NHS
South Western
Ambulance Service
NHS Foundation Trust

Annual Report and Accounts
1 April 2020 – 31 March 2021

South Western Ambulance Service NHS Foundation Trust

Annual Report and Accounts

1 April 2020 – 31 March 2021

Presented to Parliament pursuant to Schedule 7, Paragraph 25 (4) (a) of the National Health Service Act 2006

Contents

A welcome message from our Chief Executive and Chairman

Performance Report

Overview of performance

About us

Activities and achievements Risks and uncertainties

Statement from the Chief Executive Going concern disclosure

Performance analysis Performance against contract Environmental matters

Social, community and human rights issues Important events since year-end

Overseas operations

Accountability Report

Directors' report Remuneration report Staff report

Council of Governors

The disclosures set out in the NHS Foundation Trust Code of Governance NHS Improvement's Single Oversight Framework

Statement of Accounting Officer's Responsibilities Annual Governance Statement

Independent Auditor's Report

Foreword to accounts

Four primary financial statements Notes to the accounts

A welcome message from our Chief Executive and Chairman

As the 2020/21 financial year ends, we sit here together virtually today writing the introduction of the annual report for the first time. It has been ten months since Will joined us as our new Chief Executive, and what an incredible period for us to reflect upon.

We are extremely proud of our incredible colleagues and volunteers in the Trust and the way in which they have handled what has been, the most unprecedented and challenging year in our lifetimes and probably the history of the NHS.

The courage, bravery and selflessness they showed in how they responded from the front to the Covid Pandemic was amazing and we wanted to start by saying a huge thank you to each and every one of them.

The wellbeing of our people continues to be one of our key priorities. Never has it been more important, so that we provide all the support that they need, to create the environment to be able to continue to provide the best patient care possible in these extremely challenging times.

Care is our business and we know that through the high numbers of plaudits we receive that patients and their families receive high quality compassionate care. We have led a number of quality improvement projects during the year including the pilot of a mental health nurse within the clinical hub, a support desk to release ambulance crews from scene and validation for newly qualified paramedics.

Digital innovation in clinical care has continued to be a focus with support for the roll out of the new electronic patient care records solution and the piloting of video consultation for remote triage.

The Trust continues to be one of the best in the UK for non-conveyance of patients and admissions avoidance which supports great patient care, delivery of response times and local integrated urgent and emergency care systems. This is achieved through responsive and innovative clinical care in an environment where our clinicians are supported to develop enhanced and extended skills and where there is a culture of support for their decision making.

The NHS has always been a service made up of people who care for others and we believe the pandemic has, in many ways, really brought out the best in all of us and our wider community.

Despite the amazing and dedicated efforts of our people in the ambulance service, we continue to see an unacceptable level of violence and aggression to our colleagues. We want to make a clear statement here in the annual report. This is absolutely unacceptable.

Our external media campaign #Unacceptable highlights the shocking incidents such as harassment and assault which crews and other emergency service staff are subject to and we will do everything in our powers to eradicate this.

The financial year 2020/21 operated under a revised financial regime for the NHS that included additional funding to enable the Trust to respond to the pandemic. This additional funding enabled the Trust to significantly increase its operating expenditure as part of the Trust surge response. We were also able to invest significantly in its infrastructure with capital investment of £28m in additional assets in this year.

We are delighted to confirm that NHS Charities Together has allocated the South Western Ambulance Charity over £560,000 to bolster an army of SWASFT Community First Responder volunteers and facilitate additional community projects across the South West.

The grant has been made possible from public donations during the pandemic including the incredible efforts of Captain Sir Tom Moore and will fund a number of exciting and valuable projects with our amazing volunteer network. With this additional funding we are able to go the extra mile for our exceptional staff, volunteer heroes and communities, delivering tangible benefit across the South West of England. The projects funded allow us to focus on early intervention and prevention meaning we will save many more lives as a result.

Whilst the annual report is a look back at the year that has passed, the Trust has a renewed focus on ensuring we look to the future so we are ready to act and respond to it. We need more than just robust plans in place; we need to look at what we have learned from the past couple of years, and make and embed changes that will see us strengthen and grow in an ever changing and challenging future landscape.

Please continue to look after yourselves and each other.

Tony Fox
Chairman

Will Warrender CBE
Chief Executive

Performance Report

The purpose of the performance report is to provide information on the entity, its main objectives and strategies and the principal risks that it faces.

Overview of Performance

South Western Ambulance Service NHS Foundation Trust (SWASFT) provides a range of emergency and urgent care services to the people of South West of England. We work in a way that upholds the values and pledges of the NHS Constitution and are proud to embrace innovation and actively promote best practice.

SWASFT was the first ambulance service to be authorised as an NHS Foundation Trust on 1 March 2011. Since acquiring our former neighbouring trust Great Western Ambulance Service (GWAS) in February 2013, our operating area now covers a fifth of England.

Our geographical area encompasses Cornwall and the Isles of Scilly, Devon, Dorset, Somerset, Wiltshire, Gloucestershire, Bristol, Bath, North and North East Somerset and South Gloucestershire.

We deliver the Accident and Emergency (A&E) 999 ambulance service across the South West and also provide the following:

- Hazardous Area Response Team (HART)
- NHS 111 services in Dorset (until 1 May 2020)
- Tiverton Urgent Care Centre
- Patient Transport Services (PTS) for the Isles of Scilly.

We operate from more than 100 sites, including 96 ambulance stations, six air bases and two emergency clinical hubs.

Our mission statement is:

To respond quickly and safely to patients' emergency and urgent care needs, at every stage of life, to reduce anxiety, pain and suffering.

Our vision is:

Exceptional patient care delivered by exceptional people.

Our values are:

The Trust's core values are aligned to the NHS Constitution and are:

Our strategic goals are:

Every Patient Matters
Delivering compassionate, clinically effective care across all Trust services that is safe, responsive and provides confidence and reassurance to patients and their families.

Every Team Member Matters
Delivering strong, inclusive and caring leadership to a team made up of the right people, with the right skills, values and behaviours.

Every Pound Matters
Delivering robust financial discipline, including reduced variation and increased productivity and efficiency, to ensure 'healthy' finances.

Our Board of Directors comprises;

- a Non-Executive Chairman
- a Chief Executive
- non-executive directors, and
- executive directors.

As an NHS Foundation Trust, we have a Council of Governors and a membership base drawn from the general public and our staff. Governors are either elected by public and staff members or appointed by partnership organisations. More details about the Board of Directors, Council of Governors and our members can be found in the staff report on page 49 of this document.

Further information can be found in our 'staff report' section on page 49.

Equality of Service

The Trust is a Stonewall Diversity Champion and a Disability Confident Leader and has also reported its Gender Pay Gap for 2019/20.

As we have been unable to meet with patients to speak to them directly about their needs an online Healthwatch and CCG Open Day was held to update our stakeholders on our priorities and challenges. We also reached out to charities and organisations such as Living Options to understand how we could overcome obstacles in directly engaging with patients.

The Patient Engagement team continued to support spreading Cardio Pulmonary Resuscitation (CPR) and automated external defibrillation (AED) awareness aligned to Saving Lives Together through their activities. This year we undertook a new approach and utilised Facebook, Instagram and Twitter to take part in Restart a Heart activities on 16 October. Six Facebook Live events took place which generated over 23,900 views, as well as over 2,500 for our Instagram video demonstrating CPR and how you can make your own mannequin. We also produced a video with British Sign Language demonstrating CPR and when someone should call 999 for help in the event of witnessing a cardiac arrest.

Due to COVID we have not been out and met with patient groups promoting the service, how to engage with us or recruitment but this will resume in line with national guidance.

Going concern disclosure

In the preparation of the year end accounts the Board of Directors is required to undertake an assessment confirming the Trust will continue as a going concern (i.e. that it will continue in the business of healthcare provision for the foreseeable future).

The Trust has prepared its financial plans and cash flow forecasts for the coming year on the assumption that funding will be received from the Department of Health and Social Care consistent with the revised funding arrangements in response to the COVID-19 pandemic. Discussions to date indicate this funding will be forthcoming. These funds are expected to be sufficient to enable the Trust to meet its obligations as they fall due; and will be accessed through the nationally agreed process published by NHS Improvement and the Department of Health and Social Care.

The NHS Improvement Foundation Trust Annual Reporting Manual 2019/20 states that financial statements should be prepared on a going concern basis unless management either intends to apply to the Secretary of State for the dissolution of the NHS foundation trust without the transfer of the services to another entity, or has no realistic alternative but to do so.

There has been no application to the Secretary of State for the dissolution of the Trust and following the preparation of detailed financial plans for 2020/21, no such application is planned.
The Board of Directors has therefore concluded that there is a reasonable expectation that the Trust will have access to adequate resources to continue in operational existence for the next 12 months.

On 2 April 2020, the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement announced reforms to the NHS cash regime for the 2020/21 financial year.

The Board of Directors has therefore concluded that these financial statements should be prepared on a going concern basis as there is a reasonable expectation that the Trust will have adequate resources to continue in operational existence for the next 12 months.

Performance Analysis

Performance against contract

During 2020/21, the Trust received a total of 927,881 emergency and urgent incidents. This was a decrease of 3.65% when compared with 963,030 emergency and urgent incidents across the same period and geographical area during the 2019/20 financial year and 0.24% below the contract volume for 2019/20.

Background

For 2020/21, the Trust had a single contract to deliver emergency 999 services for the South West. The single contract was commissioned by 7 clinical commissioning groups (CCGs) through a co-ordinating commissioning arrangement.

As part of the NHS response to COVID-19 a revised financial regime was implemented, this provided an alternative basis for the contract through 2020/21. The financial regime was in two parts, with an initial black arrangement and ‘True-up’ funding process through to the end of September 2020. For the second half of the financial year, the Trust has received a fixed amount of funding for normal Trust activities and additional COVID costs, based on costs incurred in the first half of the year. As a result of these alternative arrangements for 2020/21 the contract activity volumes for the current year reflect the contract volumes agreed for 2019/20 (930,104 incidents).

In addition the Trust had contracts to provide a range of services throughout the South West:

- The Trust delivered the services at the Tiverton Urgent Care Centre on behalf of Devon CCG;
- As part of the A&E Contract the Trust delivered an Integrated Transport Services for the Isles of Scilly.
- The Trust provided the telephone triage elements of the Dorset Integrated Urgent Care Service model with Dorset University Healthcare NHS Foundation Trust acting as lead providers. This service TUPE'd on 1 May 2020 to Dorset University Healthcare NHS Foundation Trust.

Each contract is subject to governance arrangements including regular contract meetings with the commissioner of the service to monitor clinical quality, patient safety and performance.

Activity Levels and Contract Values

Service Currency/	Contracted 2020/21	Actual 2020/21	Contracted 2021/22
Emergency (999) Incidents	930,104 (As a result of the financial regime for 2020/21 the contract activity volumes reflect the contract volumes agreed for 2019/20)	927,881	As part of the NHS response to COVID-19 a revised financial regime has been implemented, this provides an alternative basis for the contract, initially proposed for the first 6 months of 2021/22. The contract negotiations will be reinstated for 2021/22 once this revised regime is completed.
Dorset Integrated Urgent Care Service – NHS 111 Calls	n/a	27,323	This service TUPE'd on 1 May 2020 to Dorset University Healthcare NHS Foundation Trust.

A&E Activity

Historically, ambulance services have experienced year-on-year growth in demand for their services. In 2019/20 the Trust reported a year-on-year activity increase of 3.48%. 2020/21 was a very different year in terms of variances in activity volumes, with the impact of the COVID-19 pandemic resulting in differences in the activity volumes and the profile of the ambulance activity across the year. Compared to 2019/20 the overall ambulance incident numbers were 3.65% lower for the 12 month period. Despite the 3.65% overall reduction, there were periods during the year activity was significantly above those seen in 2019/20.

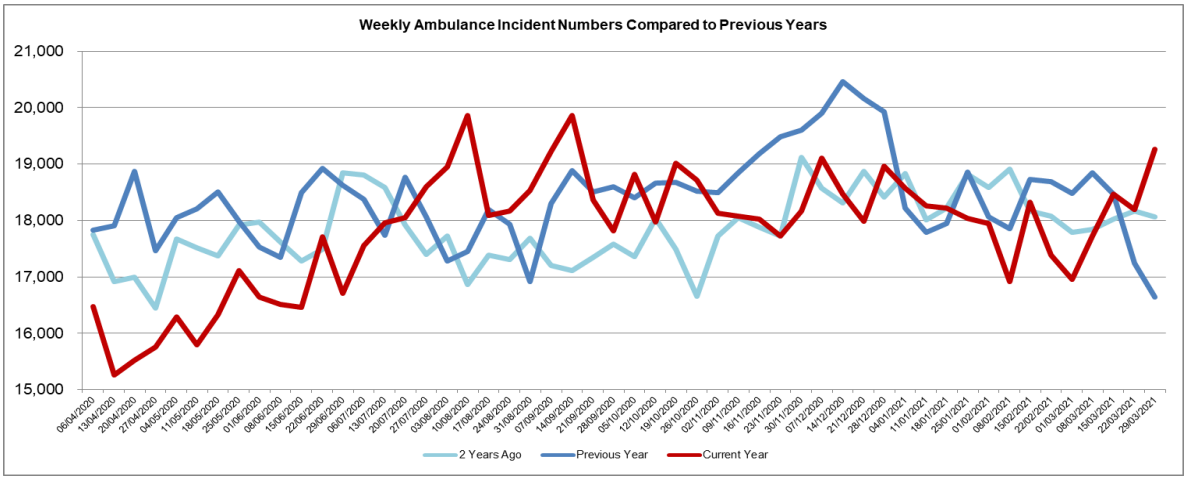
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
A&E Incident Numbers	911,378	899,129	921,386	930,622	963,030	927,881
Year-on-Year	+5.06%	-1.34%	+2.48%	+1.00%	+3.48%	-3.65%

The graph below shows the weekly incident volumes received by the Trust in comparison to the volumes seen in the previous two years. Incident levels during Quarter 1 were significantly lower than those seen in the previous years, with the impact of the first National Lockdown impacting on the movement of the public across the region and reducing the number of visitors to the South West area. For the period 1 April to 30 June 2021 incidents numbers were 9.7% lower than those seen in the same period in 2019/20, with reductions attributed to:

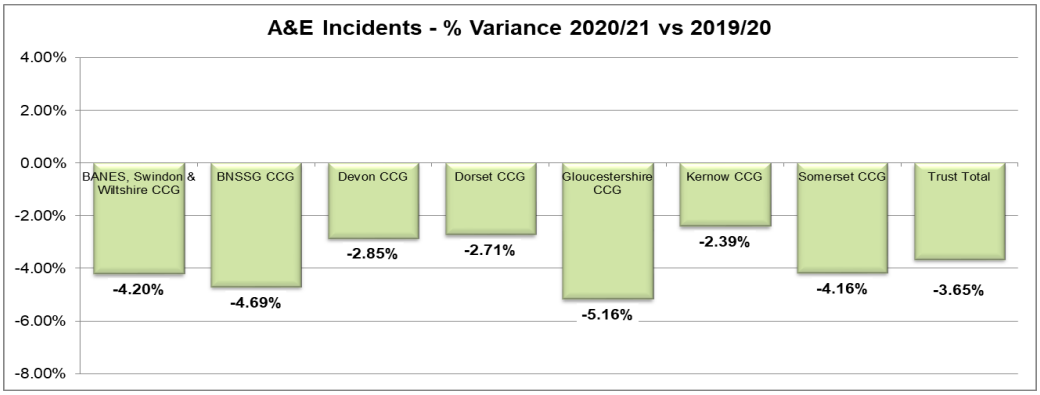
- Reduction in incident numbers received from Healthcare Professionals (HCPs) – these would normally be incidents originating from GPs and other HCPs undertaking home visits to patients and referring them into hospitals. Changes in utilisation of HCPs and reductions in a number of regular practices therefore reduced this workflow to the ambulance service;
- General reductions in all incident types which coincided with the introduction of social distancing and isolation measures nationally. For example a reduction in the volume of traffic on the roads has led to a reduction in the number of road traffic collisions.

As the country emerged from the Lockdown restrictions the increased public movement led to additional activity. With good weather throughout the Summer months leading to increased visitors to the South West the activity during Quarter 2 (1 July to 30 September 2021) was 2.2% higher than the previous year.

With further Lockdown restrictions implemented across the country during the winter months, the activity in the second half of the year was 3.7% lower than the previous year. Increases in activity were seen towards the end of March 2021 as the Lockdown restriction measures were eased. The Trust is therefore anticipating further activity increases as we lead into 2021/22.



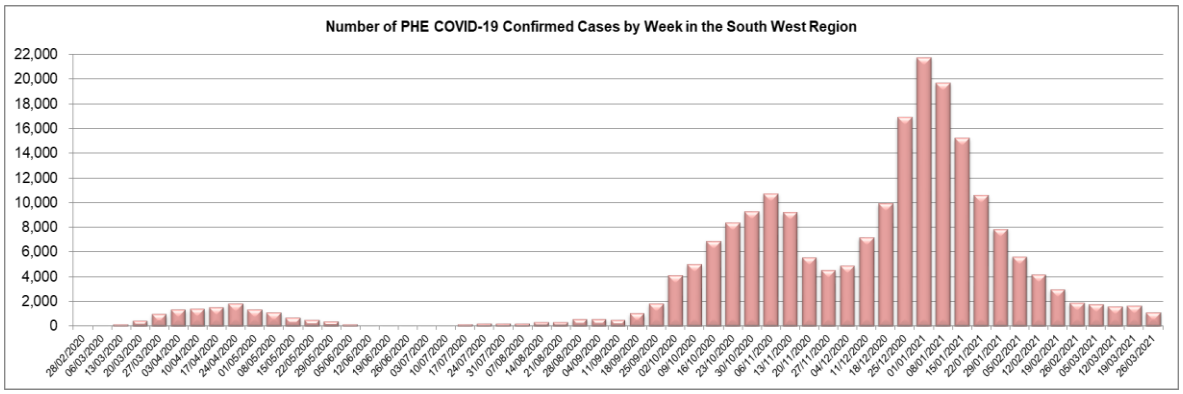
Year on year activity reductions were seen in all seven CCG areas, with the greatest reductions in the Gloucestershire CCG area (-5.16%) with Kernow CCG reporting the lowest reduction (-2.39%).



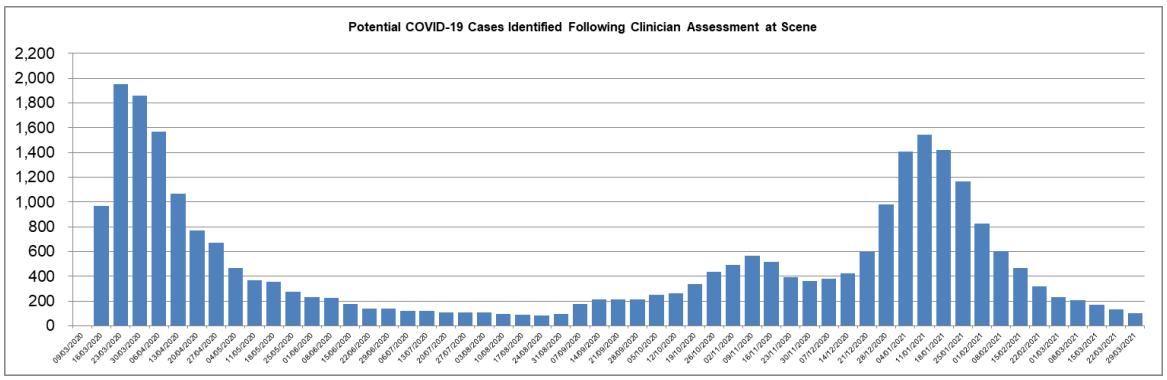
COVID-19

The initial impact of additional activity relating to the COVID-19 outbreak was seen during Quarter 4 of 2019/20 with activity increases at the end of February 2020 leading into March 2020.

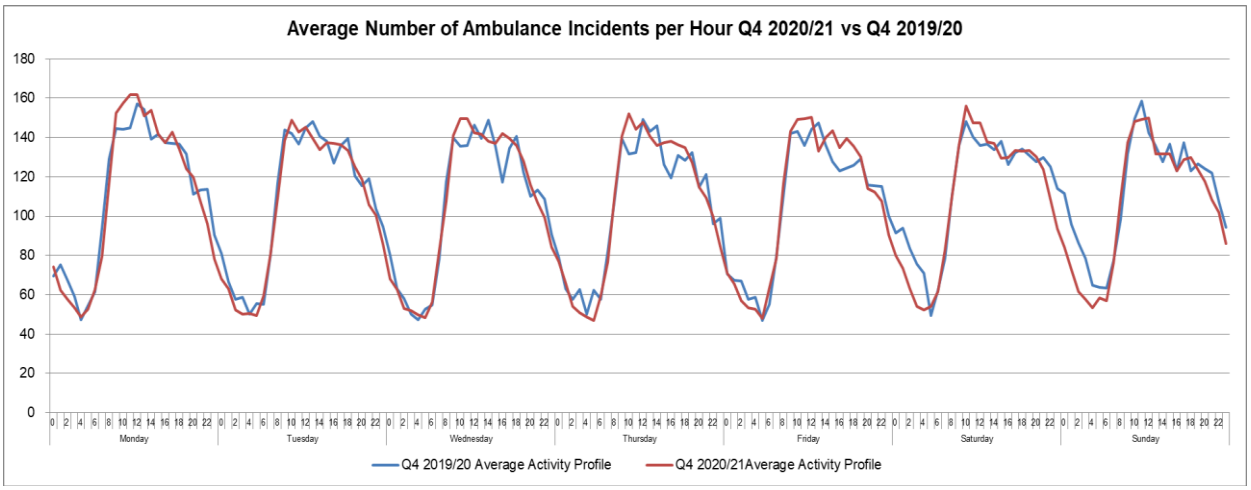
The graph below shows the weekly new case numbers across the South West since the pandemic commenced last year. During January the weekly number of new cases peaked with over 21,000 new cases reported for the week commencing 1 January 2021. Week on week reductions were seen through February and March following the implementation of further National Lockdown restrictions and the success of the national vaccination programme. For the week commencing 26 March the South West reported 1,169 new cases.



The number of potential COVID-19 incidents that the Trust responded to on scene has reflected the peaks in the case rates seen across the pandemic, with higher case numbers in the early part of the year with a higher number of potential cases being reported. As the national testing programmes improved the case numbers seen by the Trust resources closer reflected the South West case numbers, rising in December and January and then reducing during March 2021.



Whilst overall activity volumes at times were lower than those seen in previous years, the restrictions implemented as part of the national Lockdown measures did result in shifts in the activity profile throughout the hour of day and days of the week throughout 2020/21. For example, with the closure of the hospitality industry throughout Quarter 4 of 2020/21 the ambulance activity during both Friday night and Saturday night was much lower than historically seen. However the peak daytime demand was higher than those seen in the same period in the previous year. The net effect of this being higher peaks in demand for the Trust increasing pressure on the Trust resources at the busiest time of the day.



There are also additional implications on job cycle times and resource availability resulting from suspected and confirmed COVID-19 cases including, but not exclusively:

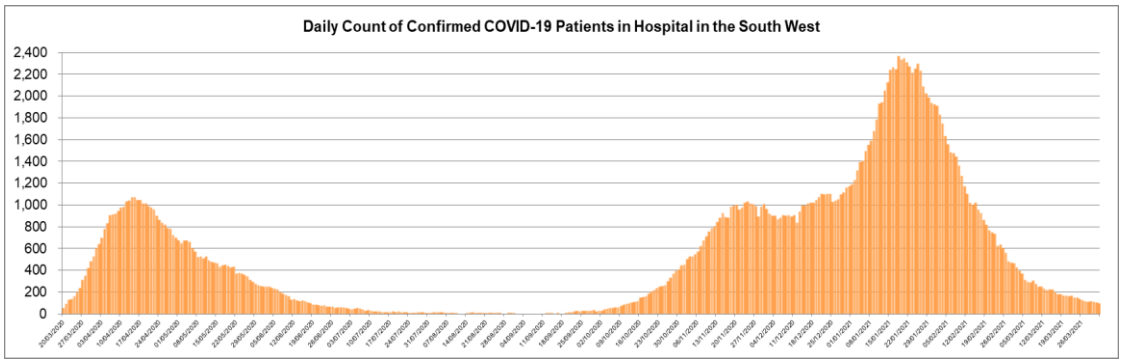
- Additional Personal Protection Equipment required to be worn by crews attending such incidents;
- Increased conveyance times for confirmed cases with patients being required to be transported to specialist treatment centres across the country;
- Additional vehicle cleaning times where COVID-19 cases have been conveyed and require deep cleaning before returning to operational availability.

- In response to the potential impact of the COVID-19 pandemic the Trust declared a Critical Incident on 16 March 2020. In attempting to manage the potential impact, the Trust developed a COVID-19 Surge Management Plan, the primary objectives of the Surge Management Plan were:
- Protect call answering and provide a safe dispatching function;
- Maximise as far as possible clinical presence and availability within the 999 Clinical Hub;
- Increase 999 front line resourcing levels using capacity from all available sources;
- Support the development of Nightingale hospitals within the South West;
- Protect the SWASFT 5 (the 5 key areas of the Trust identified as the 999 Clinical Hub, Operations, Resource Operations Centre, Fleet and IM&T);
- Protect the command structure dealing directly with the outbreak focusing on command resilience.

The Trust also received a significant number of offers of support from volunteers across the region. These offers to support the Trust further originated from existing Community First Responders, staff and from members of the public.

Additional capacity was also created through the cessation of all non-essential non-patient facing activities including patient engagement activities and cancellation of all non-essential meetings. Wherever possible staff were encouraged to work from home and where that was not possible, to ensure adherence to the social distancing requirements set out by the Government.

