#### **IN ATTENDANCE :**

Julie Boalch	Corporate Governance Manager
Lee Brooks	Director of Operations
Judith Bryce	Head of Operations Support
Jill Gill	Financial Accountant (Via VC)
Helen Higgs	Head of Internal Audit NWSSP
Estelle Hitchon	Director of Partnerships and Engagement
Fflur Jones	Performance Audit Lead (Health), Wales Audit Office (Via VC)
Osian Lloyd	Deputy Head of Internal Audit NWSSP
Steve Owen	Corporate Governance Officer
Rachael Powell	Assistant Director of Research, Audit & Service Improvement
Claire Roche	Director of Quality and Nursing (Part)
Paul Seppman	Trade Union Partner
Chris Turley	Director of Finance and Corporate Resources
Claire Vaughan	Director of Workforce and OD
Mike Whiteley	Wales Audit Office (Via VC)
Carl Window	Counter Fraud Manager (VC) (Part)

#### **APOLOGIES:**

Keith Cox	Board Secretary
Emrys Davies	Non Executive Director
Dr Brendan Lloyd	Medical Director
Damon Turner	Trade Union Partner

## **01/20 PROCEDURAL MATTERS**

The Chair welcomed all to the meeting and advised that it was being audio recorded.

#### **Declarations of Interest**



There were no declarations of interest recorded

## **Minutes**

The Minutes of the open and closed sessions of the Audit Committee meeting held on 5 December 2019 were confirmed as a correct record.

## **Matters Arising**

The Chair referred to Minute 31/19 regarding losses and special payments and how they would be reported on in future. During the analysis in terms of how these losses and special payments were being reported, it became apparent that particular cases were currently being reported and monitored through the Quest Committee. It transpired that there was a separation between reporting of outcomes of cases and the cost of cases, the latter being reported to the Audit Committee. It was agreed that Chris Turley and Claire Roche would liaise on this matter in order to bring a consolidated report to each Committee going forward.

## **Action Log**

The Committee considered the action log:

Action Number: 53, Handling of external reports / reviews. Rather than detailing individual actions, Julie Boalch proposed that the responsible governance route would be documented within the Audit Tracker. A new explanation and due date was added under this number. The Committee Members supported this approach.

## **Audit Committee – Participants Survey**

The Chair thanked all who had responded to the survey which had been circulated to the Non-Executive Directors, Executive Directors, Trade Union Partners and a number of regular attendees who attended Audit Committee in order to gather feedback from them on the effectiveness of the committee and to identify areas for improvement.

External Audit, due to their role, had not responded to the survey however elements from their structured assessment had been included.

The Chair drew the Committee's attention to the following areas:

- a. Relationships with other Board Committees and how this could be improved. For example any actions emanating from limited assurance internal audit reports, as well as being added to the tracker, be referred to the appropriate Committee. This may also include some reasonable assurance reports that had some high priority recommendations. That Committee would then assure the Audit Committee in terms of monitoring the relevant actions. It was proposed that this system be effected into next year's audit plan. The other Committee Chairs have agreed to this proposal.
- b. Minutes and Action Log – The Committee discussed the approval process and circulation and it was agreed these be circulated to all attendees, where possible,

within two weeks of the preceding meeting.

- c. Board Development – It was recognised that some Trade Union members did not attend any Board development training; Claire Vaughan explained that the Trust was in the process of scoping out the Board development programme and part of this would encompass the inclusion of TU partners who were not already Board members. Claire Vaughan further explained that at Assistant Director level, a shadow board was being developed which would provide the relevant training

### **Gifts and Hospitality**

Julie Boalch explained that the Audit Committee were required to be informed of details of all declared gifts and hospitality on an annual basis held on the central register. The details held for the period 1 March 2019 to 29 February 2020 were:

- a) First class train travel
- b) Cerner Conference, Kansas
- c) First class train travel and accommodation
- d) 2 x Sofas
- e) Hospitality and accommodation
- f) Dinner
- g) Omnicel hospitality at awards ceremony

Further detail on the approval process was given by Chris Turley.

The Committee were further informed by Julie Boalch on the procedures in terms of declarations which were contained within the Gifts and Hospitality policy.

