West Midlands Ambulance Service
University NHS Foundation Trust

Annual Report and Accounts

1st April 2019—31st March 2020

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Contents

A Message from the Chairman

It would have been impossible at this time last year to have imagined the changes that would have taken place in the world due to the outbreak of COVID 19. This has affected everyone in this country and every organisation but none more so than the West Midlands Ambulance Service. Last year in my report I focused on the exposure that the Trust had received through a series of television programmes. I made the point that we had nothing to fear from such coverage as we were so well prepared and equipped to serve our patients. Little did I realise that this was about to be tested in a most dramatic way.

A great deal has changed in the Service since I became Chair of the Trust fourteen years ago. So many improvements have taken place leading to us becoming rated by the Care Quality Commission as an "Outstanding" organisation for the second time. To achieve such a rating you have to be a well organised, well led and highly professional service with a workforce who are enthusiastic, dedicated and committed to their profession. We are fortunate that we have such people working for the Service in a wide variety of roles. We are now facing the test of what outstanding truly means and the Service is rising to the challenge. It is almost as though we have been preparing for this over the past fifteen years, since the West Midlands Ambulance Service was formed. The patients we serve are benefitting from the fact that we have the most modern, well equipped ambulances in the country with a highly trained qualified Paramedic on each vehicle backed up by staff in every sector who are dedicated to the Service. Our Annual Report has to contain the information about the Service required by law, including financial matters, performance and clinical statistics all of which we can be proud of as they show that behind the operational service is a high achieving organisation that ensures the patients receive the service that they require even in the most difficult circumstances.

It is easy in such demanding times to overlook the other achievements that have taken place in the year under review. Our Non-Emergency Patient Transport Services made considerable improvements and were successful in obtaining further contracts, and on the 5th November 2019 the West Midlands Ambulance Service became the provider of the 111 Service for the whole of the West Midlands region other than Staffordshire. This was an amazing task in terms of setting up the technology required and all the logistics of setting up such a Service and recruiting the people required to make it function. Within weeks we were delivering the best performing 111 Service in the country. The onset of Covid-19 has placed our personnel delivering the 111 Service under unbelievable pressures. They and our Emergency Operations Centre staff dealing with the 999 calls have done an excellent job under such difficult circumstances. In last year's report I concluded by saying that we could all be "Justifiably Proud" of the West Midlands Ambulance Service. I am not sure if you can have levels of justifiable pride but assuming you can, during the year under review this Service has reached the highest level possible. It was a great privilege to serve as Chair of the West Midlands Ambulance Service for fourteen years. It gave me the opportunity to get to know people who were dedicated to their work and to delivering the highest possible standards of professional service to their patients.

Sir Graham Meldrum. CBE OStJ
Chair, West Midlands Ambulance Service University NHS Foundation Trust

Chief Executive Review

As I write this end of year review, we are in the midst of the toughest challenge the NHS has ever faced; the coronavirus pandemic. The Covid-19 outbreak has touched every one of us with the 'lock down' but worse, has left thousands of grieving families who have lost loved ones. In many ways the situation has proved beyond any doubt that the tough decisions we have made over the last decade were exactly the right ones: having a modern fleet based at large 'make ready' hubs has allowed us to maintain the highest standard of infection, prevention and control of any service and with our well trained staff doing their usual magnificent job, we have been able to respond to the crisis as no other ambulance service has been able to. Make no mistake, every part of this organisation has played its part in our response and I could not be more impressed by the way staff have gone above and beyond to help patients and save lives.

As you know, we are hugely proud of our student paramedic programmes. We have literally hundreds of students from university and from our own internal programme working towards their qualification. This has been of huge benefit to us. We have taken on around 600 university students to assist us. This includes some who were only weeks away from completing their course and we rapidly deployed them to work with qualified paramedics and technicians. In doing so were able to double the number of ambulances responding from Bromsgrove almost overnight. Around 150 year two university students initially supported our vehicle preparation operatives before then moving to work on frontline ambulances, again with qualified staff. A similar number of year one students joined hundreds of staff from our non-emergency patient transport service to undertake additional training so that they could provide a high dependency service transporting patients between hospitals and assisting in the discharge of others and a variety of other roles.

I must also mention the staff within our control centres who have been at the forefront of our response to this cruel condition. Again, we have boosted the numbers of staff to such an extent that we have been able to maintain our outstanding ability to answer calls quickly. As I mentioned, this has been a whole organisation response: the team in our stores, the human resources and recruitment teams, the IT department, clinical team, press and communications, finance and many others; all have played their part for which I am deeply grateful. I am sure our response will play a large part in this review next year too.

I must also touch on other areas that would usually have received much higher prominence: On 5 November we once again took control of the NHS111 service across the region, except Staffordshire. Within weeks we had turned a failing service into the top performing in the country due in no small part to the team that we put in place to run 111. Their leadership and grip mean we have hundreds of additional, well-motivated staff. As a team they have played an extraordinary part in our response to coronavirus for which I am once again immensely grateful.

I cannot miss out that, once again, the Care Quality Commission rated our Trust as 'Outstanding'. We remain the only ambulance service in this position and one of only nine organisations that have four out of the five domains rated as outstanding with the fifth rated as good. A huge amount of effort goes into ensuring our Trust maintains these standards at all times, not just ahead of an inspection.

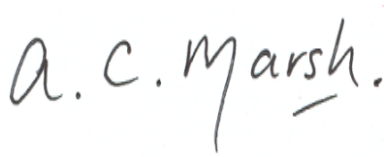
Where previously we faced a heatwave, earlier this year it was flooding, mainly in West Mercia, where once again, the strength of our organisation paid huge dividends. The reason we coped so well is in no small part down to the extraordinary lengths that our staff went to. I also want to pay tribute to the many volunteers that support us, be they

Community First Responders, the two local air ambulance charities (Midlands Air Ambulance and The Air Ambulance Service), British Association for Immediate Care (BASICS) doctors and groups such as Severn Area Rescue and West Midlands 4x4 club; they have all been superb. The Annual Report gives me the opportunity to formally thank everyone who has helped the Trust – I truly am most grateful for your support.

We continue to be the best performing Ambulance Trust in the country and the only one that exceeded all of the national standards in 2019-20. This is in no small part down to having a paramedic on every ambulance - something no other ambulance service comes close to achieving, one of the lowest sickness rates anywhere in the NHS and a continued commitment to staff welfare and the support for their mental wellbeing, which is just as important as their physical health. We have also seen continued improvements in our national staff survey responses.

Finally, I couldn't not mention that the end of this year sees a change in the Chairing of our Trust. After 14 years, Sir Graham Meldrum has retired. Sir Graham has been a huge support to me over these years; always willing to give a view, never afraid to take tough decisions. We are a stronger organisation for his input. I am also delighted with the appointment of Professor Ian Cumming as Sir Graham's successor. Ian has huge experience from a long career in the NHS and has been very supportive of ambulance services within his previous role as Chief Executive of Health Education England.

At this stage, while the future is clearly uncertain, I have no concern that our Trust is as prepared as any to take on whatever comes our way over the next 12 months. I look forward to working with colleagues and volunteers to ensure the Trust continues to provide the very best patient care to our communities. I firmly believe that the public of the West Midlands should be justifiably proud of the team that protects them.



Anthony C. Marsh
Chief Executive Officer

Performance Report 2019-20

Overview of Performance

This section includes a Summary of the Trust's Performance in 2019-20 from the Chief Executive, a brief history of the Trust, the areas it covers, the services provided, and the Vision and Values of the Trust.

The Chief Executive's Summary of Trust Performance in 2019-20

When I looked back at previous overviews, I noted that weather has been mentioned in the last two. First the 'Beast from the East' in 2017-18; then 2018-19 it was the heatwave summer of the World Cup. This last 12 months has seen us deal with another weather phenomenon: flooding. In the early part of 2020, the region was deluged with rain that resulted in vast swathes of Herefordshire, Worcestershire and Shropshire becoming flooded with roads impassable and rivers reaching levels never seen before. What is notable is the way that this organisation once again met these challenges head on and ensured the public continued to receive excellent healthcare despite the extraordinary challenges that it faced.

However, it was not flooding that has had the biggest impact on this past year. That was undoubtedly the arrival of coronavirus. The number of calls to both 999 and 111 reached levels never before seen. In 111, demand hit five times that which could have been expected with over 15,000 calls in a day on several occasions. Similarly, demand for 999 calls was significantly up, not to the levels of 111, but enough that we had to take rapid decisions in order to protect the service, part of our country's critical national infrastructure.

The decision that the Board of Directors made some years ago to work towards having a paramedic on every ambulance has proved to be a wise one. Equally, the move to large 'make ready' hubs and our continued presence in the non-emergency patient transport service sector have both proved to be a blessing. At any one time, we have up to 1,000 student paramedics working with us, both those we employ directly but also from the five universities we work with: Birmingham City, Coventry, Staffordshire, Worcester and Wolverhampton. At a time when we needed to increase our workforce incredibly rapidly, having access to a pool of highly motivated and dedicated students meant that we were able to increase staffing in large numbers within weeks.

Hundreds of these students are now working on our frontline ambulances with qualified staff. Many more are supporting our team of vehicle preparation operatives with more still working with our non-emergency crews in a high dependency role.

However, it wasn't just in these roles where our staff numbers increased rapidly: we recruited and trained hundreds of new staff to work in both the 999 and 111 call centres we operate enabling us to maintain the best call answering rate in the country.

When I look around the country, we were far beyond any other service in our ability to rapidly and decisively increase our workforce to tackle the scourge of Covid-19 head on. Yes, these were difficult decisions, which were not universally popular, but to do nothing was not an option. I am in no doubt that these rapid actions have saved hundreds of lives and given thousands of family members more time with their loved ones when they might otherwise have been left heartbroken.

Training of staff is a central plank of our Trust and prior to the coronavirus outbreak, by ensuring over 99% of frontline staff received their update training in 2019-20, we had maintained our position once again as achieving the highest training level in the country. Over 97% of our staff also received a personal development review with their line manager.

This past year set in place a hugely important building block for us to continue moving our organisation forward. On 5th November, we once again took over the running of the 111 service in the West Midlands (except Staffordshire). Our Commissioners share our vision of integrating the 111 and 999 service so that it is a seamless one for patients within our region. All too often people are unsure which service to ring. Once we complete the integration it will not matter as it will be the same staff answering the calls whichever route they come through on.

The integration will allow us to provide a better service for patients but also to continue our drive to be as efficient as possible so that the maximum amount of our budget can be focused on patient care. Independent reports including the National Audit Office report in 2017 and Lord Carter's Review into unwarranted variation in NHS Ambulance Trusts in 2018 already cite us as one of the most efficient ambulance services in the country, and this development will only improve that situation further.

Supporting our staff continues to be one of our highest priorities. Over the past 12 months, their mental well-being has taken on an ever increasing importance. In 2017-18, we appointed two physiotherapists who had an immediate impact on the number of staff reporting musculoskeletal injuries; the recent appointment of two mental wellbeing specialists is having a similar positive impact on our staff. These developments, along with other campaigns that have seen us become a national exemplar in regard to Health & Wellbeing, have contributed to a reduction in the number of staff leaving the Trust. We have also seen a record number of staff take part in the National Staff Survey and produce better results than ever before. While there are still areas to address, the improvements are notable. I firmly believe that these areas of work have enabled us to continue to have the lowest sickness rate of any ambulance service and one of the lowest levels in the NHS.

While the staff on the frontline, those in our control rooms and those who provide non-emergency services are the face that most people know us for, there is a small army of people who support them. These are the people who enable those staff to carry out their vital roles. I am thinking of our mechanics, those that prepare the vehicles and our education and training department, but also the key corporate functions who make sure the organisation works effectively and efficiently such as those in finance, IT, workforce, recruitment, supplies and distribution, and press & communications. They may not be as high profile but they play a vital role nonetheless.

The West Midlands is second only to London as far as cultural diversity is concerned. While we have continued to make progress in creating a workforce that is representative of the people we serve, there is more to be done and we will re-double our efforts during the coming months.

While it is now over two years since the horrific terrorist attacks in London and Manchester, we remain vigilant and ready to deal with any such atrocity in this region. As an organisation we are determined to be as prepared as we can be, so we continue to train large numbers of staff to be able to work in these challenging situations and deal with the potential horrors that could be visited on our region.

Whilst I am immensely proud of our performance as the only ambulance service in the country to exceed all of the national performance criteria, this review cannot miss out the fact that the Care Quality Commission (CQC) once again inspected our organisation and continued to rate us as 'Outstanding'. Not only are we the only ambulance service with such a rating, but it is the second time that we have been rated in this way which puts us in a very elite group of NHS organisations. There is no question that this position is down to the hard work of our staff along with the support of the many volunteers who assist us.

Over recent months, the finances of the NHS have hit many national headlines; the announcement by our new Prime Minister Boris Johnson of significant new monies for the NHS is undoubtedly welcome, but like all NHS Trusts we continue to face a tough financial climate. This often results in difficult and unpalatable decisions, but as an organisation we are committed to investing the maximum amount in our frontline services. We will continue to face each challenge head on and make the necessary changes to ensure we continue to provide the highest standard of clinical care to our patients. With these commitments we were not only able to maintain our performance at high levels but also achieve our required Financial Control Total, thereby meeting all of our required financial duties.

NHS Improvement continued to rate our financial stability as being of the highest order as we continued to be placed in Segmentation 1 of their rating. There are literally only a handful of NHS organisations that are both rated as 'Outstanding' by the Care Quality Commission (CQC) and in Segmentation 1.

To conclude, I am confident that we are in a strong position to continue to provide world class services to our patients by recruiting, developing, training and supporting our staff to be the very best that they can be.

About the Trust

West Midlands Ambulance Service became an NHS Foundation Trust on 1st January 2013 following authorisation by the regulator and received its licence as a health service provider in April 2013. On 1st November 2018, we became the first University Ambulance Service in the country after a Memorandum of Understanding was signed with the University of Wolverhampton. Following a public consultation, the name of the Trust was changed to West Midlands Ambulance Service University NHS Foundation Trust.

The former West Midlands Ambulance Service NHS Trust was created on 1 July 2006 with the amalgamation of the original West Midlands Ambulance Service NHS Trust, Coventry and Warwickshire Ambulance NHS Trust and Hereford and Worcester Ambulance Service NHS Trust. Staffordshire Ambulance Service NHS Trust joined in October 2007.

The Trust has a budget of approximately £320 million per annum. It employs over 6,000 staff and operates from 15 operational hubs and 13 community ambulance stations together with other bases across the region. The maximum age of the operational fleet continues to be no more than five years old. In total the Trust utilises over 850 vehicles including ambulances, non-emergency ambulances and specialist resources such as major incident assets and helicopters.

There are two Emergency Operations Centres, located at Tollgate in Stafford and Brierley Hill in Dudley, taking around 4,000 emergency '999' calls on average each day. Our 111 call centre is also based in Brierley Hill and takes between 3,500 and 7,000 calls per day depending on the day and time of year. The numbers vary as it is primarily an out of hours service.

The Trust is supported by a network of volunteers. More than 400 people from all walks of life give up their time to become Community First Responders (CFRs). CFRs are always backed up at the incident location by ambulance service clinicians, but there is considerable evidence that their early intervention in life critical emergency situations saves lives; there are many people in our communities alive today because of the work of these volunteers.

The Trust is also assisted in its work by voluntary car drivers, BASICS emergency doctors, water-based rescue teams and off-roading (4 x 4) organisations. Midlands Air Ambulance and The Air Ambulance Service also play a crucial part in responding to patients.

Geographical Area and Population

The Trust serves a population of 5.6 million who live in the areas of Herefordshire, Worcestershire, Shropshire, Coventry, Warwickshire, Staffordshire, Birmingham, Solihull and the Black Country conurbation. The West Midlands is located in the heart of England, covering an area of over 5,000 square miles, of which 80% is rural landscape.

The West Midlands is an area of contrasts and diversity. It includes the second largest urban area in the country, covering Birmingham, Solihull and the Black Country where 43% of the population live. Birmingham is England's second largest city and the main population centre in the West Midlands, second only to the capital in terms of its ethnic diversity, which makes it vital that we work closely with the many different communities we serve, listening and responding to their suggestions and comments to ensure that our service meets the needs of everyone in the region.

The region is also well known for some of the most remote and beautiful countryside in the country including the Staffordshire Moorlands and the Welsh Marches on the borders of Herefordshire and Shropshire with Wales.

Services Provided

The Trust provides out of hospital clinical triage, advice, assessment and treatment to patients who dial 999 and, where the clinical need arises, conveys patients to hospital or the most appropriate alternative destination for definitive treatment. The portfolio of Trust services includes:

- **Emergency and Urgent (E&U) Services**

This is the best known part of the Trust and deals with the emergency and urgent calls. This service is directed from the two Emergency Operation Centres (EOCs) at Brierley Hill near Dudley, and Stafford which answer and assess these calls. EOC will then send the most appropriate ambulance response to the patient or reroute the call to a Clinical Support Desk staffed by experienced paramedics. Where necessary, patients will be taken by ambulance to an Accident and Emergency Department or other NHS facility such as an Urgent Care Centre or Minor Injuries Unit for further assessment and treatment. Alternatively, they refer the patient to their GP. Emergency and Urgent (E&U) services are provided from 15 strategically located 'hubs' across the West Midlands which are supported by 13 'Community Ambulance Stations' (CASs).

- **Non-Emergency Patient Transport Services (NEPTS)**

The Trust is contracted to collect patients from their place of residence and convey them to a hospital or treatment centre within pre-agreed parameters of out-patient appointment time. PTS staff will then carry out the return journey on completion of the appointment. There is also a high level of discharge, High Dependency and inter hospital transport activity which is serviced by NEPTS and has a direct impact upon hospital patient flows and throughput.

In many respects, this part of the organisation deals with some of the most seriously ill patients and crews are trained as patient carers. They transfer and transport patients for reasons such as hospital appointments, transfer between care sites, routine admissions and discharges and for continuing treatments such as renal dialysis. The Patient Transport Service has its own dedicated control rooms to deal with over one million patient journeys annually. Contracts are mainly for patients within the West Midlands region, but since the summer of 2016 the Trust has also been contracted to provide services for patients in Cheshire.

- **NHS 111**

The NHS 111 service was introduced to make it easier for the public to access local NHS healthcare services in England. The Trust ran the regional service between November 2013 and September 2015 before it failed to reach an agreement on an extension to the contract and the service was transferred to and run by a number of private providers with mixed performance results. During the Summer of 2019, WMAS was approached by Commissioners to once again take on provision of the 111 service for the West Midlands region, except in Staffordshire which has separate arrangements. However, this time there was agreement that the service should be integrated with the 999 service.

This new service went live on 5th November 2019 and almost immediately started to perform at a much higher level. Prior to the coronavirus outbreak the Trust was regularly exceeding performance standards and was the top performer in the country. The Trust is committed to finishing the work to fully integrate with the 999 service as and when the current pandemic subsides and some level of normality returns.

- **Emergency Preparedness**

This is a small but vitally important section of the organisation which deals with the Trust's planning and response to significant and major incidents within the region as well as providing support for large gatherings such as football matches and festivals. It also aligns all the Trust's Specialist Assets and Operations into a single structure. Such assets include the staff, equipment and vehicles from the Hazardous Area Response Team (HART), Air Operations, Decontamination Staff and the Mobile Emergency Response Incident Team (MERIT). The department arranges ongoing training for staff and ensures the Trust understands and acts upon intelligence and identified risk to ensure the public are kept safe in the event of a major incident.

- **Commercial Call Centre**

The Trust's Commercial Call Centre offers message handling for NHS, public sector and private sector clients, including GP in hours call answering, Public Health England, National Burns Bed Bureau and a number of specialist medical equipment providers (bariatric and wound management). In addition, we provide safeguarding call handling and referral services to a County Council and PTS and Healthcare Logistics out of hours cover.

- **Healthcare Logistics**

The Logistics and Courier Transport Services provide a wide range of services for mainly NHS customers, including clinical waste and mail collection, medical forms and supplies deliveries, specimen collections, patient and staff transport services.

- **Audit services**

The Trust hosts an Internal Audit Consortium which provides a range of audit services including internal audit, counter fraud, security management, risk management, specialist IT audit and management consultancy such as project management to the Trust, other NHS organisations in the West Midlands and East Anglian regions.

Vision and Values

Our Vision

"Delivering the right patient care, in the right place, at the right time, through a skilled and committed workforce, in partnership with local health economies"

The vision of West Midlands Ambulance Service University NHS Foundation Trust places the patient at the centre of everything we do and provides a focus through which we deliver safe, high quality patient care and treatment, underpinned by sound values and

commitment to collaborative working with staff, members, volunteers and stakeholders.

Our Values

World Class Service

- Deliver a first class service, responsible to individuals' needs
- Recognise and celebrate good performance by our staff
- Strive to maintain a positive, safe, supportive and enjoyable work environment for all staff
- Use our resources carefully, making sure that we provide the most cost-effective high quality service
- Be trustworthy and consistently deliver on our promises

Patient Centred

- Provide the highest quality service and care for our patients and their relatives within the available resources
- Every member of staff will help to improve patient care, either directly or indirectly
- Listen and respond to carers and staff
- Learn from our successes and our mistakes and work to improve our service to patients at all times
- Encourage staff to use their experiences to help develop the Trust and the services it provides to patients
- Observe high standards of behaviour and conduct, making sure we are honest, open and genuine at all times, and are ready to stand up for what is right

Dignity and Respect for All

- Show understanding of and respect for each other's roles and the contribution each of us makes to the organisation
- Listen to and take on board the views, ideas and suggestions of others

Skilled Workforce

- Recognise that our staff are our most valuable asset
- Recognise and encourage the contribution and personal development of individuals
- Ensure that we, through our good working practices, retain and recruit staff of the highest quality
- Encourage and support all staff in their personal development and training to increase and maintain their high levels of competency, skills and professionalism to meet their full potential regardless of role

Teamwork

- Our staff work closely with colleagues of all levels
- Our staff make their views known and have them taken seriously
- Promote teamwork and take a genuine interest in those whom we work with, offering support, guidance and encouragement when it is needed

- Inspire each other to work together to create better services for our patients

Effective Communication

- Open and honest in our communication with each other and with those outside the organisation
- There is a two way flow of communication throughout the organisation
- Plan our services and generate new ideas for service improvements in partnership with staff, patients and the community
- Respect confidential and personal information about patients, their relatives and colleagues.

Key issues and risks

This section covers the current issues and risks in delivering the objectives, and also contains the 'Going Concern' disclosure

Key issues and risks that could affect the Trust in delivering its objectives

Risk management is a key component of enhancing patient care and is a central part of the Trust's strategic management. It is the process whereby the Trust methodically addresses the risks attached to its activities with the goal of achieving sustained benefits to patient care and to the strategic agenda, within each activity and across the portfolio of all Trust activities. The focus of risk management at the Trust is the identification and treatment of risk.

The Trust Risk Register identifies and assesses risks at two levels:

Level 1	**Significant Risks** - Those risks that have major implications across the whole of the Trust and could prevent the Trust achieving its Strategic Objectives (High risks that are assessed by the Executive Management Board and/or the Quality Governance Committee as 'significant' and are accepted by the Board of Directors as such).
Level 2	**Operational Risks** - Risks identified and managed by the various Directors and Managers, and through sub-committees and working groups.

The Board of Directors acknowledges its responsibility to monitor the implementation and progress of risk management across the Trust's activities. The Board of Directors monitors the Trust's significant risks and gains assurance through the Board Assurance Framework that those risks are being correctly identified and managed.

The Trust's significant risks **currently are**:

Significant Risk 1: **Failure to achieve Operational Performance Standards**	
Resulting in:	The Trust fails to meet the national and locally set standards for responding to emergency and urgent calls resulting in delay to patient care, loss of reputation and possible financial penalties

Significant Risk 2: **The Trust fails to manage its finances appropriately**	
Resulting in:	The inability to meet financial obligations and maintain financial control e.g. EBITDA and cash flow to maintain a safe and effective Service.
Significant Risk 3: **The Trust fails to comply with the Regulatory Body Standards and Quality Indicators**	
Resulting in:	Non-compliance with the Care Quality Commission Standards and/or with the Regulator's compliance framework e.g. Single Oversight Framework which could result in failure to comply with Trust Licence conditions, and reputation damage as a quality provider.

These risks are regularly monitored and are reported at the highest level of the organisation. Each risk has a detailed list of current controls and mitigating actions.

Current Issues which could affect the delivery of Trust objectives include:

- Deterioration in the financial position of the NHS nationally.
- Significant increases or decreases in E&U demand month on month.
- Failure of hospitals to ensure effective hospital handover.
- Failure of hospitals to ensure that any reconfiguration of Hospital Services is fully discussed and any ambulance resource requirements are fully funded.
- Covid-19.

Covid-19 National Pandemic

During the period of this Annual Report the Trust and the NHS nationally has had to respond to a Level 4 National Incident arising from the Covid-19 Pandemic.

The Board of Directors and the Governors of the Trust have received regular updates from the Chief Executive and the Chairman on the Trust's response and these can be found in the Board of Directors' agenda and papers on the Trust's website.

From the start, the agreed position of the Board has been to do everything necessary to protect the 999 Service in EOC and in Patient Facing Operations, thereby ensuring that the Trust continues to deliver high quality patient care and has no effect on partner "blue light" agencies. All of this is underpinned by protecting Trust staff.

The Regulator wrote to the Chief Executives of all NHS bodies on 28 March 2020. The letter provided guidance to support NHS organisations to free-up management capacity and resources during this challenging period and had the apt title of ***"Reducing burden and releasing capacity at NHS providers and commissioners to manage the COVID-19 pandemic".*** A copy of the letter was presented to the Board and Governors for review. The Board endorsed the view of the Chief Executive as Accounting Officer for the Trust, that the Trust Governance

arrangements should continue to maintain as much business as usual in order to retain the Board of Directors' and Council of Governors' oversight and assurance subject to any pragmatic proposals contained in a governance model being developed. The Board agreed that appropriate governance arrangements were even more important during the National Emergency, especially when considering the level of public funds and resources being used and the need to act quickly and pragmatically in the interests of the patient and public. Therefore, the Board agreed that it was correct to have appropriate systems and processes in place to reflect the current climate so that the Trust remains accountable during, but most importantly after, the crisis has ended and normality resumes. When normality resumes there will be the need to properly account for actions and resources utilised.

For the avoidance of doubt, the Board agreed with the CEO that it was important to maintain compliance with current Standing Financial Instructions during the emergency and if there were reasons for non-compliance they were to be reported to the Board and Audit Committee for ratification, giving the reasons for non-compliance.

The Trust has undertaken a Risk Assessment of Covid-19 and developed mitigating actions; this has been reported to the Board and is available as part of the Papers for Board Meetings on the Trust's website or upon request from the Trust Secretary.

During the period of the Emergency:

- there has been a Command and Control structure in place with the Chief Executive leading the response. The Director of Strategic Operations & Digital Integration is the Incident Director reporting directly into the CEO. An Incident Room was established, operational 8am to midnight seven days a week with a senior commander in place; an appropriate level of command structure is in place at after midnight until 8am.

- there are daily meetings of the Senior Command Team. The Covid 19 Action Log and Risk Log are reviewed at that meeting and then submitted to Executive Management Board for review prior to submission to the Board of Directors to ensure appropriate governance and oversight is maintained in relation to operations and quality during the period of this emergency which is unprecedented in recent times. In addition, the Senior Command Team Action Log and Risk Log have been presented to the Board of Directors and Governors in addition to the Trust's Covid Surge Plan, to provide assurance to the Board of Directors and Governors that the Trust it is taking all available steps to protect its staff and patients during this period.

The Trust has continued to monitor national clinical and medical guidance and respond appropriately. The Trust has issued robust guidance to all its staff in relation to COVID-19 which follows Public Health England, NHSE/I and National Ambulance Resilience Unit guidance. It is reviewed regularly, and changes made swiftly where required. In addition, the Board has agreed to the procurement of appropriate PPE Respiratory Hoods, coveralls, aprons and visors etc that are appropriate for use by Paramedics and frontline staff engaged by the Trust.

The Trust has a well-established communications system in place to ensure the latest guidance has been given to clinical and operational staff as quickly as possible.

The Director of Finance established a separate Covid-19 Budget code to ensure that there is correct oversight of public funds in managing this incident.

This Trust has taken appropriate and proportionate action in relation to one of the greatest threats to the health of the nation since 1945. The response is ongoing and the Trust's top priority continues to be protecting the 999 staff both in EOC and in Patient Facing Operations, thereby ensuring the Trust continues to deliver high quality patient care.

The Board of Directors would like to place on record its praise, appreciation and thanks to the Chief Executive and his staff and colleagues for all the hard work and commitment they have demonstrated during what has been an incredibly challenging period of time since the New Year with the Floods during the Winter of 2019/20 and then the Covid-19 National Incident. At the time of publication of this Annual Report there is no indication when this incident will end and as such the Trust will continue to focus on its response to this emergency.

Directors' Conclusion on the Assessment of Going Concern

At the meeting of the Trust's Audit Committee on the 11 March 2020 a detailed discussion took place on the application of the Going Concern Concept to the Trust.

Taking account of the recommendation of the Audit Committee, and after considering the current financial and operational position of the Trust, the Directors at the meeting of the Board of Directors held on 25 March 2020 approved a resolution that there are **no material uncertainties** that may cast **significant** doubt about the Trust's ability to continue as a going concern and therefore there is a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Board of Directors continue to adopt the Going Concern basis in preparing the accounts for 2019-20.

Performance Analysis

This section contains an explanation of the performance measurements that the Trust uses and includes an overview of the Trust's policy on the Data Quality that is used to measure performance.

Performance Measures

Emergency and Urgent Service

The Trust is measured nationally against the following **operational standards for the E&U Service**:

Ambulance Response Programme

New measures implemented from September 2017 under the Ambulance Response Programme (ARP) defined each response standard and the detail of the reporting requirements. These response standards were brought into being incrementally across the country from September 2017 in shadow-form and reported centrally, with the new performance standards becoming live from April 2018 onwards.

The key focus of the Trust to meet these changes has been to ensure that each patient where "Hear and Treat" isn't appropriate receives an Ambulance response where a double staffed Ambulance with at least one paramedic on board, arrives at the scene in the quickest time possible. This mode of operation has proven efficient, provides excellent quality and provides operational stability despite significant demand growth.

The Trust is able to report that in 2019/20, in all of the four categories, we were exceeding the national standards at a mean average, and 90th centile. We remain the only ambulance service in England that consistently meets ARP performance standards across the Categories.

The following standards have been measured from September 2017 onwards:

999 Category 1 Mean	7 minutes
999 Category 1 90th Percentile	15 minutes
999 Category 2 Mean	18 minutes
999 Category 2 90th Percentile	40 minutes
999 Category 3 90th Percentile	120 minutes
999 Category 4 90th Percentile	180 minutes

Where:

999 Emergency Call - Category 1 is:	**Life Threatening -** Time critical life-threatening event needing immediate intervention and/or resuscitation.
999 Emergency Call - Category 2 is:	**Emergency -** Potentially serious conditions that may require rapid assessment, urgent on-scene intervention and/or urgent transport.
999 Emergency Call - Category 3 is:	**Urgent -** Urgent problem (not immediately life-threatening) that needs treatment to relieve suffering.
999 Emergency Call - Category 4 is:	**Non Urgent -** Problems that are not urgent but need assessment.

Ambulance Quality Indicators

National Audits

Ambulance Services are not included in the formal National Clinical Audit programme, however, during 2018/19 the Trust participated in the following National Ambulance Clinical Quality Indicators Audits:

1. **Care of ST Elevation Myocardial Infarction (STEMI)**
   This is a type of heart attack that can be diagnosed in the pre-hospital environment. Patients diagnosed with this condition are often taken directly to specialist centres that can undertake Primary Percutaneous Coronary Intervention (PPCI).

   Audit Element
   Percentage of patients with a pre-existing diagnosis of suspected ST elevation myocardial infarction who received an appropriate care bundle from the Trust during the reporting period.

2. **Care of Stroke Patients**
   A stroke is a brain attack. It happens when the blood supply to part of your brain is cut off. Blood carries essential nutrients and oxygen to your brain. Without blood your brain cells can be damaged or die. A stroke can affect the way your body works as well as how you think, feel, and communicate.

   Audit Element
   Percentage of patients with suspected stroke assessed face to face who received an appropriate care bundle from the Trust during the reporting period.

Face – can they smile or does one side droop? **Arms –** Can they lift both arms or is one weak? **Speech –** is their speech slurred/muddled?
Time to call 999.

3. Care of Patients in Cardiac Arrest

In patients who suffer an out of hospital cardiac arrest the delivery of early access, early CPR, early defibrillation and early advanced cardiac life support is vital to reduce the proportion of patients who die from out of hospital cardiac arrest. The Trust provides data to the Out of Hospital Cardiac Arrest Outcomes Registry.

Audit Element

Percentage of patients with out of hospital cardiac arrest who have return of spontaneous circulation on arrival at hospital and patients that survive to hospital discharge.

4. Sepsis

Sepsis is a serious complication of an infection. Without quick treatment, *sepsis* can lead to multiple organ failure and death.

Audit Element

Percentage of patients where observations were assessed, oxygen administered where appropriate, fluids administration was commenced and recorded, and a Hospital pre-alert was recorded.

Plus the following National Clinical Audit included within STEMI above:

5. Myocardial Infarction National Audit Programme (MINAP)

In patients diagnosed with STEMI it is important to get them to a Primary Percutaneous Coronary Intervention (PPCI) centre as quickly as possible - MINAP records the time that the PPCI balloon is inflated by the hospital.

Audit Element

The Trust measures 999 Call to catheter insertion by the mean and 90th percentile.

The reports of the National Clinical Audits were reviewed by the Trust in 2018-2019 and the following actions are intended to improve the quality of healthcare provided for patients:

- Communications including compliance with indicators through the Trust "Weekly Briefing" and "Clinical Times"
- Development of Electronic Patient Record reporting to enable real time auditing.
- Development and review of individual staff performance from the Electronic Patient Record.

Local Audits

The reports of two local clinical audits were reviewed by the Trust in 2019-2020 and the WMAS intends to take the following actions to improve the quality of healthcare provided:

Post-Partum Haemorrhage Management

Post-Partum Haemorrhage (PPH) remains one of the leading causes of maternal deaths in the UK (MBRRACE-UK 2017). The planned increase in community-based births with the implementation of the Better Births programme means there is the potential of an increased input for ambulance trusts to provide assistance to maternity service providers in the future.

It is essential that early identification and timely management of PPH is completed in order to reduce mortality and morbidity. The impact of the poor identification and management of this patient group cannot be under-estimated and the ramifications are significant for both patients and clinicians. Obstetric errors can also lead to litigation with significant financial penalties.

WMAS has adopted the JRCALC Clinical Guidelines (2017) for PPH, but does not currently carry either of the uterotonic drugs for the management of women suffering a PPH. This may lead to risk of patient safety incidents.

The results of the audit have highlighted that significant work is required into underlining that PPH is an obstetric emergency even though the patient may initially present with minimal external blood loss and observations within normal parameters. Education in providing effective fundal massage along with other clinical management needs to be disseminated to all clinicians.

Assessment and Management of Head Injury

The main aim and objective of this re-audit was to compare data with the previously completed clinical audit reports to identify areas of improvement and areas that still require attention. The overall aim of these audits is to ensure that patients suffering from a head injury are being assessed appropriately to allow accurate severity of the injury to be determined and correct treatment provided; in addition to identify if the treatment and assessment of patients suffering from head injuries are in line with JRCALC Clinical Guidelines 2006 and National Institute for Health and Care Excellence (NICE) Guidance 056 and 176.

Overall this audit showed an improvement in compliance with the standards and that WMAS clinicians are adhering to JRCALC and NICE guidance. The improvement can be attributed to the strategy for improvement developed following the original audit.

It has been recommended to review the clinical audit standards for 2020-2021 clinical audit.

Non Emergency Patient Transport Services

The Trust operates a number of Patient Transport Service contracts, each of which has its own set of performance measures and thresholds for achievement. The ability to meet targets and patients' needs relies significantly upon careful scheduling to ensure that patients' journeys are completed swiftly and efficiently. All contracts have a set of standard measures in relation to punctuality both before and after hospital appointments.

Data Quality Policy

The Trust recognises that data quality is crucial to the delivery of fast and effective service provision. Complete, accurate and timely data is important in supporting care delivery, clinical governance, management of information, clinical audit and achieving service targets.

The effective use of performance information depends on data that is robust and accurate. Sufficient high quality information must be available to allow confidence that performance is tracked and, in particular, that the quality of key data entered by all control rooms across the region is monitored to ensure compliance with national and local requirements.

There are a number of specific reports available on the Trust's report portal, ORBIT, which the Emergency Operations Centre and operational managers can use to improve data quality. Additionally, a suite of automated data quality reports are circulated routinely to managers to help monitor data quality.

Examples of data quality checks include Routine/Referral categorisation and the triggers for clock starts

The Trust has a formal Data Quality Policy. The Quality Governance Committee has responsibility for reviewing and endorsing it, and both Internal and External Audit review internal controls and undertake testing of data produced.

Performance Achievement

This section shows the achievements during 2019/20 in Operational, Clinical and Financial performance and also includes the Business Plan targets. Information about Trust policies regarding environmental impact, social & human rights issues and any significant events that have taken place since the end of the financial year are also included.

Operational Performance

2019/20 has been another exceptionally busy year with a further 5.5% increase in call demand overall, but a 17% increase in March alone as the coronavirus pandemic took hold. Despite this, we have continued to deliver care and performance that is outstanding. Whilst the pressures that our staff work under continue to increase, our response times continue to be the best in the country.

Several national reports have confirmed WMAS as leading the ambulance sector, such as Lord Carter's Review into unwarranted variation in NHS Ambulance Trusts, in which WMAS is cited as one of the most efficient services. The Variation in Non-conveyance Research Study was published in June 2018; most of the recommendations within this report are already adopted within the West Midlands. The Trust's consistent achievement as one of the top three Trusts in the country for non-conveyance is underpinned by making best use of alternative pathways where available and providing self-care advice.

The table and charts below show the Trust's operational performance for 2019/20 under the Ambulance Response Programme standards.

Category	Performance Standard	Achievement (WMAS)
Category 1	7 Minutes mean response time	6 Minutes 57 Seconds
	15 Minutes 90th Percentile response time	12 Minutes 05 Seconds
Category 2	18 minutes mean response time	13 Minutes 20 Seconds
	40 minutes 90th Percentile response time	24 Minutes 37 Seconds
Category 3	120 minutes 90th Percentile response time	103 Minutes 43 Seconds
Category 4	180 minutes 90th Percentile response time	149 Minutes 39 Seconds

Clinical Performance

The Quality Account is a yearly report that highlights the Trust's progress against quality initiatives and improvements made over the previous year. The achievements against clinical performance targets and objectives are detailed within the Quality Account.

NHS England collate and monitor information relating to the national Ambulance Quality Indicators, incorporating both system indicators and clinical outcomes, the results of which are published on their website:

https://www.england.nhs.uk/statistics/statistical-work-areas/ambulance-quality-indicators/

Business Plan Objectives

The Trust's Strategic Plan sets out four priorities which are aligned to the overarching Strategic Objectives. The delivery of these is monitored through the implementation plans of a suite of enabling strategies. A high-level summary of achievement of these is provided below.