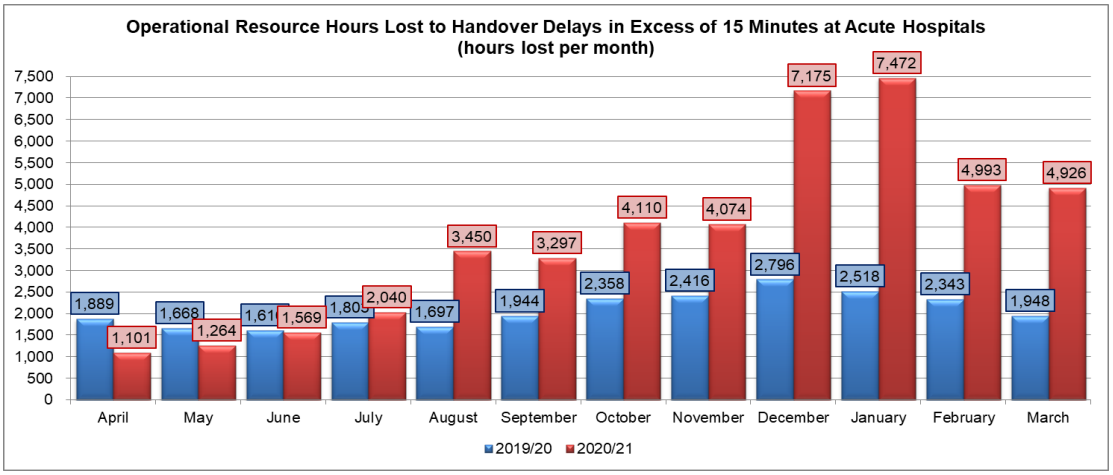
Pressures on the acute hospitals increased during the peak periods of the pandemic during 2020/21. Bed capacity was impacted by the number of COVID patients (including some patients being transferred from other areas of the country) but also their capacity to respond being limited by large proportions of their own staff being unavailable due to sickness/isolation. This had a secondary impact on the ambulance service as it resulted in extended handover times for a larger proportion of ambulance patients. Reductions in the number of COVID-19 patients in hospitals across the South West were reported through February and March, reducing from a peak of around 2,300 patients in the middle of January to 110 patients as at 1 April 2021.



Handover Delays at Acute Hospitals

Another significant factor impacting on performance is handover delays at a hospital's emergency department which creates pressure points in the system directly impacting on the resources available to the Trust at any given point. Capacity challenges at acute hospitals impact on their ability to accept ambulance patients in a timely manner. The Trust works extremely closely with NHS commissioners and colleagues in acute hospitals to help manage the flow of patients into the hospital with the explicit aim of increasing the availability of ambulance resources wherever possible to deliver the best service that it can to patients.

During 2020/21 the Trust has seen an increase in the amount of operational resource time lost as a result of handover delays at acute hospitals in excess of the 15 minute target set for each patient handover. The table below compares the time lost to handover delays in excess of 15 minutes by quarter compared to the previous year, with the significant increases seen during the second half of last year:



To put these delays into perspective, this equates to an average of 193 hours lost per day or the equivalent of 17.6 full ambulance shifts (based on 11 hour shifts) of resource time being absorbed by handover delays across the South West during Quarter 4 of 2020/21. The delays were significantly higher than those seen in Q4 of 2019/20 which equated to an average of 75 hours lost per day.

The impact on specific days and at specific hospitals varies, but during these challenging periods for both the acute hospital and the ambulance service there is significant impact on the level of available resources remaining on the road to respond to new ambulance incidents. As a result there is an impact on the Trust ability to deliver improvements in response times to all categories of incident whilst these levels of delays are still being reported.

The impact on the service can also be focused into key periods within each day when they occur, rather than spread evenly across the working day. The majority of the hours are lost between 13:00 and 00:00 each day. With the timing of these delays coinciding with the peak demand periods (especially on weekdays – Monday to Friday), this will have a significant impact on the Trust available resources when it has the highest demand.

Other Factors Influencing Performance

In addition to the overall activity levels, the Trust's ability to improve response times is affected by many other factors. One of the most important factors is rurality. SWASFT is the most rural ambulance service in England and the geography has a direct impact on performance as any metric is measured across the whole operating area and makes no allowance for factors such as the time and distance to travel to an incident.

From August 2020 the Trust has seen the average number of Category 1 incidents per day increase compared to 2019/20. In March 2021 the Trust reported an average of 236 Category 1 incidents per day, compared to an average of 167 Category 1 incidents per day in March 2020. These increases were in part due to the overall increase in activity volumes across the Trust, but were also impacted by national coding changes re-categorising incidents from Category 2 to Category 1. The Trust also introduced additional guidance to Clinical Hub staff to assist in the triage of patients with ineffective breathing and this has also contributed to the increase in the number of Category 1 incidents.

Source of A&E Incidents

Emergency calls come predominantly from members of the public, healthcare professionals (HCPs) and from the NHS 111 service. When comparing activity levels year-on-year, the incidents originating from the public reduced by 3.42% (representing the largest proportion of all incidents). Incidents originating from Healthcare Professional reduced by 17.81% with significant reductions during the National Lockdown periods being a major factor within this reduction. Incidents originating from NHS 111 services increased by 3.27% with additional call volumes being passed through a number of NHS 111 providers over the past 12 months.

Source of Incident	2017/18	2018/19	2019/20	2020/21	Variance % 2020/21 vs 2019/20
Public Incidents	606,176	608,925	656,193	633,784	-3.42%
NHS 111 Incidents	198,086	205,588	198,804	205,305	+3.27%
HCP Incidents	117,124	116,109	108,033	88,792	-17.81%
Total Incidents	**921,386**	**930,622**	**963,030**	**927,881**	**-3.65%**

Performance against National Targets

Ambulance response time standards, indicators and measures were introduced as part of the Ambulance Response Programme (ARP) and are reported monthly as part of the NHS England Ambulance Quality Indicators. This report includes data on the ARP metrics for the period 1 April 2020 to 31 March 2021.

ARP Response Category	National Standard	Trust Performance 1 April 2020 to 31 March 2021
Category 1 – Mean Response Time	7 minutes	7 minutes 34 seconds
Category 1 – 90th Centile Response Time	15 minutes	14 minutes 02 seconds
Category 1T – 90th Centile Response Time	30 minutes	17 minutes 22 seconds
Category 2 – Mean Response Time	18 minutes	23 minutes 29 seconds
Category 2 – 90th Centile Response Time	40 minutes	47 minutes 51 seconds
Category 3 – Mean Response Time	1 hour	1 hour 00 minutes 02 seconds
Category 3 – 90th Centile Response Time	2 hours	2 hours 23 minutes 35 seconds
Category 4 – Mean Response Time	n/a	1 hour 23 minutes 45 seconds
Category 4 – 90th Centile Response Time	3 hours	3 hours 24 minutes 25 seconds

Response times during Quarter 1 of 2020/21 were better than the national standards for all incidents categories with much lower activity levels and strong resourcing maintained throughout the period. With additional seen activity pressures seen through the Summer and Winter months alongside increased call cycle times and longer handover delays at acute hospitals, similar levels of resources to those seen in Quarter 1 were unable to deliver the same levels of performance. Response times therefore increased in line with these shifts in operational pressures over the remainder of the year.

Response Category	Q1 2020/21	Q2 2020/21	Q3 2020/21	Q4 2020/21
Category 1 Mean	6 mins 39 secs	7 mins 23 secs	8 mins 05 secs	7 mins 43 secs
Category 1 90th Centile	11 mins 56 secs	13 mins 50 secs	14 mins 54 secs	14 mins 14 secs
Category 2 Mean	17 mins 41 secs	23 mins 58 secs	26 mins 04 secs	25 mins 22 secs
Category 2 90th Centile	34 mins 42 secs	49 mins 00 secs	52 mins 49 secs	51 mins 36 secs
Category 3 Mean	33 mins 28 secs	1 hr 10 mins 00 secs	1 hr 12 mins 25 secs	1 hr 05 mins 50 secs
Category 3 90th Centile	1 hr 15 mins 31 secs	2 hrs 49 mins 34 secs	2 hrs 54 mins 54 secs	2 hrs 38 mins 02 secs
Category 4 Mean	56 mins 04 secs	1 hr 39 mins 08 secs	1 hr 42 mins 38 secs	1 hr 34 mins 59 secs
Category 4* 90th Centile	2 hrs 09 mins 05 secs	4 hrs 02 mins 03 secs	3 hrs 57 mins 44 secs	3 hrs 51 mins 09 secs

*Following a change in the national triage categories during 2019/20 the average number of Category 4 incidents per day has reduced from 50 incidents per day in Quarter 1 of 2019/20 to just 11 incidents per day in Quarter 4 of 2020/21 and has therefore increased the challenge in targeting improvements at this small number of lower acuity incidents.

Actions to Improve Performance

It is acknowledged that significant changes to the current operating models for ambulance services are required to deliver the performance standards. These challenges include changes to staff rotas, staff skill sets, response vehicle mix and operational dispatch systems and processes.

Following the investment of £12m over two years by Commissioners, described in last year's Annual Report, the Trust has continued to implement the planned changes to rotas and increase in resources during 2020/21. This investment will also facilitate another step change in the type of resources provided on a daily basis, moving towards a fleet of vehicles with a greater conveying capacity (ie reducing single crew resources to double-crewed ambulances). These changes are aimed at delivering improvements in response times to patients.

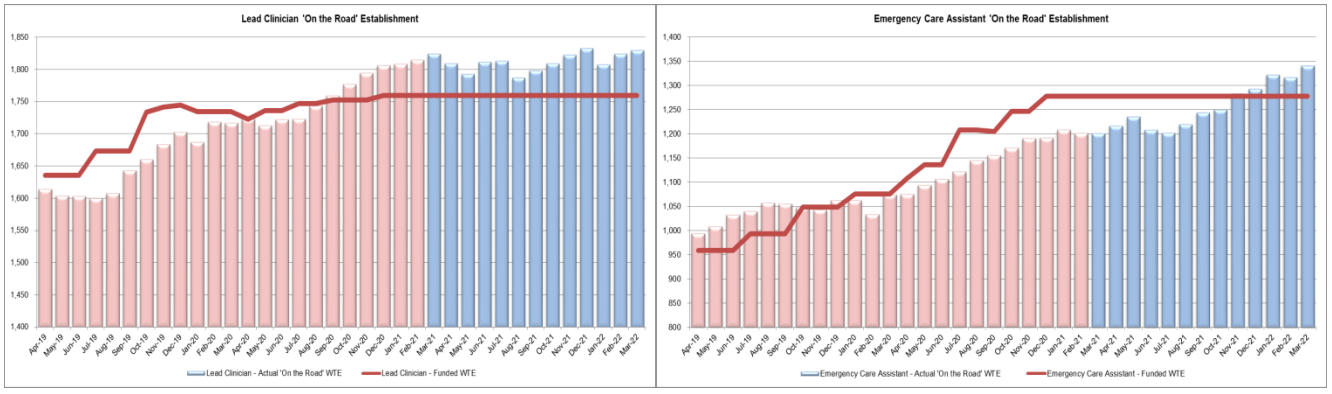
In order to address the remaining gap to delivering performance the 2019-21, the 999 contract included agreement for Commissioners and the Trust to work together to design and implement a Transformation Plan. Furthermore, there was agreement to mitigate activity growth, as increases in demand adversely impacts on the delivery of response time improvements. The COVID Pandemic has impacted the implementation of both demand management and transformation schemes. The Trust and Commissioners remain committed to joint working in these areas to enable delivery of improvements in response time performance.

Our People Plan

The Trust has developed 'Our People Plan' to deliver and accommodate the additional people that the investment funding will enable us to recruit. Utilising the analysis undertaken by ORH, Our People Plan identifies the most effective location of the Trust people and vehicles in order to meet the current levels of demand, provide the highest quality care for patients and move towards achieving the national ARP performance standards.

Our People Plan will see an increase of more than 240 frontline operational staff over the two year period and will require investment and changes to the Trust estate footprint to accommodate these increases. The required changes to estates are incorporated within Our People Plan.

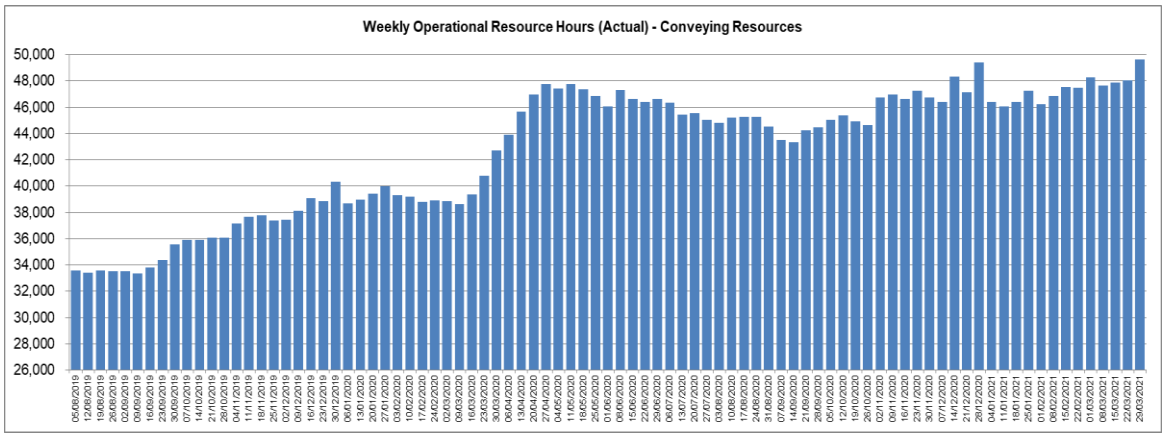
The graphs below represent the changes in the Lead Clinician and Emergency Care Assistant staff numbers available 'on the road' compared to April 2019, with further improvements expected during 2021/22 (forecast figures represented by the blue columns in the graph).



The improvements in operational staff numbers have enabled the Trust to implement rota operational rota changes including steps to increase the proportion of Double Crew Ambulance (DCA) resources on a daily basis. Around 95% of the Trust weekly operational resource hours in March 2021 had a conveying capacity compared to around 77% in March 2019. The final stages of the current People Plan are scheduled to be introduced during the first half of 2021/22.

Operational resourcing levels were impacted by higher levels of abstraction than historically seen during 2020/21, with higher levels of sickness and abstractions in relation to COVID-19 sickness/isolation. The majority of the impact on was reported during the second half of 2020/21 and it is expected that these abstractions will continue to reduce in line with the improvements in COVID-19 case rates moving into 2021/22.

The graph below looks at the Operational Conveying Resource hours provided per week from August 2019 to March 2021, with the weekly hours consistently above 46,000 hours per week in March 2021 compared to less than 34,000 hours per week in August 2019.



Trust operational resourcing levels have also been supported by the Trust actions as part of the COVID-19 Surge Management Plan (including third party resources, ERAs and Fire & Rescue Service PSVs) to maintain strong resourcing throughout the year, significantly higher than the levels seen during 2019/20.
The positive impact of these additional resource hours on Trust response times has in part been offset in the current year by:

- Increases in the operational call cycle, in part linked to COVID-19 (e.g. additional PPE requirement takes more time per incident);
- Increase in time lost to extended handover times at acute hospitals;
- Shift in activity profiles resulting from COVID-19 increasing the peak demand periods;
- Specific localised peaks in demand during 2020/21 outside of normal activity profiles (e.g. additional visitors/staycation activity in September 2021).

A key element of the Trust operational plans for 2021/22 will include steps to deliver improvements in the efficient use of operational resources, including any appropriate reductions in the operational call cycle times to offset the increases seen through 2020/21.

Ambulance Clinical Quality Indicators (ACQIs)

Ambulance trusts are required to publish all data in relation to Ambulance Clinical Quality Indicators (ACQIs) on a monthly basis, both locally on the Trust's website and nationally by the Department of Health and social care (DHSC). ACQIs are used to understand the quality of care provided, focusing particularly on the outcome of care provided for patients, as well as the speed of response.

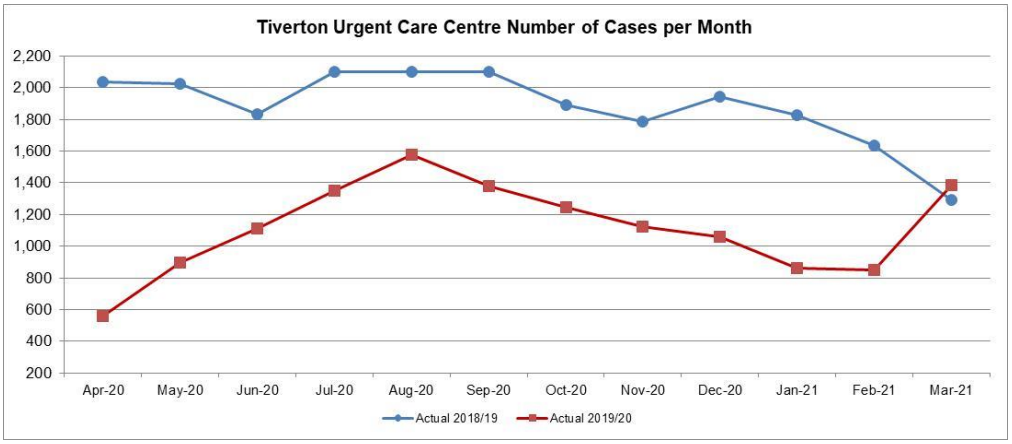
Ambulance services use ACQIs to drive continuous improvements in the care they provide for patients. ACQIs were created to provide a comprehensive and balanced view of care and should be taken together as a complete set rather than focusing only on a few specific indicators. As a complete set, ACQIs provide a full picture of how ambulance services are performing. ACQIs are designed to be consistent with measures in other parts of the NHS, most notably those in hospital emergency departments. The Trust's ACQIs are reported in the Quality Report.

Urgent Care Services – Tiverton Urgent Care Centre

The Trust delivered services at the Tiverton Urgent Care Centre throughout 2020/21. The Trust performance is measured against two key targets under this contract, measuring access and timeliness. The first is the national indicator measuring the total time spent in A&E – the national target is to treat a minimum of 95% of patients within four hours. The second indicator is a local standard and measures the time-to-triage within 15 minutes – this also has a 95% target. The Trust consistently delivers very strong performance against both indicators.

Key Performance Indicator	National Target	Actual Performance 2019/20	Actual Performance 2020/21
Number of cases	n/a	21,377	12,518
Percentage of cases completed within 4 hours	95%	99.05%	99.57%
Percentage of patients triaged within 15 minutes	n/a	99.66%	99.35%

The number of cases at Tiverton Urgent Care Centre in 2020/21 was also much lower throughout the COVID-19 pandemic, with activity volumes significantly lower than those seen in 2019/20 during both the first and second peak phases of COVID cases. Cases in March 2021 were much closer to those seen in the previous year as the country came out of National Lockdown restrictions.



Isles of Scilly – Integrated Transport Service

Since the 1 April 2017, and as part of its A&E Contract, the Trust has delivered an Integrated Transport Service on the Isles of Scilly. This service is commissioned directly by NHS Kernow CCG and activity is delivered within a block contract.

Transport services provided include non-urgent journeys for patients who have a medical need, including attending outpatient appointments, admission to or discharge from hospital and transfers between hospitals.

Environment and Sustainability Management

During 2020/2021 the Trust has continued to work on its Sustainable Development Management Plan (Green Plan). This is overseen by the Environment and Sustainability Group (formerly called Environmental Management Group) which was re-launched in November 2020 and is now chaired by the Acting Director of Finance.

The Trust has also launched a Green Champions network to support and engage staff with a particular interest in the environment and sustainability.

Energy Management

The Trust has switched its electricity provider to a ‘green’ tariff, and has appointed consultants to develop an Energy Strategy for the Trust Estate, which will guide the Trust in the coming years as it works towards achieving a Net Zero Estate.

Fleet

The lease car policy has been revised so that those entitled to ‘essential use’ lease cars have to opt for either electric or hybrid options, i.e. can no longer opt for diesel cars.

The Trust is working with our Double Crewed Ambulance converter to reduce the weight of ambulances in order to reduce amount of fuel used.

The Trust continues to engage nationally with other Ambulance Trusts and Emergency Services on development of non-fossil-fueled response vehicles, both Double Crewed Ambulances and Rapid Response Vehicles.

The Fleet strategy is under development with the aim to remove diesel vehicles from the non-front line Fleet where possible.

The Trust have worked closed with Bath and North East Somerset Council and other emergency services, and have ensured that all response vehicles based at Bath Ambulance Station are Euro VI or above in line with the requirements of the Bath Clean Air Zone which was introduced on the 15th March 2021.

Waste Management

The Trust promotes the Waste Hierarchy and promotes re-use using the Warp It tool, an online portal which facilitates re use of items within SWASFT or by external organisations, it also allows SWASFT to obtain items free of charge from other organisations.

The Trust has two major waste streams: general waste and dry mixed recycling, and clinical waste. SWASFT continues to work with staff to ensure waste is properly segregated to ensure legal compliance, and to reduce costs by: improving waste segregation and monitoring collection schedules. SWASFT also manages contractors closely to ensure the services operate smoothly.

The Covid-19 pandemic has led to a significant increase in waste arising from healthcare/clinical waste and related spend.

Figures 1 and 2 shows the tonnage and spend on general waste and recycling.

Figures 3 and 4 show the tonnage and spend on healthcare / clinical waste.

Figure 1

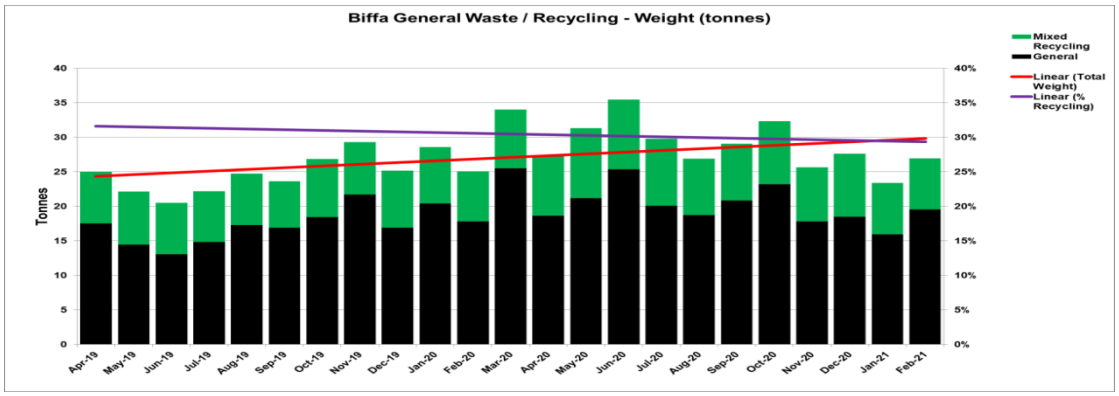


Figure 2

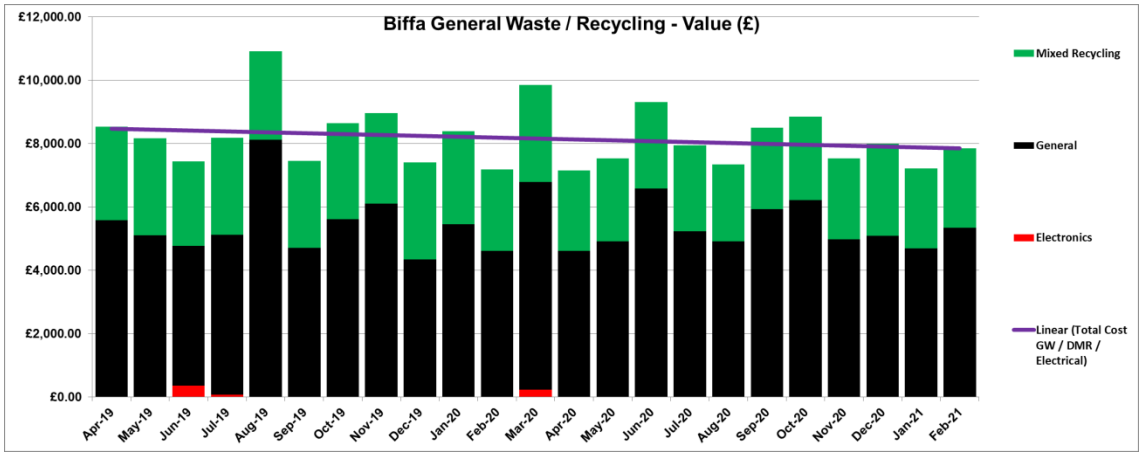


Figure 3

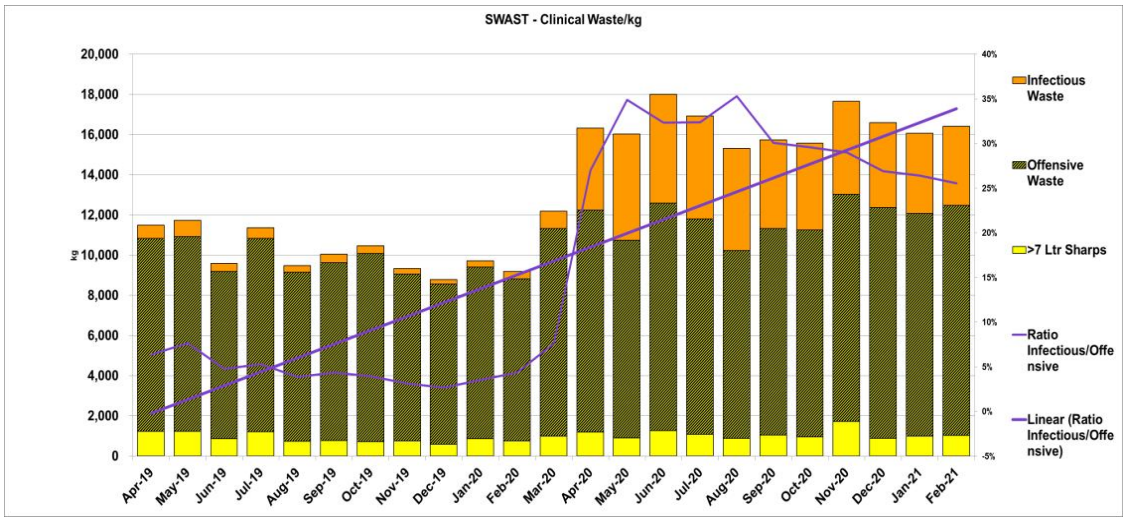
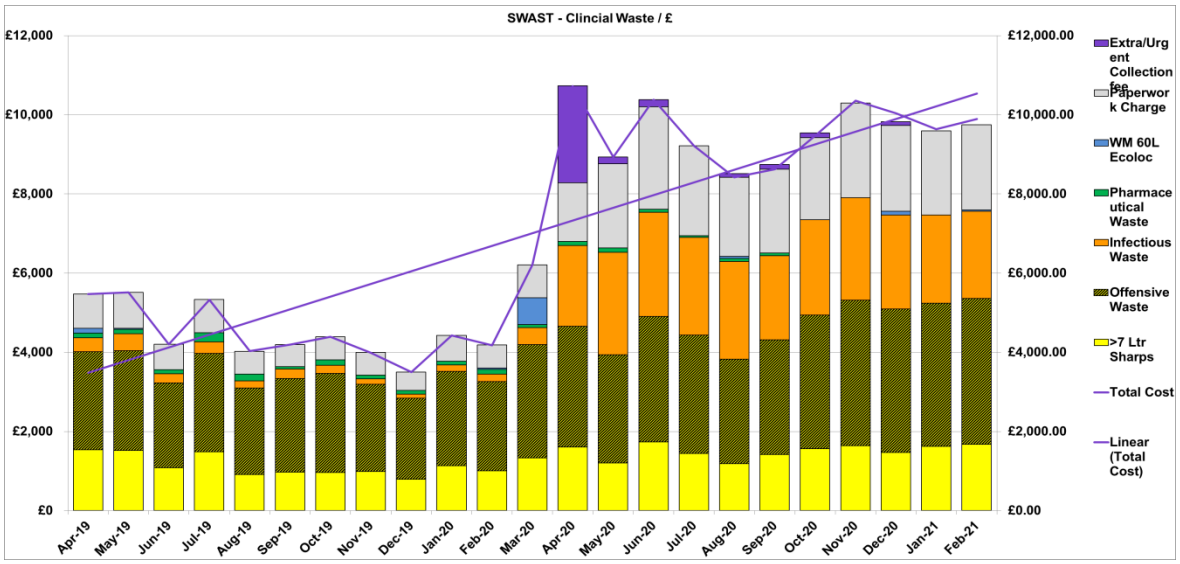


Figure 4



Will Warrender.