### **RESOLVED: That**

- (1) the Minutes of the Audit Committee's open and closed sessions held on 5 December 2019 were confirmed as a correct record;**
- (2) the action referred to in the action log were considered and actioned as necessary;**
- (3) the Committee noted the responses from the Audit Committee Participants Questionnaire and considered if changes were required to the administration and management of future meetings; in particular it was agreed that any Internal Audit reports relevant to a particular Committee would be referred to that Committee; and**
- (4) the Committee noted the seven declarations received in line with the Gifts and Hospitality policy.**

## **02/20 INTERNAL AUDIT PROGRESS REPORT**

### **Internal Audit Progress Report**

An overview of progress was given by the Head of Internal Audit Helen Higgs commenting that the reviews in progress were due to be delivered in line with agreed timescales.

## Internal Audit Plan 2020/21

The Plan was presented as read by Helen Higgs noting that it had been presented at the EMT and been circulated to Non Executive Directors for comment.

### Comments

Judith Bryce asked for the NEPTS journey booking audit review to be moved from quarter one to quarter four which was agreed. Furthermore it was requested by the Operations Directorate for their reviews in quarter four to be moved to an earlier quarter. Lee Brooks added that quarter four was the busiest time as it was during the Winter period and there was always an increase in demand. Helen Higgs explained that the plan was flexible however changing the plan at this stage would be challenging; following further discussion it was agreed that the plan would be reviewed by Lee Brooks, Helen Higgs and Julie Boalch in order to facilitate any changes to the plan from an operational perspective and be presented to EMT for further comment. The Committee requested that a final and agreed plan was to be circulated to Audit Committee members by 20 March 2020.

### Internal Audit Reports

The following reports were presented by Osian Lloyd:

- a. Continuing Professional Development (CPD) management follow up – Limited Assurance.** This was based on the two previous high priority findings around compliance with CPD requirements. In terms of the three medium priority findings raised in the original report, two had been implemented whilst the finding on training applications had been downgraded to a low priority which has reflected the progress. The findings and recommendations had been accepted by management and responses had been put in place to address them.

Claire Vaughan acknowledged the work by Internal Audit undertaken with this review. There was still further work required to ensure the monitoring and audit of CPD records was robust. In terms of having an improved monitoring system regarding the CPD hours that were not controlled by the training school, a solution was still being developed but this was challenging.

Lee Brooks added that work was ongoing to focus on local processes in terms of collating and inputting the relevant data. He agreed to liaise with Internal Audit regarding the escalation process in terms of requests for information. Furthermore he advised that his team was working on a system that would be able to determine the number of hours each individual had used for CPD.

Members recognised that a solution was being considered to address the CPD compliance issue. Concern was expressed as, because this was a limited on limited review, it would not be reviewed by internal audit again.

The Committee discussed in more detail the 52 hour paid CPD time; part of which was a mandatory requirement from a health care practitioner perspective. The Committee recognised that the remainder of the paid hours which were not mandated was a risk to the Trust and if they were not used in an appropriate way must be 'worked back'

Clarity was sought in terms of employment contracts as to whether it was stated that 52 hours of CPD training was a requirement. It was agreed that this issue should be resolved at the People and Culture Committee and the findings reported back to the Audit Committee.

**b. IS security – appropriate access to leavers follow up – Reasonable Assurance.**

This had been a positive reflection on the progress made. There were two medium and two low priority findings. The two medium priority findings were in relation to user access controls and the property register. The findings had been accepted by management and responded to accordingly.

**c. Travel & subsistence follow up – Reasonable Assurance.** There was one high priority finding still open which related to compliance with the travel and subsistence policy. It was noted that there had been delays in the publication of the national expenditure guidance which meant the Trust's guidelines were delayed. It was noted from the review that the overall travel and subsistence costs had reduced year on year. The findings have been accepted by management and recommendations have been put in place.

Estelle Hitchon commented that the procedures currently in place would continue until the new national guidance was finalised whereby any new procedures would be adopted.

Following a question regarding timescales assigned to high risk areas, Chris Turley provided further information on how the timescales were defined and agreed by Internal Audit. Julie Boalch advised that elements could be added to the tracker which would justify the timescales.

In terms of the tendering process in which there were no responses and the fact that the Trust was operating, in the interim period, under existing frameworks what was the risk to the Trust. Chris Turley explained that the current arrangements would continue until an alternative was put in place. However, further controls had been introduced, including Director level oversight of all invoices before they were authorised for payment. The Committee noted that the high priority finding as previously mentioned would be monitored through the Finance and Performance Committee

**d. Volunteer car drivers follow up – Reasonable Assurance.** It was noted that three high priority findings had been downgraded to medium and that one had been implemented. The one medium priority which remained open concerned training and ongoing support for drivers. Management had accepted the findings and recommendations.