Strategic Priorities	Key Achievements
Business As Usual	• Achievement of all national performance standards • Continual achievement of the best rating for Use of Resources • Continued optimum rate of response per incident • Operational skill mix continues to meet demand profile • Commencement of NHS111 service • Full training of staff in the use of Recommended Summary Plan for Emergency Care and Treatment (ReSPECT) • Achievement of top quartile results for Return of Spontaneous Circulation (ROSC) survival to discharge, ST Elevation Myocardial Infarction (STEMI) and Stroke • The Trust's Electronic Patient Record system enables managers and clinicians to review hub and individual performance • A significant command and control model established to manage the Trust's response to COVID19
New Models of Care	• Commencement of training call handlers in the dual role of 999 and 111 • Evidence based clinical guidelines accessible to all clinicians in the Trust through the provision of the JRCALC app and Trust intranet via personal mobile devices • Continued development of Strategic Capacity Cell to provide high level oversight, support and intervention whilst crews on scene with patients to ensure the optimum treatment and conveyance outcome. This level of strategic intervention ensures intelligent conveyance, according to the level of escalation of health providers throughout the region. • Enhanced tools and information available to crews whilst on scene (through electronic patient record); delivery of most appropriate care pathways to suit patient needs

	• Improvement in all care bundles, as measured by national ambulance quality indicators • Expansion of specialist community based models (e.g. Mental Health triage teams) • Continued use of CCTV and telematics system on emergency fleet • Trial of body worn cameras for increased crew safety • All Paramedic staff on Air Ambulance aircraft trained to Critical Care Practitioner status • Continued successful involvement in large research projects • Continued development of alliance with two other ambulance Trusts to share best practice, work collaboratively and improve resilience
Prevention	• Health promotion: o Making Every Contact Count o Successful management of high volume service users o Continued roll out of of ReSPECT • Introduction of Initial Response Model to link Community First Responders to incidents for the Trust, moving closer to communities with providing basic life support training to the communities served. • Restart a Heart Day in October 2019 within schools and communities • Education and Development – continued provision of skills and expertise to support the provision of care in a safe and appropriate environment • Ongoing development of Paramedic Skill Mix to ensure simplification of dispatch and operational model • Implementation and deployment of technology to provide primary care information to clinicians at the patients' side
Business Opportunities	• Launch of National Ambulance Innovation Faculty jointly with NHS Horizons • Review of strategic partnerships • Successful tenders for the Non Emergency Patient Transport Service

All enabling strategies are monitored on a quarterly basis. All objectives have been consistently achieved with the exception of the following:

Strategy	Key deliverables not fully delivered in 2019/20	Further details
Procurement Strategy	The Trust has procured a software system (FleetWave) to assist the fleet department with day to day tasks; the procurement department will utilise this package to deliver and support in the delivery of cost reductions within the fleet department	The system is live, however it has not yet derived the savings expected at this time; further work needs to be undertaken around contracts to establish a better supply chain; this work is on the workplan and the fleet department are engaged.

Financial Performance

In 2019/20 the Trust's total income for patient care activities was £309.1m, derived from the following sources:

Service area	£m	%
E&U services including March COVID-19 additional costs reimbursed	244.7	79.2
Non-Emergency Patient Transport	41.1	13.3
111 Call Centre service	11.8	3.8
Other income sources including £9.7m Additional Employer's Pension Contributions centrally paid by NHSE for all NHS Providers	11.5	3.7
All income	**309.1**	**100.0**

As is apparent from the table above, over 79% of the Trust's patient care income is secured for the provision of E&U services commissioned by the 20 West Midlands Clinical Commissioning Groups (CCGs).

The key financial deliverables are set down in the table below. It will be noted that the Trust delivered an operational surplus for the year in line with its required Control Total issued by NHSE/I of £2.203m.

Achievement against key financial targets, 2019/20			
	Target	**Outturn**	**Notes**
Delivery of EBITDA (earnings before interest, tax, depreciation, amortisation)	£9.7m	£10.6m	Plan achieved
Delivery of a surplus operating budget/Control Total	£2.2m	£2.4m	Control Total Target exceeded by £205k
Use of Resources risk rating ('UoR')	1	1	The Trust planned to achieve the highest level of UoR rating and this has been achieved.
Closing cash balance	£32.0m	£45.3m	Cash position better than Plan
Delivery of cost improvement programme	£4.0m	£4.2m	Target achieved
Capital programme (Adjusted Plan – see below)	£21.2m	£21.2m	Plan achieved

Reporting a satisfactory outturn on all financial targets in 2019/20 is a significant achievement against a challenging financial position for the NHS. The Trust position includes:

- the delivery of an operating surplus of £2.408m.
- a strong 'Use of Resources' Risk Rating of 1
- delivery of 100% of the Trust's Cost Improvement Programme
- a better than forecast Cash position
- delivery of the year's capital programme of £21.2m

Nonetheless, the Trust did face significant financial challenges during the year, particularly in:

- managing costs for PTS contracts whilst meeting the Key Performance requirements of those contracts
- continuing to meet the operational structure requirements for the Ambulance Response Programme standards
- covering the additional costs incurred to maintain services during the period of winter flooding which severely affected the West Mercia counties
- costing, setting up and running the new 111 Call Centre, and
- managing and accounting for the additional costs incurred to meet the operational challenges of COVID 19

E&U activity ran above contracted levels for 8 months of the year and finished 2.5% above contract for the whole year. The table below confirms the actual trend in assigned incidents since 2014/15. The Trust has set its internal budget for 2020/21 based upon a 2% growth in E&U activity.

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Actual	948.8	978.6	1018.6	1079.0	1125.5	1178.9
% change	+4.5	+3.2	+4.1%	+5.9%	+4.3%	+4.7%

The Trust spent some £237m on Pay which was £17m above plan, reflecting the additional E&U costs for increased workload above contract levels, for additional services required by reconfigurations in Acute Hospital services and principally for the 111 Call Centre service not included in the original plan – all of these costs were covered by increased income. The cost of the Apprenticeship Levy was also included and this was offset by income received.

Non Pay expenditure excluding depreciation and finance costs – at £75m – was also greater than plan. This reflected variances in a number of areas, however the net increase was principally due to additional training costs (including Apprenticeship Training) above the original plan but in line with additional income received, the use of taxi services for Non-Emergency PTS due to delays in recruitment of funded staff posts and the unplanned costs of the 111 Call Centre service.

The **capital budget** for 2019/20 which was set at £21.042m to include an allocation of £813k to support Global Digital Exemplar projects, was increased by £54k for the Net Book Value of assets disposed of during the year and £100k for Cyber Security projects. This gave the Trust a revised Capital Budget for the year of £21.196m and this was met with only a small underspend of less than £3k.

Apart from Cyber Security Capital Funding received, the Capital Programme was funded entirely from internal resources – depreciation, asset sales and cash balances. The table below summarises the application of those capital resources:

Application of capital resources, 2019/20	
Area	**£m**
Information Technology including Electronic Patient Record	3.730
Clinical Equipment	0.214
Estates	3.866
Fleet	13.383
Total capital expenditure	**21.193**

The Statement of the Trust's Financial Position on 31 March 2020 showed total non-current assets of £60.8m.

The Trust had prepared an internal **Financial Plan for 2020/21** and negotiations to agree funding levels for the E&U and 111 contracts were in progress when all planning preparations were suspended by NHSE/I due to the declaration of the COVID-19 pandemic as a Level 4 national emergency. NHS Commissioners and Trusts were instructed to apply the nationally mandated terms of the NHS Standard Contract from 1 April 2020 with no variation from the national terms allowed. Block cash payments are to be paid monthly to each Trust from April 2020 to at least the end of July, with top-up payments to cover excess COVID-19 costs. This process is designed to ensure that all Trusts can meet their running costs and maintain payments to suppliers. All Trusts will break-even each month during this time. Further guidance will be issued to Trusts on arrangements for the remainder of the financial year, and on the potential to move forward to 'normalised' financial processes.

In order to assess the impact of pandemic costs against the original recurring budget of the Trust, WMAS intends to measure costs and income against the internal budget agreed by its Board of Directors in March 2020. This internal budget for 2020/21 is based on a turnover of £324m and key figures from that budget are:-

Key planned financial metrics, 2020/21	**£m**
Income	**322.8**
Pay	(244.3)
Non-pay	(69.6)
Total expenditure	**(313.9)**
EBITDA	8.9
'Financials' (depreciation, interest and dividends payable)	(8.9)
Retained surplus	**NIL**
'Use of Resources' Risk Rating (on scale 1-4, with 1 being lowest risk)	**1**
Capital programme	**24.9**

Key points to note are:-

- E&U income has been budgeted at 2% overall increase in activity.
- The 111 service is included at full year cost

- The plan reflects a number of changes in workstreams, particularly around changes to non-emergency PTS work where contracts have ended/expanded.
- The plan includes an increase in front-line staffing from 2,944 wte operational staff to 3,057 wte in order to meet activity and performance pressures.
- The plan meets the Break-even Control Total required by NHSE/I
- In order to achieve the budget plan the Trust must achieve £2.3m planned 'Cost Improvement/Efficiency Savings'.
- As funding discussions were not completed, a shortfall of £3.6m relating to the increased cost of staff salaries negotiated on a national basis (Agenda for Change) remained to be resolved. This is reflected in the Pay Budget above.

Policies and Practice on Payment of Creditors

The Trust is committed to applying the Better Payment Practice Code (BPPC) to the payment of creditors. In line with most NHS bodies the Trust seeks to pay 95% of all NHS and non-NHS trade payables within 30 days of receipt of the goods or valid invoice. The Trust measures achievement in terms of the number of invoices and value of invoices. Commitment to this standard is embedded in the Trust's terms and conditions of contracting for the provision of goods and services.

The Trust achieved its best ever performance against this target in 2019/20, only narrowly failing to meet 95% as summarised in the table below:

Invoices			
	Total number of invoices	**Number paid within 30 days**	**% paid within 30 days**
	30,281	28,424	93.9%
Non NHS	29,451	27,698	94.0%
NHS	830	726	87.5%
	Total value of invoices £'000	**Value paid within 30 days £'000**	**% paid within 30 days**
	168,836	156,559	92.7%
Non NHS	159,933	149,112	93.2%
NHS	8,903	7,447	83.6%

These levels of performance represent a continued improvement upon the 2017/18 and 2018/19 levels of achievement and it is expected that the Trust will maintain payment above 90% in 2020/21.

The Trust and the Environment

The West Midlands Ambulance Service University NHS Foundation Trust as part of its normal operating processes consumes resources and produces waste materials which impact on the environment. As part of its continuing commitment to reducing its overall carbon footprint, it has striven to assess and review these impacts and identify ways to improve its sustainability management.

The Trust continues with its work regarding environmental issues relevant to the Estate. A number of initiatives have been implemented to reduce energy consumption under the Trust's Sustainability Policy including the introduction of renewable energy sources and the replacement of lighting to primary sites for low energy light sources.

The Trust has also introduced an energy management and monitoring infrastructure including smart meters, enhanced tariff management and central energy control.

The Trust has implemented travel plans, car sharing and cycle shelters to encourage staff to consider the environment before travelling and work continues to reduce waste and encourage recycling, moving to a paperless work environment where possible.

The Trust secures its necessary goods and services from NHS approved sources. This ensures that suppliers have established environmental management systems. All resources procured continue to be considered for recycling and their potential impact on the Trust overall waste management stream capacity and carbon footprint.

The Trust is reviewing all single-use plastics to ascertain where further reductions in use can be made and alternative materials purchased where available and wherever possible. In November 2019, the Trust signed a national Plastic Reduction Pledge to report on a number of key objectives, and progress is outlined in the Sustainability section of the Disclosures Report.

Social, Community and Human Rights Policies

The geographical and demographic spread of the region served by the West Midlands Ambulance Service means that issues of diversity and inclusion are fundamental, yet also challenging, to the successful achievement of the Trust's strategic objectives as well as addressing health inequalities. There are clear health inequalities between areas, with indicators showing lower levels of health tending to be clustered in the metropolitan and urban areas and the Trust continues to work with Public Health England and Clinical Commissioning Groups to identify and address them. Through regular engagement and education, the Trust will work to improve accessibility and, where necessary, the quality of services for population groups to assist in reducing these inequalities.

Important events occurring after end of the Financial Year

- **PTS Worcestershire**

The Contract for the provision of Non-Emergency Patient Transport Services for the Clinical Commissioning Groups in Worcestershire was competitively tendered in 2019-20. The Trust was unsuccessful in this bid and the Contract with the Worcestershire CCGs ended on 31 March 2020.

- **Coronavirus (Covid-19)**

From 1 April 2020 the Trust is operating under the emergency financial regime established by NHSE/I to ensure that all NHS Commissioners and Trusts have sufficient cash to meet operational costs during the COVID – 19 pandemic. WMAS submitted details of additional costs incurred to prepare for and respond to the pandemic in March 2020 and these costs, amounting to £2.6m were reviewed and agreed for inclusion in the Annual Accounts as reported for 2019/20, however the cash will not be reimbursed to the Trust until May 2020.

- **EU Exit Preparations**

The Trust has followed the requirements set out by NHS England and NHS Improvement in order to prepare for EU exit, with particular emphasis on ensuring continuity of supply of essential drugs and medical consumables and also ensuring that the small number of staff who are EU (Non-UK) passport holders have completed the necessary formalities to enable them to continue to work for the Trust. The Trust will continue to ensure that any further requirements for EU exit preparations are followed.

- **Appointment of a New Chairman of the Trust**

Sir Graham Meldrum who was Chair of the Board of Directors and as such was also Chair of the Council of Governors throughout the period of this Annual Report retired from the Trust on 31 March 2020. His successor is Professor Ian Cumming, OBE, formerly Chief Executive of Health Education England (HEE) who took up the post from 1 April 2020.

- **Purchase of Millennium Point**

During 2019/20 the Trust entered into arrangements to purchase the Millennium Point building which houses the Emergency Operations Centre and the Headquarters functions in Brierley Hill. This purchase was completed in April 2020.

Signed a. c. marsh.

Position: Chief Executive Date: 22 May 2020

Accountability Report 2019-20

Directors' Report

This Directors' report has been prepared in accordance with relevant guidance, in particular the requirement adopted by NHSI from Sections 415, 416 and 418 of the Companies Act 2006 and further disclosures required under the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008 (Regulation 10 and Schedule 7).

The Board of Directors serving during 2019/20 (1 April 2019 to 31 March 2020)

Position	Name
Voting Members of the Board of Directors	
Chair	Sir Graham Meldrum
Deputy Chair	Anthony Yeaman
Chief Executive Officer	Anthony Marsh
Non Executive Director	Jacynth Ivey
Non Executive Director	Anthony Murrell (to 30.9.19)
Non Executive Director	Caroline Wigley
Non Executive Director	Wendy Farrington-Chadd
Non Executive Director	Narinder Kaur Kooner
Non Executive Director	Mushtaq Khan (from 1.10.19)
Director of Corporate and Clinical Services/Deputy Chief Executive Officer	Diane Scott (to 30.11.19)
Director of Finance	Linda Millinchamp
Medical Director	Dr Chaitra Hodegere (to 31.8.19)
Interim Medical Director	Dr Alison Walker (from 1.9.19 to 1.12.19)
Medical Director	Dr Alison Walker (from 2.12.19)
Director of Nursing and Clinical Commissioning	Mark Docherty
Director of Workforce and Organisational Development	Kim Nurse
Director of Strategic Operations and Digital Integration	Craig Cooke (from 2 September 2019)
Non Voting Members of the Board of Directors	
Communications Director	Murray MacGregor
Interim Strategy and Engagement Director	Pippa Wall (from 2 September 2019)
Strategic Operations Director	Craig Cooke (to 1 September 2019)

The Trust maintains a Register of Interests that is open to the public. The Register is available on the Trust website. It contains details of company directorships and other significant interests held by directors or governors which may conflict with their management responsibilities.

Enhanced Quality Governance

NHSI define Quality Governance as the combination of structures and processes at and below Board level to lead on trust-wide quality performance including:

- ensuring required standards are achieved;
- investigating and taking action on sub-standard performance;
- planning and driving continuous improvement;
- identifying, sharing and ensuring delivery of best practice;
- identifying and managing risks to quality of care.

As detailed in the Annual Governance Statement, arrangements are in place within the Trust to assure the Board of Directors and stakeholders that quality governance arrangements suitably scrutinise the quality of the organisation and present a balanced view of the organisation.

To provide **high-quality, person-centred care for all** the Trust is committed t**o be a high performing organisation** working in partnership with, and for, local people and communities, that:

- is **well-led**: we are open and collaborate internally and externally and are committed to learning and improvement.
- uses **resources sustainably**: we use our resources responsibly and efficiently, providing fair access to all, according to need, and promote an open and fair culture.
- is **equitable for all**: we ensure inequalities in health outcomes are a focus for quality improvement, making sure care quality does not vary due to characteristics such as gender, race, disability, age, sexual orientation, religion, belief, gender reassignment, pregnancy and maternity or marital or civil partnership status.
- **delivers a high quality service for people who need its care:** the quality of the services provided by WMAS is measured by looking at a number of metrics, including:
  - **Safety**: people in our care are protected from avoidable harm and abuse. When mistakes occur lessons are learned.
  - **Effectiveness**: people's care and treatment achieve good outcomes, promote a good quality of life, and are based on the best available evidence.
  - A **positive experience**:
    - **Our staff are caring**: staff involve and treat people with compassion, dignity and respect.
    - The Trust is **responsive and person-centred**: Our services respond to people's needs and choices and enable them to be equal partners in their care.

The quality of care provided impacts directly on health outcomes, the way patients experience care, the safety of care and the cost of care.

A robust governance framework for quality is essential throughout every NHS organisation. It provides assurance to the Chief Executive, the Chairman, the Board of Directors, the Council of Governors, senior managers, clinicians and staff that the essential standards of quality and safety are being delivered by the organisation. It also provides assurance that the processes for the governance of quality are embedded throughout the organisation.

Governance and Leadership

The Trust has appointed a **Medical Director**. The Medical Director and the Director of Clinical Commissioning & Service Development/Executive Nurse advise the Board of Directors on matters relating to compliance with standards of quality.

The Trust also has a Non-Executive Director with clinical experience who works closely with the Executive leads.

Systems and Processes

The Trust has a **Quality Governance Committee** (QGC) which reports directly to the Board of Directors and is chaired by one of the Non-Executive Directors. The Committee provides assurance and risk analysis to the Board against clinical standards and registration compliance requirements. The Committee has primary responsibility for monitoring and reviewing quality and clinical aspects of performance and development plans together with associated risks and controls, corporate governance and quality/clinical assurance to the Board. For these aspects, the Committee ensures that appropriate standards are set and compliance with them monitored on a timely basis, for all areas that fall within the duties of the Committee.

This Committee offers scrutiny to ensure that required standards are achieved and that action is taken where sub-standard performance is identified. It seeks assurance that the organisational systems and processes in relation to quality are robust and well-embedded so that priority is given, at the appropriate level within the organisation, to identifying and managing risks to the quality of care.

There is a schedule of business that includes appropriate review of nationally and regionally agreed quality performance measurements such as ambulance quality indicators (AQIs) relating to aspects of clinical care, workforce data, patient and staff feedback and timeliness of operational response targets.

The Committee may allocate workstreams, where appropriate, based on a ‘task and finish’ principle. The Committee may, where appropriate, through the Medical Director, obtain external expert advice as required to provide assurance to the Board.

The Chair will provide, as a scheduled item of business, written feedback for discussion at each public meeting of the Board on an ‘assurance, exception & escalation’ basis for all business scheduled for the most recent meeting of the Committee. The feedback report will be supported by approved minutes of meetings of the Committee.

In addition, the Executive Management Board has established a Professional Standards Group which:

- promotes Clinical Leadership and ensures ownership of the Clinical and Quality agenda at a local level with clinical expertise provided regionally.

- ensures the organisation remains Safe, Effective and Responsive and that opportunities to further improve are reviewed and actioned accordingly.

- supports the organisation's Well Led programme of work by ensuring a timely and effective response to work required.

- takes appropriate actions to mitigate risks as identified.

- provides updates to the Confidential Session of the Trust Board of Directors, presenting any recommendations from the group.

- ensures through its Health, Safety, Risk and Environment Group the effective prevention and control of Healthcare Associated Infection (HCAI) for the Trust and provides a key role in monitoring performance against the Trust's Infection Prevention and Control Policy including external objectives/targets, and compliance with the Code of Practice for the prevention of infections (2015) and the CQC Essential Standards of Quality and Safety specifically Outcome 8.

- ensures through the Clinical Audit and Research Group that an annual clinical audit programme and Research and Development programme is in place, that they are completed to plan, that learning is identified and ownership of subsequent actions has been accepted and monitored to completion.

- ensures through the Immediate Care Governance Group that immediate care schemes are compliant with the requirements of Quality Governance as outlined in the CQC Essential Standards of Quality and Safety

The Chair of the Professional Standards Group will provide, as a scheduled item of business, written feedback for discussion at a subsequent meeting of the Executive Management Board on an 'assurance, exception & escalation' basis for all business scheduled for the most recent meeting of the Group.

The Group is chaired by the Director of Strategic Operations and Digital Integration.

Risk Management

Risk is managed in accordance with the Trust's Quality and Risk Management Strategies as detailed in the Annual Governance Statement.

The Chair of the Quality Governance Committee provides the Board of Directors with information to inform their decision making when attending to quality matters.

Significant Risks to achieving the Trust's Strategic Objectives are reviewed at least four times each year by the Board of Directors through the Board Assurance Framework. In addition, the risks rated 12 and above are also presented to the Executive Management Board, Quality Governance Committee, Audit Committee and the Board through their individual schedules of business.

Remuneration Report

This section contains details of the Remuneration Committee, the annual statement of remunerations, senior managers' pay and directors' pay.

Remuneration, Terms of Service and Nominations Committee Membership

The Remuneration and Nominations Committee (the Committee) is a committee of the Board of Directors. Members of this Committee are appointed in accordance with the Trust's Constitution.

The Committee manages the appointment of Executive Directors and agrees their remuneration, allowances and terms of service. The Committee does not determine the terms and conditions of office of the Chair and Non-Executive Directors. These are determined by the Council of Governors.

The Chair conducts the Chief Executive's appraisal and the Chief Executive appraises the other Executive Directors. In determining remuneration, the Committee takes account of Executive Director appraisals and assesses progress against personal and corporate objectives in order to ensure performance conditions are met. When determining remuneration, the Committee is sensitive to overall financial pressures, pay and employment conditions elsewhere in the Trust, other NHS Foundation Trusts and comparable organisations both regionally and nationally.

During the year, and at the request of the Chair, advice was provided to the Committee by the Chief Executive and Director of Workforce and Organisational Development. In its deliberations the Committee takes account of national advice to ensure all decisions are defensible and equitable and takes advice from external professional bodies if required.

During the year ended 31 March 2020 the members of the Committee were: Sir Graham Meldrum (Chair) and the Non-Executive Directors - Anthony Yeaman, Anthony Murrell (to 30.9.19), Narinder Kooner, Jacynth Ivey, Wendy Farrington-Chadd, Mushtaq Khan (from 1.10.19) and Caroline Wigley. The Committee met on 11 occasions during the year.

The Chief Executive and Executive Directors are directly employed by the Trust on contracts with a notice period of six months.

The Trust does not pay compensation for the early termination of a contract. None of the Trust's Executive Directors received a performance related element to their pay in 2019/20, with the exception of the Chief Executive Officer.

Senior Managers' Pay

Since the inception of the Trust as an NHS Foundation Trust on 1 January 2013, Executive Directors have been remunerated under a contract that mirrors the Very Senior Managers Pay Framework with a single point personal salary. This salary is determined by members of the Remuneration and Nominations Committee who review salary levels by considering benchmarking data every 3 years to ensure they remain competitive. The Committee has adopted the NHSI published document entitled *Guidance on pay for very senior managers in NHS trusts and foundation trusts*, dated February 2017 as its policy on matters relating to remuneration and other matters within its terms of reference.

The terms and conditions of the contracts of employment for Executive Directors also reflect the NHS Agenda for Change handbook, which is utilised to retain consistency across all employees of the Trust, wherever possible.

The Remuneration and Nominations Committee considers the pay and benefits of all Executive Directors on the VSM pay framework. The Chief Executive Officer considers the performance of each Executive Director against the specific strategic objectives set for them for the year, and the Chairman further considers under grandparent rights, the achievements of each Director. There is no Performance Related Pay (PRP) process utilised by the Trust for Senior Managers or Executive Directors. Pay uplifts are based on the recommendations of the Pay Review Body published each year. The only exception to this approach is in the remuneration of the Chief Executive Officer, where there is a performance related pay scheme in place. Each year the Chief Executive Officer's performance is considered by the Remuneration and Nominations Committee against criteria on which up to a 10% PRP payment can be awarded based on successful achievement of key strategic objectives. An Award is non-pensionable.

The PRP Scheme assesses the performance of the Chief Executive Officer in line with the Trust's objective setting and performance appraisal process and the CEO is marked as an A, B, or C performer.

- A= Exceeds Expectations;
- B=Meets Expectations;
- C=Fails to Meet Expectations.

The Remuneration and Nominations Committee have determined the outcome of this performance review for 2019/20, and a payment has been agreed.

Non-Executive Directors

The Chair and Non-Executive Directors have had their remuneration considered and increased during 2019-20.

Directors' Salaries and Allowances

Name and title	April 2019 - March 2020						April 2018 – March 2019					
	Salary (bands of £5,000) £'000	Expense Payments (taxable) to nearest £100	Performance pay and bonuses (bands of £5,000) £'000	Long Term Performance pay and bonuses (bands of £5,000) £'000	All Pension related benefits (bands of £2,500) £'000	Total (bands of £5,000) £'000	Salary (bands of £5,000) £'000	Expense Payments (taxable) to nearest £100	Performance related Bonus (bands of £5,000) £'000	Long Term Performance pay and bonuses (bands of £5,000) £'000	All Pension related benefits (bands of £2,500) £'000	Total (bands of £5,000) £'000
Mr A C Marsh, Chief Executive	**185 - 190**	**201**	**0**	**0**	**40.0 – 42.5**	**250-255**	**185 - 190**	**181**	**35 - 40**	**0**	**37.5 – 40.0**	**280-285**
Mrs K Nurse, Director of Workforce and Organisational Development	**105 - 110**	**126**	**0**	**0**	**2.5 – 5.0**	**125-130**	**105 - 110**	**139**	**0**	**0**	**2.5 – 5.0**	**125-130**
Ms D Scott, Director of Corporate and Clinical Services (to 30.11.19)	**75 – 80**	**69**	**0**	**0**	**0**	**80-85**	**110 - 115**	**112**	**0**	**0**	**37.5 – 40.0**	**160-165**
Mrs L Millinchamp, Director of Finance	**70 – 75**	**110**	**0**	**0**	**0**	**80-85**	**105 - 110**	**95**	**0**	**0**	**50.0 – 52.5**	**165-170**
Mr M Docherty, Director of Nursing and Clinical Commissioning	**105 - 110**	**127**	**0**	**0**	**22.5 – 25.0**	**145-150**	**105 - 110**	**150**	**0**	**0**	**60.0 – 62.5**	**180-185**
Dr C Hodegere, Medical Director (to 31.8.19)	**25 – 30**	**0**	**0**	**0**	**137.5-140.0**	**160-165**	**15 - 20**	**0**	**0**	**0**	**17.5 – 20.0**	**35-40**
Dr Alison Walker, Interim Medical Director (from 1.9.19 to 1.12.19) Medical Director (from 2.12.19)	**60 – 65**	**0**	**0**	**0**	*****	**60-65**	**15 - 20**	**0**	**0**	**0**	**0**	**15-20**
Mr Craig Cooke Director of Strategic Operations and Digital Integration (from 2.9.19)	**70 - 75**	**93**	**0**	**0**	**27.5-30.0**	**110-115**	**0**	**0**	**0**	**0**	**0**	**0**
Sir G Meldrum, Chairman	**45 – 50**	**0**	**0**	**0**	**0**	**45 – 50**	**45 – 50**	**0**	**0**	**0**	**0**	**45 – 50**
Mr A Murrell, Non-Executive Director (to 30.9.19)	**5 – 10**	**0**	**0**	**0**	**0**	**5 – 10**	**10 – 15**	**0**	**0**	**0**	**0**	**10 – 15**
Mr A Yeaman, Non-Executive Director	**10 - 15**	**0**	**0**	**0**	**0**	**10 - 15**	**10 - 15**	**0**	**0**	**0**	**0**	**10 - 15**
Mrs J Ivey, Non-Executive Director	**10 – 15**	**0**	**0**	**0**	**0**	**10 – 15**	**10 - 15**	**0**	**0**	**0**	**0**	**10 – 15**
Mrs C Wigley, Non-Executive Director	**10-15**	**0**	**0**	**0**	**0**	**10-15**	**10 - 15**	**0**	**0**	**0**	**0**	**10 - 15**
Mrs W Farrington-Chadd, Non-Executive Director	**10-15**	**0**	**0**	**0**	**0**	**10-15**	**10 - 15**	**0**	**0**	**0**	**0**	**10 - 15**
Mrs N Kooner, Non-Executive Director	**10-15**	**0**	**0**	**0**	**0**	**10-15**	**0 - 5**	**0**	**0**	**0**	**0**	**0 - 5**
Mr M Khan, Non-Executive Director (from 1.10.19)	**5-10**	**0**	**0**	**0**	**0**	**5-10**	**0**	**0**	**0**	**0**	**0**	**0**

- This note relates only to those senior managers with a voting right on the Trust's Board of Directors. The expense payments are for lease cars.
- The clinical element of the remuneration of Dr C Hodegere as Medical Director and Dr A Walker as Medical Director was £0.

Directors' Pensions - Cash Equivalent Transfer Value

Name and title	Real increase in pension at age 60 (bands of £2,500) £'000	Real increase in pension lump sum at aged 60 (bands of £2,500) £'000	Total accrued pension at age 60 at 31 March 2020 (bands of £5,000) £'000	Lump sum at pension age 60 related to accrued pension at 31 March 2020 (bands of £5,000) £'000	Cash Equivalent Transfer Value at 1 April 2019 £'000	Real increase in Cash Equivalent Transfer Value £'000	Cash Equivalent Transfer Value at 31 March 2020 £'000	Employer's contribution to stakeholder pension To nearest £'000
Mr A C Marsh, Chief Executive	2.5-5.0	0	50-55	105-110	925	38	1014	0
Ms D Scott, Director of Corporate and Clinical Services (to 30.11.19)	0	0	30-35	0	1055	0	0	0
Mrs K Nurse, Director of Workforce and Organisational Development	0.0–2.5	2.5–5.0	55-60	165-170	1309	0	0	0
Mrs L Millinchamp, Director of Finance	0	0	40-45	0	0	0	0	0
Dr C Hodegere, Medical Director (to 31.8.19)	2.5.-5.0	5.0-7.5	15-20	50-55	181	39	286	0
Mr M Docherty, Director of Nursing and Clinical Commissioning	0.0–2.5	0	45-50	115 - 120	910	34	981	0
Dr Alison Walker* Interim Medical Director from 1.9.19 to 1.12.19 and Medical Director from 2.12.19	-	-	-	-	-	-	-	-
Mr Craig Cooke, Director of Strategic Operations and Digital Integration (from 2.9.19)	0.0-2.5	0	45-50	110-115	747	8	810	0

*The pension entitlement for Dr Alison Walker are included on the report for Harrogate and District NHS Foundation Trust.

Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme.

A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme, or arrangement when the member leaves a scheme and chooses to transfer the benefits in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real increase in CETV - This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

CETVs are calculated by the Government Actuary Department (GAD) based on the assumption that benefits are indexed in line with CPI. The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2016.

Pension Related Benefits of Single Total Remuneration

The Large and Medium-sized Companies and Groups Regulations require that the Trust includes the value of pension related benefits in the table of Salaries and Allowances. This figure includes those benefits accruing to a director from membership of the NHS Pensions Scheme. Accrued pension benefit balances represent the annual increase in pension entitlement at the end of the financial year and the rate payable at the start of the year.

Name and title	**All Pension related benefits 2019/20**	**All Pension related benefits 2018/19**
	£'000	£'000
Mr A C Marsh, Chief Executive	40.68	37.99
Ms D J Scott, Director of Corporate and Clinical Services (to 30.11.19)	0	38.81
Mrs K Nurse, Director of Workforce and Organisational Development	4.73	4.15
Dr C Hodegere, Medical Director (to 31.8.19)	137.73	19.49
Mr M Docherty, Director of Nursing and Clinical Commissioning	24.56	61.19
Mrs L Millinchamp, Director of Finance	-	52.03
Dr Alison Walker, Interim Medical Director from 1.9.19 to 1.12.19 and Medical Director from 2.12.19	-	-
Mr Craig Cooke, Director of Strategic Operations and Digital Integration (from 2.9.19)	29.31	-

Expenses of the Governors and Directors

Reporting bodies are required to disclose the information relating to the expenses of the governors and the directors:

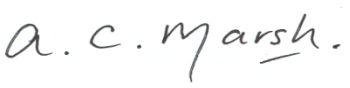
		Period April 2019 to March 2020	Period April 2018 to March 2019
Governors	Number of Governors in Office in the period	26	26
	Number of Governors receiving expenses in the period	5	8
	Sum of expenses paid to Governors in the period	£1.8 (£'00)	£2.3 (£'00)
Directors	Number of Directors in office in the period	16	15
	Number of Directors receiving expenses	12	10
	Sum of expenses paid to Directors in the period	£16.4 (£'00)	£ 17.0 (£'00)

Median Pay

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce. The banded remuneration of the highest paid director in West Midlands Ambulance Service in the financial year 2019/20 was £215,000 - £220,000 (2018/19, £230,000 – £235,000). This was 8.2 times (2018/19 – 9.5 times) the median remuneration of the workforce, which was £26,470 (2018/19, £24,828).

In 2019/20, zero (2018/19, zero) employees received remuneration in excess of the highest-paid director. Remuneration ranged from £9,157 to £205,531 (2018/19 £7,257 to £140,860).

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

Signed 

Position Chief Executive

Date 22 May 2020

Staff Report and Survey

This section contains in detail staff numbers, sickness absence data, staff policies, results of and commentary on the staff survey together with details of Exit Packages agreed in the year and Off-Payroll arrangements

Staff Report

The Trust has a good mix of male and female staff at all levels within the Trust.

Breakdown of Staff - by Gender as at 31 March 2020

	FTE		Total FTE	Headcount		Total Headcount
Job Role	Female	Male		Female	Male	
Directors (excluding NEDs)	2.00	3.00	5.00	3	3	6
Senior Managers	6.00	10.72	16.72	6	12	18
Employees (excluding Directors and Senior Managers)	2732.80	3116.33	5727.88	3007	3298	6305
Grand Total	**2740.80**	**3130.05**	**5870.85**	**3296**	**3431**	**6727**

Breakdown of Staff - by Contract type as at 31 March 2020

	FTE				Headcount			
Job Role	Bank	Fixed Term Temp	Permanent	Total	Bank	Fixed Term Temp	Permanent	Total
Directors (excluding NEDs)	0.00		5.00	5.00	1		5	6
Senior Managers		1.00	15.72	16.72		1	17	18
Employees (excluding Directors and Senior Managers)	0.00	67.94	5781.19	5849.13	375	71	6257	6703
Grand Total	**0.00**	**68.94**	**5801.91**	**5870.85**	**376**	**72**	**6279**	**6727**

Sickness absence has been managed well, with an average for the year of 3.69% - exceeding the ambitious target of 4% and being the best performing Ambulance Service in the country.

Sickness Absence Data

West Midlands Ambulance Service	% Sickness Absence Rate (FTE)
April 2019	3.35%
May 2019	3.45%
June 2019	3.29%
July 2019	3.34%
August 2019	3.43%
September 2019	3.59%
October 2019	3.50%
November 2019	3.88%
December 2019	4.26%
January 2020	3.97%
February 2020	3.61%
March 2020	4.66%
Average for the Year: 1 Apr 2019 to 31 Mar 2020	**3.69%**

The Government Financial Reporting Manual 2019/20 (FReM) requires all reporting entities to which it applies to disclose sickness absence data, provided by the Department of Health. The sickness absence figures are reported on a calendar year basis, rather than for the financial year.

Average Absence Days Lost (FTE) per FTE

January 2019 to December 2019	Total Staff Years (FTE)	Total Days Lost (FTE)	Average Working Days Lost (FTE) per FTE
	5,185	42,065	8.11

Analysis of Staff Costs

Staff costs

					2019/20		2018/19
	Permanent		Other		Total		Total
	£000		£000		£000		£000
Salaries and wages	186,257		-		**186,257**		**162,294**
Social security costs	16,897		-		**16,897**		**14,954**
Apprenticeship levy	909		-		**909**		**803**
Employer's contributions to NHS pensions	32,097		-		**32,097**		**19,840**
Pension cost - other	-		-		**-**		**-**
Other post-employment benefits	-		-		**-**		**-**
Other employment benefits	-		-		**-**		**-**
Termination benefits	-		-		**-**		**-**
Temporary staff	-		666		**666**		**0**
Total gross staff costs	**236,160**		**666**		**236,826**		**197,891**
Recoveries in respect of seconded staff	-		-		**-**		**-**
Total staff costs	**236,160**		**666**		**236,826**		**197,891**
Of which							
Costs capitalised as part of assets	-		-		**-**		**-**
Average number of employees (WTE basis)							
					2019/20		2018/19
	Permanent		Other		Total		Total
	Number		Number		Number		Number
Medical and dental	**3**		-		**3**		**-**
Ambulance staff	**2,258**		-		**2,258**	*	**3,857**
Administration and estates	**477**		-		**477**	*	**823**
Healthcare assistants and other support staff	**2,618**		-		**2,618**	*	**201**
Nursing, midwifery and health visiting staff	**29**		-		**29**		**2**
Nursing, midwifery and health visiting learners	**-**		-		**-**		**-**
Scientific, therapeutic and technical staff	**11**		-		**11**		**2**
Healthcare science staff	**-**		-		**-**		**-**
Social care staff	**-**		-		**-**		**-**
Other	**-**		-		**-**		**-**
Total average numbers	**5,396**		**-**		**5,396**		**4,885**
Of which:							
Number of employees (WTE) engaged on capital projects	-				**-**		**-**

*From April 2019 the National Workforce Database v3.1 introduced revised Occupation Codes for Ambulance staff, therefore major staff groups have been reported on different lines.

The Trust has a full set of Workforce Policies which are regularly reviewed. These include the Recruitment and Selection Policy, the Sickness Absence Management Policy, the People Strategy, Flexible Working and the Freedom to Speak Up (Whistleblowing) Policy.

The Trust has a mature framework of Industrial Relations and a multi layered consultation machinery with elected Trade Union representatives is in place for effective partnership working. Following the introduction of the Trade Union Regulations 2017 there is a requirement to report annually on a range of data in relation to representation and time spent

on Trade Union matters. The latest data available (1 April 2018 – 31 March 2019) for WMAS shows that there were 77 employees (72.44 wte) who were relevant Union Officials during that period and the percentage of total paid facility time hours was 0%.

Percentage of time spent on facility time

Percentage of time	*Number of employees*
0%	*15*
1-50%	*59*
51%-99%	*2*
100%	*1*

Percentage of pay bill spent on facility time

Measure	*Data*
Total cost of facility time	*£167,191*
Total pay bill	*£197,891,000*
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	*0.08%*

The Trust issues a Weekly Briefing to all staff and this is the primary mode of information sharing. The Trust is certified by the Department for Work and Pensions (DWP) as a "Disability Confident Leader" Employer (previously the two tick Disability Symbol) and is proud of its record of employing, maintaining employment and supporting colleagues who consider themselves to have a disability.

NHS Staff Survey 2019

The NHS Staff Survey 2019 was carried out from 16 September to 6 December 2019. This year the survey was conducted by Picker, on behalf of West Midlands Ambulance Service University NHS Foundation Trust and as last year the Board of Directors took the decision to run a census rather than using a randomised selection of staff. The results shown here summarise the findings from the Staff Survey 2019.

The survey was conducted electronically to maintain confidentiality and anonymity. 3,375 staff returned a completed survey, giving a response rate of 63%. The response rate showed an increase of 3 percentage point compared to the 2018 survey. The average response rate for the 11 Ambulance Trusts (Including Wales) was 50%. The final national response rate for all NHS Trusts and specialist organisations that took part in the survey was 48%. It was also very pleasing to note another considerable increase in the number of responses received from BME staff compared with previous years. 198 BME staff at WMAS took part in the survey in 2019 compared to 184 in 2018 and 110 in 2017.

The staff survey results feedback focused on 32 key areas referred to as Key Findings. The Key Findings are further grouped into the following themes:

• Equality & diversity	• Quality of Care
• Health and wellbeing	• Safe Environment- Bullying and Harassment
• Immediate Managers	• Safe Environment- Violence
• Morale	• Safety Culture
• Quality of Appraisals	• Staff Engagement • Team Working

The table below presents the results of significance testing conducted on this year's theme scores and those from last year*. It details the organisation's theme scores for both years and the number of responses each of these are based on. The upward arrow indicates a significant increase in score compared to last year.

