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Welsh Ambulance Services
NHS Trust



ACCOUNTABILITY REPORT AND ANNUAL ACCOUNTS

2019-20



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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 Dasmais 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"> • 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 (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
(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 Martin Woodford..... Dated 25 June 2020

Chief Executive Jason Killens..... Dated 25 June 2020

Director of Finance
and Corporate
Resources Chris Turley..... 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

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.

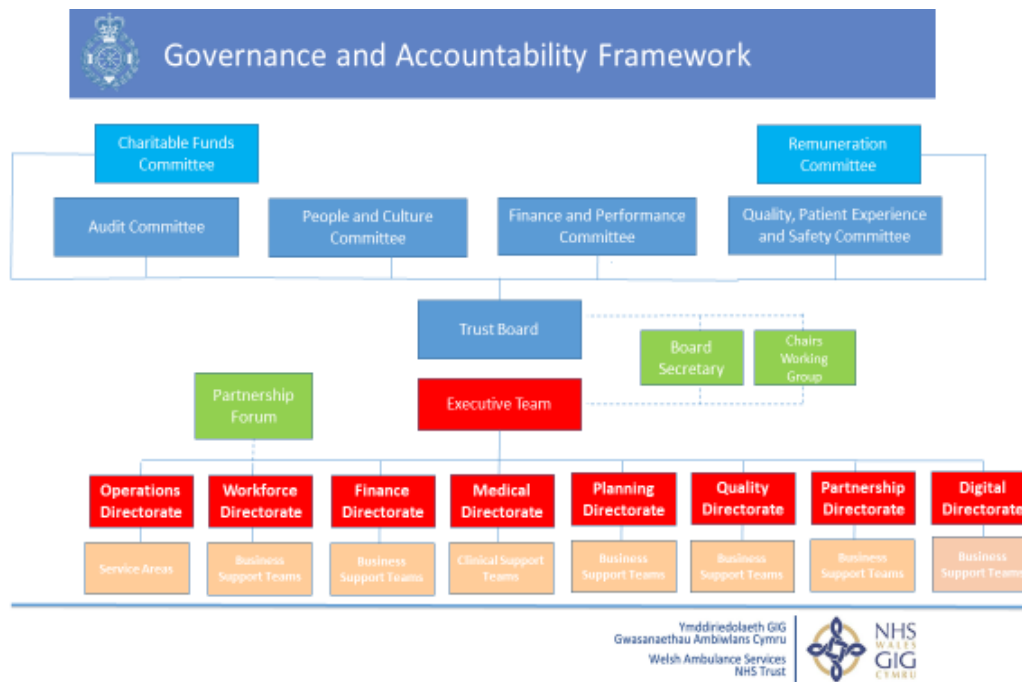
The Trust Board is accountable for governance, risk management and internal control in the organisation. The Chief Executive (and Accountable Officer) of the Trust has responsibility for maintaining appropriate governance structures and procedures. This includes ensuring that the Trust has a sound system 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

Risk	Score	Lead Directorate
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>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 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 & Culture and Transforming Education & 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 hosted the first 999 Weekend with South Wales Fire & 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 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 & Dementia Improvement plans</p>	<p>We successfully collaborated with the Project A Initiative</p> 	 <p>We introduced 25 self-charging petrol hybrid vehicles</p>	<p>We progressed our electronic Risk Register system</p> 	<p>We completed a detailed EMS Demand & Capacity review</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 & 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 reasonable assurance 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
Total	26

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: Jason Killens

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
Section 1 Chair and Non-Executive Directors		
Martin Woodford	Trust Chairman	Trust Board Chair, Remuneration Committee Chair Trust Board (10), Remuneration (5)
Emrys Davies	Non-Executive Director	Quality, Patient Experience and Safety Committee (QuEST) Chair 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	Trust Board Vice Chair, Charitable Funds Committee Chair 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	Audit Committee Chair Trust Board (9), Audit (3), Finance and Performance (4), People and Culture (3), Remuneration (5)
Paul Hollard	Non-Executive Director	People and Culture Chair 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	Finance and Performance Chair Trust Board (6), Audit (4), Finance and Performance (3), Remuneration (2)

Section 2 Chief Executive and Executive Directors		
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.