**e. Cleaning standards – Limited Assurance.** This had been based on three high and one medium priority findings. The three high priority findings related to cleanliness of vehicles, cleanliness of stations and cleanliness audits. There was still further work to be undertaken by the Trust to ensure that cleaning standards were being adhered to. The findings had been accepted by the management team and responses had been provided to Internal Audit.

Claire Roche commented that in some areas considerable progress had been made. Consideration should be given to the fact that some areas had Make Ready Depots and

by default this would lead to variation of cleaning standards across the Trust.

In terms of coordinating the recommendations, Claire Roche advised that the Infection Prevention and Control Steering Group would carry this out. Operational staff were part of this group and would coordinate the operational elements involved.

The Committee discussed and considered in more detail how to improve the overall cleaning standards within the Trust especially at ambulance stations.

**f. Computer Aided Dispatch – benefits realisation – Reasonable Assurance.** This was a positive report with one medium priority finding where it was recommended that the benefits realisation plan should be defined for the CAD project. Management have responded accordingly.

**g. Personal safety – violence and aggression – Reasonable Assurance.** This had been based on two high, three medium and three low priority findings. The findings included analysis of incidents over the last year; the majority of which did not result in harm. The two high priority findings concerned the issue of a revised violence and aggression policy and the need to improve the quality and consistency of Datix records of incident management. Details of the medium and low priority findings were also given. The findings were accepted by management and had been responded to accordingly.

Claire Vaughan explained that work was being undertaken to resolve the policy issue and advised the Committee that the resourcing issues was also being considered. Members noted that updates on the actions would be monitored through the People and Culture Committee.

**h. Single Tender Waivers – Reasonable Assurance.** This assurance had been based on two high, one medium and four low priority findings. Whilst this had been a positive report, it was noted there was room for improvement in reporting, monitoring and scrutinising arrangements in line with Wales Audit Office's comments in the structured assessment report. The findings had been accepted by management and the appropriate responses were in place to address them.

Chris Turley commented there would still need to be improvements to the overall process going forward which was being addressed. He added that some of the recommendations within the review could only be delivered in partnership with Shared Services.

Following a query in terms of many contracts being awarded to the same supplier was there work being undertaken to differentiate between the core contracts and new contracts. Chris Turley advised that contracts with the same supplier will be for three year periods. He added that prior to any final sign off there will be more robust credit checking of potential suppliers.

It was suggested by Helen Higgs that in future, the signposting of audit reviews to the relevant Committee would be carried out by Julie Boalch which was agreed. An additional filter would be added to the Audit Tracker to signify the relevant Committee.

**RESOLVED: That**

- (1) the update report was received;
- (2) the individual audit reports were noted; and
- (3) the plan for 2020/21 was to be re-circulated to Audit Committee Members following further review by the EMT by 20 March 2020.

## **03/20 WALES AUDIT OFFICE (WAO) UPDATE and ANNUAL PLAN**

Fflur Jones provided the Committee with an update and drew attention to the following areas:

- a) Fieldwork for the Quality Governance review was underway
- b) Counter Fraud fieldwork has been concluded, with the final report being presented to the Committee in September 2020
- c) Unscheduled care review work was yet to be commenced
- d) Publication of national studies and any good practice exchange events were referred to

Comments:

How was the unscheduled care arrangements plan developing? Fflur Jones advised that several meetings have taken place with the Commissioner and the CEO; it was anticipated the full report would be ready within 12 months.

### **Annual Plan**

Mike Whiteley drew the Committee's attention to several key areas within the plan:

- a) Timetable outlining the work being undertaken and completion dates
- b) Changes in the Senior Management Team
- c) International Financial Reporting Standard 16 (Leases) replaces the International Accounting Standard 17
- d) Fee information, noting that this had remained static

Comments:

The Committee asked for the Welsh Health Specialised Services Committee thematic review to be circulated once available. Fflur Jones agreed to organise.

Chris Turley made reference to the Charitable Funds audit and following the last meeting of the Charitable Funds Committee it had been suggested that a full audit be conducted this year, as opposed to the independent review undertaken over the last few years.