Theme	2018 score	2018 respondents	2019 score	2019 respondents	Statistically significant change?
Equality, diversity & inclusion	**8.4**	2914	**8.5**	3322	Not significant
Health & wellbeing	**5.1**	2937	**5.2**	3345	Not significant
Immediate managers	**5.9**	2953	**6.2**	3347	↑
Morale	**5.8**	2875	**5.9**	3292	Not significant
Quality of appraisals	**4.4**	2611	**4.8**	3045	↑
Quality of care	**7.5**	2701	**7.6**	3120	Not significant
Safe environment - Bullying & harassment	**7.3**	2903	**7.4**	3319	↑
Safe environment - Violence	**8.7**	2892	**8.7**	3318	Not significant
Safety culture	**6.4**	2899	**6.5**	3315	↑
Staff engagement	**6.3**	2990	**6.3**	3374	Not significant
Team working	**5.5**	2960	**5.6**	3333	Not significant

** Statistical significance is tested using a two-tailed t-test with a 95% level of confidence.*

A number of actions were taken to encourage staff to take part in the 2019 survey:

1. All staff were allocated 20 minutes protected paid time to complete their survey.
2. All members of the SSRAG actively promoted and encouraged staff to fill in their survey on visits to hubs and through other means of communications.
3. Weekly results from Picker Europe were posted on the information screens at all locations and in the Weekly Briefing to provide clarity and show progress.
4. Posters and information about confidentiality were sent to all Managers to be displayed at all sites
5. Weekly emails with Staff Survey results are sent to all Senior Operations Managers and Directors to share with their staff and to remind them to keep encouraging their staff to complete their survey questionnaire.
6. A banner reminding staff to complete their staff survey was shown on the intranet home page as a constant reminder for staff.
7. All email signatures were assigned a staff survey tag at the bottom.
8. This year the Board of Directors agreed to run prize draws to encourage staff to complete the survey. This decision was based on feedback received from the contractor, that other organisations that have used this strategy in the past, have seen their response rate increased by 5%. Two draws were carried out by Picker Europe Ltd on 28th October and 2nd December. There were six Red Letter Days vouchers, worth £200 each, to be won- 3 for each draw. The winners remained anonymous to the Trust.
9. An additional internal draw was carried out on 11th December at MP to pick five winners from localities and sectors that have achieved the highest response rates in the survey. Winners names were published in the weekly briefing

Of the 90 questions asked on the survey 33 responses were better than the 2018 staff survey, 5 responses were significantly worse than 2018 and 52 responses showed no significant change. In comparison to other Ambulance Trusts, 32 responses were better, 19 were worse and 39 had no significant difference.

Top five improvements noted compared to 2018

"Average", "Best" and "Worst" refer to results for Ambulance Trusts benchmark group

Q8a. My immediate manager encourages me at work

	2018	2019
Best	71.3%	72.5%
Your org	53.2%	59.9%
Average	59.0%	62.8%
Worst	46.7%	49.7%
Responses	2,950	3,346

Q8c. Immediate manager gives clear feedback on my work

	2015	2016	2017	2018	2019
Best	59.4%	63.3%	64.6%	64.2%	64.7%
Your org	42.4%	40.0%	44.3%	45.2%	52.1%
Average	42.9%	46.2%	48.4%	49.7%	56.6%
Worst	37.1%	37.6%	36.6%	35.3%	36.4%
Responses	215	1,308	2,223	2,944	3,346

Q19e. Appraisal/performance review: organisational values definitely discussed

	2015	2016	2017	2018	2019
Best	34.4%	35.0%	35.9%	50.0%	45.1%
Your org	25.5%	27.4%	25.0%	30.0%	38.1%
Average	24.6%	25.9%	28.2%	31.1%	31.3%
Worst	12.6%	15.7%	15.9%	14.5%	22.4%
Responses	185	1,157	1,949	2,600	3,040

Q22b. Receive regular updates on patient/service user feedback in my directorate/ department

	2015	2016	2017	2018	2019
Best	44.7%	39.8%	45.4%	63.8%	56.6%
Your org	26.9%	31.7%	21.7%	25.3%	31.7%
Average	34.1%	35.8%	35.2%	33.9%	38.8%
Worst	11.7%	29.6%	21.7%	25.3%	26.0%
Responses	60	307	600	769	816

Q22c. Feedback from patients/service users is used to make informed decisions within directorate/department

	2015	2016	2017	2018	2019
Best	36.4%	46.0%	39.3%	39.7%	64.9%
Your org	32.8%	31.3%	23.5%	31.2%	39.0%
Average	32.0%	31.3%	29.7%	33.5%	34.9%
Worst	12.4%	19.6%	23.5%	27.6%	31.5%
Responses	47	257	523	673	703

Bottom five areas noted that need consideration compared to 2018

"Average", "Best" and "Worst" refer to results for Ambulance Trusts benchmark group

Q4d. Able to make improvements happen in my area of work

	2015	2016	2017	2018	2019
Best	41.8%	39.9%	39.0%	46.0%	58.1%
Your org	32.2%	28.4%	26.6%	31.6%	28.6%
Average	32.2%	32.1%	29.8%	32.1%	32.4%
Worst	23.6%	24.4%	26.6%	25.1%	23.5%
Responses	218	1,322	2,272	2,985	3,364

Q6b. I have a choice in deciding how to do my work

	2018	2019
Best	51.4%	59.6%
Your org	51.4%	46.1%
Average	44.1%	42.5%
Worst	42.3%	39.0%
Responses	2,959	3,346

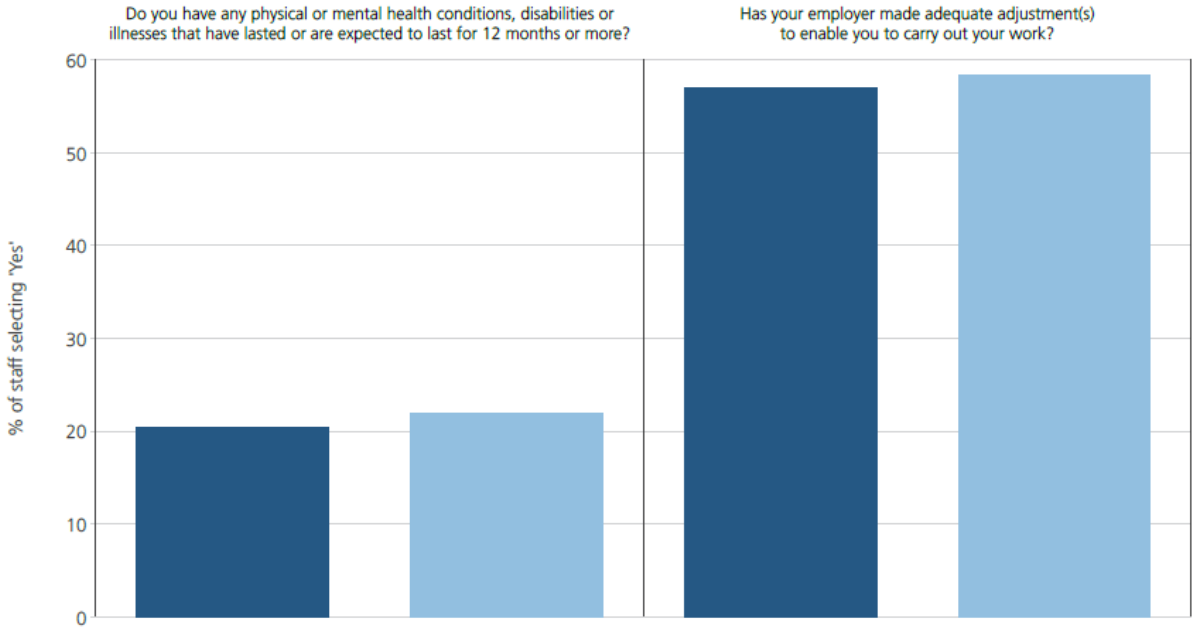
Q19f. Appraisal/performance review: training, learning or development needs identified

	2015	2016	2017	2018	2019
Your org	51.6%	44.1%	41.6%	46.5%	42.4%
Average	52.4%	52.2%	50.0%	51.7%	51.6%
Responses	184	1,158	1,922	2,525	3,026

Q20. Had training, learning or development in the last 12 months

	2015	2016	2017	2018	2019
Best	71.5%	71.8%	73.3%	71.9%	76.0%
Your org	68.6%	64.0%	66.7%	66.8%	62.5%
Average	66.9%	67.4%	66.9%	67.9%	64.4%
Worst	55.3%	49.0%	57.3%	51.8%	53.8%
Responses	214	1,269	2,152	2,815	3,190

Q28b. Disability: organisation made adequate adjustment(s) to enable me to carry out work



	Do you have any physical or mental health conditions, disabilities or illnesses that have lasted or are expected to last for 12 months or more?	Has your employer made adequate adjustment(s) to enable you to carry out your work?
Your org	20.4%	57.0%
Average	21.9%	58.3%
Responses	3,287	367

Staff Friends and Family Scores

The results show that 73.5% of respondents would be happy for a friend or relative to be treated at the Trust compared to 72.1% in 2018. The average for Ambulance Trusts in 2019 is 73.5%. 58.1% would recommend WMAS as a place to work compared to 55.2% in 2018. The average for Ambulance Trusts in 2019 is 51.4%.

Staff Engagement Score

Our staff engagement score remains unchanged compared to 2018.

	2015	2016	2017	2018	2019
Best	6.2	6.4	6.4	6.5	6.6
Your org	6.2	6.0	6.1	6.3	6.3
Average	5.9	6.0	6.1	6.2	6.3
Worst	5.3	5.5	5.5	5.7	5.8
Responses	218	1,329	2,277	2,990	3,374

The following tables show the engagement score for each sector compared with the Trust average score. Staff Engagement consists of three categories: "Advocacy", "Involvement" and "Motivation". Each category consists of three questions from the NHS Staff Survey 2019 (nine in total) detailed in the tables. Higher scores are better. 10 is the maximum score, 0 is the minimum.

Comparisons with the Organisation's 2018 scores By Locality 3	Number of respondents	Staff Engagement Score	I would recommend my organisation as a place to work.	If a friend or relative needed treatment, I would be happy with the standard of care provided by this organisation.	Care of patients / service users is my organisation's top priority.	I am able to make suggestions to improve the work of my team / department.	There are frequent opportunities for me to show initiative in my role.	I am able to make improvements happen in my area of work.	I look forward to going to work.	I am enthusiastic about my job.	Time passes quickly when I am working.
			Advocacy			Involvement			Motivation		
Organisation 2018 Average	3,000	6.2	6.1	7.0	6.1	5.7	6.5	4.5	6.4	7.2	6.5
Organisation Average	3,375	6.3	6.2	7.1	6.2	5.6	6.5	4.4	6.4	7.2	6.6
Air Ambulance	23	8.0	8.0	7.8	6.8	8.6	8.0	7.4	8.5	9.1	7.9
Corporate Services	34	7.6	7.1	8.3	8.3	7.9	7.1	7.1	6.9	7.5	7.9
Coventry & Warwick Sector	297	6.0	5.9	7.0	6.2	5.2	6.6	3.9	6.2	7.0	6.4
Delivery/Logistics	46	6.5	6.9	7.7	7.7	6.0	6.0	4.3	6.6	6.9	6.2
Dudley Sector	244	6.4	6.7	7.1	6.4	5.9	6.8	4.4	6.6	7.1	6.7
Emergency Operations Centre	347	6.1	6.1	7.5	7.2	5.8	6.1	4.3	5.4	6.8	5.8
Emergency Preparedness	61	6.0	5.8	6.3	4.7	6.2	6.4	5.0	6.3	6.8	6.5

Below Average | Average | Above Average

Comparisons with the Organisation's 2018 scores By Locality 3	Number of respondents	Staff Engagement Score	I would recommend my organisation as a place to work.	If a friend or relative needed treatment, I would be happy with the standard of care provided by this organisation.	Care of patients / service users is my organisation's top priority.	I am able to make suggestions to improve the work of my team / department.	There are frequent opportunities for me to show initiative in my role.	I am able to make improvements happen in my area of work.	I look forward to going to work.	I am enthusiastic about my job.	Time passes quickly when I am working.
			Advocacy			Involvement			Motivation		
Organisation 2018 Average	**3,000**	**6.2**	**6.1**	**7.0**	**6.1**	**5.7**	**6.5**	**4.5**	**6.4**	**7.2**	**6.5**
Organisation Average	3,375	6.3	6.2	7.1	6.2	5.6	6.5	4.4	6.4	7.2	6.6
Erdington & Lichfield Sector	267	5.8	5.6	6.7	5.3	5.0	6.4	3.6	6.0	6.9	6.4
Finance	57	6.9	6.8	7.7	7.7	7.2	6.8	6.3	5.9	6.7	7.3
Hollymoor & Bromsgrove Sector	308	6.4	6.6	7.3	6.3	5.6	6.9	4.4	6.6	7.5	6.8
NARU	13	7.0	7.1	6.2	6.2	7.9	7.5	7.9	6.3	7.5	6.7
PTS North	245	6.6	6.4	7.0	6.8	5.7	6.5	4.5	7.1	8.0	7.6
PTS South	238	6.7	6.7	7.3	6.8	5.8	6.4	4.8	7.3	7.8	7.6
Shrewsbury & Donnington Sector	210	6.0	6.0	7.0	5.3	5.3	6.7	4.1	6.2	7.3	6.3

Below Average | Average | Above Average

Comparisons with the Organisation's 2018 scores By Locality 3	Number of respondents	Staff Engagement Score	I would recommend my organisation as a place to work.	If a friend or relative needed treatment, I would be happy with the standard of care provided by this organisation.	Care of patients / service users is my organisation's top priority.	I am able to make suggestions to improve the work of my team / department.	There are frequent opportunities for me to show initiative in my role.	I am able to make improvements happen in my area of work.	I look forward to going to work.	I am enthusiastic about my job.	Time passes quickly when I am working.
			Advocacy			Involvement			Motivation		
Organisation 2018 Average	**3,000**	**6.2**	**6.1**	**7.0**	**6.1**	**5.7**	**6.5**	**4.5**	**6.4**	**7.2**	**6.5**
Organisation Average	3,375	6.3	6.2	7.1	6.2	5.6	6.5	4.4	6.4	7.2	6.6
Stafford Sector	94	5.9	5.6	6.8	4.6	5.2	6.4	4.1	6.5	7.3	6.3
Stoke Sector	139	5.6	5.8	6.5	5.2	4.5	5.9	3.5	6.1	7.0	6.0
Strategic Operations	98	7.3	7.2	7.9	7.8	7.2	7.0	6.5	6.8	7.7	7.8
Willenhall & Sandwell Sector	398	6.0	6.0	6.8	5.7	5.2	6.5	4.0	6.4	7.2	6.6
Worcester & Hereford Sector	176	5.8	5.2	6.9	5.2	5.3	6.5	3.8	5.9	7.0	6.1
Workforce & Organisational Development	80	7.4	7.3	7.9	7.7	7.7	7.4	7.0	6.6	7.6	7.6

Below Average | Average | Above Average

The WRES Results

1. Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in last 12 months

	2017	2018	2019
White: Your org	51.0%	48.4%	49.1%
BME: Your org	43.5%	37.7%	37.9%
White: Average	49.7%	46.5%	45.8%
BME: Average	39.4%	37.8%	41.2%
White: Responses	2,022	2,666	3,030
BME: Responses	108	183	198

Average calculated as the median for the benchmark group

7 percentage point **increase** from 2017 to 2019 for BME Staff experiencing B&H from patients, relatives or public
2 percentage point **decrease** from 2017 to 2019 for White Staff experiencing B&H from patients, relatives or public
The gap between BME and White respondents **increased** from 8 percentage point to 11 percentage point

2. Percentage of staff experiencing harassment, bullying or abuse from staff in last 12 months

	2017	2018	2019
White: Your org	29.7%	29.2%	25.5%
BME: Your org	39.6%	31.3%	24.9%
White: Average	27.5%	27.1%	25.5%
BME: Average	32.0%	31.0%	26.2%
White: Responses	2,022	2,657	3,025
BME: Responses	106	182	197

Average calculated as the median for the benchmark group

4 percentage point **decrease** from 2017 to 2019 for BME staff experiencing harassment, bullying or abuse from staff in last 12 months
5 percentage point **decrease** from 2017 to 2019 for White staff experiencing harassment, bullying or abuse from staff in last 12 months
The gap between BME and White respondents **decreased** from 10 percentage point to 1 percentage point

3. Percentage of staff believing that the organisation provides equal opportunities for career progression or promotion

	2017	2018	2019
White: Your org	70.0%	73.7%	77.0%
BME: Your org	47.4%	57.8%	67.9%
White: Average	71.3%	73.6%	74.7%
BME: Average	47.7%	59.6%	56.6%
White: Responses	1,428	1,766	2,043
BME: Responses	78	116	140

Average calculated as the median for the benchmark group

21 percentage point **increase** from 2017 to 2019 for BME staff believing that the organisation provides equal opportunities for career progression or promotion
7 percentage point **increase** from 2017 to 2019 for White Staff believing that the organisation provides equal opportunities for career progression or promotion
The gap between BME and White respondents **decreased** from 23 percentage point to 9 percentage point

4. Percentage of staff experienced discrimination at work from manager / team leader or other colleagues in last 12 months

	2017	2018	2019
White: Your org	10.7%	10.0%	8.8%
BME: Your org	22.7%	17.9%	15.8%
White: Average	10.3%	10.0%	8.8%
BME: Average	18.3%	17.7%	15.8%
White: Responses	2,031	2,661	3,009
BME: Responses	110	184	196

Average calculated as the median for the benchmark group

7 percentage point **decrease from 2016 to 2019** for BME staff that experienced discrimination at work from manager / team leader or other colleagues in last 12 months
2 percentage point **decrease from 2016 to 2019** for White Staff that experienced discrimination at work from manager / team leader or other colleagues in last 12 months
The gap between BME and White respondents **decreased** from 12 percentage point to 7 percentage point

WRES Indicator	**2016**		**2017**		**2018**		**2019**	
	White	**BME**	**White**	**BME**	**White**	**BME**	**White**	**BME**
% of staff that experienced discrimination at work from manager / team leader or other colleagues in last 12 months	**10**	**35**	**11**	**23**	**10**	**18**	**9**	**16**

Staff Survey "People Plan" priorities

The data below was sourced from the HSJ report dated 19 February 2020. Comparison is made to West Midlands Ambulance Service 2019 Staff survey results.

MORALE

The 2019 staff survey calculated morale by combining questions relating to stress and intention to leave. Questions included 'I often think about leaving this organisation' and 'I have unrealistic time pressures'. Below are the top and bottom five trusts nationally for this measure.

Top Five	2018 Score	2019 Score
Northumbria Healthcare Foundation Trust	6.67	6.84
Northern Devon Healthcare Trust	6.54	6.76
The Royal Bournemouth and Christchurch Hospitals Foundation Trust	6.61	6.74
South Warwickshire Foundation Trust	6.54	6.74
Dorset Healthcare University Foundation Trust	6.59	6.73

Bottom Five	2018 Score	2019 Score
East of England Ambulance Service Trust	4.87	5.08
North Cumbria University Hospitals Trust	5.74	5.49
North East Ambulance Service Foundation Trust	5.82	5.50
London Ambulance Service Trust	5.50	5.51
South Western Ambulance Service Foundation Trust	5.35	5.59

	2018	2019
West Midlands Ambulance Service	5.8	5.9

IMMEDIATE MANAGERS

The interim People Plan set out the key role leaders play in shaping the culture of NHS organisations and the staff survey also draws out how staff rate their immediate managers. It combined questions and statements such as 'my immediate manager values my work' and 'my manager supported me to receive training, learning or development'.

Top five	2018 Score	2019 Score
Dudley and Walsall Mental Health Partnership Trust	7.55	7.69
Kent and Medway NHS and Social Care Partnership Trust	7.48	7.68
Leeds and York Partnership Foundation Trust	7.39	7.63
Surrey and Borders Partnership Foundation Trust	7.38	7.61
Kent Community Health Foundation Trust	7.37	7.57

Bottom five	2018 Score	2019 Score
East of England Ambulance Service Trust	5.26	5.40
South Western Ambulance Service Foundation Trust	5.86	5.91
North Cumbria University Hospitals Trust	6.24	6.00
East Midlands Ambulance Service Trust	6.13	6.17
North East Ambulance Service Foundation Trust	6.58	6.20

	2018	2019
West Midlands Ambulance Service	5.9	6.2

HEALTH AND WELLBEING

It is known that flexible working — which is a key measure in the health and wellbeing theme — will continue to be expanded on in the final People Plan. The interim plan pledged to develop a new offer for staff, which would set out "explicitly" the support staff can expect from the NHS as a modern employer.

Within the health and wellbeing theme, questions and statements considered included 'opportunities for flexible working' and 'does your organisation take positive action on health and wellbeing?'.

Top five	2018 Score	2019 Score
Cambridge shire Community Services Trust	6.54	6.66
Yeovil District Hospital Foundation Trust	6.65	6.66
Northumbria Healthcare Foundation Trust	6.59	6.64
Dudley and Walsall Mental Health Partnership Trust	6.59	6.61
Dorset Healthcare University Foundation Trust	6.39	6.60

Bottom five	2018 Score	2019 Score
East of England Ambulance Service Trust	4.48	4.58
London Ambulance Service Trust	4.58	4.73
Isle of Wight Trust (ambulance sector)	5.00	4.74
North West Ambulance Service Trust	5.01	4.86
North East Ambulance Service Foundation Trust	5.25	4.95

	2018	2019
West Midlands Ambulance Service	5.1	5.2

STAFF ENGAGEMENT

The interim People Plan set out a target to include more metrics on staff engagement in the NHS oversight framework by March 2020, and the staff survey also considers this theme. It combines questions and statements around motivation, recommending an organisation as a place to work and opportunities to improve their organisation and area of work.

Top five	2018 Score	2019 Score
The Royal Marsden Foundation Trust	7.73	7.65
Royal National Orthopaedic Hospital Trust	7.59	7.62
The Walton Centre Foundation Trust	7.44	7.60
Liverpool Heart and Chest Hospital Foundation Trust	7.64	7.60
Northumbria Healthcare Foundation Trust	7.45	7.56

Bottom five	2018 Score	2019 Score
East of England Ambulance Service Trust	5.68	5.80
North Cumbria University Hospitals Trust	6.52	6.09
London Ambulance Service Trust	6.16	6.13
North East Ambulance Service Foundation Trust	6.50	6.22
South Western Ambulance Service Foundation Trust	6.16	6.24

	2018	2019
West Midlands Ambulance Service	6.3	6.3

1. Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in last 12 months

	2018	2019
Disabled staff: Your org	52.3%	55.0%
Non-disabled staff: Your org	46.9%	46.9%
Disabled staff: Average	52.3%	52.5%
Non-disabled staff: Average	45.8%	44.9%
Disabled staff: Responses	526	671
Non-disabled staff: Responses	2,296	2,606

Average calculated as the median for the benchmark group

2. Percentage of staff experiencing harassment, bullying or abuse from manager in last 12 months

	2018	2019
Disabled staff: Your org	31.0%	24.8%
Non-disabled staff: Your org	16.6%	13.3%
Disabled staff: Average	28.4%	23.2%
Non-disabled staff: Average	13.8%	13.3%
Disabled staff: Responses	523	666
Non-disabled staff: Responses	2,277	2,596

Average calculated as the median for the benchmark group

3. Percentage of staff experiencing harassment, bullying or abuse from other colleagues in last 12 months

	2018	2019
Disabled staff: Your org	24.7%	25.1%
Non-disabled staff: Your org	16.3%	14.5%
Disabled staff: Average	26.5%	25.9%
Non-disabled staff: Average	16.3%	15.7%
Disabled staff: Responses	522	665
Non-disabled staff: Responses	2,276	2,601

Average calculated as the median for the benchmark group

4. Percentage of staff saying that the last time they experienced harassment, bullying or abuse at work, they or a colleague reported it

	2018	2019
Disabled staff: Your org	46.2%	46.4%
Non-disabled staff: Your org	43.9%	47.2%
Disabled staff: Average	40.1%	44.4%
Non-disabled staff: Average	40.5%	41.1%
Disabled staff: Responses	305	392
Non-disabled staff: Responses	1,095	1,271

Average calculated as the median for the benchmark group

5. Percentage of staff who believe that their organisation provides equal opportunities for career progression or promotion

	2018	2019
Disabled staff: Your org	61.9%	69.6%
Non-disabled staff: Your org	74.7%	77.8%
Disabled staff: Average	61.4%	67.6%
Non-disabled staff: Average	74.4%	75.8%
Disabled staff: Responses	354	467
Non-disabled staff: Responses	1,508	1,744

Average calculated as the median for the benchmark group

6. Percentage of staff who have felt pressure from their manager to come to work, despite not feeling well enough to perform their duties

	2018	2019
Disabled staff: Your org	61.3%	58.2%
Non-disabled staff: Your org	50.5%	44.3%
Disabled staff: Average	45.3%	41.6%
Non-disabled staff: Average	33.1%	32.3%
Disabled staff: Responses	429	531
Non-disabled staff: Responses	1,363	1,566

Average calculated as the median for the benchmark group

7. Percentage of staff satisfied with the extent to which their organisation values their work

	2018	2019
Disabled staff: Your org	27.6%	26.7%
Non-disabled staff: Your org	36.0%	39.9%
Disabled staff: Average	25.3%	27.8%
Non-disabled staff: Average	36.0%	38.9%
Disabled staff: Responses	525	670
Non-disabled staff: Responses	2,290	2,611

Average calculated as the median for the benchmark group

8. Percentage of disabled staff saying their employer has made adequate adjustment(s) to enable them to carry out their work

	2018	2019
Disabled staff: Your org	60.6%	56.4%
Disabled staff: Average	60.3%	58.9%
Disabled staff: Responses	292	367

Average calculated as the median for the benchmark group

9. Staff engagement score (0-10)

	2018	2019
Organisation average	6.2	6.3
Disabled staff: Your org	5.7	5.8
Non-disabled staff: Your org	6.3	6.4
Disabled staff: Average	5.7	5.9
Non-disabled staff: Average	6.4	6.4
Organisation Responses	2,990	3,374
Disabled staff: Responses	529	671
Non-disabled staff: Responses	2,300	2,616

Average calculated as the median for the benchmark group

Findings and Recommendations

Finding and recommendations from the staff survey are submitted to the Executive Management Board for consideration and discussion in order to develop targeted and specific action plans to address areas of concern that have emerged from the Staff Survey results.

Off Payroll Arrangements

An 'Off Payroll' arrangement is where contracted individuals are paid directly or through their own companies and so are responsible for their own tax and NIC arrangements. They are not classed as employees.

It is the Trust's policy that all off-payroll engagements have been subject to a risk based assessment as to whether assurance is required that the individual is paying the correct amount of tax and, where necessary, that the assurance has been sought. Prior to commencement, for each engagement the individual must have signed a contract stating that they are responsible for accounting for the relevant taxes, national insurance, liabilities, charges and duties. Notwithstanding this, the Trust would not agree to such arrangements except in very exceptional circumstances, and there were no such arrangements in 2019/20 (2018/19 none).

For all off-payroll engagements as of 31 March 2020, for more than £245 per day and that last for longer than six months

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

For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2019 and 31 March 2020, for more than £245 per day and that last for longer than six months

No. of new engagements, or those that reached six months in duration, between 1 April 2019 and 31 March 2020	**Nil**
No. of the above which include contractual clauses giving the trust the right to request assurance in relation to income tax and National Insurance obligations	**Nil**
No. for whom assurance has been requested	**Nil**
Of which...	
No. for whom assurance has been received	**Nil**
No. for whom assurance has not been received	**Nil**
No. that have been terminated as a result of assurance not being received.	**Nil**

For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2019 and 31 March 2020

No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	**Nil**
No. of individuals that have been deemed "board members and/or senior officials with significant financial responsibility" during the financial year. This figure should include both off-payroll and on-payroll engagements.	**8**

Staff Exit Packages

Four exit packages were agreed by the Trust during the year. Where the Trust has agreed early retirements, the additional costs are met by the Trust and not by the NHS Business Services Authority - Pensions Division. Ill-health retirement costs are met by the NHS Business Services Authority - Pensions Division.

Reporting of compensation schemes - exit packages 2019/20

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
	Number	Number	Number
Exit package cost band (including any special payment element)			
<£10,000	-	-	**-**
£10,000 - £25,000	-	1	**1**
£25,001 - 50,000	2	1	**3**
£50,001 - £100,000	-	-	**-**
£100,001 - £150,000	-	-	**-**
£150,001 - £200,000	-	-	**-**
>£200,000	-	-	**-**
Total number of exit packages by type	**2**	**2**	**4**
Total cost (£)	£89,000	£50,000	**£139,000**

Reporting of compensation schemes - exit packages 2018/19

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
	Number	Number	Number
Exit package cost band (including any special payment element)			
<£10,000	-	-	**-**
£10,000 - £25,000	-	1	**1**
£25,001 - 50,000	-	-	**-**
£50,001 - £100,000	1	-	**1**
£100,001 - £150,000	-	-	**-**
£150,001 - £200,000	1	-	**1**
>£200,000	-	-	**-**
Total number of exit packages by type	**2**	**1**	**3**
Total resource cost (£)	£214,000	£20,000	**£234,000**

Exit packages: other (non-compulsory) departure payments

	2019/20		2018/19	
	Payments agreed	Total value of agreements	Payments agreed	Total value of agreements
	Number	£000	Number	£000
Voluntary redundancies including early retirement contractual costs	-	-	-	-
Mutually agreed resignations (MARS) contractual costs	-	-	-	-
Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	-	-	-	-
Exit payments following Employment Tribunals or court orders	2	50	1	20
Non-contractual payments requiring HMT approval	-	-	-	-
Total	**2**	**50**	**1**	**20**
Of which:				
Non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary	-	-	-	-

Governance Disclosures

This section contains the disclosures in accordance with the NHS Foundation Trust Code of Governance

The West Midlands Ambulance Service University NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a 'comply or explain' basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

The CQC undertook a Well Led Inspection of the Trust on 25 to 27 June 2019 (inclusive). It is pleasing to note that the Trust maintained its overall Outstanding rating and achieved outstanding in four of the five criteria.

The Board agreed to undertake the NHSE/I Well Led Review commencing in the Spring of 2019 with a view to completing the Well Led self-assessment review prior to the CQC Well Led Review. The Board commissioned the Good Governance Institute to carry out the external review of its self-assessment. The final report from the Good Governance Institute was submitted for review at the meeting of the Board of Directors in June 2019.

After reviewing the report the Board agreed to authorise the Chair to write to NHSE/I confirming that the Trust had completed the review, and that no material issues of governance had been found.

In terms of the Segmentation of providers under the NHS Single Oversight Framework, the Trust has been placed in Segment 1 which is the highest segment. Providers in this segment have maximum autonomy − no potential support needs identified, lowest level of oversight, and expectation that the Segment 1 provider will support providers in other segments.

Assessment by the Regulator is based on the following themes:

- Quality of care
- Finance and use of resources
- Operational performance
- Strategic change
- Leadership and improvement capability

Statement as to Disclosure to Auditors

The Directors of the Trust are responsible for preparing the Annual Report and Accounts. The Board of Directors consider that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators, and stakeholders to assess West Midlands Ambulance Service University NHS Foundation Trust's performance, business model and strategy.

Each individual who is a director at the time that the report is approved has taken all steps that they ought to have taken as a director in order to make themselves aware of any relevant

audit information and to establish that the Trust's Auditor is aware of that information, and as far as each individual Director is aware, there is no relevant audit information of which the Trust's Auditor is unaware. 'Relevant audit information' means information needed by the Trust's Auditor in connection with preparing their report.

A statement of the accounting policies for pensions and other retirement benefits are set out in a note to the accounts and the details of senior employees' remuneration can be found in the Remuneration Report above.

The Trust has not made any use of financial instruments during the period of this Annual Report.

Income Disclosures

The Trust has considered the information it is required to disclose under S43 (2A) and (3A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) in relation to income it has received for purposes other than for the provision of the health service in England. The Trust confirms that it has met the requirement that the income it received in 2019/20 for the purposes of the health service in England was greater than its income from the provision of goods and services for any other purpose.

The Trust furthermore discloses, as required by S43(3A) of the NHS Act 2006, that the Trust received a total of £455,724 for the provision of crew hire to commercial events for which a commercial rate was charged. This included music festival and sporting events and the net contribution from these services was used to support the provision of health services.

The Trust applies relevant guidance issued by HM Treasury on cost allocation and charging.

Board of Directors

The Board of Directors is responsible for formulating and driving strategy, ensuring accountability and shaping culture. It is ultimately accountable for everything that goes on in the organisation and it is responsible for putting the right people, the right quality of information and the right systems in place to make decisions.

The Trust's Board of Directors produces the strategic direction for the Trust, reviews and ratifies strategies and policies, reviews organisational performance, ensures the availability of adequate financial resources, approves budgets and is accountable to the public for the organisation's performance. The Standing Financial Instructions of the Trust set out a Scheme of Delegation and specify matters retained for determination by the Board of Directors. All other matters are delegated to the Chief Executive.

The Standing Financial Instructions are reviewed biennially by the Audit Committee and appropriate recommendations are made to the Board of Directors to ensure that the Scheme of Delegation provides appropriate safeguards whilst allowing enough flexibility to enable the business to function in a challenging environment. The schedule of matters reserved for the Board of Directors sets out the matters delegated to the Chief Executive and those matters retained by Board of Directors for determination, and also matters that are referred to the Council of Governors.

The Board of Directors gains its assurance through a number of sources, primarily its Committee structure.

The Board meets formally, both in public and private sessions throughout the year to discharge its duties. The Chief Executive through the Executive Directors has the day-to-day responsibility for managing the Trust and for translating decisions made by the Board on the Trust's strategic direction into action. The Board is then responsible for the oversight of performance of the Trust in terms of outcomes.

The Board of Directors has in place a strong governance framework with a number of Committees that are chaired by a Non-Executive director and that report directly into the Board of Directors. These Committees are able to undertake detailed scrutiny of clinical, operational and financial performance. Management and Committee structures have been developed and implemented to ensure that the Board receives appropriate assurance of compliance with registration requirements and timely reports on significant risks to maintaining compliance. There are also Management Groups that report into the Executive Management Board that deal with the detailed work of the Trust.

There are in place comprehensive and robust clinical governance structures. Quality Accounts are published each year to highlight achievements and priorities for development. Ongoing monitoring of the Quality Account priorities are reported within the Trust's comprehensive clinical dashboard. The Trust publishes Annual Reports in relation to Infection Prevention and Control, Controlled Drugs, Safeguarding, Patient Safety, Better Births and Patient Experience which are reviewed by the Quality Governance Committee and an appropriate report on assurance is then presented to the Board of Directors. The Trust publishes these Annual Reports on the Trust's Website.

In addition to the Quality Governance Committee Chair's report and the Minutes of the Committee meeting, the Board also receives a Trust Information Pack setting out performance for Ambulance Quality Indicators, Operational Key Performance Indicators, Financial Performance, Workforce Indicators, and Corporate and Clinical Performance. These documents are publicly available for scrutiny on the Trust's website. In addition, Board members have access to electronic data showing up-to-date Operational performance.

The Assurance Framework is the key source of evidence that links the Trust's "mission critical" strategic objectives to risks, controls and assurances. It is the main tool that the Board uses in discharging its overall responsibility for internal control. The Board Assurance Framework (BAF) sets out the significant risks identified by the Trust, current mitigating actions and internal and external assurances. It also identifies control systems and processes and further mitigating actions to be taken for each risk area.

Assurance can be provided through the review of the risk grading matrix, risk register and BAF by relevant groups and committees of the Trust. Internal Audit has carried out its annual review of the BAF and Risk Framework.

During the period covered by this Annual report the Board Assurance Framework has been reviewed in consultation with colleagues from Internal Audit and also the Trust's Auditors. In addition, given the move to aligning the strategic objectives with the BAF, the Interim Strategy

and Engagement Director has been fully involved and given direction in relation to the construction of the framework. The Board of Directors reviewed the proposed Framework at its Strategy Day in February 2020 and at its meeting in March 2020 approved the revised Board Assurance Framework for implementation from April 2020.

The Board opens the majority of its meetings to the public and invites questions from the public present at the meeting on any matter contained on the agenda for the meeting and any other matter of public interest. Any matter to be considered in private is first considered by the Board and if they agree that the report contains information that should be considered in private an appropriate resolution to exclude the public is passed. The presumption is that the matter will be considered in public and only if the matter would not be disclosed under a Freedom of Information request can the matter be discussed in private. The Trust also includes on its website an open invitation to submit questions to the Board of Directors on any matter of concern or interest. This has been used on several occasions by the public. The points raised and the responses are minuted as part of the proceedings of the Board and are available for inspection.

The Chief Executive Officer as part of his report to each meeting of the Board of Directors includes a high level Integrated Performance Dashboard (called the Trust Information Pack) that highlights any trends in performance both operational and clinical and enables triangulation across Quality, Performance, Workforce and Finance metrics.

The Board is also mindful that whilst quantitative data assurance is essential, it is important to support it by soft or qualitative data that involves more personal interaction and measurement throughout the organisation, and allows the Board of Directors to gain further assurance. An example of this is “The Board Day in the Life of…” through which both Executive and Non-Executive Directors undertake several site visits in the year based on the principles of “Ward to Board”. These involve, for example, sitting with call takers and despatchers and listening in to calls to understand patient needs and how the Trust responds. The directors also attend as observers on operational shifts to meet with staff and patients and witness at first hand the patient experience. Each member of the Board is linked to a Hub and is encouraged to visit the Hub for the purpose of listening to staff and feeding back any concerns to the Board or to the Chief Executive. Given the Ambulance Service is a transient service this enables members of the Board to engage with staff.

In addition, at public meetings of the Board of Directors there is a regular patient experience story. These can highlight matters that have gone well and also those where the Trust can learn from the experience. They are minuted as part of the proceedings of the Trust.

The majority of business was conducted in public session during May, July, October 2019, January, and March 2020. Board meetings in April, June, September 2019 and February 2020 were given over to strategy and development sessions and were in private. Extraordinary Board meetings were convened as appropriate during the year following agreement of the Chairman.

Individual directors of Foundation Trusts now have the following individual statutory duties:

- a general duty to promote the success of the Trust; and
- the duties to avoid conflict of interests, not to accept any benefits from third parties and to declare interests in any transactions that involve the FT.

The directors of the Trust are aware of these duties.

The Trust under its Constitution is required to put in place insurance to cover the risk of legal action against its directors, governors and appropriate officers. This insurance cover is in place.

All of the Trust's Directors subscribe to a Code of Conduct based on the Nolan Principles, and every year the Directors are required to reaffirm their commitment to these Principles. All Directors are aware of their obligations under the Fit and Proper Persons test as defined in regulations and guidance issued by the Care Quality Commission, and also the Duty of Candour. They are also aware of the Fit and Proper Persons Test as set out in the Trust's licence, issued by the Regulator.

At least twice a year the Board receives the standing Declarations of Interest for directors which is published on the website. The Board and the Council of Governors have adopted the content of the document published by NHS England entitled "*Managing Conflicts of Interest in the NHS"*. At each meeting of the Board of Directors, there is an item requiring those present to declare any conflicts of interest in matters on the agenda. Directors are also aware that Standing Orders require them to declare any conflict as soon as they become aware.

The Board of Directors has a range of skills and experiences gained from both the public and private sectors that complement all areas of Trust business. Each year the Board undertakes a skills audit to ensure that that the Board remains fit for purpose and to provide appropriate guidance in terms of succession planning. The Board 'Skills Audit Matrix' allows the Non-Executive Directors and the Council of Governors to develop an overview of the balance and experience of the Board and is utilised to highlight gaps in the desired skills profile at Board level, and to influence the recruitment for positions to the Board.

During 2019/20, the Remunerations and Nominations Committee reviewed its succession plan for Executive Directors. A succession plan has been in place for a number of years, and this is refreshed at least twice a year, and also when senior managers leave the organisation. There is a mentoring scheme in place as part of the staff development programme to bring forward talent within the Trust. The intended outcome of this mentoring is that staff in the organisation have a first-hand insight into higher level roles and their work streams, enabling two-way communication, and a means of motivating the workforce to aspire to higher level roles, thereby supporting succession planning.