Will Warrender
Chief Executive
10 June 2021

Accountability report

Directors' Report

The Trust constitution allows for a Board composition of a non-executive chairman with up to a maximum of seven other non-executive directors and up to a maximum of seven executive directors. This is how the Board is currently configured.

In 2020/21, 18 directors have served on the Board.

The Chief Executive of the Trust changed in 2020/21. Ken Wenman served until his retirement on 30 June 2020 and Will Warrender commenced as Chief Executive on 1 July 2020. The Chief Executive led a team of Executive Directors who in 2020/21 were:

- Jenny Winslade, Executive Director of Quality and Clinical Care
- Dr Andy Smith, Executive Medical Director
- Jessica Cunningham, Executive Director of Operations
- Tim Bishop, Executive Director of IM&T
- Jonathan James, Acting Executive Director of Finance
- Amy Beet, Executive Director of People and Culture * maternity leave
- Clare Melbourne, Acting Executive Director of People and Culture * maternity leave
- Vikki Matthews, Interim Executive Director of People and Culture

The Chairman is Tony Fox and he is supported by Non-Executive directors who in 2020/21 were:

- Gail Bragg, Deputy Chair and Chair of Finance Committee
- Venessa James, Senior Independent Director and Chair of People and Culture Committee
- Paul Love, Chair of Audit and Assurance Committee
- Professor Minesh Khashu
- Dr Jacqui Richards
- Martin Holloway
- Nick Cullen

Further details on changes to the Board can be found on page 39.

Non-executive directors are independent and each year signs a declaration to confirm their independence. In April 2020, the Trust Board of Directors updated their declaration of interests, and the Register of Interests that the Trust maintains, which is open to the public. This is available on the Trust website www.swast.nhs.uk or a copy can be obtained by contacting Marty McAuley, Trust Secretary, Trust HQ, Abbey Court, Eagle Way, Exeter, EX2 7HY or by calling 01392 261 500.

No executive director, non-executive director or Governor has a company directorship or significant interest which conflicts with their duties or responsibilities.

Board Profiles

Tony Fox, Non-Executive Director and Chairman

Tony was appointed to the Board of Directors of South Western Ambulance Service NHS Foundation Trust (SWASFT) in February 2013 and became Chairman on 1 March 2017. With over 30 years senior leader experience of managing large and complex operations, Tony has held numerous Executive positions within the regulated and privatised sector.

He is an experienced leader who is people focused and ensuring they are at the heart of an organisation and unlocking their potential and contribution is the best way to success for all parties. He brings to the Board of Directors a wealth of operational and strategic commercial experience with a proven track record of developing and implementing transformational change programmes and high performance in regulated and non-regulated organisations.

Tony brings a passion for safety and staff wellbeing to the Board of Directors and has held a number of roles as an Executive and Non-Executive championing these areas. He is proud to be the Chairman of such a caring and compassionate organisation driven to deliver the best service every individual can to the patients and public of the South West.

Ken Wenman, Chief Executive

Ken joined the NHS at age 21 years and has undertaken many senior roles within the Ambulance Service including; Paramedic, Trainer, Operational Management and Leadership and he has been a senior level Director and Chief Executive since 1999.

Ken leads the ambulance sector nationally on HR and OD. He is Chair of the National Ambulance Strategic Partnership Forum. He has more recently taken on the Chief Executive Lead role for the National Directors of Operations Group. He is a member of the Board of the Association of Ambulance Chief Executives and is a member of the National Ambulance Improvement Programme. Ken has a Masters in Management (Plymouth University).

William Warrender CBE, Chief Executive

Will served 32 years in the Royal Navy and completed his career as a Rear Admiral responsible for recruiting and training Royal Navy and Royal Marines personnel. Spending the majority of his earlier career at sea he was fortunate to command five warships. On shore, his command followed with responsibility for the conduct of national and coalition operations across 2.5 million square miles of water in the Gulf.

He was subsequently appointed as a Commander of the Most Excellent Order of the British Empire in the 2018 Operational Honours List and granted the US Legion of Merit for his contribution to coalition maritime operations. He served twice in the Ministry of Defence HQ where he led military support to UK resilience and counter terrorism operations across government agencies and private organisations.

In his current capacity, Will is the Chief Executive of the South Western Ambulance Service NHS Foundation Trust (SWASFT). In this role he is able to draw upon his considerable operational experience within a cross-cultural and multi-disciplined environment and deliver under challenging environments, while meeting the increased demands of activity.

Under his leadership, and with the support of the Board, Will is responsible for the 5500-strong workforce, delivering emergency and urgent patient care across 10,000 square miles of mainland England, spanning eight counties Cornwall & Isles of Scilly; Devon; Somerset;

Will has an inclusive and compassionate style of leadership. He is passionate about building strong, resourceful teams and inspires others to achieve their best. He is a champion of diversity and under his leadership he will continue to lead in providing fair opportunities for all.

Jonathan James, Acting Executive Director of Finance

Jonathan joined West Country Ambulance Service in 2000 working in the Finance and Stores department. Having progressed within the Finance function Jonathan completed his CIMA Accounting Qualification before working as a Management Accountant following the merger with Dorset Ambulance Service.

In 2007 Jonathan took on the role of Financial Planning Manager and led the Finance work streams for both the Foundation Trust application and acquisition of Great Western Ambulance Service. Jonathan was promoted to Deputy Director of Finance in 2012 where he has remained in post until being appointed as Acting Executive Director of Finance in June 2019 with responsibility for the Finance, Procurement, Commissioning, Planning and Performance functions of the Trust.

Jennifer Winslade, Executive Director of Nursing and Governance

As a qualified nurse and Health visitor and having spent the first years of her career within acute and critical care within the UK and the USA, Jenny has spent the majority of her clinical career working within Commissioning, Community and Public Health settings

Jenny has been a Board Director for more than 14 years initially within commissioning and since 2014 with the Ambulance service. As a clinical board director, Jenny is passionate about quality improvement and ensuring that people are at the heart of what we do.

Jenny continues to work closely with frontline staff and has actively worked to support the development of staff health and wellbeing initiatives. Jenny has worked at both the strategic and operational level has an interest in Public Health, Inclusion and Prevention and has significant experience of strategic partnerships and working with stakeholders to develop strategic programmes of work delivering large scale change for local and vulnerable and excluded communities. Outside of the Trust Jenny is also a Trustee of Hospicecare Exeter.

Jenny is responsible for Clinical Care including ACQIs, Medicines Management, Patient Safety, Claims and Inquests, Patient Experience, Patient Engagement, Health, Safety & Security, Mental Health & Learning Disabilities, Research, Audit and Improvement, Infection Control, Quality Improvement, Quality Assurance and Risk

Dr Andy Smith, Executive Medical Director

Andy has been a GP in Devon since 1997 and has been actively involved in medical management. His interests have always included urgent and emergency care.

Prior to his appointment to the role of Executive Medical Director in February 2010, Andy was the Associate Director of Primary Care Services for the Trust since April 2008. He is a member of the Royal College of General Practitioners, and responds to 999 calls as a volunteer BASICS ambulance doctor.

Andy was appointed to the role of Executive Medical Director on 1 February 2010 and is joint Board Champion for Clinical Quality and is the Trust's Caldicott Guardian.

He has a Bachelor of Science (Hons) - Microbiology (University of Bristol), Bachelor of Medicine & Surgery MB Ch.B (University of Bristol), Post Graduate Diploma of the Royal College of Obstetricians

and Gynaecologists, Diploma in Child Health.

Jessica Cunningham, Executive Director of Operations

Jessica started her NHS career in 1992 on the National Management Training Scheme Programme and was posted to the Children's Hospital in Plymouth. Jessica spent the next decade working in a number of large teaching hospitals in the north of England as an Operational General Manager managing a number of specialties including Trauma and Orthopaedics, Ophthalmology, Renal, Neurosciences, Emergency Departments Theatres and Anaesthetics amongst others.

In 2004 she joined the South West Strategic Health Authority and was the Performance Manager for Somerset, Devon and Dorset as well as taking the lead on strategic programmes of work across the south west including stroke services and child health until 2012 when she joined SWASFT as a Director to lead the Acquisition of Great Western Ambulance Service. In 2013 she became the Director of Planning and Performance responsible for negotiating the A&E contract and managing the Trusts relationships with Clinical Commissioning Groups and regulatory bodies. Throughout this period Jessica has worked closely with Operations and as part of this co-produced the A&E Operating Plan.

Jessica was appointed as the Acting Executive Director of Operations in October 2017 and was made substantive in this role in October 2018. Jessica is responsible for all frontline services including A&E, the 999 clinical hubs, EPRR and Urgent Care.

Amy Beet, Executive Director of People and Culture

Amy has worked in HR within the NHS since 2003, commencing her NHS career with Weston Area Healthcare Trust and later working for Gloucester Hospitals Foundation Trust before moving to join the Ambulance sector in 2012 as Deputy Director of HR and OD.

Prior to this Amy had a career in advertising, focusing specifically on the recruitment market, developing candidate attraction strategies for a range of high profile national and international clients. Amy has a Masters in HR Strategy and Management from University of the West of England Business School and is a member of the CIPD. In April 2018 Amy joined the South Western Ambulance Foundation Trust Board as the newly appointed Executive Director of People and Culture. Amy is responsible for the HR function, Education, Communications and Operational Support Services.

During her HR career Amy has led the delivery of recruitment, employee relations and education services and significant programmes of organisational development work, including workforce redesign and transformation. Having also led workforce savings programmes Amy has delivered significant and complex programmes of organisational change, designed to deliver workforce structures with greater resilience and improved productivity. Amy acts as both mentor and coach to a number of individuals from a variety of roles from both within and external to the organisation and participates in national programmes of work for the Ambulance sector and NHS and on occasions, for the wider HR professional network.

Vikki Matthews, Interim Executive Director of People and Culture

Vikki joined SWAST in September 2020 on a 12 month contract as the Interim Executive Director for People, covering Amy Beet's maternity leave.

She has many years' experience in senior HR roles gained in a variety of different sectors, working nationally and internationally. Her private sector experience includes roles with Axa, Vodafone and also 8 years with Nike where she held a number of director level roles in the areas of Learning and Development, HR, Talent Management and Diversity & Inclusion based in Holland and the US.

After returning to the UK, Vikki joined the University of Plymouth as the Executive HR Director and Chief Talent Officer, and after 6 years left to start a portfolio career including running a coaching and consulting business, lecturing in the areas of HR and Leadership and Chairing a Multi Academy Trust in Plymouth. Vikki joined the NHS in 2017 as a Non-Executive Director for Torbay and South Devon NHS Foundation Trust where she lost her heart to this wonderful institution that we are all so proud to work within.

Vikki is originally from the Cotswolds but now lives in Kingsbridge with her husband, daughter and two strange looking hypoallergenic cats. She is passionate about human potential and the impact that organisational culture has on performance and wellbeing; outside of work she loves music, reading and hiking.

Tim Bishop, Executive Director of IM&T

Tim joined the NHS in 2018 as Executive Director for Information Management and Technology (IM&T) having worked for the preceding 14 years within the Public Sector as a senior manager in Policing technology. In the Trust he is responsible for; Information Governance, ICT, Information Governance and Programme Management functions.

He is also the Senior Information Risk Owner (SIRO) as well as providing leadership to the national Ambulance Radio Programme team which reports into the Directorate. As a career Information & Technology professional, Tim holds Chartered IT Professional status and is a qualified service, project and programme manager as well as holding a Bachelor's Degree in Technology and other qualifications including in sustainable development. He is experienced in leading teams and running complex, 'mission-critical' services. Throughout his career, Tim has managed large-scale projects and introduced significant business change programmes. He has worked in the South West through-out his career and is passionate about how technology and the use of information can have a positive impact on our lives.

Venessa James, Non-Executive Director and Senior Independent Director

Venessa has a vocational background in general nursing, social work and teaching. An experienced senior manager, she has held executive, board-level appointments in the private education sector and the NHS. Her specific areas of expertise include corporate governance and commissioning services for people with complex care needs, from which she brings a wealth of experience in partnership, collaborative and contractual working arrangements with NHS organisations, social services and the independent care sector.

She was appointed to the Board of Directors of South Western Ambulance Service NHS Foundation Trust (SWASFT) in June 2014. Venessa is Board champion for social care and the Duty of Candour, and she has a keen interest in applied health psychology research. She holds qualifications in business management and teaching, including the Masters-equivalent DTEFLA, and is currently studying for a Masters in Advanced Psychology at Plymouth University.

Paul Love, Non-Executive Director

Paul qualified as an accountant in 1994. He is currently Finance Director and Company Secretary for Guinness Care, a not for profit organisation within the Guinness Partnership that provides care and housing support services across England. Prior to this role, Paul has 15 years' experience as a Finance Director within companies in the housing, welfare to work and arts sector, and has also worked as a financial regulator in the public sector.

Paul has significant Board experience with public service organisations, having served as a non-executive director in the dch group, West Devon Homes and Social Firms UK. Paul was appointed as a Non-Executive Director to the Board of Directors of South Western Ambulance Service NHS

Foundation Trust in July 2015.

Gail Bragg, Non-Executive Director and Deputy Chairman

Gail joined the Board of Directors of South Western Ambulance Service Trust in September 2016. Professionally, Gail has worked in large Financial Services organisations, in change and operational management. She specialises in corporate re-structuring to achieve financial returns whilst continuing to deliver operational results. She has delivered substantial change programmes, such as completing a £5.2bn M&A transaction and negotiating an outsourcing deal worth £1.4bn. Alongside this she has a very broad management background, including in Risk, IT and Supplier Management. She has run large operational teams and managed significant financial budgets.

Gail now works as a freelance consultant, and as a non-executive director and committee chair, including for Interactive Investor. Her community and charitable interests include being a Director of a multi academy Trust and Chair of Governors at a local primary school.

Nick Cullen, Non-Executive Director

Nick has extensive executive experience working at senior levels (MD, COO and VP) of a number of different high-profile blue chip product and service providers across multiple sectors. (SIG, GAP, Clarks, BAA, Diageo, DHL). Through the recruitment process Nick demonstrated that he had lots of experience in setting and executing strategic direction and he is also a subject matter expert in logistics and supply chain with a strong focus on customer service, quality and the importance of engaged employees.

Nick brings significant experience operating at board level and will provide real insight into strategic direction setting, how to bring it to life for all stakeholders as well as how data and information is critical to delivering results across the trust strategic goals (the three Everys.) Nick is based in Bristol and joined the Board on 1 January 2020.

Martin Holloway, Non-Executive Director

Martin is a senior leader with a focus on customer service and profitable performance. He achieves this through giving ownership to the people responsible for delivery; engaging, empowering, coaching and supporting teams; setting clear expectations; then building confidence and capability through to delivery. He has wide experience in large Employee and Customer centric organisations including (BT, Openreach and Homeserve.)

Martin is an experienced Field Operations Director and many of the organisations that he has worked for have a dispersed workforce, working across multiple sites, he demonstrated strength in engaging a wide network of staff and developing operational models to improve performance. Through the recruitment process Martin demonstrated both the operational transformation change background we were seeking as well as the focus on achievements and results through people management engagement and internal communications. He also demonstrated high personal values aligned to the trusts,

Martin is based in Gloucestershire and is also in training as a CFR for the Trust, offering a unique insight on the Board and joined the Board on 1 January 2020.

Professor Minesh Khashu, Non-Executive Director

Minesh is a Consultant Neonatologist and Professor of Perinatal Health at Poole Hospital where he has been since 2007. Minesh, who lives in Dorset, has undertaken national and international leadership training including NHS Fast Track Executive Leadership programme with Harvard & NHS leadership Academy. He has a special interest and expertise in quality improvement and safety and large scale transformation. Minesh was appointed to the Board of Directors of South Western Ambulance Service NHS Foundation Trust (SWASFT) in May 2017.

Dr Jacqueline Richards, Non-Executive Director

Jacqui is a strong business leader with extensive experience of operating at Executive and Non-Executive Director level, both in a permanent and consulting capacity. Through the recruitment process Jacqui demonstrated that she has a passion and proven track record in helping organisations to embrace values and how to embed them with employees building high performing teams, across multi sites with shared values. She is a leadership coach and has worked in Private, Charity and Health organisations at senior Board levels.

Jacqui has worked across different sectors providing insights into organisational development and design, culture evaluation and performance management. Jacqui is based in Dorset. Jacqui joined the Board on 1 April 2020.

NED Terms and conditions

Non-Executive appointments are usually set as three-year terms. At the end of the first term, subject to approval they can be extended for a second term. In the reporting period, the Council of Governors have a principle that all second terms should be for a one year basis and renewed each year to give the greatest level of flexibility in delivering the recruitment that the Board needs.

The Trust builds in a six-month probationary review for all Non-Executive Director (NED) appointments.

Termination of a NED must be done by three quarters of the Council of Governors approving a written resolution submitted by 15 Governors.

The Trust Board has a wide range of skills and experience and through good succession planning led by the Council of Governors can ensure the Board is balanced and appropriate to meet the needs of the Trust and the public it serves. The Board retains a rich mix of corporate and public sector experiences, clinical and non-clinical experience, a good gender balance as well as complimentary skills to help the Board function as a Unitary Board. It is the responsibility of the Board of Directors to prepare the annual report and accounts. The Board of Directors confirms that they consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS foundation trust's performance, business model and strategy.

Further information on the approach to quality governance can be found in the Annual Governance Statement.

Board and Committee Attendance

The Trust Board of Directors is supported by a number of committees that report to it. These are the attendance figures:

Quality Committee

The purpose of the committee is to develop and implement effective quality systems and processes with a specific focus on patients, quality of services and patient outcomes. There were 4 meetings.

Name	Attendance	Name	Attendance	Name	Attendance
Jennifer Winslade	4/4	Dr Andy Smith	4/4	Venessa James	4/4
Jessica Cunningham	4/4	Tony Fox	3/3	Minesh Khashu	4/4
Jacqui Richards	1/1				

Finance Committee

The purpose of the Committee is to conduct an independent and objective review of the business concerning financial planning and financial performance providing assurance to the Board of Directors. They review monthly financial information and new business development opportunities. There were 8 meetings.

Name	Attendance	Name	Attendance	Name	Attendance
Ken Wenman	2/2	Tony Fox	8/8	Tim Bishop	6/8
Gail Bragg	8/8	Jonathan James	8/8	Nick Cullen	8/8
Will Warrender	6/6				

Audit and Assurance Committee

The purpose of the committee is to review and seek assurance on the effectiveness of processes in place for the management of arrangements for governance, risk management, clinical assurance, internal control, and financial reporting; and to ensure the Trust and its auditor remain compliant with Monitor's Audit Code for NHS Foundation Trusts and conditions of license. There were 4 meetings.

Name	Attendance	Name	Attendance	Name	Attendance
Paul Love	4/4	Martin Holloway	4/4	Venessa James	4/4

People and Culture Committee

The purpose of the committee is to develop and implement effective systems and processes to secure appropriate assurance, and provide advice to the Board on all strategic matters relating to the workforce and organisational development there were four meetings.

Name	Attendance	Name	Attendance	Name	Attendance
Jessica Cunningham	4/4	Martin Holloway	4/4	Amy Beet	2/2
Vikki Matthews	2/2	Jacqui Richards	2/2	Tony Fox	2/2

Board of Directors

Name	Attendance	Name	Attendance	Name	Attendance
Ken Wenman	2/2	Tony Fox	7/7	Paul Love	7/7
Will Warrender	5/5	Jonathan James	7/7	Venessa James	7/7
Dr Andy Smith	7/7	Jenny Winslade	7/7	Gail Bragg	7/7
Jessica Cunningham	6/7	Minesh Khashu	6/7	Amy Beet	3/3
Vikki Matthews	4/4	Nick Cullen	5/7	Martin Holloway	5/7
Tim Bishop	7/7	Jacqui Richards	3/3		

Remuneration Committee

The Committee shall approve nomination, remuneration, and terms and conditions for executives and senior managers. The remuneration committee is covered on page 42

All executive and non-executive directors have an annual appraisal. The chief executive leads the appraisal arrangements for the executive directors and the chairman leads on the non- executive director's appraisals.

The Senior Independent Director leads on the appraisal of the chairman. The committees review their effectiveness on an annual basis and last year made changes to how they operated. No director or governor have any company directorships or other significant interests which may conflict with their management responsibilities.

The Trust has complied with the cost allocation and charging guidance issued by HM Treasury.

Political donations

The Trust has not made any political donations in 2020/21.

Better Payment Practice Code

The Trust has signed up to the Better Payment Practice Code which requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later. The Trust received 42,206 invoices and processed 41,514 in line with the code. Further information can be found on page 96 of the annual accounts.

Liability to pay interest

In 2020/21 the Trust incurred £ 240 for charges due to late payment of invoices.

NHS Improvement's Well-Led Framework

Following a tender process, the Trust procured a review in line with NHS Improvement's (NHSI) 'Developmental reviews of leadership and governance using the well-led framework: guidance for NHS trusts and NHS foundation trusts' (Well-Led Framework) published in June 2017. KPMG was appointed to undertake the external independent review.

The fieldwork commenced on 12 September 2017 was completed on 27 November 2017. Fieldwork included observations of the Trust Board of Directors, Council of Governors and a number of the corporate committees. Interviews were conducted with executive directors, Non- executive directors, directors, deputies and associates as well as external stakeholders. Four focus groups were held, one with governors and three with staff. As part of the review over 130 key documents were requested and reviewed.

The Trust completed a self-assessment against each of the Key Lines of Enquiry (KLOEs) in the guidance. KPMG have completed an independent review of the self-assessment and provided feedback against the areas outlined within the guidance, noting areas for future development.

The overall findings of the review were that KPMG agreed with the trusts self-assessment ratings in all of the eight Well-Led framework's key questions. They did note that for question 2 regarding the strategy that the Trust was in the process of refreshing its strategy and needed wider discussion with commissioners and STP leads.

Conclusion from KPMG review:

"There are sufficient arrangements in place to ensure that South Western Ambulance Service NHS Foundation Trust (the 'Trust') is well led, which we assessed against the KLOEs set out in NHSI's Well Led Framework. The makeup of the Board ensures that the information provided is subject to robust scrutiny and challenge, which was demonstrated when we observed these meetings. Observing sub- committees provided assurance that the Board is appropriately informed of key issues on a timely basis.

We canvassed feedback from a range of stakeholders including focus groups at all three hubs to ensure a broad range of internal and external views were captured, the results of which have been generally very positive and have added a weight of evidence supporting our conclusion.

The Trust has completed a summary self-assessment, supported by an indexed suite of information. We have agreed with the Trust's self-assessment ratings in all of the eight Well-Led Framework's key questions. However, we note that for question 2 regarding strategy that the Trust is in the process of refreshing their strategy and this still needs wider discussion with commissioners and STP leads.

In summary, the Trust has a large number of effective processes and controls in place to support compliance with the governance framework. However we did identify some areas that require strengthening to fully meet the requirements of the Framework. We have provided our recommendations in Section 2 and detailed findings in Section 3."

Overall KPMG have raised 11 recommendations in a number of areas to support the Trust in its improvement journey. All actions have been agreed and completed but further work is required for one action which has been endorsed and agreed but now needs to be launched as was paused due to COVID.

Patient Care and Stakeholder Engagement

The Trust has a central reporting system for adverse incidents, including near misses, as well as Moderate Harm Incidents (MIs) and Review Learn Improve Incidents ('RLIs' formerly known as Serious Incidents).

All core service lines for the Trust; A&E and Urgent Care Services (UCS) are covered in the patient safety measures reported within this section, including the table below which sets out the categories and numbers of patient safety incidents managed by the Trust

Other Patient Safety Measures	2020-21	2019-20
Adverse Incidents[3]	9237	7,667
Moderate Harm Incidents	11	2
Serious Incidents	54	46

It should also be noted that the figures for Moderate Harm and Serious Incidents are for those incidents confirmed as meeting the necessary criteria within the reporting timeframe

The Trust uses a local definition for Adverse Incidents which is based upon national guidance. Any event or circumstance arising that could have or did lead to unintended or unexpected harm, loss or damage to any individual or the Trust is classified as an adverse incident. The Trust uses the national criteria for Serious and Moderate Incidents set by NHS England in the Serious Incident Framework *https://www.england.nhs.uk/wp-content/uploads/2015/04/serious-incidnt- framwrk-upd.pdf*

It should be noted however, the incidents included above could have been reported outside the 2020/21 timeframe of this document

Central Alert System

The Central Alerting System (CAS) is a web-based cascading system for issuing patient safety alerts, important public health messages and other safety critical information and guidance to the NHS and others, including independent providers of health and social care.
Alerts available on the CAS website include National Patient Safety Alerts (from NHS England and NHS Improvement and MHRA), NHS England and NHS Improvement Estates Alerts, Chief Medical Officer (CMO) Alerts, and Department of Health & Social Care Supply Disruption alerts.