**RESOLVED: That the update was noted.**

## **04/20 BOARD ASSURANCE FRAMEWORK**

Julie Boalch gave an overview of the report explaining that this was the Committee's chance to review the report prior to its submission to Trust Board. She added that rolling deep dives were now being undertaken on each of the strategic aims and these were being presented at the Board.

The Committee's attention was drawn to the following areas within the report:

- a) There will be an opportunity for the Board to review the goal which was to deliver excellence
- b) Quarter three risks were incorporated within the report
- c) The BAF will be reviewed in April in line with the new IMTP to reflect the new aims and the way the plan was going to be delivered.

Comments:

Risk concerning the lack of preparedness – it was queried whether this would be revised in readiness for the Board meeting bearing in mind the current circumstances, in terms of the Coronavirus. Julie Boalch advised that the report contained the most up to date information in relation to the Coronavirus.

### **RESOLVED: That**

- (1) Members of the Audit Committee received and commented on the BAF report ahead of submission to Trust Board on 26 March 2020; and**
- (2) Any adjustments following the update by Claire Roche in terms of risk would be made to the BAF prior to submission. (see Minute 6/20)**

## **05/20 AUDIT RECOMMENDATION TRACKER**

The report was presented as read to the Committee; Julie Boalch provided the following highlights from it:

- a) There was a total of 107 internal audit recommendations, of those 51 had been added from the last meeting
- b) 23 recommendations were currently overdue, 35 were not yet due and 49 had been completed during the reporting period
- c) Of the 23 overdue recommendations, 10 were high priority, nine medium and four low priority

Comments:

Following a query in terms of matching up the recommendations with the assurance rating Julie Boalch agreed to reinstate this information in future reports

The Committee discussed which detailed information should be presented to the Committee for scrutiny. It was agreed that the Committee should have sight of follow up

audits, any impact from these and the overall summary of progress. Members also recognised that as a further assurance the EMT scrutinised the tracker on a regular basis.

Members expressed concern that sufficient scrutiny may not have been afforded by the Audit Committee to the 10 high risk recommendations. Chris Turley explained that each Committee would focus on the high risk recommendations relevant to them.

**RESOLVED: That the progress made in addressing the Internal and External Audit Report recommendations was noted.**

## **06/20 CORPORATE RISK REGISTER (CRR) QUARTERLY REPORT - QUARTER THREE**

Claire Roche gave the Committee an overview of the report and drew their attention to the following points:

- a) 16 risks currently on the register, none of which have been de-escalated since quarter two; however no new corporate risks had been identified
- b) Two of the risks had increased, 14 had remained static
- c) Distribution of risks to directorate has now been illustrated within the report
- d) Risk 69, infectious diseases. Assurance was given that FIT testing compliance was the highest it had ever been. Preparation for Coronavirus was well underway with several meetings taking place to co-ordinate the way forward

Comments:

In terms of the wording 'Lack of Preparedness' regarding IPC it was agreed that this wording would be amended to reflect a more positive situation

Members discussed risks and the targets that were not directly within the Trust's control, specifically in relation to the releasing of ambulances from hospital which was not a realistic target. Claire Roche would consider reassessing the target following further liaison with the Operations Directorate. Lee Brooks added that it may be beneficial for the Committee to understand what was being done to treat the risks. The Committee further recognised that it may be prudent to tolerate some of the risks as opposed to aspiring to a particular target.

**RESOLVED: That the Corporate Risk Register Quarterly Report for Quarter 3, recognising the additional actions to be taken forward to support the Trust risk maturity was received and noted.**

## **07/20 FINANCE REPORT**

Chris Turley in presenting the report, advised that in preparation for year-end, an interim Audit took place during a visit by the WAO team to the Trust in January 2020. Early issues and systems were examined and a review of the Trust's Month 09 Financial Statements was undertaken during the interim audit.



In addition, as part of the initial routine planning work, the WAO had issued a letter entitled 'Audit Enquiries to those charged with governance and management'. This was formally seeking documented consideration and understanding on a number of governance areas that impact on the year end audit of the Trust's financial statements. The Trust's response was referred to.

In terms of the accounts process Members were asked to consider the timelines and submission of the accounts. In particular the timing of the submission of the draft accounts to Welsh Government, WAO had asked whether it would be useful for the Audit Committee to have sight of the accounts at the draft stage. Members considered the value of this and decided that it would serve no beneficial purpose.