The Scheme can be summarised as:

1 The opportunity for participants of the senior Engaging Leaders Programme to access a board-level mentor.
2 An agreed mentoring contract is in place to ensure there is a clear start/finish/ duration of the arrangement (of say, 3 meetings over 6 months).

3 There is an expectation that the mentee will be facilitated to shadow up to three events in addition to the mentoring meetings (for example, a Board of Directors meeting, an Executive Management Board / Non-Executive Directors' meeting, a Trust Committee Meeting).

The Board of Directors operates through the Executive Management Board and has established a range of communication links to engage with staff which includes the *Weekly Briefing* and *Clinical Times*. Each Trust site holds a series of scheduled meetings for staff throughout the year. Formally the Trust engages with staff through the Regional Partnership Forum, at which management and staff-side discuss issues of mutual interest.

In addition, the Non-Executive Directors are each "Buddied" with a specific Governor normally from the area close to where the Non-Executive Director lives. In relation to the Staff Governors and Appointed Governors, these are buddied with the Trust Chair. The purpose of the Governor-NED Buddying scheme is to enable the Non-Executive Directors to gain an understanding of the views of Governors and members about the Trust on an informal basis. Governors are always invited to attend Board meetings and directors are invited to attend Council of Governor Meetings.

At each meeting the Board of Directors and Council of Governors receive a breakdown of the membership and how representative it is of the community through the Trust Information Pack. Members who wish to communicate with Governors are facilitated through the Membership and Governor Engagement Officer.

Skills Audit Matrix

The Skills Audit Matrix assesses the membership of the Board of Directors against a number of key themes and skill areas that are agreed by the Board of Directors to be required for the stewardship of the Foundation Trust. These are in addition to those obligations under regulation that the Board must have a suitably qualified finance director, nursing director and medical director. The additional essential requirements are as follows:

- Strategic Leadership and Impact and Influence
- Risk Management
- Financial Acumen
- Legal Awareness
- Public Policy
- Directors are also required to exercise informed and sound judgment and maintain ethical, integrity and accountability standards
- At least one Non-Executive Director has an appropriate Financial Qualification
- At least one Non-Executive Director has an appropriate Clinical and Health Qualification or experience
- At least one member of the Board has a Legal Qualification.

In addition, the following desirable elements are also considered relevant:

- Corporate Communications and Media
- Commercial Focus
- Human Resource Management
-

The Skills Matrix of the Board of Directors for 2019/20 is set out below.

Non-Executive Directors

Skill	Sir Graham Meldrum	Tony Yeaman	Tony Murrell (to 30.9;19)	Mushtaq Khan (from 1.10.19)	Jacynth Ivey	Caroline Wigley	Wendy Farrington Chadd	Narinder Kooner
Strategic Leadership	✓	✓	✓	✓	✓	✓	✓	✓
Informed and Sound Judgment	✓	✓	✓	✓	✓	✓	✓	✓
Ethics, Integrity and Accountability	✓	✓	✓	✓	✓	✓	✓	✓
Impact and Influence	✓	✓	✓	✓	✓	✓	✓	✓
Risk Management	✓	✓	✓	✓	✓	✓	✓	✓
Financial qualification							✓	
Financial acumen	✓	✓	✓	✓	✓	✓	✓	✓
Public policy	✓	✓	✓	✓	✓	✓	✓	✓
Track record of personal achievement	✓	✓	✓	✓	✓	✓	✓	✓
Clinical and Health Experience					✓			
Health Experience: Non Clinical	✓	✓	✓	✓		✓	✓	
Legal awareness		✓		✓		✓	✓	
Corporate Communications and Media		✓		✓		✓		✓
Commercial focus	✓	✓	✓	✓	✓		✓	✓
Human Resource Management	✓		✓			✓		✓
Clinical Registration/ Professional Membership	Fellow, Inst of Fire Engineers Companion: Chartered Institute of Management	The Law Society (England and Wales) SRA ID:138630	None	The Law Society [England and Wales] SRA ID:26073	None	Fellow CIPD	Chartered Institute of Public Finance and Accountancy	None
Professional/ Business Qualification/ Experience	Doctorate (Honorary) from Birmingham City University	Solicitor, MBA	Financial Controller/ Director	Solicitor (England & Wales); BSc. (Hons) Social Policy; Post Graduate Diploma in Law; Legal Practice Certificate, Post graduate Diploma in Management Studies; Certitificate in Advanced Corporate Governance.	Former General Nurse, Midwife Health Visitor, PG Diploma Collaborative Community Care.	BA Law; Diploma in Coaching, Employment Tribunal Panelist	Qualified Accountant. BA(Hons) English Lit Certificate in Executive Coaching	Business Experience. Local Authority Councillor

Executive Directors

Skill	Anthony Marsh	Diane Scott (to 30.11.19)	Linda Millinchamp	Kim Nurse	Mark Docherty	Dr Chaitra Hodegere (to 31.8.19)	Dr Alison Walker (Interim Medial Director from 1.9.19 and Medical Director from 2.12.19	Craig Cooke (from 2.9.19)
Strategic Leadership	✓	✓	✓	✓	✓	✓	✓	✓
Informed and Sound Judgment	✓	✓	✓	✓	✓	✓	✓	✓
Ethics, Integrity and Accountability	✓	✓	✓	✓	✓	✓	✓	✓
Impact and Influence	✓	✓	✓	✓	✓	✓	✓	✓
Risk Management	✓	✓	✓	✓	✓	✓	✓	✓
Financial qualification			✓					
Financial acumen	✓	✓	✓	✓	✓	✓	✓	✓
Public policy	✓	✓	✓	✓	✓	✓		
Track record of personal achievement	✓	✓	✓	✓	✓	✓	✓	✓
Clinical and Health Experience	✓	✓			✓	✓	✓	✓
Health Experience: Non Clinical			✓	✓				
Legal awareness		✓	✓	✓				
Corporate Communications and Media	✓	✓			✓			
Commercial focus	✓	✓	✓	✓	✓	✓		
Human Resource Management	✓			✓				
Clinical Registration/ Professional Membership	None	HCPC Paramedic PIN PA05381	ICA – England and Wales	Chartered Institute of Personnel and Development	Registered Nurse (Adult) NMC PIN 83L3134E	GMC Registration 6065585	GMC Registration 4210643	HCPC Registered Paramedic PIN PA02247
Professional/ Business Qualification/ Experience	National Ambulance Strategic Adivisor Extended Ambulance Aid [NHSTA] (former Paramedic) Professor (Honorary) Wolverhampton University. MSc Strategic Leadership, MBA. MA.	Diploma in Healthcare Mgt BSc Health and Social Care MSc Healthcare Mgt	Chartered Accountant ICAEW B.Com (Hons) Commerce, Foreign Trade and Languages	MSc Human Resource Mangement. MBA, Post -Grad Diploma Personnel Management and Industrial Relations, Cert in Consulting Essentials. Visiting Fellow - Staffordshire University	BSc, (Hons) Nursing MSc Healthcare Commissioning	MBBS, MRCGP, PG Cert Pain Management, FRCA Primary	Emergency Medicine (A&E) Consultant. MB BChir, FRCEM, FIMCRCS, FRCS, FDSRCS, MA, MFSEM. Dip Health Research, Cert Medicolegal.	None

The Roles on the Board

The only appointments required by regulation to the Board of Directors are:

- A Non-Executive Director Chair
- A Chief Executive (and Accounting Officer)
- A Director of Nursing
- A Medical Director who must be a registered medical practitioner.
- A Finance Director.

There is also good practice guidance such as appointing a person who has clinical experience to the position of Non-Executive Director to provide appropriate challenge on quality. There is also guidance that at least one member of the Audit Committee should have recent and relevant financial experience. The Board and Council of Governors have taken this into consideration when making appointments to the Board.

The Board of Directors are compliant with the above requirements or good practice.

The Chair and Chief Executive have complementary roles in leadership:

- The Chair leads the Board of Directors and ensures its effectiveness and also chairs the Council of Governors
- The Chief Executive leads the organisation and the Executive Management Board (EMB)

Sir Graham Meldrum was Chair of the Board of Directors and as such was also Chair of the Council of Governors throughout the period of this Annual Report. In addition, Sir Graham Meldrum chaired all meetings of the Remuneration and Nominations Committee during 2019/20. Tony Yeaman has continued in the role of Deputy Chair.

Sir Graham Meldrum retired from the Trust on 31 March 2020 and his successor is Professor Ian Cumming, OBE, formerly Chief Executive of Health Education England (HEE) who takes up the post from 1 April 2020.

The Chair has not disclosed any other significant commitments during the period of this Annual Report.

Wendy Farrington Chadd was Chair of Audit Committee from January 2017 to date. She also carried out the duties of the Senior Independent Director (SID) from February 2019 to date.

The respective roles for the above positions, and indeed all positions within the governance structure of the Foundation Trust, are set out in the Trust's Charter of Expectations the contents of which was approved by both the Board of Directors and the Council of Governors and is published on the Trust's website.

All Directors on the Board of Directors and all Governors on the Council of Governors meet the "Fit and Proper" Persons test described in the provider licence, and in relation

to directors all meet the requirements of the CQC fundamental standards guidance. Both directors and governors are subject to a “Disclosure and Barring Service” check.

The Senior Information Risk Owner (SIRO), must be an Executive Director or Senior Management Board Member. In the period 1.4.19 to 30.11.19 Diane Scott, the Director of Corporate and Clinical Services, carried out the duties of the SIRO and from 1.12.19 to present the SIRO was the Chief Executive Officer. The SIRO takes overall ownership of the Trust’s Information Governance Policy, acts as the ‘champion’ for information risk on the Board and provides advice to the Accounting Officer (CEO) on the content of the Organisation’s Statement on Internal Control in regard to information risk.

The Caldicott Guardian is the senior person responsible for protecting the confidentiality of patient or service-user information and enabling appropriate information sharing. They usually have a clinical background, and it is common for them to be the Medical Director. The Medical Director undertakes this role for the Trust.

Following the report by Sir Robert Francis on whistleblowing within the NHS, the Board of Directors appointed Caroline Wigley as nominated Non-Executive Director and Diane Scott as the nominated Executive Director for Freedom To Speak Up (FTSU) and Mark Docherty took up the role when Diane left the Trust. Barbara Kozlowska, as a Freedom to Speak Up Guardian, receives concerns directly from employees and Trust Volunteers, and acts upon them as appropriate. The FTSU Guardian produces regular monitoring reports for the Learning Review Group and the Board of Directors, and reports quarterly to the National FTSU Guardian Office.

The complementary roles of Executive and Non-Executive Directors

The Board of Directors operate on the principle of a “unitary Board” which means that the Executive Directors and Non-Executive Directors make decisions as a single group and share responsibility and liability. All directors whether Executive or Non-Executive constructively challenge during Board discussions and help develop proposals on priorities, risk mitigation, values, standards and strategy. The statutory membership of the Board ensures that it has clinicians such as a Medical Director and a Director of Nursing.

All of the Non-Executive Directors are classed as independent as defined by the Regulator’s Code of Governance. The Constitution provides direction on the appointment and removal of the Non-Executive and also Executive Directors.

The Board has a Non-Executive Director with clinical experience to provide appropriate challenge at Board level. This role is undertaken by an experienced former senior nurse. The Director of Strategic Operations and Digital Integration reports on performance against national operational indicators. During the period of this report the Communications Director was a non-voting member of the Board of Directors. The Board, therefore, has a strong mix of skills with both Executive and Non-Executive Directors that are capable of reviewing and challenging the clinical, operational and financial performance presented to the Board and its Committees.

Profiles – Board of Directors (2019/20)

Sir Graham Meldrum – Chair (up to 31 March 2020)

Sir Graham Meldrum was appointed as Chair of the Trust on 1 February 2007 following a career in the Fire and Rescue Service spanning over forty-two years. Sir Graham was appointed as Chief Fire Officer for the West Midlands Fire Service in 1990 and served in that position until 1998 when he became HM Chief Inspector of Fire Services for England and Wales. He has served on national bodies associated with the emergency services and has particular experience in respect of emergency planning having led the Government's planning team following the World Trade Centre disaster. Since becoming Chair of the Trust Sir Graham has continued his interest in matters related to equality and diversity and has served as Deputy Chair of the National Ambulance Service Equality, Diversity and Inclusion Forum. He is currently a Board member of the national NHS Providers organisation and the Chair of the Association of Ambulance Chief Executives Council and a member of their Board. During the time Sir Graham has been a member of West Midlands Ambulance Service University NHS Foundation Trust he has taken a particular interest in the following areas of the Trust:

- Health education and prevention
- Alternative care pathways
- Reducing patient conveyance rates
- Policy and strategy development

Sir Graham has been involved with St John Ambulance Association for over twenty years. He served on the West Midlands Council of St John for over ten years and was awarded the Order of a Brother of St John in 1999 in recognition of his work for the Association. He lives in Kineton in Warwickshire, is married with two grown up children and can be found at events involving steam engines most weekends. Sir Graham retired from his position of Chairman of the Trust on 31st March 2020.

Anthony Marsh – Chief Executive

Anthony Marsh started his Ambulance Service career in Essex in 1987. Anthony has held a number of senior posts with the Ambulance Service in Hampshire, Lancashire, Greater Manchester and West Midlands. Anthony holds three Masters Degrees: an MSc in Strategic Leadership, a Masters in Business Administration (MBA) and a Master of Arts. Anthony also holds the National Portfolio for Emergency Planning, Response and Resilience and is the lead for the National Ambulance Resilience Unit.

Diane Scott – Director of Corporate and Clinical Services / Deputy Chief Executive Officer (up to 30 November 2019), Queen's Ambulance Medal [QAM]

Diane joined the Ambulance Service in 1985 and during her career held a number of senior posts in the emergency and urgent service, and routine patient transport. In 2002 she left Hampshire Ambulance Service as the Acting Director of Operations and joined a Private Healthcare Company as a Board Director. In 2003 she re-joined the NHS as the Director of Corporate Services for Warwickshire Ambulance Service and then undertook Director roles within both West and East Midlands Ambulance Services. Diane is a Health and Care Professions Council registered Paramedic and she is also Strategic Commander trained. As an Executive Director Diane was responsible for Corporate and Clinical Governance, which includes Patient Safety and Experience, Safeguarding, Legal Claims, Foundation Trust Membership and Governors, Risk Management and Health & Safety, Security Management, Information Governance, and Infection Prevention & Control.

Linda Millinchamp – Director of Finance

Linda has an Honours Degree in Commerce, Foreign Trade and Languages from the University of Birmingham and joined the NHS in 1983 after qualifying as a Chartered Accountant with Spicer and Pegler (now Deloitte) in 1980. She was originally responsible for the financial management of Mental Health Services in South Worcestershire as well as Hereford and Worcester Ambulance Service. In 1986 she was transferred to the Acute Service becoming Finance Director of what grew over 6 years to become Worcester Royal Infirmary combining Acute, Maternity, Mental Health and Elderly Care services, but she also retained responsibility for the Ambulance Service. When both entities applied for Trust status she elected to move full-time to the Hereford and Worcester Ambulance Service NHS Trust and was Director of Finance from its establishment in 1994 until it merged with the other West Midlands services in 2006. During this time she was Chair of the West Midlands HFMA and was also Acting Chief Executive of the Hereford and Worcester Ambulance Service between 2000 and 2002. She was appointed Deputy Director of Finance of WMAS in 2006 and Director of Finance for the Trust in May 2016.

Mark Docherty – Director of Nursing and Clinical Commissioning

Mark graduated from Leeds with a First-Class honours degree in Nursing in 1983. He has worked in a variety of acute clinical settings across Yorkshire and the Midlands. In 1997 Mark was a finalist in the Nurse of the Year Awards, and since then has held a variety of senior clinical posts in provider organisations, as well as a Director of Operations and Nursing Post. Mark has worked as Ambulance Commissioning Director for the West Midlands, Chair of the National Ambulance Commissioners Group and Director of Ambulance Commissioning for London before joining the West Midlands Ambulance Service University NHS Foundation Trust in 2014. He holds a MSc from the University of Birmingham, has co-authored a book on "Management of Emergency Ambulance Services", contributed to "The Silver Book - Quality Care for Older People with Urgent and Emergency Care Needs", has recently co-authored a publication in the New England Journal of Medicine, and gave evidence to the House of Commons Health Committee for the Report on Urgent and Emergency Care. He is a judge for the National Air Ambulance Awards of Excellence and is an active clinician who regularly spends time working with ambulance staff in the clinical environment.

Kim Nurse – Director of Workforce and Organisational Development

Kim is a qualified HR professional, holding both an MSc in HRM and an MBA. In October 2006 Kim joined WMAS to deliver a portfolio that covers workforce strategy and integration, clinical education and training and organisational development. Kim started her HR career in Local Government whilst providing workforce advice and guidance to two pan-London regeneration partnerships, before moving to the NHS in 2000. With substantial public-sector experience holding senior level posts, 18 years of these at Executive Board Director level, Kim leads on a wide range of key business areas, including strategic HR, workforce planning and transformation, cultural change, staff health and wellbeing and integrated staff engagement plans. Kim's close collaborative working with the university sector in the Region has further enhanced the design and delivery of a substantial education and development programme and was recognised by Staffordshire University with a Visiting Fellowship Award in March 2019. Kim also works as an NHS IMAS consultant where she has provided support to organisations delivering national programmes and projects.

Dr Chaitra Hodegere – Medical Director (up to 31 August 2019)

Dr Hodegere has had a varied NHS career starting as an Anaesthetist in 2004 and then briefly moving through various surgical specialities and Emergency Medicine before joining General Practice. He has worked as a GP since 2012 and been in management for the last five years in Primary Care before joining WMAS. He also works as a clinical lead in a community setting. Married with a young family, he enjoys watching cricket.

Craig Cooke – Director of Strategic Operations and Digital Integration (from 2 September 2019)

Craig joined the Warwickshire Ambulance Service as a Cadet in 1990. Craig worked in Operations and Control before working his way to the rank of the Director of Operations prior to the merger of the Coventry & Warwickshire Ambulance Service with the West Midlands Ambulance Service in 2006. Since the merger, Craig has been instrumental in the implementation of the reconfiguration of the Emergency Operations Centre, he has also been responsible for a major Fleet modernisation plan and the realisation of the innovative Make Ready programme for the Region. Craig is a Health and Care Professions Council Registered (HCPC) Paramedic and is currently the Director of Strategic Operations and Digital Integration of the West Midlands Ambulance Service University NHS Foundation Trust, responsible for the Emergency and Urgent Service, Non-Emergency Patient Transport, Commercial Services and wider operational support functions. Craig is currently the appointed chairperson for the National Director of Operations group, reporting to the Association of Ambulance Chief Executives.

Dr Alison Walker - Interim Medical Director from 1 September 2019 and Medical Director from 2 December 2019

Alison has worked in the NHS for over 30 years. She is a Consultant in Emergency Medicine with a Specialist interest in Prehospital Care. She was a regional NHS Ambulance Service Medical Director from 2005-2013 and has worked with WMAS as an Interim Medical Director and Honorary Medical Advisor since 2010. She was the chair of the National Ambulance Services Medical Directors Group 2012-13. She is an examiner for the Fellowship and Diploma examinations for the Faculty of Prehospital Care of the Royal College of Surgeons of Edinburgh. She holds Clinical Research network lead roles and has authored publications on ambulance service clinical pathways and other prehospital topics. She has also been a member of the JRCALC (Joint Royal Colleges Ambulance Liaison Committee) national committee since 2005, becoming the Chair in January 2020 and is a member of the UK Trauma and Audit Research Network Committee (TARN).

Murray MacGregor – Communications Director (Non-Voting)

Murray MacGregor has been working in the media and public relations since 1995, with the last 14 years as Communications Director for WMAS. During that time he has overseen a significant upgrade in the way the Trust's internal communications are handled and has helped raise the profile of the organisation within the Region and nationally. Prior to moving to the West Midlands, Murray worked for three years with Essex Ambulance Service and two years with Cambridgeshire Police. He was heavily involved in managing the media coverage surrounding the Alton Towers incident in 2014 and the Trust's response to the coronavirus pandemic. Murray's background is as a radio journalist and he worked for both the BBC and independent radio stations in Scotland and the south east of England.

Phil Higgins - Governance Director & Trust Secretary (Non Voting, from 6 December 2019)

Phil joined the former WMAS in 2010 prior to authorisation as a Foundation Trust and provides advice on Corporate Governance and also Constitutional advice to the Chairman, Board of Directors and the Council of Governors. He holds a degree in Law with Legal Practice, in addition he holds a degree in Government and Politics and also has a Masters Degree in Business Administration.

Pippa Wall - Interim Strategy and Engagement Director (Non Voting, from 2 September 2019)

Pippa Wall joined the former WMAS in 1993 in an administration role before moving onto information management. She left the Trust in 1999 and re-joined in 2003 to further develop the Information Team. Since the Trusts merged in 2006, she has carried out other roles including supporting the establishment of the Performance Cell, developing the Project Management Office, engagement with regulators, commissioning and strategic planning. During the course of her employment with the Trust, she has completed various academic courses including a Masters Degree in Electronic Information and a Post Graduate Certificate in Healthcare Leadership.

Tony Yeaman - Deputy Chair, Non Executive Director

Tony has worked for both the public and private sector in the last 30 years and became a Non-Executive Director with the Trust in 2006 and Vice Chair in 2010. He started his career in private practice training to be a solicitor. He joined British Gas at a time of the privatisation programme. After qualifying as a solicitor he moved back into private legal practice specialising in complex personal injury claims. He later joined the Health Service and served as one of a team of regional solicitors at the Regional Heath Authority based in Hampshire. Following major NHS reforms and six years' service he joined the private sector where for the last 26 years he has continued his specialism in Health Service related issues for two national law firms.

Tony Murrell - Non Executive Director (to 30 September 2019)

Tony Murrell, started his career in a small timber merchant's where he served a commercial apprenticeship before joining the Xerox Corporation in 1976. He worked his way through the organisation fulfilling roles in the US and Europe. Tony then had the opportunity to specialise in Supply Chain Management and was appointed European Director, Customer Supply Chain management. Prior to retirement in 2005, he was appointed Director of Business Operations, centralising European back office processes and systems.

Jacynth Ivey – Non-Executive Director

The Trust appointed its first clinical non-executive director in July 2011. Jacynth has over 26 years of NHS experience, starting her career as a nurse, midwife and health visitor. She progressed throughout her career to become an executive director of clinical leadership within a Primary Care Trust and acting Director of Nursing within a Strategic Health Authority. In addition Jacynth also serves as an Associate Non Executive Director on the Board of Health Education England.

Caroline Wigley – Non-Executive Director

Caroline has over 25 years' experience as a Director in the NHS both in Human Resources and general management. She joined the NHS as a National Graduate Management Trainee. She has worked in a variety of health authorities and hospitals in the North of England and moved to Birmingham in 1987. She had a brief spell working for Ernst & Young, Accountancy Management Consultants. She then re-joined the NHS in 1988 as Director of Personnel for Birmingham Health Authority and has since undertaken a variety of posts in Birmingham's health services. She was Chief Executive of Birmingham Women's Health Care Trust from 2000 to 2005. Her last role was Director of Leadership at West Midlands Strategic Health Authority (SHA) where she took early retirement in 2012. She is a Fellow of the CIPD and a qualified coach. She left the West Midlands SHA on 31st October 2012. Caroline lives in Worcester and has three grown-up children.

Mushtaq Khan – Non-Executive Director (from 1 October 2019)

Mushtaq is a highly regarded solicitor, former President of Birmingham Law Society and an experienced Board Director. He has over 20 years' of legal practice experience including at a senior level at a national commercial law firm. He has been highly recommended as a leading lawyer in the respected legal directories of Chambers & Partners UK and the Legal 500 UK. Mushtaq cares passionately about improving lives in communities. He actively supports organisations and initiatives with shared values and he has for more than 10 years supported organisations in the housing, education and NHS sector as a Board member. He is the founder of the schools' initiative, "*Inspiring Communities"* in which he works in partnership with Birmingham City University and Central England Law Centre. It is an outreach school project to inspire students to consider a career in the legal profession and to get involved in helping their local communities. Mushtaq is also a Board Director (Non-Executive) at the Accord Group, one of the largest housing and social care organisations in the Midlands.

Wendy Farrington-Chadd – Non-Executive Director

Wendy has over 25 years' experience at Executive Board level within the NHS both in Finance and General Management and has undertaken several Executive roles at Chief Executive and Finance Director level. She has worked across the complete spectrum of the healthcare system both in hospital providers and in commissioning and has experience in both England and Wales. Wendy joined the NHS through the National Graduate Financial Management Training Scheme in the North West and undertook several senior roles prior to obtaining Finance Director positions. She has also undertaken several national and regional Chair and leadership roles including: Chairman of the West Midlands HFMA; lead Chief Executive for the National Specialist Orthopaedic Alliance; Chair of the Local Education and Training Committee informing workforce strategy for NHS providers, and Chair of NHS West Midlands Providers. Wendy works as a Management Consultant and Executive Coach. She lives in Shropshire and has two grown up children.

Narinder Kaur Kooner – Non-Executive Director

Narinder Kaur Kooner has been a local authority Councillor since 2006 and has held the prominent position of Assistant Leader of Birmingham City Council. Narinder is a Local Government Association Labour Peer and on the Executive of Sikh Council UK. She is also a qualified Neuro-Linguistics Programming Practitioner and Mental Health First Aider. Narinder was recognised as one of 350 influential Sikh Women across the world and has had numerous awards in recognition of her Leadership and Community Work.

Narinder was instrumental in shaping devolution in Birmingham and is passionate about tackling unemployment and supporting and empowering local community groups. She has strong links with businesses, voluntary, third sector and community organisations within the city.

She is a Director of Sikh Women's Action Network (SWAN), an organisation which provides one to one support to victims of abuse, Child Sexual Exploitation and Grooming. SWAN delivers workshops to raise awareness of the impact of abuse on families and children and works in partnership with statutory organisations to feed into policy, influence service delivery. Narinder also co-hosts a talk show on TV to address issues that exist within South Asian communities that are not openly discussed.

Attendance at meetings of the Board of Directors from April 2019 to March 2020, (of which 6 were Public Board meetings, 4 were Strategy and Development sessions and there were 5 Extraordinary Board meetings in August, October 2019, February and March 2020) were as follows:

Name	Position	Attendance out of 15 meetings
Sir Graham Meldrum*	Chair and Non-Executive Director	14
Anthony C Marsh*	Chief Executive Officer	15
Mushtaq Khan* (from 1.10.19)	Non-Executive Director	7
Jacynth Ivey*	Non-Executive Director	7
Tony Murrell* (to 30.9.19)	Non-Executive Director	4
Tony Yeaman*	Non-Executive Director	12
Caroline Wigley*	Non-Executive Director	11
Wendy Farrington-Chadd*	Non-Executive Director	15
Narinder Kaur Kooner*	Non-Executive Director	10
Mark Docherty*	Director of Nursing and Clinical Commissioning	15
Dr Chaitra Hodegere* (to 31.08.19)	Medical Director	4
Craig Cooke* (voting Director from 2.9.19)	Director of Strategic Operations and Digital Integration	14
Linda Millinchamp*	Director of Finance	14
Kim Nurse*	Director of Workforce and Organisational Development	14
Diane Scott* (to 30.11.19)	Director of Corporate & Clinical Services/Deputy Chief Executive Officer	6
Murray MacGregor	Communications Director	12
Alison Walker*	Interim Medical Director (from 1.9.19) Medical Director* (from 2.12.19)	7
Pippa Wall (from 02.09.19)	Interim Strategy & Engagement Director	9

*Voting members of the Board

The Non-Executive Directors

The Non-Executive Directors contribute to the development of strategy and play an important role in scrutinising the management in achieving agreed goals and objectives and monitoring the reporting of performance. Non-Executive Directors are drawn from the local community and live within the area covered by the Trust; all of the Trust's Non-Executive Directors are also Members of the Foundation Trust. The Non-Executive Directors act as a conduit between the Council of Governors and the

Board of Directors and can ensure that the voice of the public is heard in decision-making processes and that the interests of patients remain at the heart of Board discussions. Non-Executive Directors also have a role in working with the Chair in the appointment and remuneration of the Chief Executive and other Executive Directors as members of the Trust's Remuneration and Nominations Committee. There are seven Non-Executive Directors including the Chair as set out in the Constitution of the Foundation Trust. The Trust has purposely staggered their periods of office to ensure that extensive knowledge and experience is not immediately lost to the Foundation Trust.

The Council of Governors is responsible for the appointment of the Non-Executive Directors. Under the Constitution of the Foundation Trust the removal or suspension of the Chair or Non-Executive Directors requires the approval of three quarters of the members of the Council of Governors. Appointments will also be terminated if, in accordance with the Constitution, they become disqualified from holding their appointment or they resign from office by giving notice.

All Non-Executive Directors are considered to be independent by the Trust based on the provisions of section B1.1 of the Regulator's Code of Governance.

As allowed for within the Constitution of the Trust the Council of Governors have reappointed Jacynth Ivey for a further year from 30 April 2020 and Wendy Farrington for a further three years from January 2020. Tony Murrell retired from the Board on 30 September 2019; following an advertisement and interview process led by the Governors, Mushtaq Khan was appointed for an initial term of three years from 1 October 2019. In November 2019 the Council of Governors appointed Professor Ian Cumming as Chairman. Professor Cumming replaced Sir Graham Meldrum whose term of office was due to expire on 31 January 2020; however, as Professor Cumming was unable to take up the position until 1 April 2020, the Council of Governors agreed to extend Sir Graham's tenure as Chairman from 1 February 2020 until 31 March 2020. The Council of Governors during the period of this Annual Report, sought the support of an external organisation in the process for appointing the Chairman. The appointment process undertaken that resulted in the appointment of Mushtaq Khan was undertaken by internal recruitment managers.

All Non-Executive Director appointments to the Board of Directors are made by the Council of Governors for a period of three years as required by the Constitution:

Non-Executive Director	**Period of Office Expires**
Sir Graham Meldrum	31 January 2020 **(Term extended 31 March 2020)**
Professor Ian Cumming appointed Chairman with effect from 1 April 2020 for a three year term.	
Wendy Farrington-Chadd	25 January 2023
Jacynth Ivey	30 April 2021
Tony Yeaman	30 September 2020
Caroline Wigley	30 November 2020
Narinder Kooner	5 November 2021
Mushtaq Khan	1 October 2022

The Chair holds monthly meetings with the Non-Executive Directors without the Executive Directors present. At least one meeting a year is chaired by the Senior Independent Director without the Chair present as part of leading the annual appraisal of the Chair.

The Non-Executive Directors are buddied with an Executive Director as well as at least three Governors. This enables the Non-Executive Director to act as a conduit for any concerns raised by a Governor into the Trust either formally through the Board meeting or informally through their Executive Director "buddy".

All Non-Executive Directors were subject to appraisal within the process framework approved by the Council of Governors during the period of this Annual Report.

During the period of this Annual Report the Council of Governors reviewed the remuneration paid to the Non-Executive Directors. The review was in response to the publication by the NHSE/I of its Policy document entitled "Structure to align remuneration for chairs and non-executive directors of NHS trusts and NHS foundation trusts".

The Trust had not reviewed the Remuneration of the Non-Executive Directors since the Trust was first authorised as a Foundation Trust in 2013. There had been little appetite to seek a review. However, given the changes to the Board and the need to attract talented individuals to serve as Non-Executive Directors to provide appropriate challenge on behalf of the public, the Governors considered it timely to review the remuneration of Non-Executive Directors in the light of the contents of the published policy. The policy document sought to align Non-Executive Director remuneration nationally, and to remove the anomalies that existed between NHS Trusts and Foundation Trusts. As with the Code of Governance, the policy proposals were presented on the basis of comply or explain principles. The Trust was required under the provisions of the policy to present the policy to the Governors in October 2019. The Council of Governors accepted the recommendations contained in the national policy document and agreed the following:

- to increase the Chair's remuneration to the upper quartile as set out in the policy document from £45,000 per annum to £50,000 per annum.

- Non-Executive Directors were remunerated on the basis of £250 per day for the equivalent of 4 days per month. It was agreed that Non-Executive Directors would be remunerated at the rate of £13,000 per annum.

The Governors also approved the following supplementary payments:

- The Deputy Chair position to be remunerated at an additional responsibility allowance of £2,000 per annum in addition to the £13,000 per annum (The Deputy Chair previously received a basic of £12,000 per annum and a supplementary payment of £3,000, giving a total of £15,000 per annum, so no change to the total cost).

- Chair of Audit Committee to be remunerated at an additional £2,000 per annum in addition to the £13,000 per annum. (The Chair of Audit Committee previously received a basic of £12,000 per annum and a supplementary payment of £2,000, giving a total of £15,000 per annum, so no change to the total cost).

- Chair of the Resources Committee to be remunerated at an additional £1,000 per annum in addition to the £13,000 per annum (This will be a change giving a total cost of £14,000)

- Chair of the Quality Governance Committee to be remunerated at an additional £1,000 per annum in addition to the £13,000 per annum (This will be a change giving a total cost of £14,000

It should be noted that the supplementary payments outlined above will only be paid whilst the post holder undertakes the relevant duties. Upon the post holder ceasing to carry out the duties the supplementary payment will also cease.

Executive Directors

Executive Directors share the same corporate responsibilities as Non-Executive Director colleagues but bring detailed knowledge of the organisation's management systems and processes and of the health sector, as well as specialised clinical and managerial expertise. As required by the Constitution the Trust has six Executive Directors who are all directly employed by the Trust with appropriate notice periods.

There is a statutory requirement to have:

- A Chief Executive (and Accounting Officer)
- A Director of Nursing
- A Medical Director who must be a registered medical practitioner.
- A Finance Director.

Board Level Committees

The Trust has a robust committee structure to provide assurance that its governance arrangements are strong and effective. The Board of Directors receive a Chair's Report from all its Committees at each meeting and, once approved as an accurate record by the relevant Committee, the minutes of the Committee are submitted for noting by the Board. The Board of Directors may refer any matter to its Committees for closer review. The Constitution and the Trust's Standing Financial Instructions apply to the Committees of the Board of Directors.

The Board of Directors reviews its Committee structure annually with the exception of the **Audit Committee** and the **Remuneration and Nominations Committee** that are required under the Constitution. The membership of these two Committees is made up of Non-Executive Directors, although the Chair only attends meetings of the Audit Committee at the invitation of the Audit Committee; the Board has established several other Committees where the membership consists of Executive and Non-Executive Directors.

To strengthen its quality governance, the Board established a **Quality Governance Committee** to:

- have the primary responsibility for monitoring and reviewing quality and clinical aspects of performance and development plans together with associated risks and controls, corporate governance and quality/clinical assurance. The Committee ensures that appropriate standards are set and compliance with them monitored on a timely basis for all areas that fall within the duties of the Committee.
- develop proposals or priorities for business continuity and sustainability, risk mitigation, values and standards, and contribute to the development of strategy.
- ensure that relevant Key Performance Indicators, strategic and operational milestones and timescales, are identified and monitored for achievement and effectiveness.
- allocate work streams, where appropriate, based on a 'task and finish' principle. The Committee may, where appropriate, through the Medical Director, obtain external expert advice as required to provide assurance to the Board.

In order to provide sufficient scrutiny the Quality Governance Committee has the following working groups:

- Health, Safety, Risk and Environmental Group
- Learning Review Group
- Equality, Diversity and Human Rights Group
- Immediate Care Governance Group
- Clinical Audit and Research Group

These groups support the Quality Governance Committee to:

- ensure the patient remains central to all decision making
- develop, implement and monitor the Annual Clinical Audit and Research programmes
- ensure ongoing compliance with legislation and CQC essential standards relevant to the work of the group
- provide guidance and assurance that the clinical care delivered to patients is safe and effective
- ensure that learning from adverse incidents takes place and actions to reduce harm are implemented
- have oversight of the delivery of the Equality, Diversity and Inclusion Agenda for the Trust

The Health, Safety, Risk and Environmental Group exists to meet the following objectives formerly in the Terms of Reference of the Infection Prevention and Control Group:

- to ensure the effective prevention and control of Healthcare Associated Infection (HCAI) for the organisation.

- to provide a key role in monitoring the organisation's performance against the Trust's Infection Prevention and Control Policy including external objectives/targets and compliance with the Code of Practice for the prevention of HCAI (2010) and the CQC Essential Standards of Quality and Safety.
- to receive and review any reports from the Learning Review Group, ensuring there is adequate learning from incidents to minimise impact on patient safety/trust business.
- to ensure there is a strategic response to new legislation, national guidelines and learning from incidents.

and

- to ensure the correct identification, assessment, management and reporting of risk and health and safety issues.

To enable closer monitoring of financial and operational performance the Board has established a **Resources Committee** that has primary responsibility for monitoring and reviewing the adequacy and utilisation of resources. The purpose of the Committee is to assure the Board of the efficient and effective delivery of strategic and operational plans and objectives, together with any associated development plans, risk and financial/non-clinical assurance. For all areas that fall within its remit the Committee ensures that appropriate standards are set and compliance with them is monitored on a timely basis.

The Board of Directors is also the Trustee of the West Midlands Ambulance Service Charitable Fund, and to discharge this duty has established a **charitable funds Trustee Committee**.

In addition to the above Committees, the **Executive Management Board** (EMB) normally meets every two weeks in a formal capacity to review organisational performance and other management matters. The EMB reports formally to each meeting of the Board of Directors through the Chief Executive Officer's update report which is a standing item on every Board of Directors' agenda. In the period of this Annual Report the EMB was made up of all Executive Directors and the Trust Secretary.

Attendance at Board level Committees and EMB from 1 April 2019 to 31 March 2020 is set out below:

Executive Management Board

Name	Position	Attendance out of 20 meetings
Anthony C Marsh	Chief Executive	16 out of 20
Diane Scott (to 30.11.19)	*Director of Corporate and Clinical Services/Deputy Chief Executive Officer*	*8 out of 13*
Mark Docherty	Director of Nursing and Clinical Commissioning	17 out of 20
Linda Millinchamp	Director of Finance	16 out of 20
Kim Nurse	Director of Workforce and Organisational Development	16 out of 20
Craig Cooke	*Director of Strategic Operations and Digital Integration (from 2.9.19)*	*16 out of 20*
Murray MacGregor	Communications Director	18 out of 20
Phil Higgins	Governance Director & Trust Secretary	14 out of 20
Chaitra Hodegere	*Medical Director (to 31.8.19)*	*6 out of 8*
Alison Walker	*Interim Medical Director (from 1.9.19)* *Medical Director (from 2.12.19)*	*4 out of 12*
Pippa Wall	*Interim Strategy & Engagement Director (from 2.9.19)*	*11 out of 12*

Audit Committee

Name	Position	Attendance out of 5 meetings
Wendy Farrington-Chadd	Committee Chair and Non-Executive Director	5
Jacynth Ivey	Non-Executive Director	2
Mushtaq Khan	*Non-Executive Director (from 1.10.19)*	1
Narinder Kooner	Non-Executive Director	2
Tony Murrell	*Non-Executive Director (to 30.9.19)*	2
Caroline Wigley	Non -Executive Director	5
Tony Yeaman	Non-Executive Director	3

The Terms of Reference for the Committee are available upon request from the Trust Secretary.

The process to tender for the External Audit contract took place during 2019 and KPMG were successful in retaining the contract for External Audit services for the Trust until September 2022, which was approved by the Council of Governors. KPMG comply with the Audit Code published by NHSI. On occasion it may be appropriate for external audit to undertake additional non audit services on behalf of the Trust. These services are subject to a number of safeguards to confirm that they do not impact on the objectivity or the independence of the auditor. All non-audit services are subject to approval by management and by the Trust's Audit Committee. In addition to the checks made by the Trust, the external auditor also undertakes its own internal checks prior to commencing any work. These checks require an assessment of the work against the National Audit Office's Auditor Guidance Note 1 (AGN 01). KPMG's ethics and independence manual is fully consistent with the professional practice rules of the Financial Reporting Council's Revised Ethical Standard by whom they are regulated for audit purposes. For any audit-related or advisory services work requiring prior Audit Committee approval, the Audit Partner must undertake an assessment of the proposed work, governed by the firm's ethical compliance lead and incorporating the issues raised in AGN 01 The principal threats to an auditor's objectivity and independence are:

- self-interest threat
- self-review threat
- management threat
- advocacy threat
- familiarity (or trust) threat
- intimidation threat

The internal checks include the approval of the non-audit services by the firm's ethical compliance lead.