	Board Champion
Emrys Davies	Quality, safety and patient experience (includes SAIs, 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.

**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

Open Items - Report Title	5/9/19	13/2/20
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		✓

Closed Items - Report Title		
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

Open Items - Report Title	21/5/19	3/9/19	26/11/19	25/2/20
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				✓

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

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

TABLE 7 - REMUNERATION COMMITTEE

Open Items - Report Title					
This Committee is held in Private Session					

Closed Items - Report Title	27/6/19	8/8/19	17/12/19	7/2/20	31/3/20
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.



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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
Total	3,260	3,140

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
Total	18	100

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
Total days lost	84,845.51	82,220.18
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
Percentage staff with no sick leave	28.01%	32.67%

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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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. 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

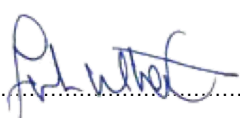
	Note	2019-20 £000	2018-19 £000
Revenue from patient care activities	3	200,000	180,274
Other operating revenue	4	11,339	7,540
Operating expenses	5.1	(211,622)	(187,976)
Operating (deficit)/surplus		(283)	(162)
Investment revenue	6	117	98
Other gains and losses	7	296	212
Finance costs	8	(85)	(91)
Retained surplus	2.1.1	45	57
Other Comprehensive Income			
Items that will not be reclassified to net operating costs:			
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
Sub total		198	(177)
Items that may be reclassified subsequently to net operating costs			
Net gain/(loss) on revaluation of financial assets held for sale		0	0
Sub total		0	0
Total other comprehensive income for the year		198	(177)
Total comprehensive income for the year		243	(120)

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
Non-current assets			
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
Total non-current assets		93,349	85,572
Current assets			
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
		35,224	22,416
Non-current assets held for sale	13.2	246	130
Total current assets		35,470	22,546
Total assets		128,819	108,118
Current liabilities			
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)
Total current liabilities		(36,786)	(29,498)
Net current assets/(liabilities)		(1,316)	(6,952)
Total assets less current liabilities		92,033	78,620
Non-current liabilities			
Trade and other payables	20	0	0
Borrowings	21	(2,667)	0
Other financial liabilities	22	0	0
Provisions	23	(9,554)	(6,974)
Total non-current liabilities		(12,221)	(6,974)
Total assets employed		79,812	71,646
Financed by Taxpayers' equity:			
Public dividend capital		76,309	68,386
Retained earnings		(6,209)	(6,254)
Revaluation reserve		9,712	9,514
Other reserves		0	0
Total taxpayers' equity		79,812	71,646

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
Changes in taxpayers' equity for 2019-20				
Balance at 1 April 2019	68,386	(6,254)	9,514	71,646
Retained surplus/(deficit) for the year		45		45
Net gain/(loss) on revaluation of property, plant and equipment		0	374	374
Net gain/(loss) on revaluation of intangible assets		0	0	0
Net gain/(loss) on revaluation of financial assets		0	0	0
Net gain/(loss) on revaluation of assets held for sale		0	(15)	(15)
Net gain/(loss) on revaluation of financial assets held for sale		0	0	0
Impairments and reversals		0	(161)	(161)
Other reserve movement		0	0	0
Transfers between reserves		0	0	0
Reclassification adjustment on disposal of available for sale financial assets		0	0	0
Reserves eliminated on dissolution	0			0
Total in year movement	0	45	198	243
New Public Dividend Capital received	8,914			8,914
Public Dividend Capital repaid in year	(123)			(123)
Public Dividend Capital extinguished/written off	0			0
Other movements in PDC in year	(868)			(868)
Balance at 31 March 2020	76,309	(6,209)	9,712	79,812