**RESOLVED: That the update was noted and it was agreed not to have sight of the draft accounts when submitted to Wales Audit Office.**

## **08/20 LOSSES AND SPECIAL PAYMENTS – PAYMENTS FOR THE PERIOD 1 APRIL 2019 TO 29 FEBRUARY 2020**

Jill Gill gave an overview of the report explaining that work was ongoing to improve the presentation of the report.

Comments:

Following a query in terms of the challenge regarding costs for solicitors, Jill Gill explained that challenges to the costs were conducted on a regular basis as part of the scrutiny process by the Welsh Health Legal Service.

**RESOLVED: That the Losses and Special Payments Report for this period were received and noted.**

## **09/20 ITEMS FOR NOTING**

Following an update by Claire Roche the following documents were noted:

Risk Register Development Guide

Risk Management Strategy

The Committee noted that these documents should contain details of how project risks were managed and include the Digital Directorate.

**RESOLVED: That the above were noted.**

## **RESOLUTION TO MEET IN CLOSED SESSION**

*Representatives of the press and other members of the public were excluded from the remainder of the meeting having regard to the confidential nature of the business to be transacted in accordance with the requirements of Section 1(2) of the Public Bodies (Admissions to Meetings) Act 1960.*

**Reports relating to the items of business in these minutes can be found on the**

Trust's website, [www.ambulance.wales.nhs.uk](http://www.ambulance.wales.nhs.uk)

**Date of Next Meeting: 21 May 2020**



GIG  
CYMRU  
NHS  
WALES

Ymddiriedolaeth GIG  
Gwasanaethau Ambiwylans Cymru  
Welsh Ambulance Services  
NHS Trust

## WELSH AMBULANCE SERVICES NHS TRUST

### CONFIRMED MINUTES OF THE CLOSED MEETING OF THE AUDIT COMMITTEE OF THE WELSH AMBULANCE SERVICES NHS TRUST HELD ON THURSDAY 5 MARCH 2020 AT VANTAGE POINT HOUSE, CWMBRAN

#### PRESENT :

Pam Hall	Non Executive Director and Chair
Paul Hollard	Non Executive Director
Joga Singh	Non Executive Director
Martin Turner	Non Executive Director

#### IN ATTENDANCE:

Julie Boalch	Corporate Governance Manager
Lee Brooks	Director of Operations
Judith Bryce	Head of Operational Support
Jill Gill	Financial Accountant (Via VC)
Helen Higgs	Head of Internal Audit NWSSP
Ossian Lloyd	Internal Audit
Steve Owen	Corporate Governance Officer
Rachael Powell	Assistant Director of Research, Audit and Service Improvement
Paul Seppman	Trade Union Partner
Chris Turley	Director of Finance and Corporate Resources
Carl Window	Counter Fraud Manager

#### APOLOGIES:

Keith Cox	Board Secretary
Emrys Davies	Non Executive Director
Dr Brendan Lloyd	Medical Director
Damon Turner	Trade Union Partner

#### 01/20 PROCEDURAL MATTERS

The Chairman welcomed all to the meeting and advised that it was being audio recorded.

**RESOLVED:** There were no declaration of interest recorded.

#### 02/20 COUNTER FRAUD PROGRESS UPDATE REPORT

Carl Window provided the Committee with an overview of the report and drew attention to the following areas:

- a) A review was being undertaken by the Wales Audit Office to consider the effectiveness of counter fraud arrangements within the Trust. The outcome of this

should be available in the next few months

- b) There had been no changes to the annual standards in the way the Trust conducts its counter fraud work that had been issued
- c) During this reporting period the Trust had been successful in prosecuting a member of staff in relation to sickness fraud
- d) There was potential to conduct counter fraud training via an e learning package; discussions looking into the feasibility of this were ongoing
- e) An update on the National Fraud Initiative report was given; it was noted that further work was required and it was agreed that the completed report would be circulated to Members as soon as it was finalised
- f) An overview of the ongoing investigations was provided

#### Comments:

It was queried whether staff who were undergoing investigations were suspended from work. Carl Window advised that not in all cases and explained how the investigation and disciplinary process was carried out adding that each case was treated on its own merit.

**RESOLVED: That the Counter Fraud progress report was acknowledged and accepted by the Committee.**

### **03/20 TENDER UPDATE REPORT AND SINGLE TENDER WAIVE REQUESTS**

Chris Turley provided an update on tenders issued and awarded during the period together with a summary of Single Tender Waivers approved during the period 1 November 2019 to 31 January 2020.