Other Patient Safety Measures	2020-21	2019 - 20
Central Alert System (CAS) Received	144	138

Review, Learn, Improve Incidents (formerly known as Serious Incidents)

For an organisation to be truly open, transparent and above all safe for our patients, the Trust encourages a reporting culture and full participation in the process of reviewing incidents that meet NHS England's definition of a Serious Incident. The Trust's cultural review, undertaken in 2018/19, identified a perception by some staff of the SI process as punitive and closely aligned to disciplinary or capability processes. To support a change in perception and to ensure staff are fully involved in the investigations, the Trust re-branded and relaunched the process in April 2019 as the 'Review, Learn and Improve (RLI) process'.

A fundamental part of the Trust's risk management system is appropriately managing RLIs to ensure lessons are learned. RLIs are identified through a systematic review of internally reported adverse incidents, healthcare professional feedback and patient feedback. All incidents that are believed to potentially meet the national criteria set by NHS England are passed to the clinically qualified Patient Safety Manager or nominated clinical deputy for preliminary review, before being circulated to the dedicated RLI and Moderate Harm decision making group, which consists of two clinicians and a governance representative. Other specialties are also invited to attend to contribute and advise on

individual cases.

RLI investigations are considered within RLI Review Meetings, which are designed to identify organisational learning. These meetings are chaired by a Clinical Director or Deputy Director. All staff involved in the incident are invited to attend, as this provides the best opportunity for the Trust to identify learning. Learning can either be at a local, Trust wide or at times national level (and beyond), for example referring learning to the International Academy of Emergency Dispatch to aid the improvement of the Medical Priority Dispatch System. An RLI Action Plan is maintained to monitor progress against actions identified and this is monitored on a monthly basis by the Commissioning Support Unit.

It is important to note that the proportion of RLIs as a percentage of patient contact activity remains very low. Overall, more RLIs were confirmed during 2020/21, compared with the previous year. One of these related to Integrated Urgent Care (specifically the 111 Service Line), which the Trust no longer operates, with the remainder related to the A&E Service Line. For the A&E Service line the predominant themes throughout the year were face to face cardiac assessment, ECG recognition, neurological assessment (face to face), recognition of ineffective breathing descriptors during remote triage, delays in ambulance attendance due to dispatch errors, recognition of Sepsis (face to face), abdominal assessment (face to face), and safeguarding patients threatening self-harm and suicide.

Moderate Harm Incidents

The number of Moderate Harm incidents identified has notably increased from 2019/20, with nine more incidents being identified than the previous year. One MI related to the Trust's Minor Injuries Unit, in respect of a missed fracture, and ten MIs related to the A&E Service line. The predominant themes relating to the A&E Service line were two involving ECG interpretation, two clinical assessments (on scene) of stroke patients, and two clinical assessment (on scene) of patients who had fallen and incorrectly been discharged on scene.

Patient Experience

Patient Experience is made up of the sum of all the interactions that a patient, or their family/care network, have with the Trust. Patient experience and patient engagement provide the best source of information to understand whether the services delivered by the Trust meet the expectations of the patient, their family and/or representatives, including assessing whether a quality service is provided. The following table shows some of the Trust's existing methods and quantitative information on service user experience.

The Trust has defined a complaint as any expression of dis-satisfaction from a patient, or their duly authorised representative, or any person who is affected by, or likely to be affected by, the action, omission or decision of the Trust, whether justified or not.

The Trust received a total of 968 complaints (one complainant contact equates to one complaint) which is to 0.0% of all of our total patient contacts. In total we received 1,152,164 ambulance service contacts (A&E Activity and Urgent Care Services).

Patient Experience Measures	2020/21	2019/20
Patient, Advice and Liaison Service (PALS) – Lost Property, signposting to other services etc	858	862
Health Service Ombudsman complaints upheld	0	0
Compliments	2,293	2,653

Comments, Concerns and Complaints

All comments, concerns and complaints (referred to hereafter as 'Patient Experiences' otherwise known as PEs) are dealt with in line with the Trust's Complaints Policy. This ensures that all service users feel that their feedback has been taken seriously, are dealt with appropriately and reported with complete transparency.

Of the 968 complaints received during the reporting period, the Patient Experience team, by employing an informative, calm, sensitive and reassuring approach, were able to close, on receipt, 287 (equating to 30%) of these. These were closed with assurances given to, and agreement from, complainants that the necessary information would be passed to the relevant operational sectors/regional service lines.

Many Trust complaints are multifaceted, citing several areas of concern. Each concern is coded to report four subject areas in order to illustrate transparency and trends. The following table sets out the number of complaints received in 2020/21.

Subject	Complaints
Access and Waiting	203
Communication	421
Clinical Care	387
Security Vehicles and Driving Issues	146

The majority of complaints relate to communication issues. Communication and conduct is taught as part of the core induction for all front line operational staff. The course is contained in the Prevention and Management of Violence and Aggression session, which is mandatory every three years.

To help mitigate reoccurrence, if an employee is involved in a conduct complaint this would be dealt with during any remedial action training set the Investigating Officer (such as a written reflection, one to one discussion, or referral to Learning and Development).

A fundamental part of the Trust's complaint handling process is to ensure that remedial actions highlighted as a result of complaint investigations are appropriately managed to ensure lessons are learned. All remedial actions are identified, logged and monitored to ensure completion. It is the responsibility of the Investigating Officer (IO) to ensure staff receive feedback and closure when they have been the subject of a complaint as this is an excellent way to share any learning arising from the complaints process.

Learning from Patient Safety Incidents

The Trust introduced a Clinical Sub Group which brings together learning from complaints, adverse, review, learn and Improve incidents, moderate incidents, claims and inquests. Identified themes and learning are discussed in this forum and these discussions inform a number of Trust projects. In addition key learning is reflected in statutory, mandatory and essential training programmes.

Identified projects include:

- ECG recognition;
- Ineffective breathing descriptors;
- Pulmonary Embolism recognition;
- Roll out of Transwarmer blankets across all front line vehicles for new born babies;
- Cross border policy change and education for Clinical Hub staff;

- Mental capacity assessment in respect of self-harm and suicide threats.

The Trust also continues to share learning via the Trust's Bulletin. For example, an article to encourage and remind staff, regardless to grade, that it is appropriate to challenge clinical decisions.

In addition to the above, the Trust produces data and themes relating to Patient Safety and Experience incidents dealt with by the Quality and Clinical Care directorate, incorporating, RLI, Adverse Incidents, Comments, Concerns and Complaints for the Quality Committee and Board of Directors. Further, each formal Board, within the confidential section, contains a description of incidents that have been declared RLIs, together with Inquests to ensure the Board is fully informed.

The principle theme emerging from incidents relates to hospital handover delays. The Association of Ambulance Chief Executives (AACE) have requested that every ambulance service produces 10 Patient Case Studies, five relating to the impact of prolonged delays for a response in the community and five relating to hospital handover delays in an attempt to measure the impact and patient harm.

Further trends have been identified in relation to delays in ambulance attendance, non-conveyance of patients, ECG recognition, neurological assessment, long lies following falls, management of fractures, lack of immobilisation, management of pain relief, trauma - consideration of the potential severity of the mechanism of injury, ambulances being held outside of EDs due to hospital capacity, infection prevention and control and communication issues relating to COVID19, categorisation of calls from health care professionals and inappropriate booking of ambulances by the 111 service.

Compliments

The Trust receives telephone calls, letters and emails of thanks from many patients every week. Wherever possible this gratitude is passed directly onto the members of staff who attended the patient or service user.

2,610 compliments were received at the time of writing, already an increase of 13.8% on 2019/20 where 2,293 compliments were recorded. These provide important assurance for the Trust in public recognition for staff and their contribution to excellence in service standards and demonstrate the continuing public confidence in the Trust. This reflects the rising public support for the NHS over the last 12 months during the rise of COVID.

The Trust defines a compliment as any recognition by a member of the public or other Health Care Professional, for the contribution of staff in delivering a high standard of service.

Patient Engagement

During 2020/21 the Trust continued to develop its patient engagement activities, ensuring that its services are responsive to individual needs, are focused on patients and the local community and supporting its ongoing commitment to improving the quality of care provided.

The patient engagement team and the patient experience team source patient stories for use at the start of each meeting of the Board of Directors and of the Council of Governors.

Previously these stories were written testimonies read out by a member of the forum; however, over the last few years the Trust enhanced this project and has begun to invite patients into the Board meeting to share their stories in person where possible. This activity has continued to be a positive experience not only for the meeting members, but also most importantly for the patients involved.

Care Opinion

Patients and their relatives and careers can post details of their experience on the “Care Opinion” website, with these posts being available to anybody visiting the site. The Trust responds to every comment about its service. Where the feedback is negative or indicates service failure, the individual who provided the comments is invited to contact the Trust directly with further details so that the concerns can be addressed by the patient experience team. Where the post is positive and the incident in question can be identified, the posting is passed directly to the member(s) of staff involved. If there is insufficient detail the patient engagement team will respond requesting additional information in order to be able to convey the positive feedback.

During the year 39 stories relating to the trust have been posted on Patient Opinion. This is an increase of 8% compared to last year. The increase is likely to be due to the increased public support for NHS services experiences in the financial year.

Friends and Family Test (FFT) for Patients

The FFT is a single question survey which asks patients whether they would recommend the NHS service they have received to friends and family who need similar treatment or care. Recently FFT Guidance has been updated to allow Trusts to implement project work in place of a survey. For ambulance services this is particularly beneficial as it allows us to ask pertinent questions about the care we deliver and ensure a focus on areas of improvement.

In 2020/21, we looked at accessible information, the work from which can be seen as part of our Quality Priorities in this document.

Public and Patient Involvement

In 2020/21 the delivery of patient engagement activities looked remarkably different to previous years due to the restrictions on face to face events and meetings. Instead we took an introspective approach and scrutinised the information we held on accessible communications and patient needs. Datix reports, compliments, complaints and RLI’s relating to accessibility were collated and themed to allow a cohesive understanding of what has already been communicated to our service. Based on the information gathered we put together a prioritization plan for the Trust. Due to ongoing pandemic we were very aware of the need for information to be accessible, as such a page was created on our website with updates in various languages and accessibility formats. We also produced a video with British Sign Language, a first for UK ambulance services, advising patients when they should get in contact in report to the lower rates of calls in the first wave and concerns about vulnerable patients. Our Clinical guidelines were then updated to include information regarding communication needs and various applications our frontline staff could use to enhance care.

Online meetings were held across the Trust area to introduce various digital solutions to support patients with communication difficulties and better understand any barriers. It was understood that important IPC measures such as face masks were a barrier for patients with hearing difficulties, the use of online applications became an important part of our messaging with staff and patients.

As we have been unable to meet with patients to speak to them directly about their needs an online Healthwatch and CCG Open Day was held to update our stakeholders on our priorities and challenges. We also reached out to charities and organisations such as Living Options to understand how we could overcome obstacles in directly engaging with patients. Based on the information we gathered a decision was made to postpone these meetings until we are safely able to meet face to face and with suitable communications support.

The Patient Engagement team continued to support spreading Cardio Pulmonary Resuscitation (CPR) and automated external defibrillation (AED) awareness aligned to Saving Lives Together through their activities, in 2019/20 they were able to organise 302 patient and public engagement events where over 16,300 members of the public were trained through engagement activities and school visits. This year they undertook a new approach and utilised Facebook, Instagram and Twitter to take part in Restart a Heart activities on 16 October. Six Facebook Live events took place which generated over 23,900 views, as well as over 2,500 for our Instagram video demonstrating CPR and how you can make your own mannequin. We also produced a video with British Sign Language demonstrating CPR and when someone should call 999 for help in the event of witnessing a cardiac arrest.

The Trust continues to engage with local Health, Overview and Scrutiny Panels as well as NHS Clinical Commissioning Groups regarding any changes to policy or procedures. In addition we attended meetings with a specific focus on our Quality Account and the priorities described within to ensure transparency and ongoing review.

Income Generation

The Trust undertakes income generation activities with an aim of re-investing any profit in patient care. No income generation activities exceeded £1 million.

Auditors

The Trust's appointed external auditors are KPMG. They were appointed in September 2017 following a procurement activity led by the Chair of the Audit and Assurance Committee and the Council of Governors and reappointed on an annual basis.

The auditors carry out the statutory audit of the Trust's annual accounts and its charitable funds. The Audit Fee paid to KPMG is £0.064 million (2019: £0.054 million). The Charitable funds fee was £3,500.

The external auditor attends every Audit and Assurance Committee meeting to report on progress and developments likely to affect the year-end audit and accounts.

Each year the Trust undertakes an evaluation of the work of the external auditors based on their performance, fees, level of support and challenge provided to the Trust and the access to information that is made available. Based on this evaluation, following recommendation from the Audit and Assurance Committee, the Council of Governors re-appointed them for an additional year.

The Trust internal audit service is provided by PricewaterhouseCoopers LLP and TIAA provides counter fraud services to the Trust.

Statement as to Disclosure to Auditors and Directors' Responsibilities:

It is the responsibility of the directors to prepare the annual report and accounts. They consider the annual report and accounts, taken as a whole, to be fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS foundation trust's performance, business model and strategy.

As far as each of the directors is aware, there is no relevant audit information of which the auditors are unaware. Each director has taken all the steps required to make themselves aware of any relevant audit information and to establish that the auditors are aware of such information.

The only income that the Trust has received has been for the provision of goods and services for the purpose of the Health Service in England. In line with the guidance this means that the Trust has greater income from the provision of goods and services than income for any other purposes.

Remuneration Report

Annual statement on remuneration

The Trust recognises the need to be competitive with remuneration packages for the executive directors, reflecting the level of skills and experience the Trust needs to recruit and retain talent. However, it also needs to be sensitive to the political and financial environment.

Executive Directors

In 2020/21, the following executive changes occurred:

- Ken Wenman retired as Chief Executive on 30 June 2020
- Will Warrender commenced as Chief Executive on 1 July 2020
- Jonathan James continued as the Acting Executive Director of Finance.
- Amy Beet went on maternity leave on 3 August 2020. On the 14 September 2020, Vikki Matthews joined the Trust as the interim Executive Director of People and Culture.
- Clare Melbourne (current Deputy Director) acted as the Executive Director of People and Culture from 1 July – 26 October 2020 in order to provide handover and interim capacity.

Non-Executive Directors

In 2020/21 the following non-executive director changes occurred:

- Gail Bragg was reappointed for another year as NED and Deputy Chair - 14/09/2020 – 13/09/2021
- Venessa James was reappointed for another year as NED and Senior Independent Director - 01/06/2020 – 31/05/2021
- Paul Love was reappointed for an additional year - 09/07/2020 – 08/07/2021
- Minesh Khashu was reappointed for an additional year – 04/06/2020 – 03/06/2021
- Jacqui Richards went on sabbatical from August 2020 – August 2021

Remuneration levels

- The remuneration level for the role of Trust Chairman remained at its current level of £43,000 per annum
- The remuneration level for the role of Non-Executive Director remained at its current level of £13,000 per annum
- The additional payment awarded for the role of senior independent director remained at £2,500 per annum pending a review of the role with the current senior independent director and £1500 per annum to Deputy Chairman
- No additional payments were awarded for the role of chairman of the Audit & Assurance Committee
- The mileage rate payable to the chairman and non-executive directors remained at 56 pence per mile in line with the Agenda for Change rate payable to staff and Governors.

Senior Managers' Remuneration Policy

This section details the remuneration package and any changes made to it for Executive Directors:

Element	Rationale
Salary	The Board approved the Trust Strategy. These are delivered by the Directors. This success measure is one of the ways in which the Directors performance is monitored. All executive director remuneration is subject to satisfactory performance of duties in line with their employment and monitored through regular 1:1 with the Chief Executive and annual appraisal. The Chief Executive performance review is led by the Trust Chairman. There is no performance related pay and Directors receive 100% of their salary subject to the relevant deductions. Salary is benchmarked and there are no automatic rises for executive directors. No maximum is specified but market rates are considered.
Taxable benefits	Any taxable benefit is agreed by the Remuneration Committee. This forms part of the recruitment and retention of executive directors by ensuring that the Trust remains competitive. In March 2018 the Remuneration Committee agreed that cash in lieu alternative to car allowances would be considered provided that it was a saving to the Trust. There is no maximum amount payable.
Bonus	No bonus scheme operates at the trust. Therefore the maximum that could be paid is £0.
Pension	Standard pension arrangements are in place. In March 2017, cash in lieu of pension alternative was offered to executive directors. This forms part of the recruitment and retention of executive directors by ensuring that the Trust remains competitive. There is no maximum amount payable.

There have been no new components of the remuneration package introduced in 2020/21.

The Trust had an interim Executive Director, as Vikki Matthews was recruited to cover the Executive Director of People and Culture's maternity leave. The post was also covered briefly by the Deputy Director of People and Culture acting up to the role. The Trust also had an acting Executive Director of Finance.

There are no provisions for the recovery of sums paid to directors nor have we withheld any payment to a director.

All executive directors are employees of the Trust and their contracts of employment are open-ended. Annual leave is fixed at 27/29 or 33 days per annum based on length of service plus eight bank holidays. Sick pay is provided at NHS rates of six months full pay and six months half pay.

The Trust's normal policies and procedures apply to the directors including disciplinary and redundancy, in line with NHS terms for all staff. There is no compensation for early termination of contracts, other than the standard term of all staff which is payment in lieu of notice.

All other employees' remuneration is based on the national terms and conditions appropriate to their contract of employment. While the Trust does not consult with staff on remuneration for directors, it is always mindful of the remuneration of staff when making decisions. When reviewing salary, the Remuneration Committee considers what is happening to staff pay across the sector, the comparison to the median ratio of the workforce and ensuring that the Committee continues to be financially prudent. NHS Providers produce an annual remuneration survey for benchmarking.

Following guidance from the Secretary of State for Health, the Trust noted the requirement to seek approval from the Chief Secretary to the Treasury for appointments above the Prime Minister's salary of £150,000. The Trust has not made any appointment beyond this level in 2020/21.

Annual report on remuneration

Service contracts obligations: Executive Directors

Name	Date of Appointment	Contract Type	Notice period from Trust	Notice period from Individual
Ken Wenman	27 October 2003	Permanent	Six months	12 months
Will Warrender	1 July 2020	Permanent	Six months	12 months
Jennifer Winslade	1 June 2014	Permanent	Six months	Six months
Tim Bishop	23 July 2018	Permanent	Six months	Six months
Amy Beet	25 April 2018	Permanent	Six months	Six months
Dr Andy Smith	9 December 2010	Permanent	Six months	Six months
Jessica Cunningham	22 June 2018	Permanent	Six months	Six months
Jonathan James	1 June 2019	Permanent in Trust as Deputy Director * Acting	Six months	Six months

Service contracts obligations: Non-Executive Directors

Name	Date - Term of Office
Tony Fox	1 February 2013 - 31 January 2019 Re-appointed: 1 February 2019 - 31 January 2020 Re-appointed: 01 February 2020 to 01 March 2023
Venessa James	1 June 2014 - 31 May 2017 Re-appointed: 1 June 2017 - 31 May 2020. Reappointed: 1 June 2020 – 31 May 20201 Reappointed: 1 June 2021 – 31 May 2022
Paul Love	9 July 2015 - 8 July 2018 Re-appointed: 9 July 2018 - 8 July 2019 Reappointed 9 July 2019 – 8 July 2020 Reappointed: 9 July 2020 – 8 July 2021
Gail Bragg	16 September 2016 - 15 September 2019 Re-appointed: 15 September 2019 to 14 September 2020 Reappointed: 14 September 2020 – 13 September 2021 Re-appointed: 13 September 2021 – 12 September 2022
Minesh Khashu	22 May 2017 until 21 May 2020 Reappointment 04/06/2020 – 03/06/2021 Reappointment 03/06/2021 – 21/05/2023
Nick Cullen	01 January 2020 until 31 December 2023
Martin Holloway	01 January 2020 until 31 December 2023
Jacqui Richards	01 April 2020 – 31 March 2023

Remuneration Committee

Pay levels are informed by executive salary surveys conducted by independent management consultants and NHS Providers which are then thoroughly reviewed by the Remuneration Committee.

Remuneration for the Trust's executive directors, who are members of the Board of Directors, is determined by the Remuneration Committee. This is a statutory committee of the Board of Directors and chaired by the Trust Chairman. It is a Non- Executive Director committee who approve nomination, remuneration, and terms and conditions for executives. The Committee also considers opportunities for the development of the Executive Directors. The Committee is attended regularly by the Chief Executive and Marty McAuley, Trust Secretary.

The Remuneration Committee is acutely aware that there is emphatic evidence that diverse boards make the best decisions. We celebrate diversity of thought as well as diversity of protected characteristics. When recruiting Board Members, we reflect upon the diversity profile of the Board and consider where the diversity of the Board could be strengthened as well as the skill set that we are looking for.

There were two meetings of the Remuneration Committee in 2020/21. Non-Executive director remuneration is set and reviewed in accordance with the Trust Constitution and is the role of the Council of Governors Remuneration and Recommendation Panel.

Remuneration Committee Membership

Name	Attendance	Name	Attendance	Name	Attendance
Tony Fox	2/2	Gail Bragg	2/2	Paul Love	2/2
Venessa James	2/2	Martin Holloway	2/2	Minesh Khashu	2/2
Nick Cullen	2/2	Jacqui Richards	1/1		

The Committee was also supported and advised by Ken Wenman and Will Warrender as Chief Executive, Amy Beet and Vikki Matthews as Executive Director of People and Culture and Marty McAuley, Trust Secretary. All are employees of the Trust and there were no external advisors utilised in 2020/21.

Expenses of Governors and Board of Directors

	Total Number in Office		Number Claiming Expenses		£ claimed	
	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Directors	18	15	10	12	2,865	3753
Governors	25	30	3	16	376	7737

Remuneration Report

Information subject to audit

Remuneration Report – Year Ended 31 March 2021

	Salary and Fees £000, bands of 5k	Taxable Benefits £s to the nearest £100	Annual Performance Related Bonus £000, bands of 5k	Long Term Performance-Related Bonus £000, bands of 5k	Pension- Related Benefits £000, bands of 2.5k	TOTAL £000
Ken Wenman	70-75	0	0	0	5-7.5	70-75
Will Warrender	120-125	5000	0	0	0	125-130
Jonathan James	115-120	5000	0	0	40.0-42.5	160-165
Jennifer Winslade	120-125	0	0	0	52.5-55.0	175-180
Tim Bishop	115-120	5900	0	0	27.5-30.0	150-155
Amy Beet	75-80	2600	0	0	0	75-80
Clare Melbourne	35-40	1600	0	0	77.5-80	115-120
Vikki Matthews	60-65	2700	0	0	12.5-15.0	75-80
Dr Andy Smith	135-140	0	0	0	0	135-140
Jessica Cunningham	130-135	3300	0	0	52.5-55.0	185-190
Tony Fox	40-45	1700	0	0	0	40-45
Paul Love	10-15	0	0	0	0	10-15
Venessa James	15-20	0	0	0	0	15-20
Gail Bragg	10-15	0	0	0	0	10-15
Minesh Khashu	10-15	0	0	0	0	10-15
Martin Holloway	15-20	0	0	0	0	15-20
Nick Cullen	15-20	0	0	0	0	15-20
Jacqui Richards	5-10	0	0	0	0	5-10

Information subject to audit

Remuneration Report – Year Ended 31 March 2020

	Salary and Fees £000, bands of 5k	Taxable Benefits £s to the nearest £100	Annual Performance Related Bonus £000, bands of 5k	Long Term Performance- Related Bonus £000, bands of 5k	Pension- Related Benefits £000, bands of 2.5k	TOTAL
Ken Wenman	175-180	3200	0	0	17.5-20	195-200
Jonathan James	115-120	0	0	0	82.5-85	200-205
Jennifer Winslade	120-125	6600	0	0	47.5-50	175-180
Tim Bishop	115-120	3900	0	0	25-27.5	140-145
Amy Beet	115-120	4400	0	0	20-22.5	140-145
Dr Andy Smith	65-70	4800	0	0	30-32.5	100-105
Jessica Cunningham	125-130	0	0	0	30-32.5	155-160
Tony Fox	40-45	500	0	0	0	40-45
Paul Love	10-15	300	0	0	0	10-15
Venessa James	15-20	0	0	0	0	15-20
Gail Bragg	10-15	1000	0	0	0	10-15
Minesh Khashu	10-15	400	0	0	0	10-15
Martin Holloway	0-5	200	0	0	0	0-5
Nick Cullen	0-5	0	0	0	0	0-5

Pensions for the Year Ended 31 March 2021 Information subject to audit							
Name and Title	Real increase in pension at age 60 (bands of £2,500)	Real increase in pension lump sum at age 60 (bands of £2,500)	Total accrued pension at age 60 at 31 March 2021 (bands of £5,000)	Lump sum at aged 60 related to accrued pension at 31 March 2021 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2021	Real Increase in Cash Equivalent Transfer Value 31 March 2021	Cash Equivalent Transfer Value at 31 March 2020
	£000	£000	£000	£000	£000	£000	£000
Will Warrender (Chief Executive)	0	0	0	0	0	0	0
Dr Andy Smith (Executive Medical Director)	0.0-2.5	0	25-30	50-55	511	0	484
Timothy Bishop (Executive Director of Information Management and Technology)	0.0-2.5	0.0-2.5	5-10	0	82	16	48
Jenny Winslade (Executive Director of Quality and Clinical Care)	2.5-5.0	2.5-5.0	45-50	100-105	896	52	812
Jessica Cunningham (Executive Director of Operations)	2.5-5.0	2.5-5.0	45-50	95-100	801	46	724
Amy Beet (Executive Director of People and Culture)	0	0	15-20	15-20	208	0	348
Clare Melbourne (Acting executive Director of People and Culture)	0.0-2.5	0.0-2.5	20-25	0.0-5	201	9	155
Vikki Matthews (Interim Executive Director of People and Culture)	0.0-2.5	0.0-2.5	0.0-5.0	0	14	0	0
Jonathan James (Acting Executive Director of Finance)	2.5 -5.0	0.0-2.5	25-30	50-55	402	22	357

As non-executive directors do not receive pensionable remuneration, there will be no entries in respect of pension for non-executive director. NHS Pensions are using pension and lump sum data from their systems without any adjustment for a potential future legal remedy required as a result of the McCloud judgement. (This is a legal case concerning age discrimination over the manner in which UK public service pension schemes introduced a CARE benefit design in 2015 for all but the oldest members who retained a Final Salary design.). We believe this approach is appropriate given that there is still considerable uncertainty on how the affected benefits within the new NHS 2015 Scheme would be adjusted in future once legal proceedings are completed.