Remuneration and Nominations Committee

Name	Position	Attendance out of 11 meetings
Sir Graham Meldrum	Chair and Non-Executive Director	11
Jacynth Ivey	Non-Executive Director	3
Mushtaq Khan (from 1.10.19)	*Non-Executive Director*	3
Tony Murrell (to 30.9.19)	*Non-Executive Director*	6
Tony Yeaman	Non-Executive Director	7
Caroline Wigley	Non-Executive Director	10
Wendy Farrington-Chadd	Non-Executive Director	10
Narinder Kooner	Non-Executive Director	8

The Terms of Reference for the Committee are available upon request from the Trust Secretary.

Any Board appointments are subject to a robust appointments process, are subject to open competition and are advertised externally.

Trustee Committee

Name	Position	Attendance out of 1 meeting
Sir Graham Meldrum	Chair and Non-Executive Director	1
Anthony C Marsh	Chief Executive Officer	1
Jacynth Ivey	Non-Executive Director	1
Mushtaq Khan (from 1.10.19)	*Non-Executive Director*	1
Tony Murrell (to 30.9.19)	*Non-Executive Director*	0
Tony Yeaman	Non-Executive Director	1
Caroline Wigley	Non-Executive Director	1
Wendy Farrington-Chadd	Non-Executive Director	1
Narinder Kooner	Non-Executive Director	1
Diane Scott (to 30.11.19)	*Director of Corporate and Clinical Services/Deputy Chief Executive Officer*	1
Mark Docherty	Director of Nursing and Clinical Commissioning	1
Kim Nurse	Director of Workforce and Organisational Development	1
Linda Millinchamp	Director of Finance	1
Chaitra Hodegere (to August 2019)	*Medical Director*	0
Craig Cooke (from 2.9.19)	*Director of Strategic Operations & Digital Integration*	1
Alison Walker (from September 2019)	*Medical Director*	0

The Terms of Reference for the Committee are available upon request from the Trust Secretary.

Resources Committee

Name	Position	Attendance out of 9 meetings *(1 meeting was not quorate)*
Tony Murrell	*Chair and Non-Executive Director (to 30.9.19)*	*5*
Caroline Wigley	Non-Executive Director (Chair from 1.10.19)	8
Wendy Farrington-Chadd	Non-Executive Director	6
Narinder Kooner	Non-Executive Director	5
Linda Millinchamp	Director of Finance	8
Craig Cooke	*Director of Strategic Operations and Digital Integration (from 2.9.19)*	7

Name	Position	Attendance out of 9 meetings *(1 meeting was not quorate)*
Mark Docherty	Director of Nursing and Clinical Commissioning	4
Kim Nurse	Director of Workforce and Organisational Development	7
Michelle Brotherton	Non-Emergency Services Delivery Director	4
Jeremy Brown (member from November 2019)	*Integrated Emergency and Urgent Care Director*	2

The Terms of Reference for the Committee are available upon request from the Trust Secretary.

Quality Governance Committee

Name	Position	Attendance out of 7 meetings *(1 meeting was cancelled)*
Jacynth Ivey	Non-Executive Director & Chair	5
Caroline Wigley	Non-Executive Director & Vice Chair	6
Dr Chaitra Hodegere	*Medical Director (to 31.08.19)*	1
Dr Alison Walker	*Interim Medical Director (from 1.9.19)* *Medical Director (from 2.12.19)*	3
Mark Docherty	Director of Nursing and Clinical Commissioning	6 (Deputy sent to 1)
Kim Nurse	Director of Workforce & Organisational Development	6
Diane Scott	*Director of Corporate & Clinical Services/Deputy Chief Executive Officer (to 30.11.19)*	3
Craig Cooke	*Director of Strategic Operations and Digital Integration (from 2.9.19)*	4 (Deputy sent to 2)

The Terms of Reference for the Committee are available upon request from the Trust Secretary.

Performance evaluation of the Board and Directors

The Directors and Governors of the Trust have jointly established a Director and Governor Development and Constitution Panel which reports into both the Board of Directors and the Council of Governors (CoG). The Panel supports the CoG and the Board of Directors by carrying out its role of providing a forum for:

- the Board of Directors and the Council of Governors to discuss the operation and application of the Constitution and any other governance document, and if appropriate recommend any amendment
- the review of the interaction between the Council of Governors and the Board of Directors.
- the evaluation, review and design of the Directors' and Governor development.

The Panel is responsible for developing and monitoring the Director and Governor Development Plan. The plan ensures that the development programme is linked to the Trust's Organisational Development Programme. Development for directors appointed to the Board commences at Induction. All Directors are provided with an induction the contents of which are reviewed by the Director and Governor Development and Constitution Panel and endorsed by the Board.

The Board of Directors at the conclusion of each meeting reviews its performance as a Board and also assesses whether it has breached its Guiding Principles; the Guiding Principles reflect the Values of the Trust and the NHS Constitution. The Board of Directors at each meeting is also invited to reflect on whether the values of the Trust have guided its decision making. The Board of Directors evaluates its performance at each meeting using a series of questions. The responses to the questions are then collated by the Trust Secretary and reviewed by the Trust's Director and Governor Development and Constitution Panel to assess the development needs of the Trust.

Each Committee of the Board undertakes an annual self-assessment where it reviews itself against the objectives contained within its Terms of Reference as agreed by the Board of Directors.

Committees (and those groups reporting to them) conduct a formal 'Review of Effectiveness' on an annual basis. Each Committee (and group) is required to demonstrate to the Board (and each group to its appointing Committee) that it has fulfilled its remit, remained within its Terms of Reference and has satisfactorily discharged its duties; adding value in terms of assurances and identifying and mitigating risk. A report is then presented to a Board meeting each year when the Board of Directors agree to the establishment of Committees for the year ahead with appropriate and refreshed (if necessary) Terms of Reference for those Committees.

During the period of this Annual Report, the Board has reviewed the Trust Committee structure and all of the Terms of Reference have been reviewed.

The Trust Chair appraises the performance of the Chief Executive Officer annually and also carries out a mid-year review against objectives set by the Remuneration and Nominations Committee.

The Chief Executive Officer appraises the performance of each Executive Director annually and also carries out a mid-year review against previously agreed objectives.

As a Foundation Trust, it is the role of the Council of Governors to ensure that there is an effective and meaningful performance assessment and appraisal process in place for both the Chair and Non-Executive Directors.

During 2019 the Governors appointed Professor Ian Cumming as the new Chairman pending the retirement of Sir Graham Meldrum. Professor Cumming was appointed to take up the position of Chairman on 1 April 2020, therefore Sir Graham Meldrum carried out appraisals of the CEO and the Non-Executive Directors based on 2019/20 objectives. It was Sir Graham's view that the setting of the 2020/21 objectives should be undertaken by the incoming Chairman when he took up his position in April 2020. The Senior Independent Director undertook the appraisal of the Chairman. Various stakeholders were consulted as part of the appraisal process, this included the Council of Governors and directors of the Trust as well as those Non-Executive Directors that were not the subject of the appraisal. The outcome of the appraisals was used by the Governors in determining whether to reappoint the Non-Executive Directors as their period of office came to an end.

Declaration of Interests

The Board and the Council of Governors have adopted the "*Managing Conflicts of Interest in the NHS: Guidance for staff and organisations"* published by NHS England. The Chair, all members of the Board of Directors and also the Governors declare any conflict of interest that arises in the course of conducting NHS business. Upon appointment, members of the Board of Directors are asked to declare any business interests, directorships, positions of authority in a charity or voluntary body in the field of health and any connection with contracting bodies for NHS services. They are also asked to declare their independence as defined by NHSE/I's Code of Governance. All such declarations are entered in a register and are available for public scrutiny and reviewed twice a year by the Board of Directors. The Board members are reminded of their responsibilities and possible liabilities under the Bribery Act.

There are registers in place that are regularly reviewed that give details of company directorships and other significant interests held by directors and governors which may conflict with their respective duties and responsibilities. The registers are open to the public and are published on the Trust's website. A copy of the register of interests is available upon request to the Trust Secretary. In addition, Senior Managers and those responsible for the procurement or letting of Contracts are reminded of their obligations under the guidance published by NHSE/I and are similarly asked to make declarations of interest.

The Audit Committee reviews the Trust's Anti-fraud and Anti-corruption policies in line with the Bribery Act 2010 and the Fraud Act 2006 and receives regular reports from the Trust's Local Counter Fraud Specialist.

Council of Governors

The Council of Governors is the accountable forum between the Board of Directors and the Trust's Membership and key stakeholders. It represents local interests as well as staff and key partnership stakeholders. The Council of Governors comprises 26 Governors and is regarded by the Trust to be of a size and scope that is manageable. It is in the mid-range when compared with other Foundation Trusts and its size also enables it to be representative of the community.

The Chair of the Board of Directors is also Chair of the Council of Governors and is responsible for leadership of both the Board and the Council of Governors. A report from the Chief Executive is a standing item on Council of Governors' agenda, and other Executive Directors are invited to present to the Council on any issues relevant to their directorate. This also enables a Q&A session for Governors. All Non-Executive Directors are invited to attend each meeting of the Council of Governors and are invited at least once a year to present to the Council of Governors on their role to date and also on their specific portfolio if they are a Committee Chair.

Induction training for newly elected and appointed Governors is convened as soon as possible after election or appointment. This includes a one to one meeting with the Chair.

All Governors are made aware of the Fit and Proper Persons test as described in the provider licence and upon election are subject to a "Disclosure and Barring Service" check.

The following are the duties and role of the Governor and these provide a focus for governor development. This is further strengthened by the obligation under statute for the Trust to take steps to ensure that the Governors are equipped with the skills and knowledge they require in their capacity as such.

The most significant obligations for Governors are the duties to:

- hold the Non-Executive Directors individually and collectively to account for the performance of the Board Directors; and
- represent the interests of the members of the Trust as a whole and the interests of the public.

In addition, Governors are asked to determine matters of a financial and commercial nature. This can include transactions described as "significant transactions". The Governors have agreed a **Significant Transactions Panel** to assist their consideration of such matters and cannot proceed unless a majority of Governors agree to them.

These are significant responsibilities for a group of people who are effectively volunteers. The Trust takes these duties into account and the development programme for Governors includes providing them with the knowledge and skills to carry out their role.

The main duties of the Governors either contained within statute or a requirement of the role are to:

- Appoint or remove the Chair and the other Non-Executive Directors
- Determine the remuneration and allowances, and the other terms and conditions of office, of the Non-Executive Directors
- Appoint or remove the Auditor
- Understand the content of the approved Annual Accounts, any report of the Auditor on them and also the Annual Report
- Consider and determine disputes as to membership
- Consider resolutions to remove a Governor
- Approve the appointment of the Chief Executive (and Accounting Officer)
- Determine whether to refer a question to the NHSE/I panel, if a majority of the Council of Governors are of the opinion that the Trust is failing to comply with its Constitution.
- Convey their views to the Directors for the purposes of the preparation (by the Directors) of the forward plan in respect of each Financial Year
- Determine whether, if the forward plan contains a proposal that the Trust carry on an activity of a kind other than the provision of goods and services for the purposes of the health service in England, that activity will not to any significant extent interfere with the fulfilment by the Trust of its principle purpose or the performance of its other functions
- Approve implementation of any proposal to increase by 5% or more the proportion of the Trust's total income in any financial year attributable to activities other than the provision of goods or services for the purposes of the health service in England. The Trust may only implement the proposal if Governors approve.
- Approve any merger, acquisition, separation or dissolution.
- Provide views to the Board of Directors on the strategic direction of the Trust and targets for the Trust's performance, and on the monitoring of the Trust's performance in terms of achieving those strategic aims and targets;
- Develop and recruit a representative membership;
- Represent the interests of the Members of the Trust as a whole and the interests of the public;
- At least every three years, review the membership strategy of the Trust and its policy for the composition of the Council of Governors and the Non-Executive Directors;
- Review the Quality Account

The above duties are reflected in the Constitution of the Foundation Trust. The Trust may make amendments to its Constitution only if the Governors of the Trust approve the amendments.

The Council of Governors in the period covered by this Annual Report has discharged many of its statutory duties, including the re-appointment of Non-Executive Directors, and undertaken the appraisal of the Chair and Non-Executive Directors. The Council of Governors has not exercised its power to request a member of the Board of Directors to attend a meeting of the Council of Governors for the purpose of obtaining

information about the Trust's performance of its functions or Directors performance of their duties as detailed in the Constitution.

Staff Governors 2019/20

CONSTITUENCY	GOVERNOR	ELECTED TERM
Emergency and Urgent Operational Staff	Sarah Bessant	01/01/17 –31/12/19 Re-appointed 01/01/2020 – 31/12/22
	Adam Aston	01/01/19 – 31/12/2021
Non-Emergency Operational Staff	Andrew Rowles	01/01/17 – 31/12/20
Emergency Operations Centre	Duncan Spencer	01/06/14 - 31/12/20
Support Staff	Steve Elliker	01/01/19 – 22/07/19 (Retired)
Support Staff	Matt Brown	01/01/2020 – 31/12/22

Public elected Governors 2019/20

CONSTITUENCY	GOVERNOR	ELECTED TERM
Birmingham	Les Homer	01/01/18 –15/05/19 (Resigned)
	Iqbal Saddal	06/06/19 – 31/12/20
	Peter Brookes	01/01/19 –31/12/21
	Simon Mansel	30/07/18 – 31/12/19 (Retired)
	Jeanette Mortimer	01/01/20 – 31/12/22
Black Country	Lachman Jassi	01/01/17–31/12/20
	Kay Morton (formerly Cullen)	01/01/17 –31/12/19 (Retired)
	Julie Winpenny	01/01/19 – 31/12/21
	Samuel Penn	01/01/20 – 31/12/22
Staffordshire	Eileen Cox	01/01/17 –31/12/19 Re-elected 01/01/20 – 31/12/22
	David Hardy	01/01/19 – 31/12/21
	Daniel Pugh	01/01/19 – 31/12/20 (ineligible to continue in office)
	Uday Katkar	01/01/20 – 31/12/20
West Mercia	Bill Ellis	01/01/17 –31/12/19 (Retired)
	Roy Aldcroft	01/01/18 – 31/12/20
	Judy D'albertson	01/01/20 -31/12/22
	Helen Higginbotham	01/01/19 – 31/12/21
Coventry and Warwickshire	John Davies	01/01/17 –31/12/19 Re-elected 01/01/20 – 31/12/22
	Kyle Sands	01/01/18 – 31/12/19 (resigned)
	William Brown	01/01/19 – 31/12/21
	Brian Murray	01/01/20 -31/12/20

'Appointed' Governors were nominated by organisations to serve on the Council of Governors in 2019/20:

ORGANISATION	GOVERNOR	APPOINTED TERM
NHS Provider (A new seat created by merging the Acute provider and Mental Health service provider seats)	Barry Day Shajeda Ahmed	12/7/17-01/04/19 (retired) 29-05-19-01/12/21
Community First Responders Forum	David Fitton	01/01/19 -31/12/21
Local Authority	Vacant	
West Midlands Fire Service	Becci Bryant	30/07/18-31/12/20
St John Ambulance Youth Governor	Alisha Rehman	01/01/19 -31/12/21
Universities Representative	Geoff Layer	01/05/19 – 31/12/21

The Trust is grateful for the service and commitment that the Governors gave or continue to give the Trust during their period of office.

Until 30 July 2019 the Lead Governor was Eileen Cox; Eileen was then re-elected into the position for another year. The deputy lead governor position received no nominations this year and therefore was carried as a vacancy.

To ensure that the role of representing the interests of the Membership and stakeholders is undertaken, at each meeting the Governors are requested to state how they have discharged responsibility for regularly communicating with their membership.

The Council of Governors have established the following Panels with approved Terms of Reference:

- The Membership, Public and Patient Experience Panel
- The Director and Governor Development and Constitution Panel.
- The Significant Transactions Panel
- The Remuneration, Terms of Service and Nominations Panel

Over the year, there has been a programme of themed 'focus on' development presentations and induction sessions to ensure that the Council fully understands the business of the Trust and its various activities so that Governors can fulfil their important role of engaging with the public and ensuring that the Trust's services continue to improve in line with the wishes of the membership.

A development day was also held for the Council of Governors on 18 September 2019 covering a number of topics.

Governors are regularly encouraged to undertake observation activities within the emergency operations centres or on a Trust emergency or non-emergency vehicle in order to fully appreciate a 'day in the life' of an operational member of staff.

In November 2019 the Governors completed a self-assessment questionnaire on their collective performance. The results of the questionnaire have been reported back to the Council of Governors and to the Board of Directors. The results of the self-assessment undertaken in November 2019 are set out below:

Returns

- 11 returned questionnaires.
- 15 non returns

Section 1 – Holding the Non-Executives to Account

- Everyone agreed or strongly agreed to the Council understanding its role in holding to account in terms of trust performance, delivering strategy and ensuring the Trust is well led
- Majority agreed or strong agreed that the Council receives sufficient information to carry out its duties as defined in the Regulators Document 'Statutory Duties for Governors'.
- Everyone agreed or strongly agreed that there is sufficient opportunity to question members of the Board of Directors.

Section 2 – Influencing Strategy

- Nine of the eleven agreed or strongly agreed that they are given the opportunity to influence strategy, with two disagreeing.
- The majority agreed that there are opportunities for the Council to bring forward its own ideas on strategy. Three strongly agreeing and one disagreed.

Section 3 – Membership Engagement

- The Council ensures there is appropriate communication and consultation with Members, Stakeholder and the Wider public
    - The majority agreed with the above statement, three strongly agreed and one disagreed.
- The Council monitors membership recruitment activates and understands its role in engagement:
    - Majority agreed, with two strongly agreed and one disagreed
- The Council ensures public membership is representative of the Trust's Public Constituency area:
    - Majority agreed, two strongly agreed and one disagreed.

Section 4 – Appointments and Terms of Appointment

Everyone agreed or strongly agreed that the Council's process for the re-appointment or appointment of a Non-Executive Director is effective.

Section 5 – Performance Appraisal

The Council agreed or strongly agreed that there is an appropriate process for enabling performance appraisals for the chair and non-executive directors.

Section 6 – General

- Does the Council influence the work of the Trust:
    - The majority selected agreed, one strongly agreed and two disagreed.
- Does the Council of Governors understand its role in representing members of the Trust and takes positive action to provide opportunities for members of the public to make contact:
    - The majority of returns agreed with this comment, one strongly agreed and two disagreed.

Meetings of the Council of Governors and attendance

The Council of Governors is required to meet at least four times a year to discharge its duties and has a schedule of business for the year which is considered at each meeting. During 2019/20 there were four meetings of the Council of Governors. The attendance of each Governor is shown in the table below.

The Foundation Trust constitution sets a minimum level of attendance required by governors at meetings of the Council of Governors each year.

Attendance at meetings of the Council of Governors from April 2019 to March 2020 is presented below. Not all governors have been in the role for the full year and therefore their attendance states how many they attended during their period of office, x of x.

Name	Constituency/Job Title	Attendance out of 4 meetings
Peter Brookes	Publicly Elected Governor – Birmingham	2
Les Homer	Publicly Elected Governor – Birmingham	1 of 1
Iqbal Saddal	Publicly Elected Governor – Birmingham	3 of 3
Simon Mansel	Publicly Elected Governor - Birmingham	0 of 3
Jeanette Mortimer	Publicly Elected Governor - Birmingham	1 of 1
Kay Morton (formerly Cullen)	Publicly Elected Governor – Black Country	2 of 3
Lachman Jassi	Publicly Elected Governor – Black Country	3

Name	Constituency/Job Title	Attendance out of 4 meetings
Julie Winpenny	Publicly Elected Governor – Black Country	4
Samuel Penn	Publicly Elected Governor – Black Country	1 of 1
Brian Murray	Publicly Elected Governor – Coventry and Warwickshire	1 of 1
John Davies	Publicly Elected Governor – Coventry and Warwickshire	4
Kyle Sands	Publicly Elected Governor – Coventry and Warwickshire	0
William Brown	Publicly Elected Governor – Coventry and Warwickshire	3
Bill Ellis	Publicly Elected Governor – West Mercia	3 of 3
Helen Higginbotham	Publicly Elected Governor – West Mercia	3
Judy D'Albertson	Publicly Elected Governor – West Mercia	1 of 1
Roy Aldcroft	Publicly Elected Governor – West Mercia	2
Eileen Cox	Publicly Elected Governor – Staffordshire	4
David Harvey	Publicly Elected Governor – Staffordshire	3
Daniel Pugh	Publicly Elected Governor – Staffordshire	0 of 3
Uday Katkar	Publicly Elected Governor – Staffordshire	1 of 1
Sarah Bessant	Staff Elected Governor - Emergency and Urgent Operational Staff	4
Adam Aston	Staff Elected Governor - Emergency and Urgent Operational Staff	4
Andrew Rowles	Staff Elected Governor – Non Emergency Operational Staff	2
Duncan Spencer	Staff Elected Governor – Emergency Operations Centre Staff	4
Steve Elliker	Staff Elected Governor – Support Staff	0 of 3
Matt Brown	Staff Elected Governor – Support Staff	1 of 1
Barry Day	Appointed Governor - NHS Provider	0 of 1
Shajeda Ahmed	Appointed Governor - NHS Provider	1 of 3
David Fitton	Appointed Governor – Community First Responder Regional Forum	3
Becci Bryant	Appointed Governor Fire Service	2
Vacant	Appointed Governor – Local Authority	0

Declarations of interest

Similarly to the Board of Directors, all of the Governors of the Trust must declare details of any material interests which could conflict with their responsibilities as a Governor of the Trust. The Council of Governors have adopted the NHSE/I guidance on declaring conflicts of interest. A Register of Interests is maintained by the Trust and is available by request to the Trust Secretary.

The Board and Governor relationship

The Board of Directors recognises the importance of receiving and responding to the views of the Council of Governors. As a Foundation Trust, the Board of Directors is keen to understand the statutory powers of the Council of Governors and to support it in creating the forums where the Council can hold the Non-Executive Directors to account for the performance of the Trust. The Board of Directors' papers are available to all members of the Council of Governors.

Non-Executive Directors have attended meetings of the Council of Governors, and in addition the Trust has established a Governor/Non-Executive Director Buddy scheme. The publicly elected governors are buddied with a respective Non-Executive Director within the constituency in which the Non-Executive Director lives. Regular meetings take place facilitated by the Non-Executive Director with any views or comments flowing back through the monthly meeting of the Non-Executive Directors for action or, if urgent, through the relevant Director into the Trust. Feedback will be through the same route.

The Staff Elected and Appointed Governors are buddied with the Chair and meet with him on a regular basis.

An update from the Chair and Chief Executive Officer is a standing item on the Council of Governors' agenda where the Chair can report back on salient matters affecting the Board, the Trust and the Council of Governors.

Membership

The membership is the means by which the Foundation Trust is accountable to its local community. The Trust maintains a database of members and this database is cleansed regularly. The constituencies of the membership are set out in the Constitution of the Foundation Trust.

The Trust has circa 14,515 members; this includes both public members and staff members. WMAS operates an opt-out membership for its staff. This means that staff who are eligible for membership are automatically members of the Foundation Trust unless they choose to opt out.

CONSTITUENCY	PUBLIC MEMBERS
Birmingham	2,121
Black Country	2,885
Staffordshire	1,396
West Mercia	1,639
Coventry and Warwickshire	1,140

Category	Membership as at 27/02/20
Staff	5,307
Public	9,208
Total	**14,515**

The Trust recognises within its Membership strategy that as a Foundation Trust it has a duty to involve the local community in decisions that affect their lives and wellbeing. Involving people encourages and empowers them as individuals and as communities. Engagement is the process of getting the public involved in the decisions about them in a sustained way. This includes planning, developing and managing services as well as activities that aim to improve health or reduce health inequalities.

Membership is monitored in each constituency for compliance with six of the nine Protected Characteristics under the Equalities Act 2010 to ensure membership is based on quality as opposed to quantity:

- Gender
- Gender Reassignment
- Race
- Sexual Orientation
- Disability
- Age

Further details on Patient and Public involvement are included within the Trust's Quality Account which is published separately.

West Midlands Ambulance Service has visited an array of local groups and events throughout the year, many promoting the health and wellbeing agenda, and often involving inter-agency co-operation. The use of the Trust mascot 'Lloyd the Paramedic Turtle' has helped in facilitating these events.

The Trust also produces a quarterly Members Newsletter to engage with members.

Members of the Foundation Trust and members of the public may contact Governors via the Membership and Governor Engagement Officer on 01384 246323 or foundationtrust@wmas.nhs.uk. Further details can be found on the Trust's website – www.wmas.nhs.uk

Regulatory Ratings - NHSI Single Oversight Framework

This section contains details of the Trust's Governance risk rating, Use of Resources risk rating and CQC rating, together with the Statement of the Accounting Officer's Responsibilities.

As an NHS Foundation Trust, West Midlands Ambulance Service is subject to the regulatory framework established by NHSE/I the independent regulator of NHS Foundation Trusts. That framework covers both financial and governance risks. The aim of that framework is to facilitate NHSE/I's assessment of there being:-

- a significant risk to the financial sustainability of a provider of key NHS services which endangers the continuity of those services and/or
- poor governance as an NHS Foundation Trust.

The table below confirms the ratings secured in 2019/20

	Annual Plan 2019/20	Q1 2019/20	Q2 2019/20	Q3 2019/20	Q4 2019/20	Overall 2019/20
Use of Resources Risk Rating	1	1	1	1	1	1

The Trust has performed strongly against the ratings in 2019/20, securing a 'Use of Resources' risk rating of one (ie, being the lowest financial risk) and a governance risk rating of green for each of the four quarters of the year. This was in line with the annual plan submitted to NHSE/I at the beginning of the year.

Single Oversight Framework

The NHS Single Oversight Framework provides the framework for overseeing providers and identifying potential support needs. It looks at five themes:

- Quality of care
- Finance and use of resources
- Operational performance
- Strategic change
- Leadership and improvement capability (well-led)

Segmentation

Based on information from these themes, providers are segmented from 1 to 4, where '4' reflects providers receiving the most support and '1' reflects providers with maximum autonomy. A Foundation Trust will only be in segments 3 or 4 where it has been found to be in breach or suspected breach of its licence.

West Midlands Ambulance Service University NHS Foundation Trust has been placed in segmentation 1 from October 2016 and this segmentation information remains the Trust's position as at March 2020. Current segmentation information for NHS Trusts and Foundation Trusts is published on the NHSE/I website.

Finance and Use of Resources

The finance and use of resources theme is based on the scoring of five measures from '1' to '4' where '1' reflects the strongest performance. These scores are then weighted to give an overall score. Given that finance and use of resources is only one of the five themes feeding into the Single Oversight Framework, the segmentation of the Trust disclosed might not be the same as the overall finance score here.

Area	Metric	2019/20 score	2018/19 score
Financial Sustainability	Capital Service capacity	1	1
	Liquidity	1	1
Financial Efficiency	I&E Margin	1	1
Financial Controls	Distance from financial plan	1	1
	Agency spend	3	1
Overall Scoring		1	1

The Trust scores well against these financial metrics. Its financing requirements are – by NHS standards – low, partly due to its low value asset base and partly due to the fact that its capital requirements have been funded from internal resources (rather than borrowing). In 2019/20 with the exception of Cyber Resilience projects for which additional central PDC was received, the Trust funded its capital investment activity (£21.2m) entirely from internal resources – brought forward cash balances, the depreciation account, and from the sale of redundant assets. Furthermore, the Trust has a historically solid level of liquidity which is reflected in its cash holdings of £45.3m at the end of 2019/20. Against the UoR, therefore, the Trust has scored one (i.e. lowest financial risk) overall for 2019/20.

Care Quality Commission

The Trust was delighted to receive a rating of 'Outstanding' following inspections by the Care Quality Commission (CQC) in April 2019, thereby retaining its previous rating of 'Outstanding' from the 2016 inspection. The West Midlands Ambulance Service University NHS Foundation Trust was the first and remains the only ambulance service in England to receive an outstanding rating.

The five key areas the CQC look at are whether a service is safe, effective, caring, responsive and well-led.

Focus Groups with a number of staff from across Emergency and Urgent Care, Patient Transport Services and the Emergency Operations Centre were undertaken by CQC Inspectors during April 2019 and an unannounced inspection of Emergency and Urgent Care and PTS was undertaken between 24-26 April 2019. During this inspection a number of sites across the region were visited, observational shifts were undertaken and staff discussions were held.

The Well Led inspection was undertaken 25-27 June 2019.

The resulting report was published on 22 August 2019:

	Safe	Effective	Caring	Responsive	Well-Led	Overall
Emergency and Urgent Service	Good ➡⬅	Outstanding ➡⬅	Outstanding ➡⬅	Outstanding ⬆	Outstanding ⬆⬆	Outstanding ⬆
Patient Transport Services	Good ⬆	Good ⬆	Good ➡⬅	Good ➡⬅	Good ⬆	Good ⬆
Emergency Operations Centre	Good Jan 2017	Good Jan 2017	Good Jan 2017	Good Jan 2017	Outstanding Jan 2017	Good Jan 2017
Resilience	Good	Outstanding Jan 2017	Not rated	Outstanding Jan 2017	Outstanding Jan 2017	Outstanding Jan 2017
Overall	Good	Outstanding	Outstanding	Outstanding	Outstanding	Outstanding

Statement of the Chief Executive's responsibilities as the Accounting Officer of West Midlands Ambulance Service University NHS Foundation Trust

The NHS Act 2006 states that the chief executive is the Accounting Officer of the NHS Foundation Trust. The relevant responsibilities of the accounting officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the *NHS Foundation Trust Accounting Officer Memorandum* issued by NHS Improvement.

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require West Midlands Ambulance Service University NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of West Midlands Ambulance Service University NHS Foundation Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

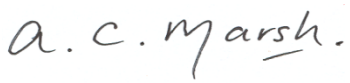
In preparing the accounts, and overseeing the use of public funds, the Accounting Officer is required to comply with the requirements of the Department of Health and Social Care Group Accounting Manual and in particular to:

- observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgments and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the *NHS Foundation Trust Annual Reporting Manual* (and the *Department of Health and Social Care Group Accounting Manual*) have been followed, and disclose and explain any material departures in the financial statements
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance
- confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS Foundation Trust's performance, business model and strategy, and
- prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern.

The Accounting Officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS Foundation Trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS Foundation Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As far as I am aware, there is no relevant audit information of which the Foundation Trust's auditors are unaware, and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Trust's auditors are aware of that information.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in the NHS Foundation Trust Accounting Officer Memorandum.

Signed 

Position: Chief Executive Date: 22 May 2020

Annual Governance Statement

This section contains information on the frameworks and strategies that concern handling risks and also outlines the role of Trust Committees in addressing and managing risks.

Scope of Responsibility

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

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of West Midland Ambulance Service University NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in West Midlands Ambulance Service University NHS Foundation Trust for the year ended 31 March 2020 and up to the date of approval of the annual report and accounts.

Capacity to Handle Risk

Risk management is a key component of enhancing patient and staff care and is an integral part of the Trust's strategic management. It is the process whereby the Trust methodically addresses the risks related to its activities with the goal of achieving sustained benefits to patient care and to the WMAS strategic agenda, across the portfolio of all Trust activities. The focus of risk management at WMAS is about being aware of potential problems, working through what effect they could have and planning to prevent the worse-case scenario.

Through its Vision, the Trust is committed to delivering the right patient care, in the right place, at the right time, through a skilled and committed workforce.

This safe, effective care is led by the **Chief Executive Officer** who has overall accountability and responsibility for risk management within the Trust. Operationally, the Chief Executive Officer delegated responsibility for implementation of risk management to the Director of Corporate and Clinical Services, but with effect from November 2019 responsibility transferred to the Governance Director and Trust Secretary when the Director of Corporate & Clinical Services left the Trust.

Within the current Risk Management Strategy the **Director of Corporate and Clinical Services, and from November 2019 the Governance Director and Trust Secretary supported by the Executive Management Board**, are responsible for the Risk Management Process within the Trust and ensure:

- compliance with the Risk Management Strategy is monitored and a review requested should evaluation and/or legislation identify change requirements
- the review of risk and risk registers is maintained in accordance with Trust strategy
- all staff have the ability to identify risks and propose they are assessed and entered onto the relevant section of the Trust risk register
- a robust Board Assurance Framework (BAF) is in place which has been designed to provide Board members with the assurance they require that any risk to achievement of Trust objectives is managed, any gaps in controls are highlighted and any mitigating action is undertaken, and which provides an ongoing record of assurance work undertaken by the Board and its Committees.

The Directors of the Executive Management Board individually and collectively have responsibility for providing assurance to the Board of Directors on the controls in place to mitigate their associated risks to achieving the Trust's Strategic Objectives that include continued compliance with the Trust licence.

The Committees of the Board of Directors have responsibility for providing assurance in respect of the effectiveness of those controls. The effectiveness of the Trust's governance structures continues to be tested via Internal and External Audit.

There are experienced and appropriately qualified staff to lead, support and advise staff at all levels across the organisation with the identification and management of risk.

All staff are trained and equipped to manage risk through education and training programmes including corporate induction, mandatory training and the annual completion of the Trust statutory and mandatory workbook. An annual Education and Training Needs Analysis is undertaken so that mandatory training is agreed through a formal governance process which is influenced by risk assessment and learning identified throughout the governance structure.

All members of staff have an important role to play in identifying, assessing and managing risk and the Trust encourages a culture of openness and willingness to admit mistakes. Staff are able to raise risks directly with managers, through electronic reporting, whistleblowing and freedom to speak up, team meetings, via Staff Side representatives, partnership forums, and with Executive and Non-Executive Directors during their visits to Trust premises.

The front page of the Trust intranet shows the Tab for incident reporting, along with access to the electronic reporting tool, guidance for staff on how to complete electronic incident form (ER54) and Q&A support.

Analysis of risk takes place during day to day review of electronic (ER54) reports and monthly at the Trust's Learning Review Group (LRG). Any new risks identified are added to the Risk Register and escalated to the relevant Committee or working group and designated lead to manage and monitor actions taken to achieve maximum possible mitigation.

The Trust has in place a Protocol for the analysis of and learning from incidents, complaints and claims. This document has been developed to ensure that there is a process in place for ensuring a systematic approach to the analysis of incidents and that subsequent learning is put into place to prevent reoccurrence. There are several policies in place within the Trust to ensure all common risks or trends associated with untoward events are identified in a timely manner including Trust policies for reporting, management and investigation of Adverse Incidents, Complaints, Concerns and Claims and Learning from Deaths.

The Protocol is intended to ensure that all the analysis and learning taking place is not done in isolation and aims to draw together a process for clear communication of analysis and learning throughout the committee structure in accordance with the Trust's Quality Strategy.

The Risk and Control Framework

Risk Management Strategy

West Midlands Ambulance Service University NHS Foundation Trust is committed to delivering an efficient, cost effective, high quality healthcare service which fully integrates all the threads of quality, performance and financial governance as detailed in the Trust's Strategic Plans.

An understanding of the risks that face the Trust is crucial to the delivery of emergency and non-emergency healthcare services moving forward. The business of emergency healthcare is, by its nature, a high-risk activity, and whilst the non-emergency service is not as high risk, by nature of the number and complexity of the patients conveyed the process of risk management is an essential control mechanism. Effective risk management processes are central to providing the Board of Directors with assurance on the framework for clinical quality and corporate governance (which includes all performance indicators).

Risk management is a key component of enhancing patient care and is a central part of the Trust's strategic management. It is the process whereby the Trust methodically identifies and addresses the risks attaching to its activities where the goal is to achieve sustained benefits to patient care and to the Trust's strategic agenda, within each activity and across the portfolio of all Trust activities. The focus of risk management in

the Trust is the identification and treatment of these risks. The Trust has in place a Risk Management Strategy and its Risk Management objectives which support the Trust's Strategic and Operational plans are as follows:

- To ensure safe and timely systems for identifying, reporting and managing risks, incidents, near misses
- To facilitate timely feedback and learning from reported risks, incidents and near misses supported by robust governance processes
- To support Board level ownership and assurance that the risks are thoroughly reviewed and managed effectively
- To promote an open and transparent culture of risk management throughout the organisation, giving all staff confidence in the system

The Risk Management Strategy provides the Trust with a holistic strategy that bridges all aspects of internal and external risk, to reduce the exposure to risk of the Trust, its staff, patients and the general public. However, it is impossible to eliminate all risks and every organisation has to live with a degree of risk. It is for the Board of Directors to decide the balance between the cost of mitigating risks, tolerating risks and accepting the risk which is not mitigated. This is known as the **"Risk Appetite"** of the organisation. It is defined in terms of the severity of residual risk that can be tolerated. The Trust's risk management systems will ensure that the scoring of risk after applying controls and other mitigation define the Risk Appetite.

Risk and the management of risk is an intrinsic part of the governance of the Trust. The effective management of risk relies on adequate controls being in place to provide assurance. The Board of Directors, Audit Committee and the Executive Management Board consider what constitutes an appropriate source of Assurance. The Board Assurance Framework (BAF) records the key processes used to manage the organisation. Through the BAF and understanding Assurance, the Board of Directors and its Committees as well as Management can make informed and defensible decisions.

The levels of Assurance are clear:

- Management continually challenges on whether there are appropriate processes and controls in place that are effective and will result in achievement of the corporate priorities.

- Audit Committee and the Board Committees provide advice to the Board of Directors on the status of governance risk and internal control and the Board continually challenges the assurance that it receives.

- The Board of Directors collectively as a unitary Board is responsible for the formulation and setting of strategy and good stewardship of the Trust, and each year approves a Corporate Governance Statement as part of its licence obligations and also approves this Annual Governance Statement

- The Accounting Officer of the Trust is the Chief Executive Officer who is responsible for ensuring that the organisation operates effectively,

economically and with probity; that the organisation makes good use of the resources which are publicly funded and that proper accounts are maintained.

- The Internal Auditors undertake an annual review of Risk Management and the Board Assurance Framework which is reported to Audit Committee and the Board of Directors.

- The External Auditors also review risk and the assurance framework as part of their annual audit

Identifying and Reporting Risk

Risk management involves a planned and systematic approach to the identification, assessment and mitigation of the risks that could hinder the achievement of strategic objectives. It involves the following main steps:

- identifying the significant risks that would prevent achievement of objectives
- assigning ownership
- evaluating the significance of each risk
- identifying suitable responses to each risk
- ensuring the internal control system helps manage the risks
- regular review

Risks are identified routinely from a range of internal and external sources including workplace risk assessments, analysis of incidents, complaints/ PALS, claims, external safety alerts and other standards, targets and indicators. Each meeting of the Board of Directors and its Committees will review the decisions made at the meeting for the purpose of identifying any new or increased risk. As risks are identified they are appropriately graded and ranked and included on the Trust's Risk Register.

The Trust requires all adverse incidents to be reported and recorded as part of a proactive approach to Health and Safety, Clinical and Non-Clinical Risk Management.

The reporting of adverse incidents includes 'near misses' and covers all categories including violence, abuse, harassment, fire, security, equipment damage, personal accidents including staff, patients and visitors, clinical incidents, infection outbreaks, and identified hazards (including unsafe working conditions and practices).

The Trust ensures it addresses potential for adverse reputational impacts by proactively reviewing its systems and processes in light of externally published reports.

The Trust's Risk Registers are documented on the Trust's IT system (Sharepoint) and list all identified risks and the results of their analysis and evaluation. Information on the status of the risk is also included. To support staff the Trust provides a fair, open and consistent environment and as such both the Trust's Risk Register and incident reporting mechanisms are available for staff to view at any stage electronically. This encourages a culture of openness and willingness to admit when errors have been made or mistakes have occurred.