Members noted the significant difference in indicative costs and actual costs on some of the tenders. Chris Turley explained how the tendering process was conducted and gave several reasons why there was variation with the figures; he assured the Committee that the process was robust and followed the due diligence.

Furthermore Chris Turley added that where there were any increase in costs from the original estimate, the relevant governance process would have been undertaken. Members were given details when this may occur, for example the discovery of asbestos during building work which would entail added costs unknown from the onset.

The Committee discussed in greater detail how they could be given more detail in terms of when the final costs differed significantly from the original costs following the tender process. It was noted that a case study would be conducted by the Finance and Performance Committee on those tenders in which the costs differed substantially. Once these studies had been completed, the Audit Committee would be apprised.

#### **Waivers**

Chris Turley gave an overview of the report and Members noted that going forward there would be more detail for each waiver for the Committee's assurance.

**RESOLVED:** That members of the Committee were invited to comment on the information provided and noted the contents of the report: and

- (1) it was noted that 9 new tenders were issued during this period and that a total of 9 tenders were awarded during this timeframe;**
- (2) it was noted that 4 requests to waive SFIs were approved during the period along with a further 2 that require reporting through the Committee from the previous period;**
- (3) the outcome of the recent Internal Audit Review into STWs was noted, and it was also noted that full STW documentation would be available if required.**

#### **04/20 CORONAVIRUS UPDATE**

The Committee were given an update by Lee Brooks on the current situation from the Trust's perspective. It was anticipated that the peak of the virus should be around May/June 2020.

**RESOLVED:** That the update was noted.

**Date of next meeting: 21 May 2020**

## **CONFIRMED MINUTES OF THE MEETING OF THE CHARITABLE FUNDS COMMITTEE HELD ON 13 FEBRUARY 2020**

### **PRESENT:**

Kevin Davies	Chairman & Non Executive Director
Bethan Evans	Non Executive Director
Paul Hollard	Non Executive Director
Chris Turley	Director of Finance and Corporate Resources
Claire Vaughan	Director of Workforce and OD
Martin Woodford	Trust Chairman
Andy Evans	Trade Union Partner
Keith Cox	Board Secretary
Jill Gill	Financial Accountant

### **APOLOGIES**

Hugh Parry	Trade Union Partner
Damon Turner	Trade Union Partner
Martin Turner	Non Executive Director

### **01/20 DECLARATIONS OF INTEREST**

The standing declaration of Professor Kevin Davies being an independent Trustee of St John Ambulance was noted.

**RESOLVED: That the standing declaration as described above was NOTED.**

### **02/20 MINUTES OF PREVIOUS MEETING**

The Minutes of 5 September 2019 were confirmed as a correct record.

### **03/20 ACTION LOG**

The Chair asked for an update on the Community First Responders expenditure and queried if this was something that would be picked up as part of the volunteering strategy. Both the Director of Finance and Corporate Resources and Workforce and OD confirmed that the strategy would be available in the first quarter of 2020/21.

The Board Secretary updated members on the work that had been undertaken to date in establishing the number of CFR teams and what their current

arrangements were in terms of fundraising and accounting. Initial findings highlighted there was no consistent approach. Members emphasised the need to protect both its volunteers and the Trustees of the charity in any decisions going forward.

One suggestion was that all accounts were centralised like those of St John, for example, and it was recognised by all members that this would not be an easy task to undertake.

Members also welcomed the discussion on the Role of a Trustee which was scheduled for the upcoming Board Development Day on 18<sup>th</sup> February, which would in part cover the supporting of Charities.

**RESOLVED: That the ongoing work surrounding CFR and the Volunteering Strategy be NOTED.**

#### **04/20 CHARITABLE FUNDS INVESTMENT POLICY**

The Director of Finance and Corporate Resources summarised the need for the Policy in order to comply with the standards of the Charity Commission and the scrutiny channels the policy had been through prior to it being presented to the Committee. He also outlined the aim of ensuring surplus monies were invested with minimal risk with a view to maximising capital growth and income levels for minimum cost.

Members queried if there had been any feedback from the WASPT meeting in relation to the policy to which the Director confirmed that no comments had been received.

The Committee discussed the approval route and agreed to approve the policy, with the caveat that it would only be presented to Trust Board, should something be highlighted at the Development Session on the 18<sup>th</sup> February.