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

2018-19	Public Dividend Capital £000	Retained earnings £000	Revaluation reserve £000	Total £000
Changes in taxpayers' equity for 2018-19				
Balance at 31 March 2018	66,162	(6,311)	9,691	69,542
Adjustment for Implementation of IFRS 9	0	0	0	0
Balance at 1 April 2018	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
Balance at 31 March 2019	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
Cash flows from operating activities			
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)
Net cash inflow (outflow) from operating activities		21,432	21,364
Cash flows from investing activities			
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
Net cash inflow (outflow) from investing activities		(23,328)	(18,561)
Net cash inflow (outflow) before financing		(1,896)	2,803
Cash flows from financing activities			
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
Net cash inflow (outflow) from financing activities		12,852	697
Net increase (decrease) in cash and cash equivalents		10,956	3,500
Cash [and] cash equivalents at the beginning of the financial year	19	13,626	10,126
Cash [and] cash equivalents at the end of the financial year	19	24,582	13,626

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 (FRoM), 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 therefrom can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the SoCI on a systematic basis over the period expected to benefit from the project.

1.10 Non-current assets held for sale

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

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

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

Remote	Probability of Settlement	0 – 5%
	Accounting Treatment	Contingent Liability.
Possible	Probability of Settlement	6% - 49%
	Accounting Treatment	Defence Fee - Provision*
	Contingent Liability for all other estimated expenditure.	
Probable	Probability of Settlement	50% - 94%
	Accounting Treatment	Full Provision
Certain	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)	<u>70</u>	<u>57</u>	<u>45</u>	<u>172</u>

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.

	Financial duty 2019-20 to 2021-22
The Minister for Health and Social Services approval	
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:

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

The Trust has met the target.

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3. Revenue from patient care activities	2019-20	2018-19
	£000	£000
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
Total	200,000	180,274

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

4. Other operating revenue	2019-20	2018-19
	£000	£000
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
Total	11,339	7,540

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
Total	9,874	6,247

5. Operating expenses	2019-20	2018-19
5.1 Operating expenses	£000	£000
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
Total	211,622	187,976

5. Operating expenses (continued)

5.2 Losses, special payments and irrecoverable debts:

	2019-20	Reclassified 2018-19
	£000	£000
Charges to operating expenses		
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	<u>5,957</u>	<u>(7)</u>
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	<u>(2,010)</u>	<u>855</u>
Total charge	<u>4,076</u>	<u>828</u>

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

6. Investment revenue	2019-20	2018-19
Rental revenue :	£000	£000
PFI finance lease revenue:		
Planned	0	0
Contingent	0	0
Other finance lease revenue	0	0
Interest revenue:		
Bank accounts	117	98
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	0	0
Total	117	98

7. Other gains and losses	2019-20	2018-19
	£000	£000
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
Total	296	212

8. Finance costs	2019-20	2018-19
	£000	£000
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
Total interest expense	64	83
Provisions unwinding of discount	21	8
Periodical Payment Order unwinding of discount	0	0
Other finance costs	0	0
Total	85	91

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
Total	1,628	1,799

	2019-20	2018-19
	£000	£000
Total future minimum lease payments		
Payable:		
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
Total	6,138	6,125

Total future sublease payments expected to be received	0	0
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9. Operating leases (continued)

9.2 Trust as lessor

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

Rental Revenue

Receipts recognised as income	2019-20 £000	2018-19 £000
Rent	0	0
Contingent rent	0	0
Other	113	115
Total rental revenue	113	115

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

10. Employee costs and numbers

10.1 Employee costs	Permanently employed staff	Staff on Inward Secondment	Agency Staff	Other Staff	2019-20	2018-19
					£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
Total	148,790	425	262	0	149,477	132,654
Of the total above:						
Charged to capital					415	301
Charged to revenue					149,062	132,353
Total					149,477	132,654
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	2018-19
					Total	Total
					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
Total	3,260	6	8	0	3,274	3,153