The Board of Directors is kept aware of actual and potential risks through a system of robust, formal and devolved reporting structures. This system provides a strong focus on evaluating and managing risk. Key to this process is the Board Assurance Framework that identifies the Trust's significant risks (high risks with a score above 12 and above and agreed by the Board of Directors), mitigating actions and assurance mechanisms. This is reviewed and challenged at Board Committees and at least four times each year by the Board.

Management of Risk

The Trust's Risk Management Strategy includes guidance on the responsibility for the management of risks with clear guidance on the authority for treatment of risks. All staff have an important role to play in identifying, assessing and managing risk.

The Risk Register forms the basis for action plans designed to address identified weaknesses in controls and to mitigate risks where practicable.

The Trust's Risk Register identifies risks at two levels;

Level 1 – Significant Risks
Those risks that have major implications across the whole of the Trust and could prevent the Trust achieving its Strategic Objectives. These are graded as High, 12 and above and agreed by a Pillar Committee (Audit Committee, Resources Committee, Quality Governance Committee) to require escalation to the Board of Directors.

Level 2 – Operational Risks
All organisational risks identified and managed through the Directorates, Committees and Groups.

The Trust's Board Assurance Framework is designed to assist the Trust in the control of risk. The Framework incorporates and provides a comprehensive evidence base of compliance against a raft of internal and external standards, targets and requirements including Care Quality Commission registration requirements, Data Security and Protection Toolkit and NHS Resolution best practice.

Assurance to the Board of Directors on compliance and the identification of risk in achieving these requirements is provided via quarterly Board Assurance Framework reports and is supported by a robust Internal Audit programme.

Any changes to the significant risk assessments may prompt earlier review at Board level.

The Trust's current Significant Risks requiring close monitoring are;

- Significant Risk 1: Failure to achieve Operational Performance Standards
- Significant Risk 2: The Trust fails to manage its finances appropriately
- Significant Risk 3: The Trust fails to comply with the Regulatory Body Standards and Quality Indicators

The Trust Risk Registers list all the identified risks and the results of their analysis and evaluation. Information on the status of the risk is also included. The Register forms the basis for action plans designed to address weaknesses in controls identified and mitigate risks where this is desirable**.**

There is an established mechanism for information governance action plans and performance data to be managed using the Trust governance structure. Information risks and incidents are managed through the Health, Safety, Risk and Environmental Group which reports into Quality Governance Committee and through that to the Board of Directors. The Senior Information Risk Owner (SIRO) is the Chief Executive Officer.

Risks regarding technical data security are managed by the IT Cyber Review Group that meets monthly and includes the Trust Information Security Manager within its membership. This group reviews NHS Digital CareCERT notifications, audit reports and intelligence from other data security agencies. Updates are provided to the Resources Committee on a quarterly basis. The Trust uses information protection software tools (rights management and data loss protection) to manage potential data breaches. Annual penetration testing is carried out.

The Trust has drafted its return for the NHS Data Security and Protection Toolkit (DSPT) for 2019/2020, however due to the requirements to respond to the Coronavirus Pandemic, the March 2020 submission deadline has been postponed until September 2020. Reports are provided to the Board of Directors regarding achievement of toolkit requirements. The Trust Head of Information Governance and Risk reports to the SIRO and is responsible for management of the DSPT.

Training is provided to all staff, as part of annual mandatory training, on good information governance practices. Ad hoc notifications of active threats are communicated to staff via email, Trust intranet and ambulance hub message screens.

The Trust received a rating of 'Outstanding' following inspections by the CQC who visited the Trust in Summer 2016 and looked at all aspects of how the Trust operated, paying particular attention to Emergency and Urgent Care, Emergency Operations Centres, Patient Transport Services and Resilience. WMAS remains fully compliant with the registration requirements of the Care Quality Commission (CQC) who inspected the Trust again during 2019/20.

In addition, during the period covered by this Annual Report the Trust underwent two external assessments:

- The Board of Directors agreed to undertake the **NHSE/I Well Led Review** commencing in the Spring of 2019 with a view to completing the Well Led self-assessment review prior to the CQC Well Led Review commencing in the early Summer of 2019. The Good Governance Institute was commissioned to carry out the external review of its self-assessment. The final report from the Good Governance Institute was submitted for review at the meeting of the Board of Directors in June 2019. After reviewing the report, the Board of Directors agreed to authorise the Chair to write to NHSE/I confirming that the Trust had completed the review, and that no material issues of governance had been found.

- The CQC then undertook a **Well Led Inspection** of the Trust on 25 to 27 June 2019 (inclusive) The outcome was that the Trust retained its overall Outstanding rating and in particular was rated Outstanding in the Well Led criteria.

Following both reviews the Board of Directors has continued to monitor the ensuing Action Plans.

As a Foundation Trust, the organisation operates under a licence, issued on 1 April 2015 by Monitor (now incorporated into NHSE/I). The existing control and reporting mechanisms described in this Annual Governance Statement are used to ensure that the Trust is compliant with the terms of its licence.

The Board each year reviews its Annual Skills Matrix to ensure it has sufficient capability at Board level to provide effective organisational leadership on the quality of care provided. The skills matrix is presented elsewhere in this Annual Report. All directors on the board meet the "fit and proper" persons test as described in the provider licence issued by the Regulator and also the CQC fundamental standards requirements as set out in regulations. The directors are asked each year to notify the Trust if circumstances have changed.

With respect to condition FT4 (NHS Foundation Trust governance arrangements) the Board reviews the terms of reference of its committees on an annual basis to ensure their effectiveness.

As required by regulation the Trust has an Audit Committee consisting of Non-Executive Directors with the exception of the Chair. The Audit Committee at the conclusion of each meeting meets with the internal and external auditors without the presence of executive directors or staff. In addition, the Local Counter Fraud specialist presents a report to every meeting of the Audit Committee on measures to tackle Fraud, Bribery and Corruption and also the importance of reporting concerns as appropriate. The Trust also has a Remuneration and Nominations Committee consisting of the Non-Executive Directors and when appropriate the Chief Executive Officer. In addition, the Board has established a Quality Governance Committee and a Resources Committee. Each Committee is chaired by a Non-Executive Director.

The Board receives a report following each Committee meeting, written by the Non-Executive Director Chair, and is therefore able to both receive assurance but also challenge any of the decisions made. Each Committee also has an identified lead Executive Director. The responsibilities of the Board and its Directors are defined in the Trust's Constitution, Standing Financial Instructions and Standing Orders.

All Committees and subgroups undertake an annual self-assessment of their effectiveness, which is reported to the Board (or the appointing Committee in the case of sub-groups). The Audit Committee submits an Annual Report to the Board of Directors and the Council of Governors, and, in addition, the Trust's External Auditor presented an independent report to the Council of Governors and the Membership at its Annual Meeting in July 2019.

During the year the Governors approved the reappointment of the External Auditor following a procurement exercise led by the Chair of the Audit Committee and involving members and officers of the Audit Committee and also representatives of the Council of Governors. The Council of Governors at its meeting in November 2019 confirmed the appointment of KPMG as the Trust's External Auditor.

The Board has a detailed schedule of business, which is reviewed at each ordinary meeting of the Board. The schedule defines when reports will be submitted, ensuring the Board can operate timely and effective scrutiny of its operations. Key performance reports covering corporate, clinical, quality, workforce, finance and operational performance are received at each ordinary meeting of the Board and are made available on the Trust's website.

The Remuneration and Nominations Committee reviews when necessary the directorate portfolios, and there is a clear organisational structure with staff and managers identified within each directorate, who are sufficient in number and appropriately qualified to ensure compliance with the Conditions of this Licence.

Elsewhere within this report can be found the Licensee's duty to operate efficiently, economically and effectively. During the period covered by this Annual Report the Board of Directors received a regular update on progress against the Lord Carter review to identify efficiencies in the NHS. The Board reviewed the new 'model ambulance' concept that has been developed to advise NHS ambulance services on the most efficient allocation of resources and which allows the measurement of performance against other trusts.

The Trust governance structure is based on financial control, operational performance monitoring and assurance in relation to clinical quality governance. As part of the structure the Executive Management Board established an Operational Management Team and a Professional Standards Group both chaired by the Director of Strategic Operations & Digital Integration and a Senior Efficiency Group chaired by the Director of Finance.

The Trust Information Pack submitted to each ordinary meeting of the Board enables timely and effective scrutiny and oversight by the Board of the Licensee's operations. These are also shared with the Council of Governors and published on the website. In addition, directors have access to up to date operational information, as well as receiving the details of any serious incidents reported.

The Trust is compliant with health care standards that are binding which is demonstrated by the Trust being rated as "Outstanding" overall following the CQC inspections in 2016 and 2019.

As part of gaining assurance the Board members are encouraged to visit staff, with each director allocated to a particular Trust site. In addition, through the 'Day in the Life' programme the Members of the Board and the Council of Governors can attend operational shifts and meet patients and operational staff.

The Quality Governance Committee receives regular reports from clinical and operational staff and through a number of documents such as the serious incident

reports, learning from deaths, claims and inquests and Learning Review Group update are able to have oversight and challenge the Trust in relation to the quality of patient care. The Trust's Medical Director, and the Executive Director of Nursing and Clinical Commissioning are practicing clinicians and advise the Committee. In addition, the Committee is chaired by a former clinician who is a Non-Executive Director of the Trust.

At 31 March 2020, the Trust had identified the following High Clinical Risks:

PS-0128 – Stacking of Incidents of High Demand

PS-027 - Hospital Ambulance Liaison Officers being left in charge of patients in Hospital awaiting provision of care within the Hospital Department

PS-036 - Failure to deliver Basic/Advanced Life Support following Resuscitation Guidelines 2015

PS-041 - Failure to systematically assess patients resulting in inappropriate management

PS-065 - Failure to ensure adequate assessment and management of neonates and paediatrics

PS-074 - Risks associated with extensive Hospital Breaches, Delays and Turnaround times

These risks are dynamic and as such will change. Risk Assessments and plans are in place to mitigate these risks.

The Board of Directors received and approved the Going Concern statement at its meeting in March 2020. This statement is approved on the basis that management has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future with no necessity or plans either to liquidate or cease operations. If this were not the case it would be necessary to prepare the financial statements with the assumption that the business would not continue beyond a further 12 months after the end of the accounting period. The Trust exercises tight financial control and through the Financial Monitoring report to the Board of Directors and through detailed scrutiny and challenge at meetings of the Resources Committee, the Board has reasonable assurance over the effectiveness of its financial reporting. In addition, the Trust's Auditors' opinion presented to the Board in May 2019 and to the Governors in July provided assurance as to the effectiveness of financial reporting and control.

Roles and Responsibilities

The Board of Directors hold overall responsibility for the management of risks within the Trust. The Board ensures significant risks to the Trust's ability to provide a quality service are identified and managed. They review all significant risks at least 4 times each year.

All Directors are required to allocate sufficient time to the Trust to discharge their responsibilities as directors effectively. The Directors regularly review their responsibilities and portfolios to ensure they can carry out their duties appropriately and are fit for purpose.

Non-Executive Directors seek assurance in relation to the performance of the Executive Management Board in meeting agreed goals and objectives. They should satisfy themselves as to the integrity of financial, clinical, operational performance and other key performance indicators, and that financial, clinical and performance quality controls and systems of risk management and governance are robust and applied.

The **Chief Executive Officer** is responsible for ensuring that a system is in place for reporting of all incidents.

All Executive Directors hold responsibility for the identification and management of their risks and ensure they are documented, registered and updated in a timely fashion for the relevant forums to review. They are responsible for the risk management process within the Trust and as such ensure:

- the review of the Trust's Risk Register is maintained in accordance with Trust strategy
- all staff have the ability to identify risks and propose they are assessed and entered onto the relevant section of the Trust Risk Register
- monitoring and timely review of the Risk Management Strategy and associated policies
- provision of expert advice into the incident reporting process
- all Managers within their Directorate are familiar and act in accordance with Trust policies
- incidents are reported and investigated in accordance with the Trust's Incident Reporting Process.

The **Director of Corporate and Clinical Services** was responsible until 30 November 2019 for ensuring:

- monitoring and timely review of the Risk Management Strategy and associated policies.
- provision of expert advice into the incident reporting process.
- Governance for the Foundation Trust.

and from that date responsibility for Governance and the Risk Management Strategy was transferred to the new post of Director of Governance and Trust Secretary and the Director of Nursing and Clinical Commissioning is responsible for incident reporting process.

The Director of Workforce and Organisational Development is responsible for:

- ensuring all staff receive an adequate level of training in accordance with the Trust's Training Needs Analysis (TNA).

The **Pillar Committees** and **Working Groups** of the Trust provide a process for escalation of assurance and risk through The Trust organisational committee structure which supports delegated risk management systems within the Trust. The Terms of Reference of each committee and group are reviewed throughout the year.

- The agreed minutes of the Committees are submitted to the Board of Directors and pending the submission of the approved minutes of the Committee, the Chair of the Committee provides the Board of Directors with a report that identifies assurance and risk from the most recent meeting of the committee to ensure early escalation of key points. This process is also followed by all working groups below Board Committee level.

- Chairpersons ensure that risks raised at meetings that are the responsibility of another group are communicated accordingly to the appropriate forum.

The **Executive Management Board (EMB)** provides a support and challenge function which includes review of business cases, agreement of actions required including escalation of major and high risk transformational change to the Board of Directors. The EMB also monitor implementation and effectiveness by:

- reviewing the risks for which it is responsible, and high risks escalated up from sub groups at least quarterly and will escalate risks to the Board of Directors as required.
- reviewing the Board Assurance Framework at least four times a year.
- monitoring the risk schedule to ensure new risks are adequately assessed, documented and added to the Trust risk register for management.
- ensuring risks are managed and closed in accordance with policy
- ensuring any potential impact on quality from Cost Improvement Programmes is considered at an early stage and that mitigation plans are delivered on time.

The **Audit Committee** monitors financial risks and reviews the Board Assurance Framework. It critically reviews and reports on the relevance and robustness of the Governance structures and assurance processes on which the Board places reliance.

The **Resources Committee** has responsibility for monitoring and reviewing the adequacy and utilisation of resources to assure the Board on the risks relating to the efficient and effective delivery of strategic and operational plans and objectives. It monitors financial risks, and monitors/reviews Board approved relevant operational, financial and workforce Key Performance Indicators and outcome measures, seeking assurance that any adverse variances are being acted upon to meet all defined targets and standards, and advising the Board of any material risks arising.

The **Quality Governance Committee** reviews and monitors actions for Patient Safety (Clinical, Health and Safety, Equipment etc.) The Committee:

- reviews high risks escalated up from sub committees at least quarterly and will escalate risks to significant (Board of Directors) as required.
- reviews the Board Assurance Framework at least twice each year
- ensures risks are managed and closed in accordance with policy.

The **Health, Safety, Risk and Environment Group:**

- reviews the Risk Registers at each meeting and will escalate high risks to the Quality Governance Committee for consideration of level, management and escalation to Board.
- ensures that risks are managed in accordance with this policy in order to provide EMB and QGC with compliance assurance.
- alerts the relevant owner and committee to any risks they deem to be a greater or lower risk than documented
- reviews closed (newly archived) risks at every meeting to ensure they have been closed appropriately

The **Workforce Development Group** has specific responsibility for the management of risk relating to the employment and development of staff and will review the Workforce element of the Trust's risk register at least four times each year.

The **Learning Review Group** has responsibility for**:**

- identifying and monitoring trends in incident reports and ensuring identified risks are delegated for assessment and management.
- ensuring learning from incidents are shared appropriately with all stakeholders and partners.
- reporting identified trends and issues to the Health Safety Risk and Environmental Group.

The **Professional Standards Group (PSG)** ensures that risks relating to the Clinical and Quality strategies are reviewed, thus ensuring high quality clinical care continues to be delivered across the organisation. PSG ensures the organisation remains Safe, Effective and Responsive and that opportunities to further improve are reviewed and actioned accordingly.

The **Operational Management Team** manages service delivery risks. They ensure that the risk assessments from the Trust's Risk Register are maintained by the relevant manager.

Risks may be raised through any of the processes identified through discussion at committee or working groups. Chairpersons will ensure that risks raised at meetings that are the responsibility of another group will be communicated accordingly to the appropriate forum.

Public Stakeholder involvement

As a Foundation Trust WMAS must have a Membership that is representative of the Community it serves. The **Council of Governors** are responsible for representing the interests of the public and holding the Non-Executive Directors to account for the collective performance of the Board. The Council of Governors has a membership consisting of publicly elected governors as well as staff elected governors and appointed stakeholder governors, made up from 5 Staff, 6 Appointed and 15 Public elected Governors, who represent internal and external stakeholders. The publicly elected Governors must be in the majority on the Council of Governors. In addition to

fifteen governors elected by the public, five Governors are elected by the staff and four appointed by partner organisations. Elections to the Council are held annually. The Council of Governors has a Membership Panel to advise the Council of Governors on its membership engagement activities including identifying good practice in undertaking public engagement and recruitment of members. The Council meets in public on at least four occasions a year. The reports submitted are published on the Trust Internet site.

The **Board of Directors** meets at least five times a year in public and its papers are available on the Trust website. The confidential minutes of each Board meeting must be made available to the members of the Council of Governors. The Board seeks to have as its first item of business on all agendas 'a patient experience story' that enables a member of the public or staff to present their experiences to the Board. There is also the opportunity either through the Trust website or at the meeting on the day to pose questions to the Board of Directors on any matter of concern. This is all part of the Board's desire to be as open and transparent as possible. In addition, it is worth noting that all matters are discussed or determined in public unless the matter would not be disclosed under Freedom of Information regulations.

In addition to the above the Trust engages with local authority **Health Overview and Scrutiny Committees**, and also local **Healthwatch** organisations across the West Midlands.

The Trust ensures that its Commissioners are provided with regular reports and review meetings to understand the risks which may impact on the Trust.

The Trust has published a Stakeholder Engagement Strategy to provide a strategic framework within which the Trust engages with its key stakeholders. During consultation on the draft annual Quality Account, engagement meetings are set and held around the West Midlands region for various stakeholders to attend -for example the public, Clinical Commissioning Groups and Health Overview and Scrutiny Committees (HOSC).

The Trust's comprehensive internet website provides the public with ready access to information across all areas of Trust activity and the organisation also uses its newsletter for members to inform the public of new developments and items of interest.

Corporate Governance Statement

The Trust under Condition FT4 of its Licence is required to self-certify that it has complied with its obligations as set out in the NHS provider licence and publicly publish the self declaration in minutes of the meeting. The licence includes requirements to comply with NHS Acts and Constitution, and with governance requirements.

The Board of Directors at its meeting in May 2019 confirmed the following declarations:

1. That following a review for the purpose of paragraph 2(b) of licence condition G6, the Directors of the Licensee are satisfied that, in the Financial Year most recently ended, the Licensee took all such precautions as were necessary in

order to comply with the conditions of the licence, any requirements imposed on it under the NHS Acts and have had regard to the NHS Constitution.
2. That this Trust has not been notified as a designated Commissioner Requested Service, if confirmed the Board do not need to make a self-declaration under this condition CoS7.
3. That approval be given to the content of the Corporate Governance Statement
4. That having sought the views of the Council of Governors, the Board is satisfied that during the financial year most recently ended the Trust has provided the necessary training to its Governors, as required in s151(5) of the Health and Social Care Act, to ensure they are equipped with the skills and knowledge they need to undertake their role.

The Board and its Committees each have an individual schedule of business, which ensures timely performance reporting through the correct governance process.

The Board receives regular reports and minutes from its pillar committees which provide assurance on detailed review and oversight from its own agenda items and reporting groups. The Board also receives a performance pack showing operational, financial, quality, clinical and corporate on trends, themes and key performance indicators.

The reports often show national benchmarking information from the other nine English ambulance trusts e.g. ambulance response targets (ARP), ambulance quality indicators (AQI), finance and workforce.

The Trust has an approved Quality Impact Assessment Framework document. The Quality Impact Assessment also requires an Equality Impact Assessment to be undertaken. The Board of Directors is responsible for ensuring that transformational programmes designed to provide improved efficiencies do not adversely impact on the quality of the service to patients.

To confirm, WMAS is fully compliant with the registration requirements of the Care Quality Commission and is currently rated as “Outstanding”.

The Trust has published on its website an up to date register of interests, including gifts and hospitality for decision-making staff(as defined by the Trust with reference to the guidance) within the past twelve months, as required by the “Managing Conflicts of Interest in the NHS” guidance.

NHS Pension Scheme

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.

Diversity Inclusion and Human Rights

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

Carbon Reduction

The Trust has undertaken risk assessments and has a sustainable development management plan in place which takes account of UK Climate Projections 2018 (UKCP18). The Trust has continued to consider its impact on the environment as part of on-going developments for its sustainability strategies; the actions implemented include positive applications for reducing the Trust's carbon footprint. The Trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

Review of Economy, Efficiency and Effectiveness of the Use of Resources

The Trust secures the economic, efficient and effective use of resources through a variety of means:

- A well-established policy framework (including Standing Financial Instructions)
- An organisational structure which ensures accountability and challenge through the committee structure
- An established planning process
- Effective corporate directorates responsible for workforce, revenue and capital planning and control
- Detailed monthly financial reporting including progress on achievement of Cost Improvement Programmes and year-end forecasting.

Day to day management of resources is delegated through the Executive Management Board (EMB). EMB takes lead responsibility for the annual planning cycle – formulating the plan, implementing the plan, monitoring delivery against the plan, taking action to bring variances back under control and reporting.

The Board of Director's Schedule of Business includes comprehensive reviews of performance against clinical, operational, workforce, corporate and financial indicators through the Trust Information Pack at each meeting. Any emerging issues are identified and mitigating action implemented.

The Resources Committee which is Chaired by a Non-Executive Director with other Non-Executive Directors also members, provides assurance to the Board of Directors as to the achievement of the Trust's financial plan and priorities and, in addition, acts as the key forum for the scrutiny of the robustness and effectiveness of all cost efficiency opportunities. It interfaces with the other Board Committees and the Trust Executive Management Board.

In response to the work undertaken to review use of NHS resources by Lord Carter and his team, the Trust established a Senior Efficiency Group now led by the Director of Finance, which has responsibility for identifying the actions required to find new

ways of improving efficiency and productivity whilst ensuring high quality clinical care continues to be delivered across the organisation.

The Trust's commitment to value for money is strengthened by the effective and focused use of its Internal Audit service. By virtue of its size West Midlands Ambulance Service is able to employ a range of skills to ensure that the Trust in general and the Audit Committee in particular secures assurance that resources are being appropriately utilised.

The Trust engages Internal Auditors to provide an independent and objective assurance to the Board that the Trust's risk management, governance and internal control processes are operating effectively.

The Trust has a Local Counter Fraud Specialist (LCFS) supported as required by other qualified Local Counter Fraud Specialists.

Any concerns can be directed to the team and, any information is treated in the strictest confidence.

External Auditors, Internal Auditors and Counter Fraud report to each meeting of the Audit Committee, and also meet the members of the Audit Committee without Management present.

The EMB reviews the Annual Internal Audit Plan and then receives draft audit reports prior to submission to the Audit Committee to enable a management response to be prepared.

NHSE/I is responsible for overseeing foundation trusts and NHS trusts, as well as independent providers that provide NHS-funded care. It offers the support the providers need to give patients consistently safe, high quality, compassionate care within local health systems that are financially sustainable.

The NHS Single Oversight Framework:

- provides one framework for overseeing providers, irrespective of their legal form
- helps identify potential support needs, by theme, as they emerge
- allows support packages to be tailored to the specific needs of providers in the context of their local health systems, drawing on expertise from across the sector as well as within NHS Improvement
- is based on the principle of earned autonomy.

Depending on the extent of support needs identified through its oversight process and performance against the following themes:

- Quality of care
- Finance and use of resources
- Operational performance
- Strategic change
- Leadership and improvement capability

Trusts are allocated a Segmentation Rating where Segmentation is based on:

- all available information on providers – both obtained directly and from third parties
- identifying providers with a potential support need in one or more of the above themes
- using NHSE/I's judgment, based on relationship knowledge and/or findings of formal or informal investigations, or analysis, consideration of the scale of the issues faced by a provider and whether it is in breach or suspected breach of licence conditions.

Segment	Description
1	**Providers with maximum autonomy** − no potential support needs identified across the five themes – lowest level of oversight and expectation that provider will support providers in other segments
2	**Providers offered targeted support** − potential support needed in one or more of the five themes, but not in breach of licence (or equivalent for NHS Trusts) and/or formal action is not needed
3	**Providers receiving mandated support for significant concerns** – the provider is in actual/suspected breach of the licence (or equivalent for NHS Trusts)
4	**Special measures** − the provider is in actual/suspected breach of its licence (or equivalent for NHS Trusts) with very serious/complex issues that mean that they are in special measures

The Trust achieved Segmentation 1.

Workforce Strategies and Systems

The Trust has an established Workforce Planning Team, consisting of senior members of the Operational, Finance and Workforce directorates, who ensure robust scrutiny and development of the workforce plan. This is completed with due regard to Commissioners' future intentions. In support of this work the Trust has developed Workforce and Organisational Development strategies that have been endorsed by the Board of Directors.

Information Governance

There were no serious incidents related to information governance during 2019/20.

The **Medical Director** undertakes the role of Caldicott Guardian for the Trust. They are the senior person responsible for protecting the confidentiality of patient and service-user information and enabling appropriate information-sharing.

The **Director of Corporate and Clinical Services** was until November 2019 the nominated Senior Information Risk Owner (SIRO). With effect from November 2019 the Chief Executive Officer is the SIRO.

The **Head of Governance and Risk** is the Data Protection Officer.

The Trust's Data Security & Protection Toolkit (DSPT) superseded the Information Governance Toolkit. All organisations that have access to NHS patient data and systems should publish a DSPT self-assessment to provide assurance that they are practicing good data security and that personal information is handled correctly. West Midlands Ambulance Service has met all mandatory requirements and will publish its DSPT assessment for 2019/20 in line with the revised September 2020 deadline.

Annual Quality Report

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. NHSE/I (in exercise of the powers conferred on Monitor) has issued guidance to NHS foundation trust boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the *NHS Foundation Trust Annual Reporting Manual*.

The following arrangements are in place within the Trust to assure the Board that the Quality Account presents a balanced view and that there are appropriate controls in place to ensure the accuracy of data:

Governance and Leadership:

The Trust has appointed a member of the Board, the Medical Director, to lead on quality. The Medical Director supported by the Director of Nursing and Clinical Commissioning advises the Board of Directors on all matters relating to the preparation of the Trust's annual Quality Account.

- The Director of Nursing and Clinical Commissioning has designated responsibility for the development of the quality agenda.
- The Trust's Director of Strategic Operations and Digital Integration is responsible for ensuring the quality of the performance data which informs the Annual Quality Account.

People and Skills:

All staff involved in collecting and reporting on quality metrics are suitably trained and experienced.

The Business Intelligence Unit and Clinical Audit teams ensure data quality checking takes place prior to any published data reports.

Clinical reporting is regularly audited both internally and externally by the Internal and External Auditors and audits also take place with individual clinicians.

Data Use and Reporting:

Quality Reports, which outline the Trust's performance against key quality objectives including benchmarking and comparative data and are the subject of discussion and challenge at Trust Governance meetings up to and including Board of Directors, inform the annual Quality Account.

Policies and Plans in ensuring quality of care provided:

Policies and procedures are in place in relation to the capture and recording of patient data. Regular monitoring and scrutiny takes place throughout the governance structure with assurance and risks managed and escalated as previously described.

Systems and Processes:

Systems and processes are in place for the audit and validation of performance data.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the West Midlands Ambulance Service University NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework.. My review is informed by comments made by the External Auditors in their management letter and other reports and the content of the Quality report. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board of Directors, the Audit Committee and the Quality Governance Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The **Board of Directors** has put in place and annually reviews the Trust committee structure to ensure clear governance arrangements are in place, which is supported by Trust documentation. The chair of each of the Trust's Pillar Committees (Audit, Quality Governance and Resources) provide written reports of their meetings to each Public Board Meeting, and regular reports are also provided through the Corporate and Clinical Trust Information Pack which includes the following areas – financial control, patient experience, patient safety, serious incidents, duty of candour, safeguarding, medicines management, claims and coroners, Infection Prevention and Control, Freedom of Information, policies and procedures and non-patient safety incidents. The Board also receives a bi-annual report from the Freedom to Speak Up Guardian on whistleblowing and concerns raised by staff and volunteers.

The **Audit Committee** reviews the Trust's risk management and internal control systems. It monitors the Assurance Framework, Risk Register and Internal Control processes through its own activities and through receiving relevant reports from the External and Internal Auditors. Risks are monitored at Executive Management Board, Audit Committee, Resources Committee and the Quality Governance Committee, with high risks reported to Board. The Committee regularly reviews Internal Audit plans and reports in order to form an opinion on the effectiveness of internal control systems and

to recommend acceptance by the Accounting Officer. In 2019-20 the Audit Committee approved an Internal Audit Plan that gave a balanced focus on financial, operational and clinical governance. That plan allocated internal audit resources between governance and risk issues, finance, performance and operations, information governance, quality and clinical, and human resource reviews.

Based on reports from Internal and External Auditors, as well as regular reports from the Trust's Executive Directors, the Audit Committee was assured that appropriate consideration was being given to maintaining and reviewing the effectiveness of risk management and internal control systems, and took assurance from the steps management was taking to mitigate risks and learn lessons.

The **Quality Governance Committee** has primary responsibility for monitoring and reviewing quality and clinical aspects of performance and development plans together with associated risks and controls, corporate governance and quality/clinical outcomes and for providing assurance on them to the Board. For these aspects, the Committee ensures that appropriate standards are set and compliance with them is monitored on a timely basis. The Committee also ensures that relevant Key Performance Indicators, strategic and operational milestones and timescales, are identified and monitored for achievement and effectiveness. WMAS recognises the importance of ongoing evaluation of the quality of care provided against key indicators. As a member of the National Ambulance Service Clinical Quality Group (which develops National Ambulance Quality Indicators and National Clinical Audits), the Trust actively partakes in both national and local audits to identify improvement opportunities. As a result, the Trust has a comprehensive **Clinical Audit Programme** which is monitored by the Clinical Audit & Research Group.

Internal Audit undertake a range of reviews of internal processes and controls and management have fully accepted their findings and have agreed action plans to address/strengthen controls where required. The Audit Committee has considered all Internal Audit reports and monitors progress against any outstanding management actions.

The Head of Internal Audit provides me with an opinion on the overall arrangements for gaining assurance through the Assurance Framework and on the controls reviewed as part of the Internal Audit work. The Assurance Framework and the performance reports provide me with evidence that the effectiveness of the controls in place to manage the risks to the organisation achieving its strategic objectives have been reviewed.

Head of Internal Audit Opinion

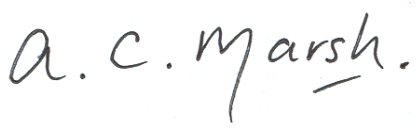
My opinion is that significant assurance can be given that there is a generally sound system of internal control designed to meet the organisation's objectives, and that controls are generally being applied consistently. However, some weakness in the design and/or inconsistent application of controls, put the achievement of particular objectives at risk.

Charles Knight, Head of Internal Audit

Date: April 2020

Conclusion

I can confirm that no significant internal control issues have been identified in the body of the Annual Governance Statement above.

Signed: 

Position: Chief Executive Officer

Date: 22 May 2020

Disclosures

In this section you will find Disclosures of the Trust's approach to the UK Modern Slavery Act, Sustainability and Equality

UK Modern Slavery Act

The Modern Slavery Act 2015 presents specific challenges for NHS trusts. It is designed to consolidate various offences relating to human trafficking and slavery. The provisions in the Act create a requirement for an annual statement to be prepared that demonstrates transparency in supply chains. In line with all businesses with a turnover greater than £36 million per annum, the NHS is obliged to comply with the Act.

Slavery and human trafficking statement

The legislation addresses slavery, servitude, forced or compulsory labour and human trafficking, and links to the transparency of supply chains.

Section 54 of the Act specifically addresses the point about transparency in the supply chains. It states that a commercial organisation (defined as a supplier of goods or services with a total turnover of not less than £36 million per year) shall prepare a written slavery and human trafficking statement for the financial year. The statement should include the steps an organisation has taken during the financial year to ensure that slavery and human trafficking is not taking place in any part of the supply chain or its business. The statement must be approved by the Board of Directors and its aim is to encourage transparency within organisations.

The NHS

The supply chain complexities in the NHS mean that it can be difficult for West Midlands Ambulance Service University NHS FT to assure itself that the organisations captured by the Act undertake proper due diligence with those they do business with. A manufacturer's supplier of component parts may be based in a country where, by UK standards, modern slavery exists. The challenge is that not all countries have the standards and legislation that are in place in the UK. This does not relate to the direct contract holders, but more to levels of sub-contracting further down the supply chain. The Trust will need assurance that the sub-contractors are not involved with unethical employment practices. There is a question as to whether all NHS organisations should ask for additional statements to provide guarantees that suppliers have asked all their sub-contracting suppliers for assurances. The Trust will then have to decide what to do if any supplier has written a statement that says it has not undertaken any work on the transparency of its supply chain.

Progress to date

The Head of Purchasing & Contracts has drafted clauses which are included in any new Tender to ensure that entities within the Trust's supply chain agree to the Trust's anti-slavery and human trafficking policy and to other measures aimed at ensuring (wherever possible) that no slavery or human trafficking is taking place within the

Trust's supply chain. The questions / statements required in all tender submissions are made in accordance with the *Modern Slavery Act 2015 > Part 6 > 54 Transparency in Supply Chain* on a pass/fail basis. Issues that are included are:-

- No sub-contracting without prior written consent of the Trust – this is to allow the Trust to oversee of all those involved in the supply chain and to seek assurances that its policy is adhered to
- Due diligence and supplier warranties backing off potential risks
- Immediate notification of any actual or suspected breaches of the Trust's policies and any actual or suspected slavery or human trafficking which has a connection to the agreement
- Procurement and budget holder training
- Compliance with all laws and policies
- Early termination if a suspected or actual breach is discovered or reported.

The Trust's Procurement Policy and Principles has been updated to include a commitment to the Trust's obligations under the Act and to action it is taking in its Procurement Process.

The Procurement department now identifies and prioritises high risk areas in the supply chain utilising guidance and resources as available, especially the Chartered Institute of Purchasing and Supply

The Department of Health has included new requirements under the Modern Slavery Act in the NHS terms and conditions for the Supply of Goods and the following clauses are included in all Trust contracts held with suppliers:-

10.1.21 it shall (i) comply with all relevant Law and Guidance and shall use Good Industry Practice to ensure that there is no slavery or human trafficking in its supply chains; and (ii) notify the Authority immediately if it becomes aware of any actual or suspected incidents of slavery or human trafficking in its supply chains.

10.1.22 it shall at all times conduct its business in a manner that is consistent with any anti-slavery Policy of the Authority and shall provide to the Authority any reports or other information that the Authority may request as evidence of the Supplier's compliance with this Clause 10.1.21 and/or as may be requested or otherwise required by the Authority in accordance with its anti-slavery Policy.

Sustainability

The Trust has an important responsibility to minimise its impact on the environment, ensure efficient use of resources and to maximise funds available for patient care. Embedding sustainable development into the Trust's management and governance processes is essential for the Trust to continue to deliver high quality healthcare.

The Trust has established a Senior Efficiency Group chaired by the Director of Finance which meets every other month. In line with Lord Carter (2015) recommendations the group ensures that action is taken to find new ways of improving efficiency and

productivity whilst ensuring high quality clinical care continues to be delivered across the Trust.

The Trust is proud of the new initiatives it has introduced to improve its buildings, fleet and equipment with energy saving technology which it is envisaged will continue to allow the organisation to support the environment and provide cost savings.

Between 2013 and 2018, NHS services across England used more than 600 million disposable cups and millions of other disposable cutlery pieces, as well as many other avoidable single-use clinical and non-clinical plastic items. While much NHS plastic waste is already recovered for recycling or energy from waste we are still a significant contributor to the 34 billion tonnes of plastic that will pollute our natural environment by 2050.

In November 2019, the Trust signed a national Plastic Reduction Pledge to report on the following key objectives:

- By April 2020, no longer purchase single-use plastic stirrers and straws, except where a person has a specific need, in line with the government consultation. **The Trust has achieved this objective**
- By April 2021, no longer purchase single-use plastic cutlery, plates or single-use cups made of expanded polystyrene or oxo-degradable plastics. **The Trust is on track to achieve this objective**
- By April 2021, go beyond these commitments in reducing single-use plastic food containers and other plastic cups for beverages– including covers and lids. **The Trust is on track to achieve this objective**

In addition, the Trust is reviewing all single-use plastics to ascertain where further improvements can be made and alternative materials purchased where available and wherever possible.

A rise in requests for services and responses to 999 calls which, coupled with the need to travel greater distances to specialist units, has resulted in an increase in the Trust's carbon footprint. The Trust will continue to effect improvements to reduce its carbon emissions whilst also maintaining a responsive and effective service.

For more information on performance last year and how the Trust intends to progress its full Sustainability programme during 2020/21 please see the Sustainability Report 2019/20 which will be published in 'Trust Publications' on the WMAS website.

Equality

Public Sector Equality Duty Compliance

Annual Equality Report

The Trust published its Annual Equality Report in July 2019 which encompassed the progress made in relation to Equality & Diversity and how the Trust had complied with the Public Sector Equality Duty under the Equality Act 2010. Incorporated within the report was the Data Analysis report 2019 to ensure that the Specific Duties had been adhered to. The Trust has produced a new set of objectives as required under the duty

every four years and the Trust will report on these in the Annual Equality Report of 2020 due for publication in July 2020. The Annual Equality Report provides information on progress to enable the Trust to make informed decisions and incorporate the data into future plans and ensure equality across all Protected Characteristics. The 2019 report can be found on the Trust website.

Equality Delivery System2

The EDS2 (Equality Delivery System) was developed to support NHS organisations to perform well on equality. It is an assessment tool designed to measure NHS equality performance with an aim to improve services for people who belong to vulnerable and protected groups. The objective is to assess health inequalities and provide better working environments, free from discrimination, for people who use, and work for, the Trust. The tool sets out four goals around equality, diversity and human rights. Within the four goals, there are 18 standards or outcomes against which the Trust assesses and grades its equality performance. The focus of the EDS2 outcomes is on the things that matter the most for patients, communities and staff. This year the Trust held several internal and one community based external EDS2 event whereby the Trust was graded against the standards by staff and external partners. In 2019/20 the Trust consulted with over 100 staff and community representatives. The ratings gave the Trust 11 excelling achieving ratings and 7 achieving ratings.

Workforce Race Equality Standard [WRES]

The WRES continues to prompt enquiry and assist the Trust to develop and implement evidence-based responses to the challenges revealed by its data. The WRES continues to assist the Trust to meet the aims of the NHS Five Year Forward View and complements other NHS policy frameworks. The WRES action plan period covers July 2019 to July 2020.

Gender Pay Gap 2019

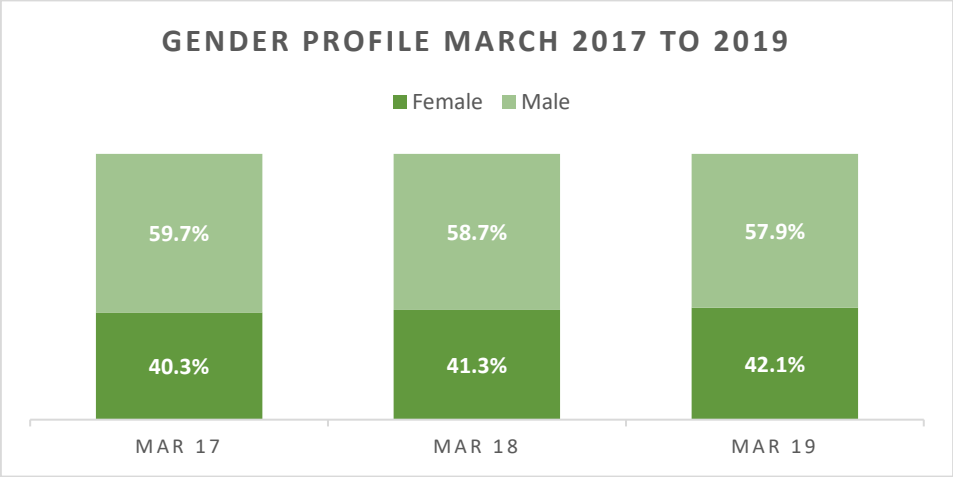
In 2017 the Government introduced world-leading legislation that made it a statutory requirement for all organisations with 250 or more employees to report annually on their gender pay gap. West Midlands Ambulance Service University NHS Foundation Trust is covered by the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 that came into force on 31 March 2017. These regulations underpin the Public Sector Equality Duty and require the relevant organisations to publish their gender pay gap data annually by the following 30 March, including:

- the mean and median gender pay gaps;
- the mean and median gender bonus gaps;
- the proportion of men and women who received bonuses; and
- the proportions of male and female employees in each pay quartile.