Pensions for the Year Ended 31 March 2020
Information subject to audit

Name and Title	Real increase in pension at age 60 (bands of £2,500)	Real increase in pension lump sum at age 60 (bands of £2,500)	Total accrued pension at age 60 at 31 March 2020 (bands of £5,000)	Lump sum at aged 60 related to accrued pension at 31 March 2020 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2020	Real Increase in Cash Equivalent Transfer Value 31 March 2020	Cash Equivalent Transfer Value at 31 March 2019
	£000	£000	£000	£000	£000	£000	£000
Mr Ken Wenman (Chief Executive)	0	0	80 to 85	240 to 245	1834	0	1834
Mrs Jennie Kingston (Deputy Chief Executive and Executive Director of Finance)	0.0 to 2.5	0	25 to 30	50 to 55	484	24	440
Dr Andy Smith (Executive Medical Director)	0.0 to 2.5	0	0 to 5	0	48	5	19
Mr Timothy Bishop (Executive Director of Information Management and Technology)	2.5 to 5.0	2.5 to 5.0	40 to 45	95 to 100	812	47	730
Mrs Jenny Winslade (Executive Director of Nursing and Governance)	0.0 to 2.5	0.0 to 2.5	40 to 45	90 to 95	724	28	662
Mrs Jessica Hodgman (Executive Director of Operations)	0.0 to 2.5	0	20 to 25	40 to 45	348	7	317
Mrs Amy Beet (Executive Director of Human Resources and Workforce Development)	2.5 to 5.0	7.5 to 10	25 to 30	45 to 50	290	52	283

Fair Pay Multiple

Information subject to audit

	Year Ended 31 March 2021	Year Ended 31 March 2020
Median Total Remuneration £	32,464	31,154
Mid-point of the Highest Paid Director £	150-155	175-180
Ratio	4.7	5.6

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.

No employees were paid more than the highest paid director in 2020/21.

Will Warrender
Chief Executive
10 June 2021

Staff Report

Analysis of staff costs

This information is subject to audit

	Year Ended 31 March 2021			Year Ended 31 March 2020		
	Total £000k	Permanently Employed £000k	Other £000k	Total £000k	Permanently Employed £000k	Other £000k
Salaries and Wages	178339	178044	295	150,479	150,165	314
Social Security Costs	16927	16927	0	13,853	13,853	0
Apprenticeship levy	845	845	0	720	720	0
Employer Contributions to NHS Pension Scheme	29444	29444	0	26,229	26,229	0
Agency/Contract Staff	3231	0	3231	543	0	543
Total	**228,786**	**225,260**	**3,526**	**191,824**	**190,967**	**857**

In 2020/21 there have been ten executive directors, in the seven posts, including the chief executive, five (50%) are male and five (50%) are female. There have been eight non-executive directors on the Board in the same period with three (38%) female and five (62%) male.

The Trust employs 4,861 staff (who are mainly clinical and operational) plus a number of GPs. The gender split for all employees of the workforce is 54 % male and 46 % female.

This is broken down for directors as 50% female and 50% male and for other senior managers as 31% female and 69 % male.

The aggregate remuneration and other benefits receivable by Directors and Non-Executive Directors the financial year including pension related benefits totaled £1.376 million (to 31 March 2020; £1.266 million).

This information is subject to audit.

	Year Ended 31 March 2021			Year Ended 31 March 2020		
	Total	Permanently Employed	Other	Total	Permanently Employed	Other
Medical and Dental	1.4	1.4	0.0	0.8	0.8	0.0
Ambulance Staff	3868.2	3858.1	10.1	3190.7	3186.6	4.1
Administration and Estates	523.6	470.6	53.0	984.0	944.3	39.7
Healthcare assistants and other support staff	1.0	1.0	0.0	2.7	2.7	0.0
Nursing, midwifery and health visiting staff	38.6	38.6	0.0	37.1	36.5	0.6
Agency and contract staff	0.0	0.0	0.0	0.0	0.0	0.0
Bank Staff	0.0	0.0	0.0	0.0	0.0	0.0
Total	**4432.9**	**4369.8**	**63.0**	**4215.4**	**4171.0**	**44.4**

Staff Sickness Absence	Year Ended 31 March 2021	Year Ended 31 March 2020
Total Days Lost	90,605	85,551
Total Staff Years	248.23	234.38
Average working days lost	15	11

Retirements due to ill-health

During the year to 31 March 2020 there was 6 early retirement from the Trust agreed on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £0.023 million (31 March 2019: £0.19 million). The cost of these ill-health retirements will be borne by the NHS Business Services Authority-Pensions Division.

Sickness absence data is set out on page 50 and information about disabled employees is available on page 53.

Staff turnover

NHS Workforce statistics are published by NHS Digital https://digital.nhs.uk/data-and-information/publications/statistical/nhs-workforce-statistics

Workforce Planning

The Trust develops and maintains a five year workforce plan focusing on patient facing roles, from which an annual plan is drawn ensuring a pipeline of talent and consistently strong resourcing. These plans account for predicted turnover to mitigate risk and this year has also reflected the additional anticipated needs of primary care.

In order to support the NHS Long Term Plan and champion system working, the Trust is reviewing its approach to strategic workforce planning and is working on the development of a system wide workforce plan for paramedics through close collaboration with Health Education England [HEE] and NHS England and Improvement. The intention is to ensure the adequate supply of highly trained paramedics as the profession becomes more attractive to other parts of the wider NHS system. In addition, the development of pipelines for specialist and advanced grades of clinicians is crucial to transforming the way the Trust delivers services with lead times of circa three years to equip an experienced paramedic to work as an advanced level practitioner.

Workforce plans are monitored on a weekly and monthly basis to adjust projections and supply lines accordingly. These are then reported into the Trust Board. Robust workforce planning is also key to our ambition to diversify our workforce so that Trust staff more closely represent the communities we serve.

Sickness Absence and Wellbeing

The year-to-date sickness absence rate for 2020/21 at February 2021 was 5.08%. This is a decrease of 0.76% from the same point in 2019/20.

The Trust's Sickness Absence Policy has been updated to make it more accessible and easier for leaders to navigate and to ensure it closely aligns to the Trust's strategic approach to sickness and wellbeing.

It is a key area of focus for the Trust's leadership teams, working with the People Directorate, to reduce sickness absence, and Trust leaders are working hard to ensure sickness absence is managed efficiently and compassionately under the policy. There was a pause in formal sickness absence meetings from March 2020 to August 2020 during the height of the pandemic and work is now underway to ensure all sickness absence cases are compliant with the revised policy. As at March 2021 the Trust is 90% compliant against sickness absence meetings, and colleagues will be working towards 100% compliance by next financial year.

The Trust's Critical Illness toolkit continues to be used widely and enables leaders to have greater discretion when they are supporting an employee who is suffering from a serious or life threatening illness. The ambition is to give leaders discretion to deal with the sickness absence of their team members and in certain circumstances the usual sickness triggers will not need to apply in the same way.

There has been further investment in the Trust's Staying Well Service this year with wellness forming a major strategic strand of SWAST's People Strategy. This has allowed us to shift the focus from a reactive service supporting colleagues once they have become unwell to a proactive service which supports wellness and self-care through the provision of education and support, utilising in-house and external expertise. This has required a change in the way that the Staying Well Service deploys its resources, for instance, services are now available for employees to manage their own wellbeing and wellness, and peer support mechanisms have been introduced such as a Menopause Café where women, and some men, can come together to find support for themselves or others, who are suffering from menopause symptoms.

As the second wave of the COVID-19 pandemic draws to a close, our attention has turned to supporting colleagues with 'Long Covid' symptoms and a range of support measures are now in place such as:

- Referral to NHS fast track physiotherapy internally or to physiotherapy services set up by Occupational Health;
- Referral to fast track mental health services set up internally or to mental health services provided by our Staying Well Service or the Trust's Employee Assistant Programme;
- Referral to an Occupational Therapist through Optima to design specific rehabilitation programmes.

There is also focus on ensuring the Trust's shielding employees are able to return to work in an appropriate way according to each member of staff's personal circumstances. In addition, personal risk assessments are being carried out with all colleagues who have been shielding during the pandemic.

More broadly, the Staying Well Service has experienced a general increase in referrals for wellbeing support and as a result has moved from just supporting physical and mental concerns to recognising social issues as a factor in the wellbeing of our people. The service received 1256 referrals with a significant rise in referrals from in September, October, November and March (over 40 more referrals each month compared to the previous year). Much of this increase is COVID-19 related and themes relating to anxiety, trauma and isolation were prevalent. But some of the increase was also due to our consistent focus on wellbeing as an organisation and the messaging from the Trust's Chief Executive about the importance of staying well and using the service in a proactive way.

Despite COVID-19, and all the changes to working practices that were caused by the pandemic, the Trust is proud that the Staying Well Service has continued to provide SWAST employees with a wide range of services and events throughout this period. Highlights include:

- Act of Kindness
- Dry January
- Development of the Women's Wellbeing tab which is home to information on menopause, smear tests and cervical cancer
- Stress management sessions
- Coping with loneliness advice and guidance
- Support sessions for leaders
- Care packages to staff who were shielding and working with Zoe Larter, Head of Charity to provide a wellbeing gift to every staff member
- Change of EAP provider and introduction of the My Healthy Advantage wellbeing app
- Marie Curie National Day of Reflection
- Supporting 60 staff to join Slimming World
- Menopause Café – specialist GP talking about the menopause and tips on how to be prepared for your GP consultation

All of these initiatives are supported by our Peer Support Guardian Network, a group of over 100 staff members who volunteer to provide the first level of support to our colleagues across the Trust, and the Trust's Staff Wellbeing Engagement Group, a group of staff members with an interest in wellbeing who come together to discuss the Trust's approach and take forward initiatives to support people across the organisation.

Equality and Diversity

The Trust takes its duty to be an equitable, inclusive and fair employer extremely seriously. The Trust like the nation responded to Black Lives Matters in a number of ways, with the most significant being the investment in the appointment of a Head of Equality, Diversity and Inclusion [EDI] with a view to mainstreaming activities pertaining to diversity and inclusion into the Trust's daily work and ensure that all staff and leaders are part of making SWAST's culture affirming and empowering for all.

Growing staff networks is a vital strand of our EDI work, and vital for fostering inclusion and engendering psychological safety. The Trust now has three networks in place – the Race Equality Network, the LGBT Network, a newly formed Multi-Faith Network and a Disability Network which will launch in May of this year.

The Trust is a Stonewall Diversity Champion and a Disability Confident Leader and has also reported its Gender Pay Gap for 2019/20.

The Trust also continues to support national initiatives including clinical guidelines with specific BME presentations and the introduction of diverse uniforms across all ambulance services.

This year the Trust will launch its first EDI plan as part of our work to embrace and celebrate similarities and differences. Our ambition is that our staff and volunteers will represent the communities that we serve; we know that we have some work to do before we are a truly inclusive employer and we are committed through word and deed to make this a reality, measured by our staff survey results and feedback from our workforce.

Supporting Disabled Employees

As of 31 March 2021, SWAST employed 158 staff who have declared a disability as recorded via the Electronic Staff Record. The Trust's aim is to ensure there are no barriers to SWAST staff declaring their disability and that all reasonable adjustments are made for colleagues who do declare to ensure any potential challenges to their working experience are mitigated as far as is possible.

The Trust is proud to hold the Disability Confident Leader status, demonstrating our commitment to supporting staff with a disability. This is the highest level of the Government scheme designed to recognise employers who recruit and retain disabled staff. The Trust. As part of the Trust's Disability Confident Status we are working with other local organisations to support them to achieve Disability Confident Status. The Trust has acted as an independent validator for the No Limits Café in Devon, to help them ensure they are delivering against all of the core actions as a Disability Confident Employer. The Trust plans to widen its validator role across the Trust area.

In May 2021 we will be launching a Disability Network, designed to engage with all employees across the Trust to understand their experiences, share common stories, learn from each other and determine whether additional guidance and education would benefit our leaders to ensure that there are no barriers to our disabled colleagues fully realising their potential within SWAST.

Engagement and Involvement

Employee engagement is an area of focus for the Trust and a metric that is tracked via the annual staff survey. Over the last three years this figure has gone up from 62% to 65% but is still not where we want it to be with a longer term ambition to be at 75% engagement or more.

The Trust's view of engagement is broad and happens in many different ways. For instance, the Head of Equality, Diversity & Inclusion has run engagement sessions to feed in to the Trust's EDI work. There has also been a great deal of engagement with staff requiring a greater need of support or who have a protected characteristics for instance engagement in relation to race equality, gender equality and issues relating to LGBTQ+ staff and communities. We have held menopause and carers cafes that have resulted in additional guidance shared on our intranet page, and educational resources for all employees across the Trust. As part of this engagement work the team have developed dedicated support and guidance pages which have been received incredibly well.

Additionally the Trust provides staff with information on important matters, for instance:

- The Chief Executives Trust bulletin;
- Town hall events that are chaired by our Chief Executive;
- Dedicated intranet pages for each change programme happening across the organisation;
- Electronic chat room sessions;
- Real time updates provided via Twitter and Facebook.

The Trust enjoys good employee relations. We work closely with our recognised Trade Union, Unison, to discuss and develop plans to support our people and resolve issues they may bring to our attention. The Trust has a well-established Trade Union Recognition Agreement that enables a framework for consultation, negotiation and the provision of information between the Trust and our recognised Union. The agreement is supplemented by mechanisms for consultation within the Trust that include the Joint Negotiating and Consultative Committee, Policy Review Alignment Group, Health and Safety Committee, Quality and Governance Committee and Local Consultative Committees held in each of our Counties and Clinical Hub.

The Trust has a Branch Secretary, two Assistant Branch Secretaries, Health and Safety Lead all of whom work full time, and an additional four full time staff side representatives that form the Branch Principles. There are 17 accredited stewards and 5 workplace contacts across the Trust who receive one shift per month release time to support with employee relation cases and/or attend other meetings to provide support, the actual release time for financial year 2020/2021 was 364 hours.

As part of our cultural development journey, the Trust continues to embed a 'Just Learning' culture, with a continued focus on learning from incidences as opposed to progressing employees through a formal investigation process. Whilst this has proved a challenge during the pandemic, and our formal disciplinary and grievance cases have increased, we remain committed to this way of working and embedding an approach that is in line with our strategic and our cultural ambitions. A year-on-year comparison as at March 2021 is outlined below:

ER Cases	2018/2019	2019/2020	2020/2021
Disciplinary	91	31	43
Grievance	28	10	36
Stage 3 Sickness Meetings	107	121	118
Dignity and Respect	16	3	11
P&D	26	5	9

The Trust's commitment to embedding a Just and Learning Culture has centred on the desire to create an environment where staff feel supported and empowered to learn when things do not go as expected, rather than feeling blamed. This is a culture that instinctively asks in the case of an adverse event: "what was responsible, not who is responsible". This is very much in line with our cultural aspirations and commitments.

Results from the NHS Staff Survey

Response Rate

	2019/20	2020/21		Trust Improvement /deterioration
	Trust	Trust	Benchmarking group (FT) average	
Response Rate	50%	73%	56%	Improvement of 23% when compared to last year's response rate.

Results Comparison

Below is a table showing the results comparison for the eleven key areas across the staff survey:

The Trust saw its highest response rate to the 2020 survey of 73%, an increase of 23% from the 2019 survey and an improvement in nine of the ten key themes from the survey. We were particularly pleased to see positive change in the areas of health and wellbeing and staff engagement although these figures are not where we want and need them to be and focus remains ongoing.

Despite this excellent set of results, the Trust was disappointed that the area of Safe Environment – Violence slightly decreased in this year's results and work is now in train to help combat the violence that staff may experience from patients. This includes media campaigns on zero tolerance of violence and aggression to staff, the appointment of a Violence and Aggression Lead and personalised support for those who experience violence and aggression from service users.

	2020/21		2019/20		2018/19	
	Trust	Benchmarking Group	Trust	Benchmarking Group	Trust	Benchmarking Group
Equality, Diversity & Inclusion	8.8	8.5	8.6	8.5	8.3	8.4
Health & Wellbeing	5.5	5.5	5.0	5.0	4.9	5.0
Immediate Managers	6.1	6.4	5.9	6.3	5.9	6.2
Morale	6.0	6.0	5.6	5.7	5.4	5.7
Quality of Appraisals	Not included in 2020 survey		4.3	4.8	4.2	4.6
Quality of Care	7.3	7.5	7.1	7.4	7.1	7.4
Safe Environment – Bullying & Harassment	7.6	7.4	7.3	7.4	7.3	7.3
Safe Environment – Violence	8.8	8.8	8.9	8.8	8.8	8.8
Safety Culture	6.4	6.4	6.2	6.2	6.1	6.1
Staff Engagement	6.5	6.3	6.2	6.3	6.2	6.2
Team working	5.4	5.2	5.2	5.3	5.1	5.3

The findings from the staff survey are being integrated in to our Trust improvement and change plans with local improvements being led by SWAST leaders. Overall we are very content with this set of results, particularly given the extremely challenging context at the time of the survey. It was extremely pleasing to see the shift in staff recommending SWAST as a great place to work which improved by 12% on last year. Areas for further review will feed in to the Trust's programme of work on cultural change and wellbeing, areas such as flexible working, working additional paid and non-paid hours, support from immediate line managers, the development of a leadership framework and development curriculum and our focus on removing blocks and obstacles to SWAST colleagues producing their best work.

Nationally, key findings included:

Considerable increase in organisations taking positive action on Health & Wellbeing;

- Decrease in motivation of staff and contribution to improvements across a number of related factors;
- An increase in staff recommending their organisation as a place to work and satisfaction of the quality or care provided to patients;
- Slight decrease in support and clear feedback from immediate line manager.

The next steps for the Trust are to undertake local reviews of the staff survey data to develop local actions plans. The People Directorate will then review, collate and monitor local action plans and incorporate the themes from the free text analysis. This will be owned by leaders, supported by their HR Business team but the themes and actions will be fed into existing corporate programmes of work.

Workforce Statistics

The following WTE figure is different from that given in the annual accounts because outlined below is the total number of people employed by the Trust on 31 March 2021 and the number given within the accounts is an average during the year.

NHS South Western Ambulance Service NHS Foundation Trust

	2020/21				2019/20			
	Headcount	WTE	Headcount %	WTE %	Headcount	WTE	Headcount %	WTE %
Age 16-25 26-35 36-45 46-55 56-65 66+	506 1331 1175 1278 539 32	495.2 1243.4 1051.2 1171.8 447.6 23.6	10.4 27.4 24.1 26.3 11.1 0.7	11.2 28.1 23.7 26.4 10.1 0.5	480 1283 1197 1155 535 35	466.6 1189.7 1057.1 1045.4 436.1 20.5	10.2 27.4 25.5 24.7 11.4 0.7	11.1 28.2 25.1 24.8 10.3 0.5
Ethnicity White Mixed Asian or Asian British Black or Black British Chinese Other Not Stated	4653 51 30 24 6 5 92	4241.5 47.7 26.5 23.5 5.1 5 83.4	95.7 1.1 0.6 0.5 0.1 0.1 1.9	95.7 1.1 0.6 0.5 0.1 0.1 1.9	4503 46 25 17 7 1 86	4049.6 42.3 22.4 16.0 5.6 1.0 78.4	96.1 1.0 0.5 0.4 0.1 0.0 1.8	96.1 1.0 0.5 0.4 0.1 0.0 1.9
Gender Male Female Transgender	2606 2255 Not recorded	2454.6 1978.3 Not recorded	53.6 46.4 Not recorded	55.4 44.6 Not recorded	2197 2488 Not recorded	1872.3 2343.1 Not recorded	46.9 53.1 Not recorded	44.4 55.6 Not recorded
Recorded Disability Yes No Not Declared	158 4269 434	146.3 3906.9 379.6	3.3 87.8 8.9	3.3 88.1 8.6	126 4094 465466	113.1 3698.9 403.4	2.7 87.4 9.9	2.7 87.7 9.6

Trade Union Facility Time Disclosures

The facility time (FT) data that organisations are required to collate and publish under the 2017 regulations is as follows:

We employed 42 members of staff (36.8 WTE) who were relevant union officials during the year. These employees spend the following percentage of their working hours on union duties.

% of working time on Union duties	Number of people who did this
0%	3
1-50%	30
51-99%	2
100%	3

The percentage of the total pay bill spent on facility time is 0.19%.The total time spent on paid trade union activities as a percentage of total paid facility time hours is 0.22%

Health, Safety and Security

The Health, Safety and Security team have continued to support the Trust to comply with health and safety legislation throughout a very busy and particularly challenging year, supporting the Trust to work safely during the COVID-19 pandemic. This report highlights the significant amount of work that has been undertaken during 2020/21 to improve the management of health, safety and security in the Trust.

Some of the team's key achievements this year include:-

- The redevelopment of the health and safety vision, strategy and work plan.
- The re-design of the health and safety policies and structures.
- The re-design of and increased engagement in the Health, Safety, Security and Infection Prevention and Control Committee.
- The development and implementation of a focused violence prevention and reduction work stream.

This year, the Trust has seen a reduction in working days lost due to occupational injury and the number RIDDOR reportable incidents.

The Health, Safety and Security team received a total of 2989 incident reports including:

- 1155 incidents where an injury occurred to a member of staff
- 76 incidents where an injury occurred to a patient whilst under our care

The most common incidents reported related to the following:-

- Violence and aggression (1773 reports);
- Infection prevention and control (520 reports);
- Moving and handling (334 reports).

Under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) 2013, the Health, Safety and Security team reported 102 RIDDOR incidents to the Health and Safety Executive (HSE) during 2020/21, compared to 107 during 2019/20 and this represents a 4.6% decrease in reported incidents. 2 RIDDOR reports related to a patient, which has decreased from 5 reports the previous year.

Working days lost due to an occupational injury to a member of staff accounted to 2486; in comparison to 2019/20 (2718 days), this is an 8.5% decrease.

Audits

The Health, Safety and Security team implemented a new electronic audit tool and conducted a total of 189 proactive health and safety audits through the year in a variety of Trust premises and continued to offer advice and action plans to increase performance. Reports on findings were sent to key stakeholders and areas of concern were highlighted to the Health, Safety, Security and Infection Prevention Control Committee and the Working Safely Programme Board.

The Audit Committee subjected three main areas to an audit against health and safety arrangements in 2020. These areas included violence and aggression, manual handling and the control of contractors. The auditor's examination concluded there were some areas of improvement required. These were summarised as:-

- Arrangements relating to the control of contractors;
- Internal assurance framework for contractor management, violence and aggression and manual handling; and
- Health and safety training and competence.

- The Health, Safety and Security team have formulated a structured work plan to improve performance in these areas.

- The audit also concluded the Trust has a good provision of basic health and safety training and acknowledged the changes in the Health, Safety, Security and Infection Prevention and Control Committee which has resulted in better engagement and shared learning across departments as a result of the changes.

Fire Risk Management

Fire risk assessments were completed for 31 premises, the results of which were communicated to key stakeholders. This ensured that the premises were safe to use in respect of fire safety and ensured all necessary fire precautions were in place.

Fire Warden training was refreshed and redeveloped. 1 fire related incident was reported on the Trust's Incident Reporting System.

Health, Safety, Security and Infection Prevention and Control Committee

The Health, Safety, Security and Infection Prevention and Control Committee met four times to consult with Trade Union colleagues and key stakeholders on health and safety and infection prevention and control matters.

An Executive Committee met 6 times to ratify the arrangements for the Health, Safety, Security and Infection Prevention and Control Committee. The Terms of Reference for both groups were reviewed and approved this year.

Health, Safety and Security Advice and Guidance

The Health, Safety and Security Team continued to review the Health and Safety Policy and arrangements and updated when required. This year, many of the health and safety arrangements were updated, including:-

- Health and Safety Policy;
- Control of Contractors;
- Home Working;
- First Aid;
- Safety Signs and Signals;
- Control of Vibration; and
- COVID-19 Reporting.

The Health, Safety and Security team continued to work closely with key stakeholders to provide advice, guidance and bespoke training where required ensuring risks were being managed sensibly and proportionately.

The appointment of the Violence Prevention and Reduction Lead as part of the wider Health, Safety and Security team has seen a positive impact on violence prevention and reduction. The purpose of the role is to ensure health and safety requirements and the Violence Prevention and Reduction Standard are met. A comprehensive work plan, along with steering groups was created to lead this important work.

HSE Involvement and Enforcement Activities

During 2020/21, the HSE contacted South Western Ambulance Service regarding several occupational disease RIDDOR reports submitted following cases of potential occupational exposure to COVID-19. After liaising with the HSE, the HSE advised the Trust to review its reporting requirements and consider retracting some of the reports. Subsequently many of the reports were redacted. Further feedback from the HSE has not been received.

There were no HSE prosecutions or enforcement and no enforcement by the Fire and Rescue Services against the Trust this year. The existing Improvement Notice served on the Trust relating to the management of occupational dermatitis was closed this year after satisfactory checks by the HSE.

Risk assessments

The main priority for last year was the management of COVID-19. The team participated in and reviewed in the region of 150 risk assessments relating to COVID-19 to help ensure the Trust was operating safely.

The corporate health and safety risk register was formally reviewed by a steering group and subsequently, some risk assessments were created or reviewed in light of this. This was to ensure areas of perceived higher risks had appropriate oversight and management.

The focus for next year will be to continue to ensure there are suitable and sufficient risk assessments across the Trust and that these are managed appropriately. Risk assessments will be managed more effectively with the use of an electronic document management system.