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. 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	2019-20	2018-19	2018-19
	Number	£000	Number	£000
NHS				
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%
Non-NHS				
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%
Total				
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
Total	0	0

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

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
Total	27,256

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
At 1 April 2018	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)
At 31 March 2019	9,095	20,127	0	10,095	20,349	71,808	27,875	1,778	161,127

Depreciation

At 1 April 2018	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
At 31 March 2019	0	1,263	0	0	12,676	45,060	21,857	935	81,791

Net book value

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

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
At 31 March 2019	9,095	18,864	0	10,095	7,673	26,748	6,018	843	79,336

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
At 31 March 2019	9,095	18,864	0	10,095	7,673	26,748	6,018	843	79,336

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

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

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
Balance b/f 1 April 2019	130	0	0	0	0	130
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
Balance c/f 31 March 2020	246	0	0	0	0	246
Balance b/f 1 April 2018	0	0	0	0	0	0
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
Balance c/f 31 March 2019	130	0	0	0	0	130

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
At 1 April 2019	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)
At 31 March 2020	11,419	0	4,589	0	0	0	16,008
Amortisation							
At 1 April 2019	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)
Accumulated amortisation at 31 March 2020	8,352	0	2,523	0	0	0	10,875
Net book value At 1 April 2019	4,053	0	1,660	0	0	0	5,713
Net book value At 31 March 2020	3,067	0	2,066	0	0	0	5,133
Net book value							
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
At 31 March 2020	3,067	0	2,066	0	0	0	5,133

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
At 1 April 2018	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
At 31 March 2019	11,205	0	3,159	0	0	0	14,364
Amortisation							
At 1 April 2018	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
Accumulated amortisation at 31 March 2019	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
Net book value							
At 31 March 2019	4,053	0	1,660	0	0	0	5,713
Net book value							
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
At 31 March 2019	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
Impairments charged to operating expenses	1,067	0	1,842	11

Analysis of impairments :

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

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

16.2 Inventories recognised in expenses

	31 March	31 March
	2020	2019
	£000	£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
Total	0	0

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17. Trade and other receivables

17.1 Trade and other receivables

	31 March	Reclassified
	2020	31 March
Current	£000	2019
		£000
Welsh Government	1,518	1,796
WHSCC & 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	<u>9,086</u>	<u>7,372</u>
Non-current		
Welsh Government	0	0
WHSCC & 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	<u>536</u>	<u>523</u>
Total trade and other receivables	<u>9,622</u>	<u>7,895</u>

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

	31 March 2020 £000	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
Balance at end of financial year	<u>615</u>	<u>209</u>

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

	31 March 2020 £000	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
Balance at end of financial year	<u>(290)</u>	<u>(254)</u>

17.4 Receivables VAT

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

18. Other financial assets

	31 March 2020 £000	31 March 2019 £000
Current		
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
Total	0	0
Non-Current		
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
Total	0	0

19. Cash and cash equivalents

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

20. Trade and other payables at the SoFP Date	31 March	Reclassified 31 March
	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	27,523	23,673

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
Non-current		
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>
Total	<u>27,523</u>	<u>23,673</u>

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

21. Borrowings	31 March	31 March
Current	2020	2019
	£000	£000
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
Total	1,970	941

Non-current		
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
Total	2,667	0

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

Amounts falling due:	31 March	31 March
	2020	2019
	£000	£000
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	31 March
	2020	2019
	£000	£000
Current		
Financial Guarantees		
At amortised cost	0	0
At fair value through SoCI	0	0
Derivatives at fair value through SoCI	0	0
Other		
At amortised cost	0	0
At fair value through SoCI	0	0
Total	0	0

	31 March	31 March
	2020	2019
	£000	£000
Non-current		
Financial Guarantees		
At amortised cost	0	0
At fair value through SoCI	0	0
Derivatives at fair value through SoCI	0	0
Other		
At amortised cost	0	0
At fair value through SoCI	0	0
Total	0	0