The gender pay gap is the difference between the average earnings of men and women, expressed relative to men's earnings, while equal pay is about men and women being paid the same for the same work

A full Gender Pay Report and key data analysis, that highlights the key variations for different occupational groups, and the actions that have and will be taken to improve these findings is published on the Trust's public-facing website.

Gender Profile



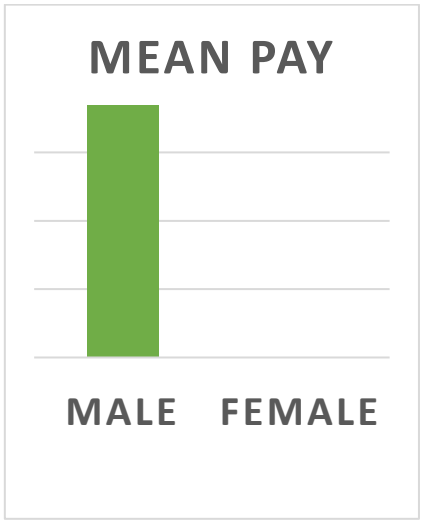
Since the inception of WMAS the gender profile between 2007 and 2017 has increased from 35.3% women to 40.3%. This has further increased in 2019 to 42.1%.

Gender Pay Gap in Hourly Pay – Mean & Median

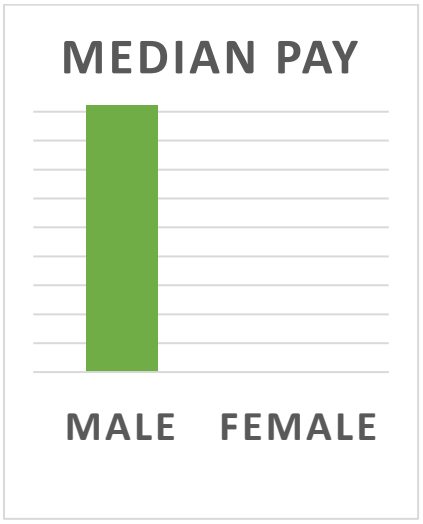
Mean
-2.47% (-5.79% in 2018)
A reduction of 3.32%

Median
-2.60% (-2.29% in 2018)
An increase of 0.31%

Bonus Gender Pay Gap – Mean & Median



Mean
-100%



Median
-100%

Any payment of a bonus is determined by the Remuneration and Nominations Committee. The Trust has determined only the Chief Executive Officer will be eligible for a bonus of up to 10% based on meeting pre-determined performance criteria set by the Remuneration Committee annually. All other Executive Directors on VSM contracts and Staff covered by Agenda for Change are not included in the bonus pay scheme. There is no change on 2018 data.

Proportion of Males and Females Receiving a Bonus Payment

0.0% of staff received a bonus payment.

Workforce Disability Equality Standard [WDES]

The WDES guidance was published in February 2019 and covers a set of specific measures that will enable the Trust to compare the experiences of disabled and non-disabled staff. This will enable the Trust to develop an Action Plan and to demonstrate progress against the indicators of disability equality. The WDES will support positive change for existing employees and enable a more inclusive environment for disabled staff working for the Trust. The first report was published in August 2019. The Trust has commenced work on the WDES by attending regional events and starting to look at data based on the current metrics, as well as having set up a disability & carer's staff network in 2019.

Engagement with local stakeholders

WMAS has been involved with local communities and groups throughout the year with the emphasis on building trust and confidence in the Trust. Engagement has involved working with other partner agencies and emergency services, attending colleges, community and major events and involvement of local communities in the EDS2 event.

West Midlands Ambulance Service University NHS Foundation Trust

Annual accounts for the year ended 31 March 2020

Foreword to the accounts

West Midlands Ambulance Service University NHS Foundation Trust

These accounts, for the year ended 31 March 2020, have been prepared by West Midlands Ambulance Service University NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

Signed ……

Name **Anthony Marsh**
Job title **Chief Executive Officer**
Date **22 May 2020**

Statement of Comprehensive Income

	Note	2019/20 £000	2018/19 £000
Operating income from patient care activities	3	309,066	263,444
Other operating income	4	13,602	13,037
Operating expenses	7, 9	(320,097)	(271,004)
Operating surplus from continuing operations		**2,571**	**5,477**
Finance income	12	359	273
Finance expenses	13	(14)	(17)
PDC dividends payable		(502)	(424)
Net finance costs		**(157)**	**(168)**
Other (losses) / gains	14	(6)	79
Share of profit / (losses) of associates / joint arrangements	21	-	-
Gains / (losses) arising from transfers by absorption	45	-	-
Corporation tax expense		-	-
Surplus for the year from continuing operations		**2,408**	**5,388**
Surplus / (deficit) on discontinued operations and the gain / (loss) on disposal of discontinued operations	15	**-**	**-**
Surplus for the year		**2,408**	**5,388**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	8	-	-
Revaluations	19	4,522	(64)
Share of comprehensive income from associates and joint ventures	21	-	-
Fair value gains / (losses) on equity instruments designated at fair value through OCI	22	-	-
Other recognised gains and losses		-	-
Remeasurements of the net defined benefit pension scheme liability / asset	38	-	-
Gain / (loss) arising from transfers by modified absorption	45	-	-
Other reserve movements		-	-
May be reclassified to income and expenditure when certain conditions are met:			
Fair value gains/(losses) on financial assets mandated at fair value through OCI	22	-	-
Recycling gains/(losses) on disposal of financial assets mandated at fair value through OCI	14	-	-
Foreign exchange gains / (losses) recognised directly in OCI		-	-
Total comprehensive income for the period		**6,930**	**5,324**

Statement of Financial Position

	Note	31 March 2020 £000	31 March 2019 £000
Non-current assets			
Intangible assets	16	1,166	1,150
Property, plant and equipment	17	58,579	40,991
Investment property	20	-	-
Investments in associates and joint ventures	21	-	-
Other investments / financial assets	22	-	-
Receivables	25	1,064	1,040
Other assets	26	-	-
Total non-current assets		**60,809**	**43,181**
Current assets			
Inventories	24	3,498	3,267
Receivables	25	25,138	21,957
Other investments / financial assets	22	-	-
Other assets	26	-	-
Non-current assets for sale and assets in disposal groups	27	-	-
Cash and cash equivalents	28	45,309	48,131
Total current assets		**73,945**	**73,355**
Current liabilities			
Trade and other payables	29	(48,146)	(37,930)
Borrowings	31	-	-
Other financial liabilities	32	-	-
Provisions	34	(9,204)	(8,285)
Other liabilities	30	-	-
Liabilities in disposal groups	27	-	-
Total current liabilities		**(57,350)**	**(46,215)**
Total assets less current liabilities		**77,404**	**70,321**
Non-current liabilities			
Trade and other payables	29	-	-
Borrowings	31	-	-
Other financial liabilities	32	-	-
Provisions	34	(2,362)	(2,309)
Other liabilities	30	-	-
Total non-current liabilities		**(2,362)**	**(2,309)**
Total assets employed		**75,042**	**68,012**
Financed by			
Public dividend capital		34,909	34,809
Revaluation reserve		9,401	4,889
Financial assets reserve		-	-
Other reserves		5,395	5,395
Merger reserve		-	-
Income and expenditure reserve		25,337	22,919
Total taxpayers' equity		**75,042**	**68,012**

The notes on pages F7 to F57 form part of these accounts.

Name A. C. Marsh.
Position Chief Executive Officer
Date 22 May 2020

Statement of Changes in Equity for the year ended 31 March 2020

	Public dividend capital	Revaluation reserve	Financial assets reserve	Other reserves	Merger reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2019 - brought forward	**34,809**	**4,889**	**-**	**5,395**	**-**	**22,919**	**68,012**
Surplus for the year	-	-	-	-	-	2,408	**2,408**
Gain arising from transfers by modified absorption	-	-	-	-	-	-	**-**
Transfers by absorption: transfers between reserves	-	-	-	-	-	-	**-**
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	-	-	-	-	-	**-**
Other transfers between reserves	-	-	-	-	-	-	**-**
Impairments	-	-	-	-	-	-	**-**
Revaluations	-	4,522	-	-	-	-	**4,522**
Transfer to retained earnings on disposal of assets	-	(10)	-	-	-	10	**-**
Share of comprehensive income from associates and joint ventures	-	-	-	-	-	-	**-**
Fair value gains/(losses) on financial assets mandated at fair value through OCI	-	-	-	-	-	-	**-**
Fair value gains/(losses) on equity instruments designated at fair value through OCI	-	-	-	-	-	-	**-**
Recycling gains/(losses) on disposal of financial assets mandated at fair value through OCI	-	-	-	-	-	-	**-**
Foreign exchange gains/(losses) recognised directly through OCI	-	-	-	-	-	-	**-**
Other recognised gains and losses	-	-	-	-	-	-	**-**
Remeasurements of the defined net benefit pension scheme liability/asset	-	-	-	-	-	-	**-**
Public dividend capital received	100	-	-	-	-	-	**100**
Public dividend capital repaid	-	-	-	-	-	-	**-**
Public dividend capital written off	-	-	-	-	-	-	**-**
Other movements in public dividend capital in year	-	-	-	-	-	-	**-**
Other reserve movements	-	-	-	-	-	-	**-**
Taxpayers' and others' equity at 31 March 2020	**34,909**	**9,401**	**-**	**5,395**	**-**	**25,337**	**75,042**

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

	Public dividend capital	Revaluation reserve	Financial assets reserve	Other reserves	Merger reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2018 - brought forward	**34,085**	**4,980**	**-**	**5,395**	**-**	**17,504**	**61,964**
Prior period adjustment	-	-	-	-	-	-	**-**
Taxpayers' and others' equity at 1 April 2018 - restated	**34,085**	**4,980**	**-**	**5,395**	**-**	**17,504**	**61,964**
Impact of implementing IFRS 15 on 1 April 2018	-	-	-	-	-	-	**-**
Impact of implementing IFRS 9 on 1 April 2018	-	-	-	-	-	-	**-**
Surplus for the year	-	-	-	-	-	5,388	**5,388**
Transfers by absorption: transfers between reserves	-	-	-	-	-	-	**-**
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	-	-	-	-	-	**-**
Other transfers between reserves	-	-	-	-	-	-	**-**
Impairments	-	-	-	-	-	-	**-**
Revaluations	-	(64)	-	-	-	-	**(64)**
Transfer to retained earnings on disposal of assets	-	(27)	-	-	-	27	**-**
Share of comprehensive income from associates and joint ventures	-	-	-	-	-	-	**-**
Fair value gains/(losses) on financial assets mandated at fair value through OCI	-	-	-	-	-	-	**-**
Fair value gains/(losses) on equity instruments designated at fair value through OCI	-	-	-	-	-	-	**-**
Recycling gains/(losses) on disposal of financial assets mandated at fair value through OCI	-	-	-	-	-	-	**-**
Foreign exchange gains/(losses) recognised directly through OCI	-	-	-	-	-	-	**-**
Other recognised gains and losses	-	-	-	-	-	-	**-**
Remeasurements of the defined net benefit pension scheme liability/asset	-	-	-	-	-	-	**-**
Public dividend capital received	724	-	-	-	-	-	**724**
Public dividend capital repaid	-	-	-	-	-	-	**-**
Public dividend capital written off	-	-	-	-	-	-	**-**
Other movements in public dividend capital in year	-	-	-	-	-	-	**-**
Other reserve movements	-	-	-	-	-	-	**-**
Taxpayers' and others' equity at 31 March 2019	**34,809**	**4,889**	**-**	**5,395**	**-**	**22,919**	**68,012**

Information on reserves

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

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

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

Other reserves
Other reserves were created from PDC on the dissolution of the following Ambulance Services:
Hereford & Worcester Ambulance Service NHS Trust (30.06.06)
Coventry & Warwickshire Ambulance NHS Trust (30.06.06)
Staffordshire Ambulance Service NHS Trust (30.09.07)
The 3 ambulance Trusts merged with the West Midlands Service NHS Trust

Merger reserve
This reserve reflects balances formed on merger of NHS bodies.

Income and expenditure reserve
The balance of this reserve is the accumulated surpluses and deficits of the Trust.

Statement of Cash Flows

	Note	2019/20 £000	2018/19 £000
Cash flows from operating activities			
Operating surplus		2,571	5,477
Non-cash income and expense:			
Depreciation and amortisation	7.1	7,368	6,461
Net impairments	8	678	1
Income recognised in respect of capital donations	4	-	-
Amortisation of PFI deferred credit		-	-
Non-cash movements in on-SoFP pension liability		-	-
(Increase) / decrease in receivables and other assets		(3,618)	2,170
(Increase) in inventories		(231)	(577)
Increase in payables and other liabilities		11,479	1,079
Increase in provisions		958	1,465
Tax (paid) / received		-	-
Operating cash flows from discontinued operations		-	-
Other movements in operating cash flows		-	-
Net cash flows from operating activities		**19,205**	**16,076**
Cash flows from investing activities			
Interest received		359	273
Purchase and sale of financial assets / investments		-	-
Purchase of intangible assets		(327)	(775)
Sales of intangible assets		-	-
Purchase of Plant, Property & Equipment and investment property		(22,118)	(7,948)
Sales of Plant, Property & Equipment and investment property		48	179
Receipt of cash donations to purchase assets		-	-
Prepayment of PFI capital contributions		-	-
Investing cash flows from discontinued operations		-	-
Cash from acquisitions / disposals of subsidiaries		-	-
Net cash flows (used in) investing activities		**(22,038)**	**(8,271)**
Cash flows from financing activities			
Public dividend capital received		100	724
Public dividend capital repaid		-	-
Movement on loans from DHSC		-	-
Movement on other loans		-	-
Other capital receipts		-	-
Capital element of finance lease rental payments		-	-
Capital element of PFI, LIFT and other service concession payments		-	-
Interest on loans		-	-
Other interest		-	-
Interest paid on finance lease liabilities		-	-
Interest paid on PFI, LIFT and other service concession obligations		-	-
PDC dividend (paid)		(89)	(697)
Financing cash flows of discontinued operations		-	-
Cash flows from (used in) other financing activities		-	-
Net cash flows from financing activities		**11**	**27**
(Decrease) / increase in cash and cash equivalents		**(2,822)**	**7,832**
Cash and cash equivalents at 1 April - brought forward		**48,131**	**40,299**
Cash and cash equivalents transferred under absorption accounting	45	-	-
Unrealised gains / (losses) on foreign exchange		-	-
Cash and cash equivalents at 31 March	28.1	**45,309**	**48,131**

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2019/20 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

Note 1.1.1 Accounting convention

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

Note 1.1.2 Going concern

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

Note 1.2.1 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).

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

The Trust receives income from commissioners under Commissioning for Quality and Innovation (CQUIN) schemes. The Trust agrees schemes with its commissioner but they affect how care is provided to patients. That is, the CQUIN payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the contract.

NHS Injury Cost Recovery Scheme

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

Provider Sustainability Fund (PSF) and Financial Recovery Fund (FRF)

The PSF and FRF enable providers to earn income linked to the achievement of financial controls and performance targets. Income earned from the funds is accounted for as variable consideration.

Note 1.2.2 Other forms of income

Grants and donations

Government grants are grants from Government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grant is used to fund capital expenditure, it is credited to the consolidated statement of comprehensive income once conditions attached to the grant have been met. Donations are treated in the same way as government grants.

Apprenticeship service income

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider from the Trust's Digital Apprenticeship Service (DAS) account held by the Department for Education, the corresponding notional expense is also recognised at the point of recognition for the benefit.

Note 1.3.1 Expenditure on employee benefits

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

Pension costs
NHS Pension Scheme
Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employer, general practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care, in England and Wales. The schemes are not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore the schemes are accounted for as though they are a defined contribution scheme: the cost to the Trust is taken as equal to the employer's pension contributions payable to the scheme for the accounting period. The contributions are charged to operating expenses as they become due.

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

Note 1.4.1 Expenditure on other goods and services

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

Note 1.5 Discontinued operations

Discontinued operations occur where activities either cease without transfer to another entity, or transfer to an entity outside of the boundary of Whole of Government Accounts, such as private or voluntary sectors. Such activities are accounted for in accordance with IFRS 5. Activities that are transferred to other bodies within the boundary of Whole of Government Accounts are 'machinery of government changes' and treated as continuing operations.

Note 1.6 Property, plant and equipment

Recognition
Property, plant and equipment is capitalised where:

• it is held for use in delivering services or for administrative purposes;
• it is probable that future economic benefits will flow to, or service potential be provided to, the trust;
• it is expected to be used for more than one financial year;
• the cost of the item can be measured reliably; and
• the item has a 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 similar disposal dates and are under single managerial control; or
• items form part of the initial equipping and setting-up cost of a new building 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, eg, plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

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

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

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

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

• Land and non-specialised buildings – market value for existing use

• Specialised buildings – depreciated replacement cost on a modern equivalent asset basis

For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which is assumed to be at least equal to the cost of replacing that service potential. Specialised assets are therefore valued at their depreciated replacement cost (DRC) on a modern equivalent asset (MEA) basis. An MEA basis assumes that the asset will be replaced with a modern asset of equivalent capacity and location requirements of the services being provided. Assets held at depreciated replacement cost have been valued on an alternative site basis where this would meet the location requirements.

Valuation guidance issued by the Royal Institute of Chartered Surveyors states that valuations are performed net of VAT where the VAT is recoverable by the entity.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees. Assets are revalued and depreciation commences when they are brought into use.

Improvements to properties leased or subject to a licence agreement will be valued in line with the Trust's Tangible Assets ie Initially measured at cost with Annual Indexation and Quinquennial Professional Revaluation, where available. The asset will be depreciated over the term of the Lease or Licence notice period. Where no Professional Valuation is possible due to the Lease terms or where the cost of obtaining the valuation for small value, short term leases is not deemed to be value for money, the asset will be valued at initial cost with Annual Indexation and depreciated over the term of the lease, as this represents a fair view of the value of the asset.

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

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

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

Property, plant and equipment which has been reclassified as 'held for sale' ceases to be depreciated upon the reclassification. Assets in the course of construction are not depreciated until the asset is brought into use or reverts to the trust, respectively.

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

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

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

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

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

De-recognition
Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met:. The sale must be highly probable and the asset available for immediate sale in its present condition.

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

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

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

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

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

	Min life Years	**Max life Years**
Land	999	999
Buildings, excluding dwellings	3	50
Dwellings	-	-
Plant & machinery	5	10
Transport equipment	5	10
Information technology	5	5
Furniture & fittings	5	5

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

Note 1.7 Intangible assets

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

Internally generated intangible assets
Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised. Expenditure on development is capitalised when it meets the requirements set out in IAS 38.

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

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

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

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

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

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

	Min life Years	Max life Years
Intangible assets - internally generated		
Information technology	5	5
Development expenditure	5	5
Websites	5	5
Intangible assets - purchased		
Software	5	5
Licences & trademarks	5	5
Patents	5	5
Other	5	5
Goodwill	5	5

Note 1.8 Inventories

Inventories are valued at the lower of cost and net realisable value. This is considered to be a reasonable approximation to current cost due to the high turnover of stocks. The cost of inventories is measured using the weighted average cost method.

Note 1.9 Cash and cash equivalents

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

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

Note 1.10 Financial assets and financial liabilities

Note 1.10.1 Recognition

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

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

Note 1.10.2 Classification and measurement

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

Financial assets are classified into the following categories: financial assets at amortised cost, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit and loss. The classification is determined by the cash flow and business model characteristics of the financial assets, as set out in IFRS 9, and is determined at the time of initial recognition.

Financial assets are classified as subsequently measured at amortised cost.

Financial liabilities are classified as subsequently measured at amortised cost.

Financial assets and financial liabilities at amortised cost

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

The Trust's financial assets comprise cash and cash equivalents, NHS debtors, accrued income and other debtors

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

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income as a financing income or expense.

Impairment of financial assets

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 all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets, the Trust recognises a loss allowance representing expected credit losses on the financial instrument.

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

For financial assets 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 expenditure and the carrying amount of the asset is reduced directly or through a provision for impairment of receivables.

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

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

HM Treasury has ruled that central government bodies may not recognise stage 1 or stage 2 impairments against other government departments, their executive agencies, the Bank of England, Exchequer Funds, and Exchequer Funds' assets where repayment is ensured by primary legislation. The Trust therefore does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies. Additionally, the Department of Health and Social Care provides a guarantee of last resort against the debts of its arm's length bodies and NHS bodies (excluding NHS charities), and the Trust does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies.

Note 1.10.3 De-recognition

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

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

Note 1.11 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.

Note 1.11.1 The trust as lessee

Finance leases

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

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

The annual rental charge is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income.

Operating Leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially in other liabilities on the Statement of Financial Position and subsequently as a reduction of rentals on a straight-line basis over the lease term.

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

Leases of land and buildings

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

Note 1.12 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount, for which it is probable that there will be a future outflow of cash or other resources, and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective for 31 March 2020:

		Nominal rate
Short-term	Up to 5 years	0.51%
Medium-term	After 5 years up to 10 years	0.55%
Long-term	Exceeding 10 years	1.99%

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective 31 March 2020:

	Inflation rate
Year 1	1.90%
Year 2	2.00%
Into perpetuity	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury’s pension discount rate of minus 0.5% in real terms.

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

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

Note 1.13 Contingencies

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

Contingent liabilities are defined as:
• possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
• present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

Note 1.14 Public Dividend Capital

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

The Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received.

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

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

Note 1.15 Value Added Tax

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

Note 1.16 Foreign exchange

The functional and presentational currencies of the Trust are sterling.

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

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

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

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

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

Note 1.17 Third party assets

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

Note 1.18 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis.
The losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

Note 1.19 Gifts

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

Note 1.20 Transfers of functions from/to other NHS bodies

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

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

For functions that the Trust has transferred to another NHS body, the assets and liabilities transferred are de-recognised from the accounts as at the date of transfer. The net loss/gain corresponding to the net assets/ liabilities transferred is recognised within expenses / income, but not within operating activities. Any revaluation reserve balances attributable to assets de-recognised are transferred to the income and expenditure reserve.

Note 1.21 Early adoption of standards, amendments and interpretations
No new accounting standards or revisions to existing standards have been early adopted in 2019/20.

Note 1.22 Standards, amendments and interpretations in issue but not yet effective or adopted

IFRS 16 Leases

IFRS 16 Leases will replace IAS 17 Leases, IFRIC 4 *Determining whether an arrangement contains a lease* and other interpretations and is applicable in the public sector for periods beginning 1 April 2021. The standard provides a single accounting model for lessees, recognising a right of use asset and obligation in the Statement of Financial Position for most leases: some leases are exempt through application of practical expedients explained below. For those recognised in the Statement of Financial Position the standard also requires the remeasurement of lease liabilities in specific circumstances after the commencement of the lease term. For lessors, the distinction between operating and finance leases will remain and the accounting will be largely unchanged.

IFRS 16 changes the definition of a lease compared to IAS 17 and IFRIC 4. The Trust will apply this definition to new leases only and will grandfather its assessments made under the old standards of whether existing contracts contain a lease.

On transition to IFRS 16 on 1 April 2021, the Trust will apply the standard retrospectively with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the trust's incremental borrowing rate. The Trust's incremental borrowing rate will be a rate defined by HM Treasury. Currently this rate is 1.27% but this may change between now and adoption of the standard. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments. For existing peppercorn leases not classified as finance leases, a right of use asset will be measured at current value in existing use or fair value. The difference between the asset value and the calculated lease liability will be recognised in the income and expenditure reserve on transition. No adjustments will be made on 1 April 2021 for existing finance leases.

For leases commencing in 2021/22, the Trust will not recognise a right of use asset or lease liability for short term leases (less than or equal to 12 months) or for leases of low value assets (less than £5,000). Right of use assets will be subsequently measured on a basis consistent with owned assets and depreciated over the length of the lease term.

HM Treasury revised the implementation date for IFRS 16 in the UK public sector to 1 April 2021 on 19 March 2020. Due to the need to reassess lease calculations, together with uncertainty on expected leasing activity from April 2021 and beyond, a quantification of the expected impact of applying the standard in 2021/22 is currently impracticable. However, the trust does expect this standard to have a material impact on non-current assets, liabilities and depreciation.

Other standards, amendments and interpretations

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.

Note 1.23 Critical accounting estimates and judgements

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 and 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 in the period of the revision and future periods if the revision affects both current and future periods.

Note 1.23.1 Critical judgements in applying accounting policies

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

The Trust Management made a critical judgement around the state of the commercial property sector in 2019/20 and as such a formal valuation was undertaken in 2019/20. The Trust revalues its Land and Buildings assets every 5 years.

The Trust's purpose built Make Ready Hubs are valued as specialised assets in line with FRS 102. This estimation technique is not universally valid across all the Trust's owned Make Ready hubs and it will be applied only to those hubs which have been constructed from a single building covering offices, staff changing facilities, vehicle garaging, vehicle maintenance and cleaning facilities. Thus sites such as Hereford and Dudley, which do not match these criteria, will continue to be valued on a market basis.

There has been a long-standing commitment by the Trust to replace front-line vehicles after five years. The Trust depreciates front-line vehicles over 5 years.

The Trust reviews all lease contracts to determine whether they are operating or finance leases.

Information provided by NHS Resolution has been used to determine provisions required for potential employer liability claims and disclosure of Clinical Negligence liability.

The NHS Pensions agency has provided information with regard to disclosure and calculation of the Trust's liability for ill health retirements.

Accruals for services received not yet invoiced are estimated on the basis of past experience.

Note 1.23.2 Key sources of estimation uncertainty

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

There is uncertainty around the future direction of commercial property prices. The Trust adopted a formal revaluation during 2019/20 and then intends to revalue every 5 years in line with FRS 102. Between valuations, and due to the state of the current commercial property sector, the Trust has adjusts the values of its Land and Buildings assets by applying indexation provided by a company of professional valuers.

In making these judgements, the Trust is aware that the Royal Institute of Chartered Surveyors (RICS) has issued a valuation practice notice which gives guidance to valuers where a valuer declares a materiality uncertainty attached to a valuation in light of the impact of COVID-19 on the markets. As explained above and at note 19, the Trust obtained a valuation report as at 30 December 2019 but it should be noted that there may now be greater uncertainty in markets on which the valuation obtained in December 2019 and reflected in these financial statements is based. Given the judgements explained above in preparing these 2019/20 financial statements, the Trust has not deviated from its existing accounting policy by obtaining an additional valuation to which a materiality uncertainty might be attached.

Note 2 Operating Segments

Segments are identified where services have separate management and contractual arangements even if it forms part of overall NHS Healthcare provision if the combined income from an area of service is 10% or more of the total Trust income.

Income for E&U Services is received from the West Midlands Clinical Commissioning Groups (CCGs). Income from this source accounts for 75% of the total Trust income.

Income for Non Emergency Patient Transport Services is received from CCGs, FTs and NHS Trusts.There are no individual PTS customers where income exceeds 10% of the overall Trust income

	E&U Services 2019/20 £000	PTS Services 2019/20 £000	Other 2019/20 £000	Total 2019/20 £000
Income	**242,257**	**40,884**	**39,527**	**322,668**
Common costs	**(240,411)**	**(40,450)**	**(39,399)**	**(320,260)**
Segment surplus	**1,846**	**434**	**128**	**2,408**
Total Assets employed	**0**	**0**	**75,042**	**75,042**

Income is directly attributed to segments. Direct and indirect costs are allocated directly to E&U and PTS and overhead costs are apportioned on various useage basis.

All income and expenditure and asset values reported in the segments are included within the overall Trust Statement of Comprehensive Income and Statement of Financial Position. The balance between the totals in the segmental report and the overall reported Trust balances relate to the supply of other services which do not meet the criteria to have an individual segment.

There are no differences in methods of valuation of assets within the segmental reports and the overall Trust reported assets

There has not been any change in the methods of measuring or reporting the segmental figures from the previous year,

Note 3 Operating income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.2.1

Note 3.1 Income from patient care activities (by nature)	2019/20	2018/19
	£000	£000
Ambulance services		
A & E income	242,257	224,087
Patient transport services income	40,884	33,749
Other income	13,609	1,756
All services		
Private patient income	-	-
Agenda for Change pay award central funding*	-	3,852
Additional pension contribution central funding**	9,667	-
Other clinical income	2,649	-
Total income from activities	**309,066**	**263,444**

*Additional costs of the Agenda for Change pay reform in 2018/19 received central funding. From 2019/20 this funding is incorporated into tariff for individual services.

**The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1 April 2019. For 2019/20, NHS providers continued to pay over contributions at the former rate with the additional amount being paid over by NHS England on providers' behalf. The full cost and related funding have been recognised in these accounts.

Other clinical income relates to reimbursement of expenses for COVID 19 that were incurred in March 2020. This has been agreed by the National team and will be reimbursed.

Note 3.2 Income from patient care activities (by source)

	2019/20	2018/19
Income from patient care activities received from:	**£000**	**£000**
NHS England	13,743	1,127
Clinical Commissioning Groups	290,849	253,618
Department of Health and Social Care	-	3,852
Other NHS providers	3,630	3,797
NHS other	54	204
Local authorities	-	-
Non-NHS: private patients	-	-
Non-NHS: overseas patients (chargeable to patient)	-	-
Injury cost recovery scheme	771	835
Non NHS: other	19	11
Total income from activities	**309,066**	**263,444**
Of which:		
Related to continuing operations	309,066	263,444
Related to discontinued operations	-	-

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

	2019/20	2018/19
	£000	£000
Income recognised this year	-	-
Cash payments received in-year	-	-
Amounts added to provision for impairment of receivables	-	-
Amounts written off in-year	-	-

Note 4 Other operating income

	2019/20			2018/19		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	175	-	**175**	265	-	**265**
Education and training	6,147	-	**6,147**	5,350	-	**5,350**
Non-patient care services to other bodies	570	-	**570**	529	-	**529**
Provider sustainability fund (PSF)	2,203	-	**2,203**	4,546	-	**4,546**
Financial recovery fund (FRF)	-	-	**-**	-	-	**-**
Marginal rate emergency tariff funding (MRET)	-	-	**-**	-	-	**-**
Income in respect of employee benefits accounted on a gross basis	1,669	-	**1,669**	1,467	-	**1,467**
Receipt of capital grants and donations	-	-	**-**	-	-	**-**
Charitable and other contributions to expenditure	-	-	**-**	-	-	**-**
Support from the Department of Health and Social Care for mergers	-	-	**-**	-	-	**-**
Rental revenue from finance leases	-	-	**-**	-	-	**-**
Rental revenue from operating leases	-	-	**-**	-	-	**-**
Amortisation of PFI deferred income / credits	-	-	**-**	-	-	**-**
Other income	2,838	-	**2,838**	880	-	**880**
Total other operating income	**13,602**	**-**	13,602	**13,037**	**-**	13,037
Of which:						
Related to continuing operations			**13,602**			**13,037**
Related to discontinued operations			**-**			**-**

Note 5.1 Additional information on contract revenue (IFRS 15) recognised in the period

	2019/20	2018/19
	£000	£000
Revenue recognised in the reporting period that was included within contract liabilities at the previous period end	-	-
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	-	-

Note 5.2 Transaction price allocated to remaining performance obligations

Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:	31 March 2020 £000	31 March 2019 £000
within one year	-	-
after one year, not later than five years	-	-
after five years	-	-
Total revenue allocated to remaining performance obligations	**-**	**-**

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

Note 5.3 Income from activities arising from commissioner requested services

Under the terms of its provider licence, the Trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	2019/20	2018/19
	£000	£000
Income from services designated as commissioner requested services	295,457	261,688
Income from services not designated as commissioner requested services	27,211	14,793
Total	**322,668**	**276,481**

Note 5.4 Profits and losses on disposal of property, plant and equipment

No land and buildings assets used in the provision of commissioner requested services have been disposed of during the year.

Note 6.1 Fees and charges

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

	2019/20	2018/19
	£000	£000
Income	-	-
Full cost	-	-
Surplus / (deficit)	**-**	**-**

Note 7.1 Operating expenses

	2019/20	2018/19
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	-	-
Purchase of healthcare from non-NHS and non-DHSC bodies	-	-
Purchase of social care	-	-
Staff and executive directors costs	232,696	194,664
Remuneration of non-executive directors	131	129
Supplies and services - clinical (excluding drugs costs)	8,269	7,537
Supplies and services - general	3,170	3,417
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	1,225	1,037
Inventories written down	-	-
Consultancy costs	191	114
Establishment	5,775	4,424
Premises	10,756	8,048
Transport (including patient travel)	21,048	19,226
Depreciation on property, plant and equipment	6,997	6,212
Amortisation on intangible assets	371	249
Net impairments	678	1
Movement in credit loss allowance: contract receivables / contract assets	(84)	(166)
Movement in credit loss allowance: all other receivables and investments	-	-
Increase/(decrease) in other provisions	-	-
Change in provisions discount rate(s)	-	-
Audit fees payable to the external auditor		
audit services- statutory audit	82	45
other auditor remuneration (external auditor only)	10	9
Internal audit costs	762	737
Clinical negligence	1,800	2,065
Legal fees	354	177
Insurance	1,760	1,085
Research and development	162	225
Education and training	6,854	5,359
Rentals under operating leases	15,955	15,582
Early retirements	-	-
Redundancy	-	32
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	-	-
Charges to operating expenditure for off-SoFP PFI / LIFT schemes	-	-
Car parking & security	-	-
Hospitality	38	44
Losses, ex gratia & special payments	10	4
Grossing up consortium arrangements	-	-
Other services, eg external payroll	-	-
Other	1,087	748
Total	**320,097**	**271,004**
Of which:		
Related to continuing operations	320,097	271,004
Related to discontinued operations	-	-

Other expenditure includes leased vehicle dilapidations.

Note 7.2 Other auditor remuneration

	2019/20	2018/19
	£000	£000
Other auditor remuneration paid to the external auditor:		
1. Audit of accounts of any associate of the trust	-	-
2. Audit-related assurance services	-	-
3. Taxation compliance services	-	-
4. All taxation advisory services not falling within item 3 above	-	-
5. Internal audit services	-	-
6. All assurance services not falling within items 1 to 5	10	9
7. Corporate finance transaction services not falling within items 1 to 6 above	-	-
8. Other non-audit services not falling within items 2 to 7 above	-	-
Total	**10**	**9**

Note 7.3 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £1m (2018/19: £1m).

Note 8 Impairment of assets

	2019/20	2018/19
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Loss or damage from normal operations	-	-
Over specification of assets	-	-
Abandonment of assets in course of construction	-	-
Unforeseen obsolescence	-	-
Loss as a result of catastrophe	-	-
Changes in market price	678	1
Other	-	-
Total net impairments charged to operating surplus / deficit	**678**	**1**
Impairments charged to the revaluation reserve	-	-
Total net impairments	**678**	**1**

The Trust has committed to purchase the site for Millenium Point which houses the headquarters in early April 2020. The Trust was advised that the value of internal fittings would be encompassed within the total purchase price and the value of these internal fittings would not be shown separately. Therefore the Trust has written down the value of these internal fittings by £643k.

Note 9 Employee benefits

	2019/20 Total £000	2018/19 Total £000
Salaries and wages	186,257	162,294
Social security costs	16,897	14,954
Apprenticeship levy	909	803
Employer's contributions to NHS pensions	32,097	19,840
Pension cost - other	-	-
Other post employment benefits	-	-
Other employment benefits	-	-
Termination benefits	-	-
Temporary staff (including agency)	666	0
Total gross staff costs	**236,826**	**197,891**
Recoveries in respect of seconded staff	-	-
Total staff costs	**236,826**	**197,891**
Of which		
Costs capitalised as part of assets	-	-

Note 9.1 Retirements due to ill-health

During 2019/20 there were 3 early retirements from the trust agreed on the grounds of ill-health (6 in the year ended 31 March 2019). The estimated additional pension liabilities of these ill-health retirements is £95k (£364k in 2018/19).

These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

Note 10 Pension costs

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

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 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.

Note 11 Operating leases

Note 11.1 West Midlands Ambulance Service University NHS Foundation Trust as a lessor

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

	2019/20 £000	2018/19 £000
Operating lease revenue		
Minimum lease receipts	-	-
Contingent rent	-	-
Other	-	-
Total	**-**	**-**

	31 March 2020 £000	31 March 2019 £000
Future minimum lease receipts due:		
- not later than one year;	-	-
- later than one year and not later than five years;	-	-
- later than five years.	-	-
Total	**-**	**-**

Note 11.2 West Midlands Ambulance Service University NHS Foundation Trust as a lessee

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

	2019/20 £000	2018/19 £000
Operating lease expense		
Minimum lease payments	15,955	15,582
Contingent rents	-	-
Less sublease payments received	-	-
Total	**15,955**	**15,582**

	31 March 2020 £000	31 March 2019 £000
Future minimum lease payments due:		
- not later than one year;	12,956	14,700
- later than one year and not later than five years;	17,290	24,230
- later than five years.	9,176	11,332
Total	**39,422**	**50,262**
Future minimum sublease payments to be received	-	-

The operating leases are for vehicles and property occupied.