Health, Safety and Security Training

43 managers and leaders successfully completed IOSH Managing Safely training this year. The Health, Safety and Security team are reviewing methods of delivery for this training, with the view to ensuring all managers and leaders complete the course.

The Health, Safety and Security team developed an e-learning module for Home Working to support emergency planning needs.

The Learning and Development Function hold records of mandatory e-learning training relating to health and safety completed on ESR, which includes:

- Health, Safety and Welfare
- Fire Training
- Occupational Dermatitis
- DSE
- Home Working
- Moving and Handling
- Conflict Resolution
- Infection Prevention and Control

Fraud

The Trust has a responsibility to ensure that public money is spent appropriately and, in relation to this, we have policies in place to counter fraud and corruption. These include detailed standing financial instructions, a revised Counter Fraud and Anti-Bribery Policy and a Standards of Business Conduct Policy. The Trust works with TIAA who provides its Anti-Fraud Service. The NHSCFA counter fraud self-review tool was submitted by Trust on 29 April 2020, with an overall GREEN rating for compliance with the standards set this year. Counter fraud progress reports are provided at each Audit and Assurance Committee meeting, and help provide assurance on the work completed. This also monitors the adequacy of counter fraud arrangements and reports on progress to the Board of Directors.

For 2020/21, TIAA has reviewed its delivery model to ensure that it meets the ever-changing NHS environment, with an increased emphasis on the following factors:

- A work programme that is based upon risk and is intelligence led.
- An increased focus on empowering staff through a range of fraud awareness measures, bespoke to Trust requirements.
- The provision of our innovative Fraud Check and Thematic Reviews.
- Delivery of deep dive reviews into key risk areas to increase detection of fraud issues and to provide wider assurance.
- Introduction of our FRAUDSMART+ service which incorporates briefing notes and fraud alerts to provide you with near ‘real time’ issues relevant to the sector and fraud industry, enabling preventative actions to mitigate threats.
- Enhanced investigations support utilising our data analytics and digital forensics service with an ability to undertake forensic investigations.
- The TIAA Work Plan, approved by the Audit and Assurance Committee is a plan demonstrates compliance with the Counter Fraud Authority Standards on Countering Fraud and Corruption:
- Strategic Governance – Board level ownership, risk assessment and monitoring
- Inform and Involve – Multi-faceted programme of awareness raising
- Prevent and Deter – Systems to proactively prevent fraud are embedded

- Hold to Account – Referrals and Investigations pursued in a compliant and effective way
- Results of any inspections or compliance issues are resolved.

The Counter Fraud Specialist (CFS) has worked with the Trust to ensure good systems and processes are in place to prevent fraud and to deal appropriately if it were to occur. The following work was reported to committee and has been completed during 2020/21:

- Counter Fraud Intranet pages updated. with latest awareness including:
- Cheque Book and Timesheet Fraud
- Mandate Fraud in Circulation
- Good Practice Guidance - Fraud or Error
- Scam Calls Regarding NI Number Suspension
- Proactive counter fraud review of Working whilst sick and secondary employment has been completed and issued as a final to the Trust
- Proactive counter fraud review of Ambulance staff overtime claims has been completed and issued as a final to the Trust
- Proactive review of Manual Timesheets has been completed and issued as a final
- Proactive review of Pre-Employment checks has been completed and issued as final t
- Dissemination of fraud alerts/intelligence bulletins – including dissemination of information to all staff where appropriate is provided in
- Proactive exercises into Gifts and Hospitality, Trust Charity and Salary Overpayments have started and are currently ongoing.
- Proactive Exercises have started within the following areas, Gifts and Hospitality, Salary Overpayments, Trust Charity.

There have been no significant fraud issues or threats in the year affecting the Trust. The main risks are external fraudsters attempt to manipulate purchasers, like the Trust, into making payments into incorrect bank account details or internal, where staff work for another employer while claiming sick leave from the Trust.

Staff Exit Packages

Foundation Trusts are required to disclose summary information of their use of exit packages in the agreed year.

This information is subject to audit

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages £000
<£10,000			
£10,000 - £25,000	1	1	25
£25,001 -£50,000			
£50,001 - £100,000			
£100,000 - £150,000			
£150,000 - £200,000			
Total number of exit packages by type			
Total resource cost	**1**	1	25

Exit packages: non-compulsory departure payments

	Agreements Number	Total Value of Agreements £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	1	10
Non-contractual payments requiring HMT approval*		
Total	**1**	**10**
Of which: Non-contractual payments requiring HMT approval made to individuals where the payment value was more than		
12 months of their annual salary		

With regard to exit packages, the lowest amount paid was £10,048.3 and the highest was £15,000.

Expenditure on consultancy

In 20/21 the Trust spent £1,399,000 on consultancy.

Off-payroll Arrangements

The staff report should also contain a statement on the NHS foundation trust's policy on the use of off-payroll arrangements, which as a minimum should cover arrangements for highly paid staff and controls it has in place over the use of such arrangements.

The Trust follows the guidance issued by the Department of Health in 2012 relating to off- payroll engagements. The off-payroll payments for the Trust relate to PSC arrangements that are in place for some doctors working for the urgent care service.

Table 1: For all off-payroll engagements as of 31 March 2021, for more than £245 per day and that last for longer than six months

No. of existing engagements as of 31 March 2021	1
Of which...	
No. that have existed for less than one year at time of reporting	
No. that have existed for between one and two years at time of reporting	1
No. that have existed for between two and three years at time of reporting	
No. that have existed for between three and four years at time of reporting	
No. that have existed for four or more years at time of reporting	

All existing off-payroll engagements, outlined above, have at some point been subject to a risk-based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought.

Table 2: For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2020 and 31 March 2021, for more than £245 per day and that last for longer than six months

Number of off-payroll workers engaged during the year ended 31 March 2021	1
Of which:	
Number assessed as within the scope of IR35	0
Number assessed as not within the scope of IR35	1
Number of engagements assessed for consistency /assurance purposes during the year	0
Of which: number of engagements that saw a change to IR35 status following review	0
Number of engagements that saw a change to IR35 status following review	

Table 3: For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 20 and 31 March 2021.

Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed 'board members and/or senior officials with significant financial responsibility' during the financial year. This figure must include both off-payroll and on-payroll engagements.	0

Council of Governors

Structure and role

As an NHS foundation trust, we have a Council of Governors. The Council forms a vital link between its members, staff, stakeholders and wider public, ensuring that their interests are represented.

The statutory roles and responsibilities of the Council of Governors and Additional Powers of the Governors are detailed in the Trust Constitution. In 2020/21, these roles and responsibilities were as follows:

- Reappointment and appointment of the Non-Executive Directors;
- Reappointment of the Trust Chairman;
- Approval of the appointment of the Chief Executive;
- Hold the Non-Executive Directors, individually and collectively, to account for the performance of the Board of Directors;
- Represent the interests of the members of the Trust as a whole and the interests of the public;
- Receive the NHS Foundation Trust's annual accounts, any report of the auditor on them, and the annual report at a general meeting of the Council of Governors;
- Reappoint the NHS Foundation Trust's auditor;
- Amends to the Trust Constitution;
- Restructure of Appointed and Staff Governors;
- Hold the Non-Executive Directors, individually and collectively, to account for the performance of the Board of Directors;
- Appointment of the Lead and Deputy Lead Governors;
- Represent the interests of the members of the Trust as a whole and the interests of the public; and
- Decide whether the Trust's non-NHS work would significantly interfere with its principal purpose, which is to provide goods and services for the health service in England, or performing its other services.

Through the Governor's attendance at the Board and the Board's attendance at the Council of Governor meetings, both parties are able to exchange information about the Trust and its operations. Governors are also invited to attend formal committee meetings where they can observe the non-executive directors. As well as these formal opportunities, there are also informal ways to work together. At the start of each Council of Governors meeting there is also an informal hour where Governors and Board members can chat, discuss topics and get to know each other in a more relaxed environment to aid better working relationships.

The Council of Governors and the non-executive directors have a formal session on the Council of Governors agenda called 'table time' that allows them to talk freely across a broad range of topics. In collaboration with the Council of Governors the Trust is working to align these sessions with the Trusts strategic goals, which in turn will allow for a more focused discussion to take place in area of which the Council of Governors would like specific assurance on.

During the year of 2020 Governors and Non-Executive Directors have undertaken a different way of working to engage with staff and members virtually. Virtual meetings and engagement events have become the new way of working and has allowed the Trust to adapt allowing both parties to develop an understanding of the other and learn from the views of Board, governors and members. Members' feedback to governors and the Trust Board could be through attendance at meetings of the Council of Governors, virtual contact, surveys of members' opinions and consultations.

The Trust has a policy of engagement for Non-Executive Directors and the Council of Governors which outline the procedures to be followed for engagement and resolution. The Board uses the feedback from the Council of Governors when developing its forward plan. The last Trust plan was a two-year plan and the second year of the plan was submitted in 2020/21.

Governors continue to seek the views of their membership through an informal and formal programme and were key stakeholders in the development of the Trust Vision in 2018/19.

Public, Staff and Appointed Governors

At 1 April 2020 the Council was made up of 34 governors, with 19 being elected by public members, six by the staff members, one local authority appointed governor and the remaining seven being appointed by partner organisations.

Lead Governor

Governors are invited to nominate themselves for the posts of Lead and Deputy Lead Governor annually. Following election by their peers at the Annual General Meeting in December 2020 the Lead Governor is Dee Nix, Public Governor – Wiltshire and Swindon, and the Deputy Lead Governor is Torquil MacInnes, Public Governor – Wiltshire and Swindon. Their terms of office will run until the Annual General Meeting on 16 September 2021.

Register of Interests

Governors have signed the Trust's Code of Conduct and are required to declare any interests which may compromise their objectivity in carrying out their duties. A Register of the Interests for all members of the Council of Governors is published on the Trust website and copies may also be obtained by from the Trust Secretary. Declarations are completed on an annual basis for all governors.

Contacting Governors and the Trust Secretary

Members who wish to contact the Council of Governors may do so by contacting the Trust Secretary, South Western Ambulance Service NHS Foundation Trust, Abbey Court, Eagle Way, Exeter, EX2 7HY or via email at governors@swast.nhs.uk.

The Council of Governor meetings and workshops are regularly attended by members and non-members. Non-members include senior managers and directors. The Chairman of the Trust chairs both the Board of Directors and the Council of Governors and therefore plays a significant role in ensuring effective and sound working relationships.

Meetings of the Council of Governors

The Council of Governors met formally via Skype or Zoom as a Council on four occasions in 2020/21 with an additional date for the Annual Members Meeting in December 2020. Governors also supported the Trust through attendance at virtual engagement events and subgroup meetings. The following table details attendance at the five Council of Governor meetings:

Governor	Constituency	Elected/ Appointed	Commencement of Term of Office	Meeting Attendance in 2020/21
Rae Care	Public – Bristol & B&NES	Uncontested	01 March 2019	3 / 5
Roy Shubhabrata	Public – Bristol & B&NES	Uncontested	01 March 2019	4 / 4
Andy Phillips	Public – Cornwall	Uncontested	01 March 2021	2 / 5
Kim Gale	Public – Cornwall	Elected	01 March 2020	3 / 5
David Pinder-White	Public – Devon	Uncontested	01 March 2020	4 / 5
Jeremy Filmer-Bennett	Public – Devon	Uncontested	01 March 2020	3 / 3
Phil Ford	Public – Devon	Uncontested	01 March 2020	5 / 5
Margaret Batty	Public – Devon	Uncontested	01 March 2020	4 / 5
Clare Head	Public – Dorset	Uncontested	01 March 2021	5 / 5
Chrissie Morris Brady	Public – Dorset	Uncontested	01 March 2021	0 / 0
Alan Crick	Public – Gloucestershire and South Gloucestershire	Uncontested	01 March 2020	0 / 5
Jeremy Marchant	Public – Gloucestershire and South Gloucestershire	Uncontested	01 March 2021	0 / 0
Valerie Simms	Public – Gloucestershire and South Gloucestershire	Uncontested	01 March 2021	0 / 0
Steve Manning	Public – Isles of Scilly	Uncontested	01 March 2019	5 / 5
Andy Nickolls	Public – Somerset and North Somerset	Elected	01 March 2019	1 / 5
Kevin Weston	Public – Somerset and North Somerset	Uncontested	01 March 2021	0 / 0
Wendy Lynch	Public – Somerset and North Somerset	Elected	01 March 2019	5 / 5
Dee Nix	Public – Wiltshire and Swindon	Uncontested	01 March 2020	5 / 5
Torquil MacInnes	Public – Wiltshire and Swindon	Uncontested	01 March 2020	5 / 5

Sarah Lennard	Staff – A&E (Cornwall and Devon)	Elected	01 March 2020	3 / 5
Mark Love	Staff – A&E (North)	Elected	01 March 2020	4 / 5
David Shephard	Staff – A&E (Dorset and Somerset)	Elected	01 March 2020	2 / 5
Neil Hunt	Staff – Admin, Support and Other Services	Elected	01 March 2020	5 / 5
Bill Sivewright	Appointed – Air Ambulance Charities	Appointed	01 March 2020	4 / 5
Bob Deed	Appointed – Local Authority	Appointed	01 November 2019	4 / 5

Non-Executive Director Attendance at the Council of Governors Meetings

In 2020/21, there were four Council of Governor meetings and one Annual Members Meeting. The Non-Executive Director attendance is in the following table. All but two of these meetings were attended by the Chief Executive. Executive Directors are not required to attend but are able to attend if they wish or are requested to attend by the Council of Governors.

In 2020/21, the Council of Governors had no occasion to exercise their powers under the NHS Act and require a Director to attend to provide information on performance.

Tony Fox	5 / 5
Gail Bragg	4 / 5
Jacqui Richards	1 / 2
Martin Holloway	4 / 5
Minesh Khashu	2 / 5
Nick Cullen	0 / 5
Paul Love	2 / 5
Venessa James	5 / 5

Remuneration and Recommendation Panel

The Remuneration and Recommendation Panel must comprise of four governors and the chairman of the Council of Governors. We have a larger panel due to the size and geography of the Trust to enable contingency arrangements to be effective. The following table shows members' attendance at the formal Remuneration and Recommendation panel committee meetings for 2020/21. Not every member is required to attend every interview so full attendance would not be expected.

This does not include the extra time and effort committed to for shortlisting, interviews preparation, telephone conference calls to check on progress or the time that governors make to be available for supporting the panel.

In 2020/21, the Governors' effort was significant which saw the re-appointment of two NED's, as well as structuring the alignment of remuneration for the Trust Chairman and Non-Executive Directors.

Name	Position	Attendance Actual/Possible
Bill Sivewright	Appointed Governor	4 / 4
Clare Head	Public Governor	4 / 4
David Pinder-White	Public Governor	4 / 4
David Shephard	Staff Governor	3 / 4
Dee Nix	Public Governor	4 / 4
Mark Love	Staff Governor	2 / 4
Neil Hunt	Staff Governor	0 / 4
Sarah Lennard	Staff Governor	3 / 4

In addition, the Trust Secretary, Marty McAuley has been in attendance to support and advise the panel. The processes used in NED recruitment have been developed by the governors and approved by the Council of Governors. The governors always assess the skill-set required; consider the current and future needs of the Board and seek input from the Chief Executive, Senior Independent Director, other Board members and the Trust Secretary.

Our Membership

SWASFT welcomes members from all walks of life and public membership is open to people aged 16 years or over who live within our operating area. For membership in a public constituency, a member must live within that public constituency area. The boundaries of the Trust's public constituencies are aligned to local authorities and are defined within the Trust Constitution. The membership and engagement strategy which sets out how it is ensured that membership is reprehensive of operational area, using the analysis of socio-economic demographics. The strategy defines membership community and eligibility criteria, as well as defining differing levels of membership and the engagement opportunities offered at each level.

At 31 March 2021, the main demographic imbalance within the membership was the underrepresentation of members below the age of 22 years. Members within the 17-21 brackets form only 1.4% of the Trusts in area membership. The Trust is working hard to increase this demographic with the development of a youth forum and dedicated youth seats within the Council of Governors. We continue to address previously identified demographic imbalances in areas of low representation through a carefully considered engagement plan, ensuring where possible, staff and governors attend and engage with both our members and the wider public. There is a slight overrepresentation of members who are classified by the Office for National Statistics "C1" which represents mature money and limited living. This socio-economic grouping comprises of 29% of the Trusts total membership. Additionally those classified as 'AB' which represents lavish lifestyle and executive wealth, those occupations have been or are high managerial, administrative and professional, account for a further 27% of the Trust membership.

The Council of Governors has established a Communications and Membership Sub-group, which is charged with reviewing the effectiveness of the Membership and Engagement Strategy and working with the Trust to identify engagement activities for Governors as well as targeting demographic imbalances within our membership.

The Board of Directors monitors how representative the membership is, together with the level and effectiveness of membership engagement, through annual reporting and by individual directors attending membership events throughout the year. Our public membership at 31 March 2021, numbered 13,327 members which equates to 0.25% of the eligible population. The following table provides a breakdown of membership by constituency. Details of constituency eligibility are detailed in the Constitution, which is available on the public website at www.swast.nhs.uk.

Public

Public Constitution	Minimum Number of Members	Members 31 March 2021	Number of Governors 31 March 2021
Bristol and Bath & North East Somerset	320	1,213	1
Cornwall	272	2,780	2
Devon	580	2,876	3
Dorset	360	1,483	2
Gloucestershire and South Gloucestershire	436	1,445	3
Isles of Silly	25	73	1
Somerset and North Somerset	375	2,440	3
Wiltshire and Swindon	336	1,017	2

Staff

Staff membership at 31 March 2021. The following table provides a breakdown of this membership by staff class. Details of staff class eligibility are detailed in the Constitution, which is available on the public website at www.swast.nhs.uk.

Constituency	Membership 31 March 2021	Number of Governors 31 March 2021
Accident & Emergency: East Division Staff Class	835	1
Accident & Emergency: North Division Staff Class	1,719	1
Accident & Emergency: West Division Staff Class	1,603	1
Volunteers Staff Class	509	0
Administration, Support and Other Services Staff Class	1,185	1

Members receive communications and are invited to events including the Annual Members' Meeting, station open days and to take part in focus groups and respond to consultations, as well as being invited to stand for election as a trust governor. Anyone wishing to know more about membership, should contact the trust on 01392 261502 or via email at ft@swast.nhs.uk.

NHS Foundation Trust Code of Governance

South Western Ambulance Service 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.

Code of Governance Disclosure Statement –			
Relating to	**Code Ref**	**Summary of Requirement**	**Annual Report Location, or Comply or Explain**
Schedule A (2)			
Board and Council of Governors	A.1.1	The schedule of matters reserved for the Board of Directors should include a clear statement detailing the roles and responsibilities of the Council of Governors. This statement should also describe how any disagreements between the Council of Governors and the Board of Directors will be resolved. The annual report should include this schedule of matters or a summary statement of how the Board of Directors and the Council of Governors operate, including a summary of the types of decisions to be taken by each of the Boards and which are delegated to the executive management of the Board of Directors.	Comply – page 23 of the Annual Report
Board, Nomination Committee(s) , Audit Committee, Remuneratio	A.1.2	The annual report should identify the Chairperson, the deputy Chairperson (where there is one), the Chief Executive, the Senior Independent Director (see A.4.1) and the Chairperson and members of the nominations, audit and remuneration committees. It should also set out the number of meetings of the Board and those committees and individual attendance by Directors.	Comply – page 23 of the Annual Report
Council of Governors	A.5.3	The annual report should identify the members of the Council of Governors, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated Lead Governor.	Comply – page 65,67/68 of the Annual Report
Board	B.1.1	The Board of Directors should identify in the annual report each Non-Executive Director it considers to be independent, with reasons where necessary.	Comply – page 23 of the Annual Report
Board	B.1.4	The Board of Directors should include in its annual report a description of each director's skills, expertise and experience. Alongside this, in the annual report, the Board should make a clear statement about its own balance, completeness and appropriateness to the requirements of the NHS foundation trust.	Comply – page 24 of the Annual Report

Nominations Committee(s)	B.2.10	A separate section of the annual report should describe the work of the nominations committee(s), including the process it has used in relation to Board appointments.	Comply – page 39,40,42, 68/69 of the Annual Report
Chair / Council of Governors	B.3.1	A Chairperson's other significant commitments should be disclosed to the Council of Governors before appointment and included in the annual report. Changes to such commitments should be reported to the Council of Governors as they arise, and included in the next annual	Comply – page 23 of the Annual Report
Council of Governors	B.5.6	Governors should canvass the opinion of the trust's members and the public, and for appointed Governors the body they represent, on the NHS foundation trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the Board of Directors. The annual report should contain a statement as to how this requirement has been undertaken and satisfied.	Comply – page 69/70 of the Annual Report
Board	B.6.1	The Board of Directors should state in the annual report how performance evaluation of the Board, its committees, and its directors, including the Chairperson, has been conducted.	Comply – page 31 of the Annual Report
Board	B.6.2	Where there has been external evaluation of the Board and/or Governance of the trust, the external facilitator should be identified in the annual report and a statement made as to whether they have any other connection to the trust.	Comply – Page 31 of the Annual Report
Board	C.1.1	The Directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS foundation trust's performance, business model and strategy. Directors should also explain their approach to quality governance in the Annual Governance Statement (within the annual report).	Comply – page 80 of the Annual Report
Board	C.2.1	The annual report should contain a statement that the Board has conducted a review of the effectiveness of its system of internal controls.	Comply – page 90 of the Annual
Audit Committee / control environment	C.2.2	A trust should disclose in the annual report: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	Comply – page 38 of the Annual Report

Audit Committee / Council of Governors	C.3.5	If the Council of Governors does not accept the Audit Committee's recommendation on the appointment, reappointment or removal of an external auditor, the Board of Directors should include in the annual report a statement from the audit committee explaining the recommendation and should set out reasons why the council of governors has taken a different position.	NA
Audit Committee	C.3.9	A separate section of the annual report should describe the work of the audit committee in discharging its responsibilities. The report should include: • the significant issues that the committee considered in relation to financial statements, operations and compliance, and how these issues were addressed; • an explanation of how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or re-appointment of the external auditor, the value of external audit services and information on the length of tenure of the current audit firm and when a tender was last conducted; and • if the external auditor provides non-audit services, the value of the non-audit services provided and an explanation of how auditor objectivity and independence are safeguarded.	Comply – page 83-86 of the Annual Report
Board / Remuneration Committee	D.1.3	Where an NHS foundation trust releases an Executive Director, for example to serve as a Non-Executive Director elsewhere, the remuneration disclosures of the annual report should include a statement of whether or not the Director will retain such earnings.	NA
Board	E.1.5	The Board of Directors should state in the annual report the steps they have taken to ensure that the members of the Board, and in particular the Non-Executive Directors, develop an understanding of the views of Governors and members about the NHS foundation trust, for example through attendance at meetings of the Council of Governors, direct face-to-face contact, surveys of members' opinions and consultations.	Comply – page 68 of the Annual Report
Board / Membership	E.1.6	The Board of Directors should monitor how representative the NHS foundation trust's membership is and the level and effectiveness of member engagement and report on this in the annual report.	Comply – page 69 of the Annual Report
Membership	E.1.4	Contact procedures for members who wish to communicate with governors and/or directors should be made clearly available to members on the NHS foundation trust's website and in the annual report.	Comply – page 66 of the Annual Report

Additional Requirements, FT Annual Reporting Manual 2015/16		
Council of Governors	The annual report should include a statement about the number of meetings of the Council of Governors and individual attendance by Governors and Directors.	Comply – page 67-68 of the Annual
Board	The annual report should include a brief description of the length of appointments of the Non-Executive Directors, and how they may be terminated	Comply – page 42 Annual Report
Nominations Committee (s)	The disclosure in the annual report on the work of the nominations committee should include an explanation if neither an external search consultancy nor open advertising has been used in the appointment of a Chair or Non- Executive Director.	Comply – N/A
Council of Governors	If, during the financial year, the Governors have exercised their power* under paragraph 10C** of schedule 7 of the NHS Act 2006, then information on this must be included in the annual report. This is required by paragraph 26(2) (aa) of schedule 7 to the NHS Act 2006, as amended by section 151 (8) of the Health and Social Care Act 2012. * Power to require one or more of the directors to attend a Governors' meeting for the purpose of obtaining information about the foundation trust's performance of its functions or the Directors' performance of their duties (and deciding whether to propose a vote on the foundation trust's or directors' performance). ** As inserted by section 151 (6) of the Health and Social Care Act 2012)	NA
Membership	The annual report should include: • a brief description of the eligibility requirements for joining different membership constituencies, including the boundaries for public membership; • information on the number of members and the number of members in each constituency; and • a summary of the membership strategy, an assessment of the membership and a description of any steps taken during the year to ensure a representative membership [see also E.1.6 above], including progress towards any recruitment targets for members.	Comply – page 69-70 of the Annual Report
Board / Council of Governors	The annual report should disclose details of company directorships or other material interests in companies held by Governors and/or Directors where those companies or related parties are likely to do business, or are possibly seeking to do business, with the NHS foundation trust. As each NHS foundation trust must have registers of Governors' and Directors' interests which are available to the public, an alternative disclosure is for the annual report to simply state how members of the public can gain access to the registers instead of listing all the interests in the annual report. See also ARM paragraph 7.33 as directors' report requirement	Comply – page 23, 66 of the Annual Report