**RESOLVED: That the Investment Policy be APPROVED, subject to no adverse feedback being received from the Development Day discussions which would suggest Trust Board approval was required.**

#### **05/20 WAST BENEVOLENT FUND**

The Director of Finance and Corporate Resources opened up the discussion by explaining how the item had originated and referenced the paper for further information. The discussion focussed on the potential for an independent WAST fund, what it might look like and what the benefits would be together with its implications for managing such a fund. Members recognised there was a national UK TASC group and queried if the Trust should look to be providing additional support for this.

Members queried if staff were worried about accessibility to the existing TASC funds. The Director of Workforce and OD felt the barriers were more criteria based but confirmed that staff in Wales were able to apply. The Director of Workforce and OD was asked to explore further, the provision London

Ambulance Service offered under its scheme, and update the Committee at the next meeting.

The Trust Chairman Confirmed that TASC had presented to the Association of Ambulance Chief Executives in 2019 to promote their activities and agreed to share that information with Committee members. The previous Director of Quality and Nursing had hoped that the charity for nursing could be supported in 2020 as it was the year of the nurse.

**RESOLVED: That**

- 1) the Director of Workforce and OD look further into the London Ambulance Service model; and**
- 2) the Chairman of the Trust share information relating to TASC from a previous meeting.**

**06/20 INCOME AND EXPENDITURE FOR PERIOD 1 APRIL 2019 – 31 JANUARY 2020**

A summary of the expenditure covering the ten months of the financial year was reviewed by the Committee, which was supported by the detailed transactions within the paper. Members were pleased to note there had been some positive movement of funds in this financial year, with the most static fund being the Equipment Fund.

Members did query a transaction which occurred prior to the formation of the Bursary Panel and asked the Financial Accountant to review this and circulate the detail. Members acknowledged that going forward there should be no transactions listed in the accounts that had not been agreed by the Bursary Panel.

The Financial Accountant did highlight the movement of funds to the Bursary Scheme which had been agreed by the Committee at its last meeting.

**RESOLVED: That the update on income and expenditure was NOTED.**

**07/20 BIDS PANEL UPDATE**

The Board Secretary introduced a paper on the bids panel setting out the number of applications considered at the panel meetings which had been held since the Committee had last met and highlighted the approval of the drinks flasks for all staff. He noted that the number of applications was increasing, which confirmed that more staff were being made aware of the process to access the funds.

He also pointed out that the list of approved items would form the basis of guide amounts for similar items going forward.

It was noted that the Panel were still learning and asking more specific questions relating to a bid, ahead of the panel meeting, if it was thought necessary.

The Board Secretary explained that there was some uncertainty from the Panel to agree the first bid to be put forward with regard to equipment for the wellness



suites at both Ty Elwy and Matrix House until it had been established what the purpose of the Wellness Suites was. Non Executive Director, Paul Hollard queried why the Committee was not able to make a decision on the use of the Wellbeing rooms at Ty Elwy and Matrix House as the two bids that had been submitted had both been declined. Following a discussion members agreed the matter should be referred back to the site user groups at each location for them to agree on the use of the room together with the most appropriate suitable equipment.

The TU Partner alerted the Committee to a recent email which did not permit WAST staff to use the Fire Service Gym facilities at co locations, due to the lack of MOUs in place. The Director of Workforce and OD agreed to follow this up and report back to the Committee.

**Resolved: That**

**(1) the decision for the use and equipment in the Wellness Suites at both Ty Elwy and Matrix House be put back to the site user groups; and**

**(2) the Director of Workforce and OD look further into the MOUs with the Fire Service to enable staff to use the gym facilities at co locations.**

## **08/20 BURSARY SCHEME UPDATE**

The Committee discussed the Bursary Panel and agreed that there should be a formal process to close the learning loop to understand and share the experience and achievements of those who had benefited from funding from the scheme. People and Culture Committee was suggested as an appropriate place to share this feedback.

Members also queried if there was sufficient information available for staff to write a strong application and if they received any feedback on them, noting that only six of the twenty one applications had been approved. The Director of Workforce and OD confirmed that there were examples of good applications for staff to view and feedback was provided to staff on unsuccessful applications.

**RESOLVED: That the ongoing work be NOTED, together with the sharing of feedback at a relevant forum.**

**Date of next meeting: 2 June 2020.**