23. Provisions
2019-20

Reclassified

	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
Current										
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
Total	4,884	0	0	6	0	5,158	(1,706)	(1,070)	21	7,293
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
Total	6,974	0	0	(6)	0	2,586	0	0	0	9,554
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
Total	11,858	0	0	0	0	7,744	(1,706)	(1,070)	21	16,847

Expected timing of cash flows:

	In year to 31 March 2021	Between 01-Apr-21 to 31 March 2025	Thereafter	Totals
	£000	£000	£000	£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
Total	7,293	2,025	7,529	16,847

"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
Total	8,768	0	0	7	0	6,449	(5,640)	(4,708)	8	4,884

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
Total	7,258	0	0	(7)	0	0	(277)	0	0	6,974

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
Total	16,026	0	0	0	0	6,449	(5,917)	(4,708)	8	11,858

24 Contingencies

24.1 Contingent liabilities

	31 March 2020 £000	Reclassified 31 March 2019 £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
Total value of disputed claims	8,000	7,147
Amount recovered under insurance arrangements in the event of these claims being successful	(6,897)	(5,912)
Net contingent liability	1,103	1,235

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	0	0

24.3 Contingent assets

	31 March 2020 £000	31 March 2019 £000
	0	0
	0	0
	0	0
	0	0

The Trust has no contingent assets.

25. Capital commitments

Commitments under capital expenditure contracts at the statement of financial position sheet date were:

	31 March	31 March
	2020	2019
	£000	£000
Property, plant and equipment	2,864	452
Intangible assets	190	20
Total	3,054	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
Total	234	1,551,423

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
Sub-total		5	228,291	6,313,535
All other cases		229	1,323,132	9,479,714
Total cases		234	1,551,423	15,793,249

27. Finance leases

27.1 Finance leases obligations (as lessee)

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

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

Amounts payable under finance leases:

LAND	31 March 2020 £000	31 March 2019 £000
Minimum lease payments		
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
Minimum lease payments	0	0
Included in:		
Current borrowings	0	0
Non-current borrowings	0	0
Total	0	0
Present value of minimum lease payments		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Total present value of minimum lease payments	0	0
Included in:		
Current borrowings	0	0
Non-current borrowings	0	0
Total	0	0

27.1 Finance leases obligations (as lessee) continued

Amounts payable under finance leases:

	31 March	31 March
	2020	2019
	£000	£000
BUILDINGS		
Minimum lease payments		
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
Minimum lease payments	0	0
Included in: Current borrowings	0	0
Non-current borrowings	0	0
Total	0	0
Present value of minimum lease payments		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Total present value of minimum lease payments	0	0
Included in: Current borrowings	0	0
Non-current borrowings	0	0
Total	0	0

	31 March	31 March
	2020	2019
	£000	£000
OTHER		
Minimum lease payments		
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)
Minimum lease payments	4,637	941
Included in: Current borrowings	1,970	941
Non-current borrowings	2,667	0
Total	4,637	941
Present value of minimum lease payments		
Within one year	1,970	941
Between one and five years	2,667	0
After five years	0	0
Total present value of minimum lease payments	4,637	941
Included in: Current borrowings	1,970	941
Non-current borrowings	2,667	0
Total	4,637	941

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
Gross investment in leases		
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
Present value of minimum lease payments	0	0
Included in:		
Current borrowings	0	0
Non-current borrowings	0	0
Total	0	0
Present value of minimum lease payments		
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
Total present value of minimum lease payments	0	0
Included in:		
Current borrowings	0	0
Non-current borrowings	0	0
Total	0	0

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
Movements in working capital		
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
Total	1,985	8,949
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
Total	(894)	8,017

31. Other cash flow adjustments

	31 March 2020 £000	31 March 2019 £000
Other cash flow adjustments		
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
Total	24,400	19,517

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 Hollar *	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 Dasmais 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
TOTAL	2,479	24	8	0

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:-

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

*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 (FRoM), 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 FRoM 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)