Schedule A (6) – Comply or Explain			
Board	A.1.4	The Board should ensure that adequate systems and processes are maintained to measure and monitor the NHS foundation trust's effectiveness, efficiency and economy as well as the quality of its healthcare delivery	**Comply**
Board	A.1.5	The Board should ensure that relevant metrics, measures, milestones and accountabilities are developed and agreed so as to understand and assess progress and delivery of performance	**Comply**
Board	A.1.6	The Board should report on its approach to clinical governance	**Comply**
Board	A.1.7	The Chief Executive as the accounting officer should follow the procedure set out by Monitor for advising the Board and the Council and for recording and submitting objections to decisions	**Comply**
Board	A.1.8	The Board should establish the constitution and standards of conduct for the NHS foundation trust and its staff in accordance with NHS values and accepted standards of behaviour in public life	**Comply**
Board	A.1.9	The Board should operate a code of conduct that builds on the values of the NHS foundation trust and reflect high standards of probity and responsibility	**Comply**
Board	A.1.10	The NHS foundation trust should arrange appropriate insurance to cover the risk of legal action against its	**Comply**
Chair	A.3.1	The Chairperson should, on appointment by the Council, meet the independence criteria set out in B.1.1. A Chief Executive should not go on to be the Chairperson of the same NHS foundation trust	**Comply**
Board	A.4.1	In consultation with the Council, the Board should appoint one of the independent Non-Executive Directors to be the Senior Independent Director	**Comply**
Board	A.4.2	The Chairperson should hold meetings with the Non-Executive Directors without the Executives present	**Comply**
Board	A.4.3	Where Directors have concerns that cannot be resolved about the running of the NHS foundation trust or a proposed action, they should ensure that their concerns are recorded in the Board minutes	**Comply**
Council of Governors	A.5.1	The Council of Governors should meet sufficiently regularly to discharge its duties	**Comply**
Council of Governors	A.5.2	The Council of Governors should not be so large as to be unwieldy	**Comply**
Council of Governors	A.5.4	The roles and responsibilities of the Council of Governors should be set out in a written document	**Comply**
Council of Governors	A.5.5	The Chairperson is responsible for leadership of both the Board and the Council but the Governors also have a responsibility to make the arrangements work and should take the lead in inviting the Chief Executive to their meetings and inviting attendance by other Executives and Non-Executives, as appropriate	**Comply**
Council of Governors	A.5.6	The Council should establish a policy for engagement with the Board of Directors for those circumstances when they have concerns	**Comply**
Council of Governors	A.5.7	The Council should ensure its interaction and relationship with the Board of Directors is appropriate and effective	**Comply**

Council of Governors	A.5.8	The Council should only exercise its power to remove the Chairperson or any Non-Executive Directors after exhausting all means of engagement with the Board	**Comply**
Council of Governors	A.5.9	The Council should receive and consider other appropriate information required to enable it to discharge its duties	**Comply**
Board	B.1.2	At least half the Board, excluding the Chairperson, should comprise Non-Executive Directors determined by the Board to be independent	**Comply**
Board / Council of Governors	B.1.3	No individual should hold, at the same time, positions of Director and Governor of any NHS foundation trust	**Comply**
Nomination Committee(s)	B.2.1	The nominations committee or committees, with external advice as appropriate, are responsible for the identification and nomination of Executive and Non-Executive Directors	**Comply**
Board / Council of Governors	B.2.2	Directors on the Board of Directors and Governors on the Council should meet the “fit and proper” persons test described in the provider licence	**Comply**
Nomination Committee(s)	B.2.3	The nominations committee(s) should regularly review the structure, size and composition of the Board and make recommendations for changes where appropriate	**Comply**
Nomination Committee(s	B.2.4	The Chairperson or an independent Non-Executive Director should chair the nominations committee(s)	**Comply**
Nomination Committee(s) / Council of	B.2.5	The Governors should agree with the nominations committee a clear process for the nomination of a new Chairperson and Non-Executive Directors	**Comply**
Nomination Committee(s)	B.2.6	Where an NHS foundation trust has two nominations committees, the nominations committee responsible for the appointment of Non-Executive Directors should consist of a majority of Governors	**Comply**
Council of Governors	B.2.7	When considering the appointment of Non-Executive Directors, the Council should take into account the views of the Board and the nominations committee on the qualifications, skills and experience required for each	**Comply**
Council of Governors	B.2.8	The annual report should describe the process followed by the Council in relation to appointments of the Chairperson and Non-Executive Directors	**Comply**
Nomination Committee(s	B.2.9	An independent external adviser should not be a member of or have a vote on the nominations committee(s)	**Comply**
Board	B.3.3	The Board should not agree to a full-time Executive Director taking on more than one Non-Executive Directorship of an NHS foundation trust or another organisation of comparable size and complexity	**Comply**
Board / Council of Governors	B.5.1	The Board and the Council of Governors should be provided with high-quality information appropriate to their respective functions and relevant to the decisions they have to make	**Comply**
Board	B.5.2	The Board and in particular Non-Executive Directors, may reasonably wish to challenge assurances received from the Executive management. They need not seek to appoint a relevant adviser for each and every subject area that comes before the Board, although they should, wherever possible, ensure that they have sufficient information and understanding to enable challenge and to take decisions on an informed basis	**Comply**

Board	B.5.3	The Board should ensure that Directors, especially Non-Executive Directors, have access to the independent professional advice, at the NHS foundation trust's expense, where they judge it necessary to discharge their responsibilities as Directors	**Comply**
Board / Committees	B.5.4	Committees should be provided with sufficient resources to undertake their duties	**Comply**
Chair	B.6.3	The Senior Independent Director should lead the performance evaluation of the Chairperson	**Comply**
Chair	B.6.4	The Chairperson, with assistance of the Trust Secretary, if applicable, should use the performance evaluations as the basis for determining individual and collective professional development programmes for Non-Executive Directors relevant to their duties as Board members	**Comply**
Chair / Council of Governors	B.6.5	Led by the Chairperson, the Council should periodically assess their collective performance and they should regularly communicate to members and the public details on how they have discharged their responsibilities	**Comply**
Council of Governors	B.6.6	There should be a clear policy and a fair process, agreed and adopted by the Council, for the removal from the Council of any Governor who consistently and unjustifiably fails to attend the meetings of the Council or has an actual or potential conflict of interest which prevents the proper exercise of their duties	**Comply**
Board / Remuneration Committee	B.8.1	The remuneration committee should not agree to an Executive member of the Board leaving the employment of an NHS foundation trust, except in accordance with the terms of their contract of employment, including but not limited to service of their full notice period and/or material reductions in their time commitment to the role, without the Board first having completed and approved a full risk assessment	**Comply**
Board	C.1.2	The Directors should report that the NHS foundation trust is a going concern with supporting assumptions or qualifications as necessary – see also ARM paragraph 7.17	**Comply**
Board	C.1.3	At least annually and in a timely manner, the Board should set out clearly its financial, quality and operating objectives for the NHS foundation trust and disclose sufficient information, both quantitative and qualitative, of the NHS foundation trust's business and operation, including clinical outcome data, to allow members and governors to evaluate its performance	**Comply**

Board	C.1.4	a) The Board of directors must notify Monitor and the Council of Governors without delay and should consider whether it is in the public's interest to bring to the public attention, any major new developments in the NHS foundation trust's sphere of activity which are not public knowledge, which it is able to disclose and which may lead by virtue of their effect on its assets and liabilities, or financial position or on the general course of its business, to a substantial change to the financial wellbeing, health care delivery performance or reputation and standing of the NHS foundation trust b) The Board of Directors must notify Monitor and the Council of Governors without delay and should consider whether it is in the public interest to bring to public attention all relevant information which is not public knowledge concerning a material change in: • the NHS foundation trust's financial condition; • the performance of its business; and/or • the NHS foundation trust's expectations as to its performance which, if made public, would be likely to lead to a substantial change to the financial wellbeing, health care delivery performance or reputation and standing of the NHS	**Comply**
Board / Audit Committee	C.3.1	The Board should establish an Audit Committee composed of at least three members who are all independent Non-Executive Directors	**Comply**
Council of Governors / Audit Committee	C.3.3	The Council should take the lead in agreeing with the Audit Committee the criteria for appointing, re-appointing and removing external auditors	**Comply**
Council of Governors / Audit Committee	C.3.6	The NHS foundation trust should appoint an external auditor for a period of time which allows the auditor to develop a strong understanding of the finances, operations and forward plans of the NHS foundation trust	**Comply**
Council of Governors	C.3.7	When the Council ends an external auditor's appointment in disputed circumstances, the Chairperson should write to Monitor informing it of the reasons behind the decision.	**Comply**
Audit Committee	C.3.8	The Audit Committee should review arrangements that allow staff of the NHS foundation trust and other individuals where relevant, to raise, in confidence, concerns about possible improprieties in matters of financial reporting and control, clinical quality, patient safety or other matters	**Comply**

Remuneration Committee	D.1.1	Any performance-related elements of the remuneration of Executive Directors should be designed to align their interests with those of patients, service users and taxpayers and to give these directors keen incentives to perform at the highest levels	**Comply**
Remuneration Committee	D.1.2	Levels of remuneration for the Chairperson and other Non-Executive Directors should reflect the time commitment and responsibilities of their roles	**Comply**
Remuneration Committee	D.1.4	The Remuneration Committee should carefully consider what compensation commitments (including pension contributions and all other elements) their Directors' terms of appointments would give rise to in the event of early	**Comply**

Remuneration Committee	D.2.2	The Remuneration Committee should have delegated responsibility for setting remuneration for all Executive Directors, including pension rights and any compensation payments	**Comply**
Council of Governors / Remuneration Committee	D.2.3	The Council should consult external professional advisers to market-test the remuneration levels of the Chairperson and other Non-Executives at least once every three years and when they intend to make a material change to the remuneration of a Non-Executive	**Comply**
Board	E.1.2	The Board should clarify in writing how the public interests of patients and the local community will be represented, including its approach for addressing the overlap and interface between Governors and any local consultative forums	**Comply**
Board	E.1.3	The Chairperson should ensure that the views of Governors and members are communicated to the Board as a whole	**Comply**
Board	E.2.1	The Board should be clear as to the specific third party bodies in relation to which the NHS foundation trust has a duty to co-operate	**Comply**
Board	E.2.2	The Board should ensure that effective mechanisms are in place to co-operate with relevant third party bodies and that collaborative and productive relationships are maintained with relevant stakeholders at appropriate levels of seniority in each	**Comply**

NHS Oversight Framework

NHS England and NHS Improvement's NHS Oversight Framework provides the framework for overseeing providers and identifying potential support needs. The framework looks at five themes:

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

Based on information from these themes, providers are segmented from 1 to 4, where 4 reflect 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.

NHSI has assessed the Trust as being in segment 2, with targeted support identified as being required for operational performance.

This segmentation information is the Trust's position as at June 2021. Current segmentation information for NHS Trusts and Foundation Trusts is published on the NHS Improvement website.

Will Warrender
Chief Executive
10 June 2021

Statement of the chief executive's responsibilities as the accounting officer of South Western Ambulance Service 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 South Western Ambulance Service 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 South Western Ambulance Service 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 judgements 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
- 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 entity'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.

Will Warrender
Chief Executive
10 June 2021

Annual Governance Statement

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS foundation trust's 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 NHS foundation trust 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 South Western Ambulance Service 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 South Western Ambulance Service NHS Foundation Trust for the year ended 31 March 2021 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

Risk management is embedded through the Trust. Risk is managed at an operational and corporate level. There are three levels of risk:

- Low - risks that score 9 and below
- Moderate - risks that score 10-12
- Significant - risks that score 15 and above

Risk oversight is essential to the embeddedness of risk management process and the Trust has the following arrangements in place:

- On a monthly basis the Executive Directors receive all risks that score 25
- On a quarterly basis the Audit and Assurance Committee receive all risks that score 10 and above
- On a bi-monthly basis the Board of Directors receives all risks that score 10 and above alongside the Board Assurance Framework which includes deep dives on risks scoring 20 and above in addition to one lower level risk
- Alongside this, at each Committee of the Board, it is a standing item to receive a register of all risks scoring above 10 that relate to the remit of that committee (finance, quality, people, health and safety).

Each project has its own risk register and is presented to the project board responsible for monitoring implementation of the individual project.

Risk management sits under the portfolio of the Executive Director of Quality and Clinical Care and is led by the Trust Secretary. There is a dedicated risk management function in place to support the organisation's compliance with risk management processes and to drive forward risk management improvement and development.

The Trust's risk management process states that on a monthly or bi-monthly basis (depending on the severity of the risk score), risks should be updated by an identified lead within each directorate responsible for 'owning' the individual risk.

The Trust has a Quality and Risk Assurance Group (QRAG) made up of senior managers across the Trust. On at least a monthly basis this group reviews risk assessments, meeting risk owners to ensure that the risk has been fully understood and described. Completed risk assessments are reported to the Audit and Assurance and Quality Committees for information which also has access to the actions associated with the individual assessments via Pentana Risk which enables the monitoring of individual action progress.

Individual directors hold various forums and collate their own local risks and senior managers can feed risks into the Quality and Risk Assurance Group for consideration. The Quality and Risk Assurance Group evaluates and checks assurance on Moderate and Significant risks, ensuring consistency.

The Quality and Risk Assurance Group invites other teams and departments to join them to share learning across the organisation. Individual risk owners are also supported through the process of developing their risk assessment, building knowledge and skill alongside their assessment.

In 2020/21, 19 meetings of the group were held which reviewed 106 risk assessments and 11 Quality Equality Impact Assessments. The Audit and Assurance Committee provides strategic oversight at a committee level. Their regular review of the Risk Register enables them to look at the current risk profile and consider it against the Internal Audit Programme.

The Trust is a learning organisation and learns through its approach to risk management and associated processes' for example serious incident management and learning.

Risk management is part of the induction process for all staff where the mandatory workbook provides information to ensure that staff are knowledgeable on risk management. It covers staff responsibilities as well as how risk is identified, managed and reported. Additional risk training sessions were commissioned by the Trust from a risk management expert and were delivered to 27 managers and members of support services staff.

The Board of Directors also has risk awareness sessions challenging themselves through the redesign of the Board Assurance Framework and Risk Register to ensure that they are fit for purpose and provide them with the right information.

Review Learn Improve (previously known as serious incident panels) meetings are well attended and seen as a valuable opportunity to improve practice. The Trust also embraces opportunities to learn and improve and to support this staff are invited to assist in the process of learning. Members of the Board of Directors attend Review Learn Improve meetings. In addition, the Directors and Board of Directors receive regular briefings on Review Learn Improve Incidents.

In 2018/19 the Trust implemented a new risk management system to improve the interaction and reporting of the Trust's risk management arrangements. During 2020/21 developments to the system have continued. The system has informed decision making by aligning risk management with minimising threats to the achievement of the Trust's objectives. Risks are mapped to the Trust's strategic goals in one framework providing greater visibility of risk exposure. The system allows each risk and individual action to be fully tracked and audited providing a clear history of the risk, controls and associated actions enhancing the provision of assurance to the Trust Board of Directors.

The risk and control framework

The Trust Board of Directors is committed to ensuring that effective risk management is an integral part of its management approach, underpinning all activities.

The Trust's Risk Strategy was approved in July 2016. A new joint Governance and Risk Strategy is currently being developed. The new strategy is being written as a joint strategy to ensure that the principles of good governance are embedded within risk management processes and vice versa, to ensure that risk is embedded within all other areas of Trust governance.

The strategy sets out the Trust's aims and principles for the management of governance and risk. The strategy is underpinned by governance and risk processes which are continually developed to achieve high standards. It demonstrates the effectiveness and continual development of the Trust's governance arrangements.

These processes build on historical good practice and new guidance, to ensure that strong arrangements are further improved and embedded.

The key aim of the strategy is to establish systems and processes to ensure that risk management becomes infused in the Trust's philosophy, practices and business planning processes ensuring a holistic approach.

Risk appetite is set at a Board level and reviewed depending upon the activity undertaken. Clinical and operational risk appetite is low. A comprehensive review of the Trust's appetite for each individual area of risk was undertaken in 2019/20 by the Trust's Audit and Assurance Committee and by the Trust Board of Directors.

The Risk Register and Board Assurance Framework (BAF) is presented to each Board meeting to give the Board oversight of the key risks that the organisation is facing and how this affects the Trust's ability to achieve the strategic goals of the Trust. A rotational deep-dive into lower-graded risks is also included in the BAF.

The QRAG is the operational forum for the Risk Register and the Audit and Assurance Committee is the strategic committee. The Audit and Assurance Committee receive the Risk Register to inform their discussion and inform the commissioning of further internal audit and work programmes.

In August 2020 the Audit and Assurance Committee received an internal audit report for ICT and Information Management which was rated as high. There were five recommendations made – one high, three medium and one low. One advisory recommendation was also made. All of the recommendations were agreed and actions were approved with the management and appropriate timescales for delivery led by the Executive Director of IM&T. The Audit and Assurance Committee oversee the successful completion of these actions and offer scrutiny and challenge on the progress of delivery. Through subsequent Audit and Assurance meetings in 2020/21, committee continued to oversee these recommendations taking assurance and offering challenge as appropriate.

The Board of Directors is focused on the quality of care the organisation provides, receiving assurance reports and updates at each of the meetings, this includes information on the key areas of learning and the actions the organisation is taking to embed improvements.

The Quality Committee, chaired by a non-executive director, is accountable for overseeing the Quality arrangements of the Trust and its membership consists of executive and non-executive directors. The Trust has a quarterly relationship meeting with the CQC.

Following consultation and then Board approval, the Trust launched its new Quality Strategy in March 2017. All improvement work in 2021/22 will be progressed utilising QI methodology and the Trust has procured a solution to support staff engagement and ideas generation.

Financial and quality performance information is available in the Integrated Corporate Performance Report (ICPR) which is always publicly available; reinforcing a pledge by directors in 2015 to give quality equal priority with performance. This is further embedded through the Trust's contract

management meetings which focus on both quality and performance. It is published on the Trust website and provided to the Council of Governors and the Board via a link each month, whilst received formally at each of their meetings.

The Trust has developed a Quality Assurance Plan and which further supports the Quality Strategy by embedding quality at the heart of what we do.

The Trust maintains a high profile nationally, with the chairman, chief executive and other Board members holding membership of many national groups.

The Board of Directors and the Quality Committee receive regular reports to provide assurance on quality performance.

The Trust has an Information Governance Group chaired by the Executive Director of Information Management &Technology (IM&T), which is responsible for information security. The Information Communications Technology (ICT) function leads on the data security arrangements which are in the main owned by ICT Services as a function.

The Information Assurance Steering Group is chaired by the Executive Director of IM&T whose remit is to oversee data quality and information security arrangements for the Trust.

Information security risks are reported to the Information Governance Group as the designated forum to consider issues arising from information governance and security incidents reported, and trends that emerge from these. Any moderate or significant risks are escalated to the Quality Risk Assurance Group and escalated to the Audit and Assurance Committee through the Data Protection Officer's report.

During 2020/21, two information security incidents were classified as being serious [1]. The Trust submitted its NHS Digital Data Security and Protection Toolkit compliance return in September 2020.

The Board-approved Caldicott Guardian is the Executive Medical Director. An Information Governance Group, chaired by the Senior Information Risk Owner (SIRO) and attended by information asset owners, develops and monitors the information governance work programme.

Our top major risks facing the Trust are the same as those risks that we see carrying forward. They are:

- Incident Stacking (A&E)
- Handover Delays at Hospital
- ARP Performance Targets
- Changes in Activity
- Staff Wellbeing
- Incorrect Incident Closure
- Commissioner Affordability
- External Impact on Finance Strategy
- Cost Improvement Programme
- Responding Officers contracting or transmitting Covid-19
- The Implications of COVID-19

The Trust's Risk Register contains details of the controls that are in place to manage each risk, the action planned to manage the risk and an identified accountable director.

These are reviewed and discussed at each meeting of the Board of Directors and Quality Committee. During review of the Board Assurance Framework at each meeting of the Trust Board of Directors, the accountable Executive Director advises the Board on the latest position for each risk.

All risks are monitored through the committee structure, via the Risk Register and Board Assurance Framework. The Quality Risk Assurance Group, Audit and Assurance Committee and Board of Directors are accountable for the oversight and assessment of the outcomes of risks.

Each Committee receives a report on the risks related to the scope of their committee, for example at each meeting of the Quality Committee all quality- related risks will be reviewed.

One of the most significant strategic risks, and a risk to patient safety, remains the delivery of the national ambulance standards. The achievement of these standards remains challenging due to the gap in the Trust's contractual position and in some cases the maturity of local urgent and emergency care systems; this creates an underlying risk to the safety of patients and creates the potential for patient harm.

Two current and key risks for the Trust relate to the 'stacking' of incidents received into our clinical hubs and delays in the handovers of patients at Acute Hospital Emergency Departments. Currently, the Trust has insufficient resource to meet the demand for ambulances and this results in a delay in some patients being allocated an appropriate resource.

The Trust has robust mitigation plans in place, but is also reliant on the risks being reduced through the actions of our stakeholders across the systems. In 2018, it was identified that potential risk to patients because of call stacking was significant enough for NHS England to convene a series of quality surveillance group meetings, which included representation from provider and commissioner organisations.

Through discussion, a number of actions have been agreed to support a reduction in demand on the service, and to put measures into place that support SWASFT when demand is outstripping resource so significantly that escalation reaches the highest level. The Trust is confident that, through continued dialogue and partnership working, coupled with the significant investment in resources, patients will consistently receive the right care, at the right time, in line with their clinical presentation.

The Board of Directors, Audit and Assurance Committee, Quality Committee and Directors Group continue to monitor the level of demand and performance with the monthly publication of the ICPR.

The committees and Board of Directors continue to receive reports on the Risk Register, Board Assurance Framework and serious incident reports as appropriate for each committee and any concerns regarding patient safety. Committees work together to ensure that all are assured and cross refer issues as appropriate. Non-executive committee chairs provide assurance reports to the Board of Directors following each committee meeting.

The Trust's Review Learn Improve process is a positive example of its approach to risk. Incidents are learned from to ensure that the practice of our staff is developed where possible and where errors happen, that learning is applied to ensure that we continue to deliver a safe and effective service.

The Corporate Governance Statement is approved each year by the Trust Board of Directors. It has a number of sources that it has taken its assurance from, these have included:

- CQC overall Trust rating of 'good'
- Internal audit reports on key control areas such as finance, risk and board assurance framework.
- Effective Board and committee structure
- Internal and external auditors' opinions.

The Trust has an established Quality and Equality Impact Assessment (QEIA) process which assesses both the quality and equality impacts of business decisions and changes to services.

The QEIA process provides a focus on quality, encompassing learning from reports such as Berwick, Keogh and Francis. It is used alongside financials, business cases and risk assessments for any proposed significant change. The core components of the QEIA tool, which was developed by one of the Trust's Commissioners and adopted by the Trust, are:

- Safety
- Effectiveness
- Experience
- Other Impacts
- Equality and Diversity
- Measurement.

Completed QEIAs are presented to the Quality and Risk Assurance Group who make a recommendation regarding sign-off and approval by the Executive Director of Quality and Clinical Care and the Executive Medical Director. They are subsequently reported to the Executive Directors Group and Quality Committee for information and assurance.

The Trust has an established web-based incident reporting process which is widely publicised and encouraged across the Trust. Each adverse incident report submitted is reviewed and an investigation is carried out which is proportionate to the level of the incident reported Where an investigation takes place, feedback is provided directly to those reporting incidents by the person responsible for its investigation. Any changes to clinical guidelines identified through learning from incidents are incorporated directly into the guidelines available to staff through the JRCALC application.

The Trust has an established web-based incident reporting process which is widely publicised and encouraged across the Trust. Each adverse incident report submitted is reviewed and an investigation is carried out which is proportionate to the level of the incident reported. Feedback is provided directly to those reporting incidents by the person responsible for its investigation. Any changes to clinical guidelines identified through learning from incidents are incorporated directly into the guidelines available to staff through the JRCALC application.
The Trust has continued to contribute to easing the pressure on the rest of the community through our non-conveyance rates, partnership working and our running of an Urgent Care Centre in Tiverton.

Cost improvement schemes have risk and quality impact assessments carried out on them so that decisions are not made in isolation but instead are part of a series of interdependent links that lead to the safe, effective and responsive service that we run.

The same open and transparent relationship exists with our regulator who is regularly updated on issues and challenges facing the Trust.

Alongside regular reporting, commissioners are in attendance at Quality Committee meetings.

Public Board meetings are attended by staff, governors and members of the public. Eight of 34 seats on the Council of Governors are held by appointed organisations that the Trust works with.

The Trust values the input of others in looking at how their stakeholders can affect its approach to risk management. A number of the Trust's risks are caused by pressures on the wider health system so these are regularly raised with our commissioners and acute partners. Working together to provide solutions, the Trust attends a quarterly meeting with commissioners who are sighted on key risks that affect the Trusts ability to deliver services and we work together to provide solutions.

2021/22 Workforce Planning Key Highlights

- 98 ECAs graduated through internal development programmes and appointed as Lead Clinicians.
- Turnover 70WTE lower than original anticipated projection
- Growth of 154 WTE ECA positions through People Plan 2. 27 ECA vacancies at year end
- 9 newly qualified Paras recruited through our IR arrangement with New Zealand
- New Cumbria Paramedic apprenticeship to support internal development –
- 22 commencing cohort 1 February 2021. 20 commencing cohort 2 April 2021. 22 on cohort 3 and 22 on cohort 4 commencing Feb/April 2022 respectively.

The Trust continues to have a 5 year workforce plan, which was approved the board. It is regularly reviewed by this strategic committee as well as monitoring through the Trust's monthly Senior Leadership Team Meeting, the Trust's weekly Resource Management Group Meeting and with Heads of Department and the Executive Director of Operations.

The Trust's workforce plans are modelled starting with patient care needs which are mapped through to model demand and resourcing requirements ensuring best use of financial resource to meet this demand.

The workforce plan has taken into account current workforce trends and potential future impacts on the workforce, this includes the potential risk of loss of Paramedics to Primary Care Networks.

In order to support the NHS long term plan and in order to champion system working, future strategic workforce planning will ensure the sustainable supply of people with the right knowledge and skills to deliver the care we expect to be delivering in the future acknowledging the lead times to equip people with new ways of working. The Trust is currently working on the development of a system wide workforce plan for paramedics through close collaboration with Health Education England and NHSE/I. The intention is to ensure the adequate supply of highly trained paramedics as the profession becomes more attractive to other parts of the system and the supply of newly qualified paramedics is crucial to creating capacity to develop more experienced clinicians to further advance their practice. In addition, the development of pipelines for specialist and advanced grades of clinicians is crucial to transforming the way the Trust delivers services with lead times of circa 3 years to equip an experienced paramedic to work as an advanced level practitioner.

The Trust complies fully with previously published NHS Improvement Rostering Good Practice Guidance. This includes planning a minimum of six weeks in advance, monitoring abstractions, daily reporting and weekly Resource Management Group Meetings to manage both the short and the long term position.