Note 12 Finance income

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

	2019/20	2018/19
	£000	£000
Interest on bank accounts	359	273
Interest income on finance leases	-	-
Interest on other investments / financial assets	-	-
Other finance income	-	-
Total finance income	**359**	**273**

Note 13.1 Finance expenditure

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

	2019/20	2018/19
	£000	£000
Interest expense:		
Loans from the Department of Health and Social Care	-	-
Other loans	-	-
Overdrafts	-	-
Finance leases	-	-
Interest on late payment of commercial debt	-	-
Main finance costs on PFI and LIFT schemes obligations	-	-
Contingent finance costs on PFI and LIFT scheme obligations	-	-
Total interest expense	**-**	**-**
Unwinding of discount on provisions	14	17
Other finance costs	-	-
Total finance costs	**14**	**17**

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

	2019/20	2018/19
	£000	£000
Total liability accruing in year under this legislation as a result of late payments	-	-
Amounts included within interest payable arising from claims made under this legislation	-	-
Compensation paid to cover debt recovery costs under this legislation	-	-

Note 14 Other gains / (losses)

	2019/20	2018/19
	£000	£000
Gains on disposal of assets	19	170
Losses on disposal of assets	(25)	(91)
Total (losses)/ gains on disposal of assets	**(6)**	**79**
Gains / (losses) on foreign exchange	-	-
Fair value gains / (losses) on investment properties	-	-
Fair value gains / (losses) on financial assets / investments	-	-
Fair value gains / (losses) on financial liabilities	-	-
Recycling gains / (losses) on disposal of financial assets mandated as fair value through OCI	-	-
Other gains / (losses)	-	-
Total other (losses)/ gains	**(6)**	**79**

Note 15 Discontinued operations

	2019/20	2018/19
	£000	£000
Operating income of discontinued operations	-	-
Operating expenses of discontinued operations	-	-
Gain on disposal of discontinued operations	-	-
(Loss) on disposal of discontinued operations	-	-
Corporation tax expense attributable to discontinued operations	-	-
Total	**-**	**-**

Note 16.1 Intangible assets - 2019/20

	Software licences	Development expenditure	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2019 - brought forward	**1,329**	**1,153**	**2,482**
Transfers by absorption	-	-	**-**
Additions	290	37	**327**
Impairments	-	-	**-**
Reversals of impairments	-	-	**-**
Revaluations	-	-	**-**
Reclassifications	-	60	**60**
Transfers to / from assets held for sale	-	-	**-**
Disposals / derecognition	(48)	(129)	**(177)**
Valuation / gross cost at 31 March 2020	**1,571**	**1,121**	**2,692**
Amortisation at 1 April 2019 - brought forward	**730**	**602**	**1,332**
Transfers by absorption	-	-	**-**
Provided during the year	235	136	**371**
Impairments	-	-	**-**
Reversals of impairments	-	-	**-**
Revaluations	-	-	**-**
Reclassifications	-	-	**-**
Transfers to / from assets held for sale	-	-	**-**
Disposals / derecognition	(48)	(129)	**(177)**
Amortisation at 31 March 2020	**917**	**609**	**1,526**
Net book value at 31 March 2020	**654**	**512**	**1,166**
Net book value at 1 April 2019	**599**	**551**	**1,150**

Note 16.2 Intangible assets - 2018/19

	Software licences	Development expenditure	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2018 - as previously stated	**1,022**	**740**	**1,762**
Transfers by absorption	-	-	**-**
Additions	316	459	**775**
Impairments	-	-	**-**
Reversals of impairments	-	-	**-**
Revaluations	-	-	**-**
Reclassifications	-	-	**-**
Transfers to / from assets held for sale	-	-	**-**
Disposals / derecognition	(9)	(46)	**(55)**
Valuation / gross cost at 31 March 2019	**1,329**	**1,153**	**2,482**
Amortisation at 1 April 2018 - as previously stated	**552**	**583**	**1,135**
Transfers by absorption	-	-	**-**
Provided during the year	187	62	**249**
Impairments	-	-	**-**
Reversals of impairments	-	-	**-**
Revaluations	-	-	**-**
Reclassifications	-	-	**-**
Transfers to / from assets held for sale	-	-	**-**
Disposals / derecognition	(9)	(43)	**(52)**
Amortisation at 31 March 2019	**730**	**602**	**1,332**
Net book value at 31 March 2019	**599**	**551**	**1,150**
Net book value at 1 April 2018	**470**	**157**	**627**

Note 17.1 Property, plant and equipment - 2019/20

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2019 - brought forward	**4,148**	**21,297**	**668**	**9,101**	**16,186**	**14,021**	**998**	**66,419**
Transfers by absorption	-	-	-	-	-	-	-	**-**
Additions	360	3,223	1,797	1,661	10,513	3,152	160	**20,866**
Impairments	(293)	(926)	-	-	-	-	-	**(1,219)**
Reversals of impairments	134	407	-	-	-	-	-	**541**
Revaluations	(469)	4,991	-	-	-	-	-	**4,522**
Reclassifications	-	420	(637)	6	136	15	-	**(60)**
Transfers to / from assets held for sale	-	-	-	-	-	-	-	**-**
Disposals / derecognition	-	(95)	(11)	(139)	(544)	(1,301)	(4)	**(2,094)**
Valuation/gross cost at 31 March 2020	**3,880**	**29,317**	**1,817**	**10,629**	**26,291**	**15,887**	**1,154**	**88,975**
Accumulated depreciation at 1 April 2019 - brought forward	**-**	**3,894**	**-**	**4,988**	**6,867**	**8,805**	**874**	**25,428**
Transfers by absorption	-	-	-	-	-	-	-	**-**
Provided during the year	-	1,122	-	1,295	2,569	1,964	47	**6,997**
Impairments	-	-	-	-	-	-	-	**-**
Reversals of impairments	-	-	-	-	-	-	-	**-**
Revaluations	-	-	-	-	-	-	-	**-**
Reclassifications	-	-	-	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	-	**-**
Disposals / derecognition	-	(74)	-	(134)	(516)	(1,301)	(4)	**(2,029)**
Accumulated depreciation at 31 March 2020	**-**	**4,942**	**-**	**6,149**	**8,920**	**9,468**	**917**	**30,396**
Net book value at 31 March 2020	**3,880**	**24,375**	**1,817**	**4,480**	**17,371**	**6,419**	**237**	**58,579**
Net book value at 1 April 2019	**4,148**	**17,403**	**668**	**4,113**	**9,319**	**5,216**	**124**	**40,991**

Note 17.2 Property, plant and equipment - 2018/19

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2018 - as previously stated	**4,161**	**20,987**	**358**	**8,205**	**12,760**	**12,841**	**978**	**60,290**
Transfers by absorption	-	-	-	-	-	-	-	**-**
Additions	-	656	668	1,242	4,445	1,481	20	**8,512**
Impairments	(1)	-	-	-	-	-	-	**(1)**
Reversals of impairments	-	-	-	-	-	-	-	**-**
Revaluations	(12)	(52)	-	-	-	-	-	**(64)**
Reclassifications	-	102	(356)	47	203	4	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	-	**-**
Disposals / derecognition	-	(396)	(2)	(393)	(1,222)	(305)	-	**(2,318)**
Valuation/gross cost at 31 March 2019	**4,148**	**21,297**	**668**	**9,101**	**16,186**	**14,021**	**998**	**66,419**
Accumulated depreciation at 1 April 2018 - as previously stated	**-**	**3,169**	**-**	**4,212**	**5,914**	**7,367**	**775**	**21,437**
Transfers by absorption	-	-	-	-	-	-	-	**-**
Provided during the year	-	1,039	-	1,167	2,166	1,741	99	**6,212**
Impairments	-	-	-	-	-	-	-	**-**
Reversals of impairments	-	-	-	-	-	-	-	**-**
Revaluations	-	-	-	-	-	-	-	**-**
Reclassifications	-	-	-	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	-	**-**
Disposals / derecognition	-	(314)	-	(391)	(1,213)	(303)	-	**(2,221)**
Accumulated depreciation at 31 March 2019	**-**	**3,894**	**-**	**4,988**	**6,867**	**8,805**	**874**	**25,428**
Net book value at 31 March 2019	**4,148**	**17,403**	**668**	**4,113**	**9,319**	**5,216**	**124**	**40,991**
Net book value at 1 April 2018	**4,161**	**17,818**	**358**	**3,993**	**6,846**	**5,474**	**203**	**38,853**

Note 17.3 Property, plant and equipment financing - 2019/20

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2020								
Owned - purchased	3,880	24,375	1,817	4,480	17,371	6,419	237	**58,579**
Finance leased	-	-	-	-	-	-	-	**-**
On-SoFP PFI contracts and other service concession arrangements	-	-	-	-	-	-	-	**-**
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	**-**
Owned - government granted	-	-	-	-	-	-	-	**-**
Owned - donated	-	-	-	-	-	-	-	**-**
NBV total at 31 March 2020	**3,880**	**24,375**	**1,817**	**4,480**	**17,371**	**6,419**	**237**	**58,579**

Note 17.4 Property, plant and equipment financing - 2018/19

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2019								
Owned - purchased	4,148	17,403	668	4,113	9,318	5,216	124	**40,990**
Finance leased	-	-	-	-	-	-	-	**-**
On-SoFP PFI contracts and other service concession arrangements	-	-	-	-	-	-	-	**-**
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	**-**
Owned - government granted	-	-	-	-	-	-	-	**-**
Owned - donated	-	-	-	-	1	-	-	**1**
NBV total at 31 March 2019	**4,148**	**17,403**	**668**	**4,113**	**9,319**	**5,216**	**124**	**40,991**

Note 18 Donations of property, plant and equipment

The Trust had no donations of property, plant and equipment received during the year.

Note 19 Revaluations of property, plant and equipment

	2019/20 £000	2018/19 £000
At start of period	**4,889**	**4,980**
Transfers by absorption	0	0
Impairments	0	0
Revaluations	4,522	(64)
Transfers to the I&E reserve for impairments arising from consumption of economic benefits	0	0
Transfers to other reserves	0	0
Asset disposals	(10)	(27)
Fair Value gains/(losses) on Available-for-sale financial investments	0	0
Recycling gains/(losses) on Available-for-sale financial investments	0	0
Share of other comprehensive income/expenditure from associates and joint ventures	0	0
Other recognised gains and losses	0	0
Other reserve movements	0	0
Revaluation reserve at 31 March	**9,401**	**4,889**

Various freehold and leasehold properties owned by West Midlands Ambulance Service were valued as at 30 December 2019 by an external valuer, Gerald Eve LLP, a regulated firm of Chartered Surveyors. The valuations were prepared in accordance with the requirements of the RICS Valuation - Global Standards 2017 and the national standards and guidance set out in the UK supplement 2018, the International Valuation Standards and IFRS as adapted and interpreted by the Financial Reporting Manual (FReM). The valuation of the operational properties was in accordance with Existing Use Value with specialised properties valued using a Depreciated Replacement Cost (DRC) method because of the specialised nature of the asset means there are no market transactions of this type, except as part of the business or entity.

Note 20.1 Investment Property

The Trust had no investment property in 2019/20 or 2018/19.

Note 20.2 Investment property income and expenses

The Trust had no investment property income and expenses in 2019/20 or 2018/19.

Note 21 Investments in associates and joint ventures

The Trust had no investments in associates or joint ventures in the current or previous accounting periods.

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

The Trust had no other non current investments or financial assets in the current or previous accounting periods.

Note 22.1 Other investments / financial assets (current)

The Trust had no other current investments or financial assets in the current or previous accounting periods.

Note 23 Disclosure of interests in other entities

The Trust held no interests in other entities at 31 March 2020 or 31 March 2019.

Note 24 Inventories

	31 March 2020 £000	31 March 2019 £000
Drugs	349	502
Work In progress	-	-
Consumables	3,149	2,765
Energy	-	-
Other	-	-
Total inventories	**3,498**	**3,267**
of which:		
Held at fair value less costs to sell	-	-

Inventories recognised in expenses for the year were £19,617k (2018/19: £18,777k). Write-down of inventories recognised as expenses for the year were £0k (2018/19: £0k).

Note 25.1 Receivables

	31 March 2020 £000	31 March 2019 £000
Current		
Contract receivables	10,719	9,769
Contract assets	-	-
Capital receivables	-	-
Allowance for impaired contract receivables / assets	(717)	(801)
Allowance for other impaired receivables	-	-
Deposits and advances	-	-
Prepayments (non-PFI)	14,554	11,827
PFI prepayments - capital contributions	-	-
PFI lifecycle prepayments	-	-
Interest receivable	-	-
Finance lease receivables	-	-
PDC dividend receivable	164	577
VAT receivable	418	585
Corporation and other taxes receivable	-	-
Other receivables	-	-
Total current receivables	**25,138**	**21,957**
Non-current		
Contract receivables	-	-
Contract assets	1,064	1,040
Capital receivables	-	-
Allowance for impaired contract receivables / assets	-	-
Allowance for other impaired receivables	-	-
Deposits and advances	-	-
Prepayments (non-PFI)	-	-
PFI prepayments - capital contributions	-	-
PFI lifecycle prepayments	-	-
Interest receivable	-	-
Finance lease receivables	-	-
VAT receivable	-	-
Corporation and other taxes receivable	-	-
Other receivables	-	-
Total non-current receivables	**1,064**	**1,040**
Of which receivable from NHS and DHSC group bodies:		
Current	11,835	9,264
Non-current	-	-

Note 25.2 Allowances for credit losses

	2019/20		2018/19	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 April - brought forward	**801**	**-**	**-**	**967**
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018			967	(967)
Transfers by absorption	**-**	**-**	-	-
New allowances arising	-	-	-	-
Changes in existing allowances	-	-	-	-
Reversals of allowances	(84)	-	(166)	-
Utilisation of allowances (write offs)	-	-	-	-
Changes arising following modification of contractual cash flows	-	-	-	-
Foreign exchange and other changes	-	-	-	-
Allowances as at 31 March	**717**	**-**	**801**	**-**

The provision for impairment of receivables is based on 75% of the value of Non NHS debts outstanding over 3 months old. The provision also includes a provision of 21.79% (21.89% 31 March 2019) for doubtful recovery of the income from the NHS Injury Cost Recovery Scheme, which amounts to £463k.

Note 25.3 Exposure to credit risk

Because the majority of the West Midlands Ambulance Service University NHS Foundation Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2020 are in receivables from customers.

Note 26 Other assets

The Trust had no Other Assets in either the current or previous accounting periods.

Note 27.1 Non-current assets held for sale and assets in disposal groups

	2019/20	2018/19
	£000	£000
NBV of non-current assets for sale and assets in disposal groups at 1 April	**-**	**-**
Transfers by absorption	-	-
Assets classified as available for sale in the year	-	-
Assets sold in year	-	-
Impairment of assets held for sale	-	-
Reversal of impairment of assets held for sale	-	-
Assets no longer classified as held for sale, for reasons other than sale	-	-
NBV of non-current assets for sale and assets in disposal groups at 31 March	**-**	**-**

Note 27.2 Liabilities in disposal groups

	31 March 2020	31 March 2019
	£000	£000
Categorised as:		
Provisions	-	-
Trade and other payables	-	-
Other	-	-
Total	**-**	**-**

Note 28.1 Cash and cash equivalents movements

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

	2019/20	2018/19
	£000	£000
At 1 April	**48,131**	**40,299**
Transfers by absorption	-	-
Net change in year	(2,822)	7,832
At 31 March	**45,309**	**48,131**
Broken down into:		
Cash at commercial banks and in hand	16	24
Cash with the Government Banking Service	45,293	48,107
Deposits with the National Loan Fund	-	-
Other current investments	-	-
Total cash and cash equivalents as in SoFP	**45,309**	**48,131**
Bank overdrafts (GBS and commercial banks)	-	-
Drawdown in committed facility	-	-
Total cash and cash equivalents as in SoCF	**45,309**	**48,131**

Note 28.2 Third party assets held by the Trust

There were no third party assets or patients money held by the West Midlands Ambulance Service University NHS Foundation Trust in either the current or previous accounting periods.

Note 29.1 Trade and other payables

	31 March 2020 £000	31 March 2019 £000
Current		
Trade payables	4,551	3,427
Capital payables	190	1,442
Accruals	35,000	26,039
Receipts in advance and payments on account	-	-
PFI lifecycle replacement received in advance	-	-
Social security costs	5,203	4,340
VAT payables	-	-
Other taxes payable	-	-
PDC dividend payable	-	-
Other payables	3,202	2,682
Total current trade and other payables	**48,146**	**37,930**
Non-current		
Trade payables	-	-
Capital payables	-	-
Accruals	-	-
Receipts in advance and payments on account	-	-
PFI lifecycle replacement received in advance	-	-
VAT payables	-	-
Other taxes payable	-	-
Other payables	-	-
Total non-current trade and other payables	**-**	**-**
Of which payables from NHS and DHSC group bodies:		
Current	1,574	1,152
Non-current	-	-

Note 29.2 Early retirements in NHS payables above

There were no early retirement payments in the above.

Note 30 Other liabilities

The Trust had no current or non-current other liabilities in either the current or previous accounting periods.

Note 31.1 Borrowings

The Trust had no current or non-current borrowings in either the current or previous accounting periods.

Note 32 Other financial liabilities

The Trust had no current or non-current other financial liabilities in either the current or previous accounting periods.

Note 33 Finance leases

The Trust had no finance lease arrangements as a lessor or as a lessee in either the current or previous accounting periods.

Note 34.1 Provisions for liabilities and charges analysis

	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Redundancy	Other	Total
	£000	£000	£000	£000	£000	£000
At 1 April 2019	**198**	**2,416**	**315**	**-**	**7,665**	**10,594**
Transfers by absorption	-	-	-	-	-	**-**
Change in the discount rate	-	-	-	-	-	**-**
Arising during the year	26	104	328	-	2,017	**2,475**
Utilised during the year	(40)	(265)	(89)	-	(944)	**(1,338)**
Reclassified to liabilities held in disposal groups	**-**	**-**	**-**	**-**	**-**	**-**
Reversed unused	-	-	(179)	-	-	**(179)**
Unwinding of discount	(1)	15	-	-	-	**14**
At 31 March 2020	**183**	**2,270**	**375**	**-**	**8,738**	**11,566**
Expected timing of cash flows:						
- not later than one year;	36	258	172	-	8,738	**9,204**
- later than one year and not later than five years;	147	1,069	203	-	-	**1,419**
- later than five years.	-	943	-	-	-	**943**
Total	**183**	**2,270**	**375**	**-**	**8,738**	**11,566**

Pensions relating to staff represent the value of Pre:1995 early retirement cases capitalised as a prior year adjustment in 2002-03.

Legal claims represent outstanding employer's liability.

Injury benefits represent outstanding injury benefit cases.

Other provisions include leased vehicle dilapidations and HMRC review of VAT allowances.

Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the Treasury's discount rate as stated in note 1.12.

Note 34.2 Clinical negligence liabilities

At 31 March 2020, £46,325k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of West Midlands Ambulance Service University NHS Foundation Trust (31 March 2019: £30,120k).

Note 35 Contingent assets and liabilities

	31 March 2020 £000	31 March 2019 £000
Value of contingent liabilities		
NHS Resolution legal claims	-	-
Employment tribunal and other employee related litigation	-	-
Redundancy	-	-
Other	(150)	(103)
Gross value of contingent liabilities	**(150)**	**(103)**
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	**(150)**	**(103)**
Net value of contingent assets	**-**	**-**

Contingent Liabilities represent outstanding employer's liability legal claims, as notified by NHS Resoution which, at this stage, are not deemed certain enough to include within the provision for liabilities and charges (note 34). The value of the uncertainty of the liability is determined by NHS Resolution according to the nature and details of each individual case.

Note 36 Contractual capital commitments

	31 March 2020 £000	31 March 2019 £000
Property, plant and equipment	3,267	-
Intangible assets	-	-
Total	**3,267**	**-**

Note 37 Other financial commitments

The Trust had no other financial commitments in either the current or previous accounting periods.

Note 38 Defined benefit pension schemes

The Trust had no defined benefit pension schemes in either the current or previous accounting periods.
We have no schemes, but see further details in note 10.

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

The Trust had no on-SoFP PFI, LIFT or other service concession arrangements in either the current or previous accounting periods.

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

The Trust had no off-SoFP PFI, LIFT or other service concession arrangements in either the current or previous accounting periods.

Note 41 Financial instruments

Note 41.1 Financial risk management

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

The West Midlands Ambulance Service University NHS Foundation Trust's treasury management operations are carried out by the Finance department, within parameters defined formally within the Trust's Standing Financial Instructions and Policies agreed by the Board of Directors. Trust treasury activity is subject to review by the Trust's internal auditors.

Currency risk

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

Interest rate risk

The West Midlands Ambulance Service University NHS Foundation Trust has no borrowings from government and therefore has low exposure to interest rate fluctuations.

Credit risk

Because the majority of the West Midlands Ambulance Service University NHS Foundation Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2020 are in receivables from customers, as disclosed in 'Trade and Other Receivables' (Note 25).

Liquidity risk

The West Midlands Ambulance Service University NHS Foundation Trust's operating costs are incurred under contracts with Clinical Commissioning Groups, which are financed from resources voted annually by Parliament . The Trust funds its capital expenditure from funds generated from operations, which is acknowledged by the Commissioners. The Trust is not, therefore, exposed to significant liquidity risks.

Note 41.2 Carrying values of financial assets

Carrying values of financial assets as at 31 March 2020	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	11,066	-	-	**11,066**
Other investments / financial assets	-	-	-	**-**
Cash and cash equivalents	45,309	-	-	**45,309**
Total at 31 March 2020	**56,375**	**-**	**-**	**56,375**

Carrying values of financial assets as at 31 March 2019	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	10,008	-	-	**10,008**
Other investments / financial assets	-	-	-	**-**
Cash and cash equivalents	48,131	-	-	**48,131**
Total at 31 March 2019	**58,139**	**-**	**-**	**58,139**

Note 41.3 Carrying values of financial liabilities

Carrying values of financial liabilities as at 31 March 2020	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	-	-	**-**
Obligations under finance leases	-	-	**-**
Obligations under PFI, LIFT and other service concession contracts	-	-	**-**
Other borrowings	-	-	**-**
Trade and other payables excluding non financial liabilities	42,943	-	**42,943**
Other financial liabilities	-	-	**-**
Provisions under contract	-	-	**-**
Total at 31 March 2020	**42,943**	**-**	**42,943**

Carrying values of financial liabilities as at 31 March 2019	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	-	-	**-**
Obligations under finance leases	-	-	**-**
Obligations under PFI, LIFT and other service concession contracts	-	-	**-**
Other borrowings	-	-	**-**
Trade and other payables excluding non financial liabilities	33,590	-	**33,590**
Other financial liabilities	-	-	**-**
Provisions under contract	-	-	**-**
Total at 31 March 2019	**33,590**	**-**	**33,590**

Note 41.4 Maturity of financial liabilities

	31 March 2020 £000	31 March 2019 £000
In one year or less	42,943	33,590
In more than one year but not more than two years	-	-
In more than two years but not more than five years	-	-
In more than five years	-	-
Total	**42,943**	**33,590**

Note 41.5 Fair values of financial assets and liabilities

Book value (carrying value) is a reasonable approximation of fair value.

Note 42 Losses and special payments

	2019/20		2018/19	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Cash losses	-	-	-	-
Fruitless payments	-	-	-	-
Bad debts and claims abandoned	-	-	-	-
Stores losses and damage to property	149	171	199	193
Total losses	**149**	**171**	**199**	**193**
Special payments				
Compensation under court order or legally binding arbitration award	-	-	-	-
Extra-contractual payments	-	-	-	-
Ex-gratia payments	-	-	-	-
Special severance payments	-	-	-	-
Extra-statutory and extra-regulatory payments	-	-	-	-
Total special payments	**-**	**-**	**-**	**-**
Total losses and special payments	**149**	**171**	**199**	**193**
Compensation payments received		-		-

Note 43 Gifts

There were no gifts over £300k either as a total or individually for 2019/20 or 2018/19.

Note 44 Related Parties

West Midlands Ambulance Service University NHS Foundation Trust is a body corporate authorised under section 35 on the National Health Service Act 2006.

During the period none of the Board members or members of the key management staff or parties related to them has undertaken any material transactions with West Midlands Ambulance Service University NHS Foundation Trust.

All the Board members of West Midlands Ambulance Service University NHS Foundation Trust are trustees of the West Midlands Ambulance Service Charitable Fund.

During the period West Midlands Ambulance Service University NHS Foundation Trust have had a number of transactions with the independent Midland Air Ambulance Charity. These transactions are listed below:

Supply of Staff – £1,219,239

Details of the transactions and balances with other related parties are set out below.

	Receivables		Payables	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
	£000	£000	£000	£000
Department of Health	2	8	0	0
Public Health England	0	0	1	1
NHS England & CCGs	9,264	4,534	275	388
Health Education England	999	8	0	0
NHS Trusts	558	1,105	769	561
Foundation Trusts	676	421	510	95
DHSC Non-departmental Public Body	172	0	0	0
Special Health Authorities	0	86	0	6
Other DH Bodies	0	0	19	99
Local Government	26	17	0	14
Other Whole of Government Bodies	481	587	8,405	4,340
Total	12,178	6,766	9,979	5,504

	Income		Expenditure	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
	£000	£000	£000	£000
Department of Health	84	3,966	3	4
Public Health England	10	7	1	1
NHS England & CCGs	299,054	258,591	64	207
Health Education England	3,123	2,374	0	0
NHS Trusts	1,525	2,454	446	521
Foundation Trusts	2,323	1,784	535	449
DHSC Non-departmental Public Body	356	0	2,068	169
Special Health Authorities	0	215	192	2,310
Other DH Bodies	0	0	0	102
Local Government	65	87	0	102
Other Whole of Government Bodies	3,061	3,175	49,903	35,597
Total	309,601	272,653	53,212	39,462

Note 44 Related Parties

The Department of Health and Social Care is regarded as a related party. During the period West Midlands Ambulance Service University NHS Foundation Trust has had a significant number of material transactions with the department and with other entities for which the Department is regarded as the parent Department. These Entities are listed below:

	Expenditure	Income	Debtor	Creditor
	£000	£000	£000	£000
NHS Birmingham and Solihull CCG	910	0	54,326	20
NHS Cannock Chase CCG	29	0	5,510	0
NHS Coventry and Rugby CCG	250	0	19,369	0
NHS Dudley CCG	180	0	13,920	0
NHS East Staffordshire CCG	80	0	4,490	0
NHS Eastern Cheshire CCG	5	0	1,174	0
NHS Herefordshire CCG	0	16	9,433	0
NHS North Staffordshire CCG	0	57	7,581	0
NHS Redditch and Bromsgrove CCG	202	0	9,910	0
NHS Sandwell and West Birmingham CCG	718	44	36,982	44
NHS Shropshire CCG	0	28	15,035	0
NHS South Cheshire CCG	162	0	1,465	0
NHS South East Staffs and Seisdon Peninsula CCG	0	6	9,171	0
NHS South Warwickshire CCG	230	0	11,653	0
NHS South Worcestershire CCG	394	0	16,196	0
NHS Stafford and Surrounds CCG	14	0	6,926	0
NHS Stoke on Trent CCG	0	113	12,228	0
NHS Telford and Wrekin CCG	77	0	8,212	0
NHS Vale Royal CCG	47	0	868	0
NHS Walsall CCG	176	0	13,093	0
NHS Warrington CCG	94	0	1,421	0
NHS Warwickshire North CCG	316	0	9,710	0
NHS West Cheshire CCG	0	11	1,850	0
NHS Wirral CCG	102	0	2,476	0
NHS Wolverhampton CCG	137	0	12,540	0
NHS Wyre Forest CCG	195	0	5,879	0
NHS England	4,835	0	7,325	0

	Expenditure	Income	Receivables	Payables
	£000	£000	£000	£000
Dudley And Walsall Mental Health Partnership NHS Trust	0	0	0	102
East Cheshire NHS Trust	0	0	90	0
North Staffordshire Combined Healthcare NHS Trust	0	0	81	0
North West Ambulance Service NHS Trust	0	592	1	10
The Royal Wolverhampton NHS Trust	13	74	104	154
University Hospitals Coventry And Warwickshire NHS Trust	76	0	8	55
University Hospitals of North Midlands NHS Trust	15	19	10	59
Walsall Healthcare NHS Trust	419	20	1,202	20

	Expenditure	Income	Receivables	Payables
	£000	£000	£000	£000
Birmingham and Solihull Mental Health NHS Foundation Trust	0	0	120	54
Black Country Partnership NHS Foundation Trust	394	10	414	126
Harrogate and District NHS Foundation Trust	0	21	0	63
Midlands Partnership NHS Foundation Trust	0	0	561	0
Salford Royal NHS Foundation Trust	0	0	0	59
South East Coast Ambulance Service NHS Foundation Trust	12	332	0	1
South Warwickshire NHS Foundation Trust	155	0	830	0
University Hospitals Birmingham NHS Foundation Trust	50	80	296	181

In addition, the Trust has had a number of material transactions with other government departments and other central and local government bodies. Most of these transactions have been with HM Revenue and Customs with regard to income tax, national insurance and VAT, the Department of Works and Pensions with regard to the injury allowance scheme and the NHS Pensions Agency with regard to both employee and employer pension contributions.

Note 45 Transfers by absorption

There were no transfers by absorption in the year by the Trust for 2019/20 (nil, 2018/19)

Note 46 Prior period adjustments

There were no prior period adjustments in the year by the Trust for 2019/20 (nil, 2018/19)

Note 47 Events after the reporting date

There were no events of note after the current reporting period ends.

Independent auditor's report to the Council of Governors of West Midlands Ambulance Service University NHS Foundation Trust

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

1. Our opinion is unmodified

We have audited the financial statements of West Midlands Ambulance Service University NHS Foundation Trust ("the Trust") for the year ended 31 March 2020 which comprises the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and the related notes, including the accounting policies in note 1.

In our opinion:

- the financial statements give a true and fair view of the state of the Trust's affairs as at 31 March 2020 and of its income and expenditure for the year then ended; and
- the Trust's financial statements have been properly prepared in accordance with the Accounts Direction issued under paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006, the NHS Foundation Trust Annual Reporting Manual 2019/20 and the Department of Health and Social Care Group Accounting Manual 2019/20.

Basis for opinion

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

Overview		
Materiality: financial statements as a whole	£4.5m (2019: £4.2m)	
	1.55% (2019: 1.54%) of total forecast revenue	
Risks of material misstatement		**vs 2019**
Recurring risks	NHS Income from patient care activities	◄►
	Valuation of Land and Buildings	▲
	Fraudulent Expenditure Recognition	◄►

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below, the key audit matters (unchanged from 2019), in decreasing order of audit significance, in arriving at our audit opinion above together with our key audit procedures to address those matters and our findings from those procedures in order that the Trust's Council of Governors may better understand the process by which we arrived at our audit opinion. These matters were addressed, and our findings are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The risk	Our response
NHS Income from patient care activities (£309 million; 2019: £263 million) *Refer to page F7 (accounting policy) and page F21 (financial disclosures)*	**Effect of irregularities** The Trust participates in the NHS Agreement of Balances exercises performed at months 6, 9 and 12 to confirm amounts received and owed from counterparties within the NHS group accounting boundary. Mismatches in income and expenditure, and receivables and payables are recognised by the Trust and its counterparties to be resolved. Where mismatches cannot be resolved they can be reclassified as formal disputes. Professional auditing standards require us to make a rebuttable presumption that the risk of fraud in revenue recognition is a significant risk. We recognise that there are incentives in the NHS to manipulate revenue to meet financial targets set by the regulator and consequently we have not rebutted the presumption that fraud risk relating to the recognition of income from patient care activities is a significant risk.	Our procedures included: **Tests of detail:** — We assessed the outcome for the Trust of the Agreement of Balances Exercise. Where there were any mismatches greater than £300,000, we identified the reasons and challenged management's assessment of the level of income the Trust was entitled to recognise; — We assessed whether the Trust had issued invoice amounts in line with the contracts signed by NHS Commissioners; — We agreed any material variations to commissioner contracts and signed documents; and — We tested a sample of income transactions around the year end to determine whether income had been recognised in the correct year. **Our findings:** We found the resulting treatment of income from patient care activities to be balanced.

	The risk	Our response
Valuation of Land and Buildings (£28.3 million; 2019: £21.6 million) *Refer to page F9 (accounting policy) and pages F33 – F36 (financial disclosures)*	**Subjective valuation** Land and buildings are required to be maintained at up to date estimates of year-end market value in existing use (EUV) for non-specialised property assets in operational use, and, for specialised assets where no market value is readily ascertainable, the depreciated replacement cost (DRC) of a modern equivalent asset that has the same service potential as the existing property (MEA). The Trust's accounting policy requires an annual indexation with a full professional revaluation every five years. The valuation is undertaken by an independent external expert engaged by the Trust, using construction indices and so accurate records of the current estate are required. Valuations are inherently judgmental. There is a risk that the methodology, assumptions and underlying data, are not appropriate or correctly applied. The Trust commissioned a full valuation at 30 December 2019 and used this to inform the accounting entries at 31 March 2020. The effect of these matters is that, as part of our risk assessment, we determined that the valuation of land and buildings has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole. **Disclosure quality** There is a subsidiary risk that the Trust has not appropriately disclosed the valuation uncertainties associated with the impact of the Covid-19 pandemic on assets whose values are driven by market conditions.	Our procedures included: — **Assessing valuer's credentials**: We assessed the competence, capability, objectivity and independence of the Trust's external valuer. — **Test of detail:** We critically assessed the Trust's formal consideration of indications of impairment and surplus assets within its estate, including the process undertaken. — **Test of detail:** We tested the accuracy of the estate base data provided to the valuer to complete the full valuation to ensure it accurately reflected the Trust's estate. — **Methodology choice:** We critically assessed through our valuation specialists the assumptions used in preparing the full revaluation of the Trust's land and buildings to ensure they were appropriate. — **Comparing valuations:** We considered the impact of rolling forward the valuation for the three month period to 31 March 2020 and discussed with management and the valuer the potential impact of Covid-19 on the valuation of the Trust's asset types. — **Methodology implementation and re-performance**: we compared the asset value movements from the valuer's report to the entries in the fixed asset register This included a re-performance of the entries to confirm that any material movements in the value of land and building assets had been accounted for correctly. — **Assessing transparency:** we considered the adequacy of disclosures made around the uncertainty caused by the Covid-19 pandemic on market data used to underpin the valuer's assumptions, and whether the disclosures made were in line with the requirements of the DHSC Group Accounting Manual 2019/20 supplemented by additional guidance issued by NHS Improvement in April 2020. **Our findings**: We found the resulting valuation to be balanced for buildings held at depreciated replacement cost and mildly cautious for both buildings held at existing use value and land. We found the disclosures of valuation uncertainties associated with the impact of the Covid-19 pandemic to be proportionate.

	The risk	Our response
Fraudulent Expenditure Recognition (£320 million; 2019: £271 million) *Refer to page F8 (accounting policy) and page F24 (financial disclosures)*	**Effect of irregularities** As most public bodies are net spending bodies, then the risk of material misstatement due to fraud related to expenditure recognition may in some cases be greater than the risk of material misstatements due to fraud related to revenue recognition. We had regard to this when planning and performing our audit procedures. This risk does not apply to all expenditure in the period. The incentives for accrued expenditure recognition relate to achieving financial targets and the key risks relate to the manipulation of creditors and accrued non-pay expenditure at year-end, as well as the completeness of the recognition of provisions or the inappropriate release of existing provisions.	Our procedures included: **Control design and operation:** — We considered the design of controls over procurement including the appropriateness of segregation of duties. — We tested the design, implementation and operating effectiveness of the three way match process. **Analytic sampling:** — We tested staff and executive director costs through data and analytical routines. **Tests of detail:** — We inspected a sample of items of expenditure in the March and April 2020 bank statements and cashbooks to agree to supporting documentation to confirm these had been accounted for in the correct period. — We have performed a year-on-year comparison of accruals to assess the completeness and accuracy of the balance and vouched a sample of operating expenses to supporting documentation. **Our findings:** We found the resulting recording of expenditure to be balanced.

3. Our application of materiality

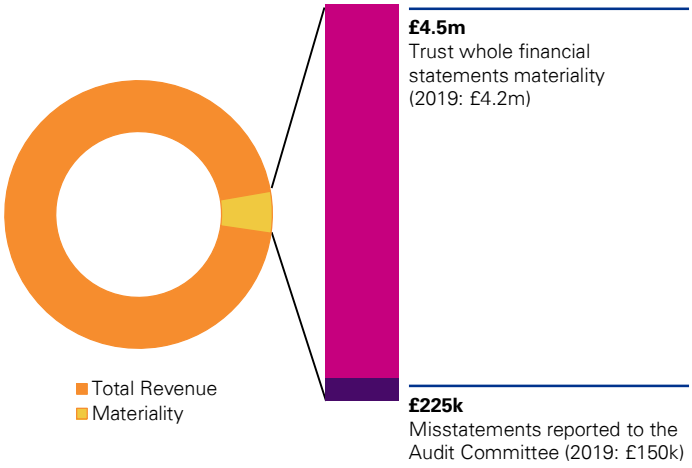
Materiality tor the Trust's financial statements as a whole was set at £4.5 million (2019 : £4.2 million), determined with reference to a benchmark of total revenue (of which it represents approximately 1.55% (2019: 1.54%)). We consider operating income to be more stable than a surplus or deficit-related benchmark.

We agreed to report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £225,000 (2019: £150,000), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Our audit of the Trust was undertaken to the materiality level specified above.

Total Revenue
£323m (2019: £276m)

Materiality
£4.5m (2019: £4.2m)



4. We have nothing to report on going concern

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

Our responsibility is to conclude on the appropriateness of the Accounting Officer's conclusions and, had there been a material uncertainty related to going concern, to make reference to that in this audit report. However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Trust will continue in operation.

In our evaluation of the Accounting Officer's conclusions, we considered the inherent risks to the Trust's business model, including the impact of Brexit, and analysed how those risks might affect the Trust's financial resources or ability to continue operations over the going concern period. We evaluated those risks and concluded that they were not significant enough to require us to perform additional audit procedures.

Based on this work, we are required to report to you if we have anything material to add or draw attention to in relation to the Accounting Officer's statement in Note 1.1.2 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Trust's use of that basis for a period of at least twelve months from the date of approval of the financial statements.

We have nothing to report in these respects, and we did not identify going concern as a key audit matter.

5. We have nothing to report on the other information in the Annual Report

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

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

In our opinion the other information included in the Annual Report for the financial year is consistent with the financial statements.

Remuneration report

In our opinion the part of the remuneration report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2019/20.

Corporate governance disclosures

We are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our financial statements audit and the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for stakeholders to assess the Trust's position and performance, business model and strategy; or
- the section of the annual report describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee; or
- the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2019/20, is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements.

We have nothing to report in these respects.

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6. Respective responsibilities

Accounting Officer's responsibilities

As explained more fully in the statement set out on page A105, the Accounting Officer is responsible for the preparation of financial statements that give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity.

Auditor's responsibilities

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

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

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

We have nothing to report on the statutory reporting matters

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

— any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006.

— any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit.

We have nothing to report in these respects.

We have nothing to report in respect of our work on the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

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

We have nothing to report in this respect.

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

The Trust is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of resources.

Under Section 62(1) and Schedule 10 paragraph 1(d), of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in the use of resources.

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

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the specified criterion issued by the Comptroller and Auditor General (C&AG) in November 2017, as to whether the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We planned our work in accordance with the Code of Audit Practice and related guidance. Based on our risk assessment, we undertook such work as we considered necessary.

Report on our review of the adequacy of arrangements for securing economy, efficiency and effectiveness in the use of resources.

We are required by guidance issued by the C&AG under Paragraph 9 of Schedule 6 to the Local Audit and Accountability Act 2014 to report on how our work addressed any identified significant risks to our conclusion on the adequacy of the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources. The 'risk' in this case is the risk that we could come to an incorrect conclusion in respect of the Trust's arrangements, rather than the risk of the arrangements themselves being inadequate.

We carry out a risk assessment to determine the nature and extent of further work that may be required. Our risk assessment includes consideration of the significance of business and operational risks facing the Trust, insofar as they relate to 'proper arrangements'. This includes sector and organisation level risks and draws on relevant cost and performance information as appropriate, as well as the results of reviews by inspectorates, review agencies and other relevant bodies.

The significant risks identified during our risk assessment are set out overleaf together with the findings from the work we carried out on each area.

	The risk	Our response
Financial Sustainability	Whilst the Trust continues to perform strongly compared to many other trusts, the achievement of financial balance, whilst maintaining the quality of healthcare provision remains a key objective.	Our procedures included: **Underlying Surplus / Deficit:** We reviewed the Trust's underlying position and reported performance compared to the initial planned surplus. **Cost Improvement Plans:** We reviewed the Trust's CIP schemes and the split between recurrent and non recurrent achievement. **Impact of COVID-19:** We considered the Trust's financial and governance arrangements in place in response to the COVID-19 outbreak and reviewed the Trust's April to July 2020 planned block contracted income in light of the requirement for NHS Commissioners and NHS Trusts not to sign contracts for 2020/21. **Our findings:** We concluded that the Trust had adequate arrangements in place for planning finances effectively to support the sustainable delivery of its strategic priorities and maintaining its statutory functions.
Working with partners and other third parties – NHS 111 contract	We assess arrangements with partners and third parties to be a key risk to our value for money conclusion. During 2019 the Trust took over the running of NHS 111 service in the majority of the West Midlands. Going forward, the current 111 and 999 services will be integrated into one single service and this will lead to further developments in integration with local services for the benefit of patients. Due to the operational complexity and financial value of the contract, the Trust must ensure adequate monitoring of this contract, against the activity levels and forecasted performance.	Our procedures included: **Review of the Trust's arrangements in place for taking on the NHS 111 contract:** We reviewed the Trust's arrangements for taking on the NHS 111 contract as well as the arrangements for monitoring the services provided and delivering the contractual reporting and information requirements. **Our findings:** We concluded that the Trust had adequate arrangements in place for working with third parties effectively to deliver its strategic priorities.

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

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006 and the terms of our engagement by the Trust. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report, and the further matters we are required to state to them in accordance with the terms agreed with the Trust, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust, as a body, for our audit work, for this report, or for the opinions we have formed.

CERTIFICATE OF COMPLETION OF THE AUDIT

We certify that we have completed the audit of the accounts of West Midlands Ambulance Service University NHS Foundation Trust for the year ended 31 March 2020 in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office.

Andrew Bostock
for and on behalf of KPMG LLP

Chartered Accountants
One Snowhill, Snow Hill Queensway, Birmingham, B4 6GH
15 June 2020

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