Over establishments will continue to be monitored through the weekly Resource Management Group Meetings, and recruitment and training plans will be adjusted accordingly if required. The weekly Resource Management Group meetings also have oversight of the Trusts resourcing against the funded position; this includes both daily and weekly cover looking ahead to the following six weeks.

Reporting measures are in place including rota fill rate, to support the efficiency of resourcing, and the Trust measures operationally available establishment as well as funded establishment. We are also developing forecast and capacity demand modelling and processes to ensure we able to become more sustainable. New reporting measures have been introduced including rota fill rate, to support the efficiency of resourcing, and the Trust measures operationally available establishment as well as funded establishment.

The foundation trust is fully compliant with the registration requirements of the Care Quality Commission.

The foundation 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.

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.

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

The Trust is in the process of developing its sustainable development management plan, this includes a section on climate change adaptation, and a plan to undertake a climate change risk assessment which will take into account the UK Climate Projections 2018.

Review of economy, efficiency and effectiveness of the use of resources

The Trust works hard to ensure that its resources are used efficiently and effectively. Each year there is an Audit and Assurance Committee approved plan for how internal audit will be engaged in the year. This is regularly reviewed and a formal half-year review takes place to ensure that the plan remains meaningful.

Executive director challenge around budget management and control remains key.

Cost Improvement Plans and changes that could impact on patients have a QEIA undertaken on them to understand any quality and equality would be.

The Trust's Finance Committee oversees the accountability for cost improvement plans. We have always set appropriate cost improvement schemes and continue to return a surplus in a difficult financial climate.

The whole Trust CQC rating was published in September 2018 following an inspection over June and July 2018. The Trust's overall rating is Good with a rating of Outstanding against the Caring domain. Good ratings were reported for the Responsive, Effective and Well-Led domains. The Trust's Emergency Operations Centre (clinical hub) received a rating of Good and the Emergency and Urgent Care (frontline A&E) received a rating of Requires Improvement. Following the inspection a Quality Assurance Plan was developed to address recommendations made within the CQC report and to ensure that the Trust continues to offer patients a safe, effective, caring and well-led service which is responsive to their needs.

Information governance

The Trust's information governance arrangements include dedicated management of risks to the information held by the Trust in order to reflect the specific requirements, defined through the NHS Digital Data Security and Protection Toolkit for managing information security risks.

There have been two serious breaches relating to confidentiality breaches in 2020/21 reported to the Information Commissioner's Office (ICO). These were reviewed and guidance issued through the staff bulletin and subsequent debrief. No further action was required.

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. NHS Improvement (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 Trust Executive Director of Quality and Clinical Care oversees the Quality Account arrangements. Priorities are developed by the Trust and approved by the executive directors.

The Quality Strategy and clinical developments will inform the direction of the quality indicators and the Trust uses national and local priorities, learning from complaints and incidents when designing its quality priorities which link to the Trust's strategic goals. All data included in the Quality Account is reviewed by the Trust.

Data quality is reviewed throughout the year, through the Information Assurance Steering Group which is chaired by the Executive Director of IM&T whose remit is to oversee data quality arrangements for the Trust.

Data quality is reported to the Board of Directors as part of the ICPR.

The Quality Account is overseen by the Quality Committee and presented to the Audit and Assurance Committee for assurance and recommendation to the Board of Directors once it is satisfied that it has met the requirements.

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 NHS foundation trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the quality report attached to this annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. 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, the audit committee and quality committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

My review is also informed by:

- Comments made by the external auditors in their management letter and other reports. 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, the audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

- The Head of Internal Audit providing me with an opinion on the overall arrangements for gaining assurance through the Board Assurance Framework and on the controls reviewed as part of the internal audit work. The Head of Internal Audit Opinion confirms overall as generally satisfactory with some improvements required.

- The Executive team provides assurance throughout the year in formal committee, Directors and Board meetings, our ongoing compliance with NHS Improvement's Code of Governance and license condition and further confirmation by the external assurance that I receive, enables me to report to the Board of Directors and Council of Governors.

- The Board of Directors, Audit and Assurance Committee and the Quality Committee receive assurance through their virtual meet and greets, virtual station visits, attendance at events, talking to staff and comparing this to the information that they receive in corporate meetings.

The continuing evolution and revision of the Risk Register and Board Assurance Framework is enabling the Board of Directors to change the way in which it receives and uses information ensuring that things stay fresh and approaches and assurance checking does not become complacent. This has been further enhanced through our Pentana Risk system.

Conclusion

I certify that no significant internal control issues have been identified.

William Warrender
Chief Executive
10 June 2021

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF SOUTH WESTERN AMBULANCE SERVICE NHS FOUNDATION TRUST

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of South Western Ambulance Service NHS Foundation Trust ("the Trust") for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Taxpayers Equity and 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 2021 and of the Trust's income and expenditure for the year then ended; and
- 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 and the Department of Health and Social Care Group Accounting Manual 2020/21.

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.

Going concern

The Directors have 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").

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Trust's business model and analysed how those risks might affect the Trust's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Directors' assessment that there is not a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for the going concern period.

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.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management, the Audit and Assurance Committee and internal audit and inspection of policy documentation as to the Trust's high-level policies and procedures to prevent and detect fraud, including the internal audit function, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Assessing the incentives for management to manipulate reported financial performance as a result of the need to achieve control totals delegated to the Trust by NHS Improvement
- Reading Board and Audit and Assurance Committee minutes.
- Using analytical procedures to identify any usual or unexpected relationships.
- Reviewing the Trust's accounting policies.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet delegated targets, we performed procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk of incentive for revenue to be manipulated into the wrong period around the year end and the risk that Trust management may be in a position to make inappropriate accounting entries.

In line with the guidance set out in Practice Note 10 Audit of Financial Statements of Public Sector Bodies in the United Kingdom we also recognised a fraud risk related to expenditure recognition, particularly in relation to year-end accruals. We consider this risk to be applicable to non-payroll and non-depreciation expenditure.

We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included users who would not be expected to post journals, unusual postings to cash accounts, unusual pairings to/from fraud risk accounts and finally the final journals posted in the period.
- Assessing significant estimates for bias.
- Inspecting transactions in the period prior to and following 31 March 2021 to verify expenditure had been recognised in the correct accounting period.
- Evaluating accruals posted as at 31 March 2021 and verifying accruals are appropriate and accurately recorded.
- Assessing the completeness of disclosed related party transactions and verifying they had been accurately recorded within the financial statements.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience and through discussion with the directors and other management (as required by auditing standards), and from inspection of the Trust's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Trust is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Trust is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Trust is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

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; and
- in our opinion the other information included in the Annual Report for the financial year is consistent with the financial statements.

Annual Governance Statement

We are required to report to you if the Annual Governance Statement has not been prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2020/21. We have nothing to report in this respect.

Remuneration and Staff Reports

In our opinion the parts of the Remuneration and Staff Reports subject to audit have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2020/21.

Accounting Officer's responsibilities

As explained more fully in the statement set out on page 110, 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 their 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

Report on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report if we identify any significant weaknesses in the arrangements that have been made by the Trust to secure economy, efficiency and effectiveness in its 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 paragraph 1(d) of Schedule 10 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 and related statutory guidance having regard to whether the Trust had proper arrangements in place to ensure financial sustainability, proper governance and the use of information about costs and performance to improve the way it manages and delivers its services. Based on our risk assessment, we undertook such work as we considered necessary.

Statutory reporting matters

We are required by Schedule 2 to the Code of Audit Practice to report to you if:

- any reports to the Regulator have been made under paragraph 6 of Schedule 10 of the National Health Service Act 2006.
- any matters have been reported in the public interest under paragraph 3 of Schedule 10 of the National Health Service Act 2006 in the course of, or at the end of the audit.

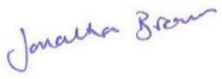
We have nothing to report in these respects.

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 South Western Ambulance Service NHS Foundation Trust for the year ended 31 March 2021 in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice.



Jonathan Brown
for and on behalf of KPMG LLP
Chartered Accountants
66 Queen Square
Bristol
BS1 4BE

15 June 2021

Operating and Financial Review

Summary of Financial Performance

The key highlights for financial performance for 2020/21 are as follows:

- The Trust delivered a surplus of £2.6m (2019/20: £1.9m) for the financial year 2020/21 as part of the nationally mandated interim financial regime. The adjusted position for system achievement is a surplus of £0.2m;
- Income of £320.2m (2019/20: £262.2m), which includes £35.8m COVID-19 funding;
- Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) of £16.0m (2019/20: £13.8m) representing 5.0% of income;
- A year-end cash balance of £41.5m (2019/20: £30.5m) compared to plan of £17.9m. The net movement from plan is due to lower than planned capital payments, trade payables and other financial liabilities above plan and surplus above plan;
- Net current liabilities of £2.0m which is an adverse movement of £4.0m (2019/20 Net current assets of £2.0m);

During the 2020/21 financial year the Trust managed a number of material issues providing financial context for the financial year including:

- The COVID-19 pandemic and the associated impacts including putting in place emergency infrastructure, enabling different ways of working, purchase and distribution of Personal Protective Equipment (PPE), resourcing to meet 'surge' demand and to cover staff abstractions due to sickness and self- isolation.
- Year on year the Trust total activity in relation to the A&E contract reduced from 963,030 to 927,881 incidents, a reduction of 3.65%, but this variable throughout the year due to the nature of the national lockdown restrictions which resulted in changes in public behaviours and the activity profile;
- As part of the NHS response to COVID-19 a revised financial regime was implemented, this provided an alternative basis for the contract income through 2020/21. The financial regime was in two parts, part one for April to September had an initial block arrangement, based on 2019/20 M9-12 income, and 'True-up' funding process, to address the additional cost of COVID-19. For the second half of the financial year, the Trust has received a fixed amount of funding for normal Trust activities and additional COVID costs, based on costs incurred in the first half of the year;
- The Trust continued its investment in additional core resources to deliver improved performance against the ARP standards, as set out in 'Our People Plan' and in line with the investment program agreed with commissioners. This included additional workforce and changes in resources;
- Significant additional capital expenditure including an additional 136 Double Crewed Ambulance chassis (DCA) purchased;;
- The Ambulance Airwaves team continued to be hosted on behalf of the Department of Health and Social Care;

The focus of the Operating and Financial Review is how these matters have impacted on the financial health of the organisation, with a particular focus on the Statement of Comprehensive Income.

Analysis of income

The Trust recognised income of £320.2m (including £35.8 COVID-19 funding) in 2020/21. This has increased by 22.1% (8.45% excluding COVID-19 income) from £262.2m in 2019/20. The following table provides a summary of the key movements:

Income Movements 2019/20 to 2020/21

	£'m
Income 2019/20	262.2
COVID-19 Funding	35.8
Centrally funded PPE push-stock	5.1
6.3% Pensions Funding	1.0
Loss of Urgent Care income	-6.7
Additional interim regime funding	20.3
Training income	1.7
Other funding changes	0.9
Income 2020/21	320.2

- Pensions funding relates to the uplift in employers pension contributions of 6.3% with effect from 1st April 2019. The costs of this increased contribution rate were met by DHSC on behalf of the Trust (£8.937 million for 2020/21);
- The COVID-19 funding was reclaimed by the Trust to match the additional pay and non-pay costs (totaling £35.85m) relating to the COVID-19 pandemic in 2020/21;
- The Trust was centrally funded for the PPE push-stock donations (£5.1 million);
- The Trust's Urgent Care Services income has reduced by £6.7m as the Trust has ceased to provide these contracts from May 2020. The reduction in income is matched with a reduction in expenditure;
- The additional interim regime funding included funding for inflation and other changes expected during this regime.

Total Income 2020/21

The principal source of income is from local NHS Clinical Commissioning Groups (CCGs) for the provision of A&E services (excluding the Hazardous Area Response Team income). A&E income totaled £222.7m (2020: £216.9m) which represented 69.6% of the Trust's 2020/21 turnover (2020: 82.7%). The following table provides a summary of the key movements noting the inclusion in the other income of the COVID-19, PPE and interim funding regime:

Trust Income in 2020/21 and 2019/20

	2020/21		2019/20	
	£'m	%	£'m	%
A&E income	222.7	69.50%	216.9	82.70%
Hazardous Area Response Team	6.9	2.20%	6.8	2.60%
Urgent Care Services income	0.6	0.20%	7.9	3.00%
Other income	90.0	28.10%	30.6	11.70%
	320.2	100.00%	262.2	100.00%

Analysis of Expenditure

Operating expenditure for 2020/21 was £316.8m. This has increased by £58.4m (22.6%) from £258.3m in 2019/20. The following table provides a summary of the key movements.

	£'m
Expenditure 2019/20	258.3
Staff costs	37.0
Supplies services	4.9
Establishment	0.5
Transport	7.9
Premises	2.0
Depreciation	2.8
Clinical Negligence	0.9
Other changes	2.5
Expenditure 2020/21	316.8

These movements reflect:

- The staff costs movement is a net movement including increased costs associated with investment in additional staffing relating to the 'People Plan and additional staff costs associated with COVID-19, offset set by the reduction in costs associated with the Urgent Care contracts included in 2019/20. This also includes the impact of the Agenda for Change pay award, Paramedic Band 6 uplift, pension increase and other changes including movement in annual leave;
- Transport costs changes include increases in fleet maintenance (£2.3m) and increased use of third party crewed ambulances (£7m), offset with reductions in fuel price, including some donations of free fuel, and other costs;
- The increase in Clinical Negligence reflects the increase applied by NHS Resolution for the Trust;
- The increase in supplies services is due to the centrally donated PPE push-stock;
- The increase in depreciation charges is primarily due to the Trust's investment in additional Double Crewed Ambulances (DCA) as part of the investment in the People Plans
- The largest driver to other changes is the additional costs associated with the Trust's response to COVID-19.

Operating Expenditure in 2020/21 and 2019/20

	2020/21		2019/20	
	£'m	%	£'m	%
Staff Costs	228.8	72.2%	191.8	74.3%
Supplies and Services	13.2	4.2%	8.3	3.2%
Establishment	3.3	1.0%	2.8	1.1%
Transport	28.5	9.0%	20.6	8.0%
Premises	12.9	4.1%	10.9	4.2%
Depreciation	12.7	4.0%	9.9	3.8%
Impairment	(0.2)	(0.1%)	(0.0)	(0.0%)
Rental under Operating	3.1	1.0%	3.4	1.3%
Clinical Negligence	3.3	1.0%	2.4	0.9%
Other	11.2	3.5%	8.2	3.2%
	316.8	100.0%	258.3	100.0%

- It should be noted that the Trust charitable accounts are not consolidated.

Cost Improvement Plan

The delivery of the Cost Improvement Plan (CIP) is one of the most significant factors in delivering the Trust's financial position and maintaining the financial health of the organisation. The Trust has a strong track record of delivering recurrent efficiencies that are extracted from budgets at the start of each year.

During 2020/21, in recognition of the impact of the COVID-19 pandemic efficiency expectations for trust's were reduced, and the Trust was delivered the required target of £0.7m of efficiencies as part of the interim financial regime.

Capital Investment

The total investment in capital for the year to 31 March 2021 was £27.8m (2019/20:£14.1m) which is significantly above historic levels and reflects a number of opportunities provided to the trust with additional funding.

Details of key elements of spend during the year is detailed below.

Capital Programme 2020/21 and 2019/20

	2020/21		2019/20	
	£'m	%	£'m	%
Fleet	10.4	37.4%	5.0	35.5%
Information Communication and Technology	4.8	17.3%	2.7	19.1%
Estates	5.2	18.7%	2.8	19.9%
Other including Medical Devices	7.4	26.6%	3.6	25.5%
	27.8	100.0%	14.1	100.0%

The key features of the capital expenditure are as follows:

- The fleet expenditure includes purchases of Double Crewed Ambulances (DCA) but reflects the slippage in spend to 2021/22 due to the delays in the production of vehicle
- The ICT expenditure reflects the continued investment in technology refresh
- Estates spend includes £2.2m expenditure for purchase of new ambulance stations at Redruth and Bridgwater
- Other includes the purchase of technology refresh for the Electronic Care Summary and Vital Signs Management technology.

Financing and Investment

The Trust has in place an overdraft facility of £5 million to support the management of any unexpected cash timing differences. This was renewed in January 2021. The Trust had no requirement to access this facility during 2020/21, maintaining healthy cash balances throughout the year. The Trust continues to forecast its cash requirements on a rolling 12- month basis and has no plans to use the facility over the forecast period.

Better Payment Practice Code

The Trust has an excellent record delivering against requirements set out by the Better Payment Practice Code.

The Trust monitors compliance to ensure that suppliers are paid within 30 days. The following table provides a summary of the number and value of the invoices paid within this target

Better Payment Practice Code Performance

	2020/21		2019/20	
	Number	£'m	Number	£'m
Total Non-NHS trade invoices paid in year	40,653	£132.4	33,874	£102.5
Total Non-NHS trade invoices paid within target	40,083	£131.9	33,310	£101.4
Percentage of Non-NHS trade invoices paid within target	99%	100%	98%	99%
Total NHS trade invoices paid in year	1,553	£2.9	1,225	£3.4
Total NHS trade invoices paid within target	1,431	£2.7	1,168	£3.4
Percentage of NHS trade invoices paid within target	92%	96%	95%	99%

Public Dividend Capital

The Trust is required to pay a dividend to the Department of Health based on 3.5% of average relevant net assets. During 2020/21, the Trust recognised a dividend payable of £1.6m within the Statement of Comprehensive Income based on average relevant net assets of £67.9m.

Financial Sustainability Risk Rating

NHS England and Improvement (NHSE/I) measures providers against the NHS Oversight Framework. This regime had been removed as part of the interim financial regime.

The Trust's 'adjusted financial performance' is monitored by NHSE/I against an agreed position as part of the Dorset System. The 'adjusted financial performance' is the Trust's total position as set out below which shows a favourable position to the system achievement.

	£'m
Reported surplus	2.6
Add back reversals of impairments	-0.2
Reverse net impact of consumables donated by DHSC bodies	-1.6
Adjusted Financial performance	0.9
Less gains on disposals of assets	-0.7
Adjusted Financial performance for system achievement	0.2

Financial Outlook 2021/22

Following the outbreak of the COVID-19 pandemic NHSE/I suspended the usual NHS financial planning arrangements and associated activities, including health contract negotiations and cost improvements. In its place an Interim Financial Regime based on the payment of pre-determined block payments and COVID-19 cost allocations for providers was put in place during 2020/21.

The Interim Financial Regime was put in place to support the NHS through the emergency response phase of the COVID-19 pandemic. This interim regime has been extended into 2021/22 split into two periods for each half of the year.

The funding for the first half 2021/22 (H1) has been agreed and is broadly in line with the funding received in the second half for 2020/21 including funding for COVID-19. The Trust is forecasting a breakeven position for this period as part of the overall Dorset system position with associated risks identified.

The Trust is working with NHSE/I and the other Dorset partners looking forward to the second half of the year (H2). The financial forecast for this period is to be agreed as part of the next stages of the implementation of the interim financial regime and the return to the normal NHS financial regime including contract negotiations.

The NHS now has a system by default approach, all providers are part of a system and plans are developed collectively by the system partners. The Trust is commissioned by seven CCGs, but Dorset CCG is the Co-ordinating Commissioner, therefore the Trust sits within the Dorset System for both financial planning and delivery, and any NHSE/I oversight. This means that some elements of financial planning and decisions that are now made as part of the Dorset system.

The Trust has an agreed capital plan for 2021/22 as part of the Dorset system capital plan. This is in line with the Trust five year strategy which is subject to the new capital regime to the NHS with system allocations with set capital restrictions.

The key financial risks for 2021/22 include:

- The impact of COVID-19 including staffing impacts and ways of working;
- Variation and potential increase in 999 activity including the impact of lifting of lock down restrictions;
- Impact of inflation including pay changes agreed;
- The uncertainty of the funding and regime for the H2 period.

South Western Ambulance Service NHS Foundation Trust

Annual report and Accounts for the year ended 31 March 2021

Foreword to the accounts

These accounts, for the year ended 31 March 2021, have been prepared by South Western Ambulance Service NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

Signed:

Will Warrender

20-May-21

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2021

	Note	**Year ended 31 March 2021**	Year ended 31 March 2020
		£000	£000
Operating income from patient care activities	3.1	**275,422**	247,536
Other operating income	3.1	**44,762**	14,699
Total operating income from continuing operations		**320,184**	262,235
Operating expenses from continuing operations	4.1	**(316,750)**	(258,331)
Operating surplus		**3,434**	3,904
Finance costs:			
Finance income	7	**0**	200
Finance costs - interest expense	8	**5**	(63)
PDC Dividends payable		**(1,557)**	(2,311)
Net finance costs		**(1,552)**	(2,174)
Gains on disposal of non-current assets		**737**	158
Surplus for the year		**2,619**	1,888
Other comprehensive income / (expense)			
Impairments	9.1 & 9.2	**(575)**	(586)
Revaluations	9.1 & 9.2	**1,628**	2,763
Total comprehensive income for the year		**3,672**	4,065
Adjusted financial performance			
Surplus for the year		**2,619**	**1,888**
Add back I&E impairment (reversals)		**(160)**	**(40)**
Surplus before impairments		**2,459**	1,848
Remove net impact of DHSC centrally procured inventories		**(1,575)**	**0**
Adjusted financial performance surplus		**884**	1,848

The notes on pages 6 to 41 form part of these accounts.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	Note	31 March 2021 £000	31 March 2020 £000
Non-current assets			
Property, plant and equipment	9.1 & 9.2	**118,688**	103,478
Trade and other receivables	12	**565**	752
Total non-current assets		**119,253**	104,230
Current assets			
Inventories	11	**3,711**	2,077
Trade and other receivables	12	**9,388**	7,072
Non-current assets held for sale and assets in disposal groups	9.5	**0**	275
Cash and cash equivalents	20	**41,496**	30,440
Total current assets		**54,595**	39,864
Current liabilities			
Trade and other payables	13.1	**(45,999)**	(27,159)
Borrowings	15	**(581)**	(487)
Provisions	18	**(8,110)**	(8,949)
Other liabilities	14	**(1,873)**	(1,225)
Total current liabilities		**(56,563)**	(37,820)
Total assets less current liabilities		**117,285**	106,274
Non-current liabilities			
Trade and other payables	13.1	**(23)**	0
Borrowings	15	**(3,775)**	(1,831)
Provisions	18	**(5,335)**	(4,805)
Total non-current liabilities		**(9,133)**	(6,636)
Total assets employed		**108,152**	99,638
Financed by taxpayers' equity:			
Public Dividend Capital		**55,238**	50,396
Revaluation reserve	19	**15,350**	15,051
Income and expenditure reserve		**37,564**	34,191
Total taxpayers' equity		**108,152**	99,638

The accounts on pages 2 to 41 were approved by the Board on 20 May 2021 and signed on its behalf by:

Signed: Will Warrender

Will Warrender - Chief Executive

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total Taxpayers' Equity £000
Changes in taxpayers' equity					
Balance at 1 April 2020		50,396	15,051	34,191	99,638
Surplus for the year		0	0	2,619	2,619
Transfers between reserves		0	(600)	600	0
Impairments	9.1 & 9.2	0	(575)	0	(575)
Revaluations - property, plant and equipment	9.1 & 9.2	0	1,628	0	1,628
Transfer to retained earnings on disposal of assets		0	(154)	154	0
Public dividend capital received		4,842	0	0	4,842
Taxpayers' equity at 31 March 2021		**55,238**	**15,350**	**37,564**	**108,152**

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY
FOR THE YEAR ENDED 31 MARCH 2020

	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total Taxpayers' Equity £000
Changes in taxpayers' equity				
Balance at 1 April 2019	50,058	13,394	31,783	95,235
Surplus for the year	0	0	1,888	1,888
Transfers by absorption: transfers between reserves	0	(520)	520	0
Impairments	0	(586)	0	(586)
Revaluations	0	2,763	0	2,763
Transfer to retained earnings on disposal of assets	0	0	0	0
Public dividend capital received	338	0	0	338
Taxpayers' equity at 31 March 2020	50,396	15,051	34,191	99,638

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. Additional PDC may also be issued to NHS foundation trusts by the Department of Health. A charge, reflecting the cost of capital utilised by the NHS foundation 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.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	Note	Year ended 31 March 2021 £000	Restated Year ended 31 March 2020 £000
Cash flows from operating activities			
Operating surplus from continuing operations		**3,434**	3,904
Operating surplus		**3,434**	3,904
Non cash income and (expense)			
Depreciation	4.1	**12,743**	9,907
Impairments	4.1	**(160)**	(40)
(Increase) in trade and other receivables	12.1	**(2,144)**	(838)
(Increase)/decrease in Inventories	11.1	**(1,634)**	93
Increase in trade and other payables	13.1	**10,026**	2,570
Increase in other liabilities	14	**648**	552
(Decrease)/increase in provisions	18	**(262)**	1,139
Net cash generated from operations		**22,651**	17,287
Cash flows from investing activities			
Interest received	7	**0**	200
Purchase of property, plant and equipment	9.1 & 13.1	**(16,528)**	(14,260)
Sales of Property, Plant and Equipment	4.1, 9.1 & 9.2	**2,113**	294
Net cash used in investing activities		**(14,415)**	(13,766)
Cash flows from financing activities			
Public dividend capital received		**4,842**	338
Loans repaid to the Department of Health	15	**(434)**	(428)
Capital element of finance lease rental payments	15	**(19)**	0
Interest paid		**(8)**	(17)
Interest element of finance lease		**(34)**	(56)
PDC Dividend paid		**(1,527)**	(2,154)
Net cash used from financing activities		**2,820**	(2,317)
Net increase in cash and cash equivalents		**11,056**	1,204
Cash and cash equivalents at the start of the year		**30,440**	29,236
Cash and cash equivalents at end of the year		**41,496**	30,440

Notes to the Accounts - 1. Accounting Policies

1.1 Accounting Policies

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 2020/21 issued by the Department of Health. 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 accounts.

1.2 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipments, inventories and certain financial assets and financial liabilities.

1.3 Going Concern

In the preparation of the year end accounts the Board of Directors is required to undertake an assessment confirming the Trust will continue as a going concern (i.e. that it will continue in the business of healthcare provision for the foreseeable future) as per the existing continuity of service principal inherent in the Department of Health and Social Care group acconting manual (GAM).

The Trust has prepared its financial plans and cash flow forecasts for the coming year on the assumption that funding will be received from the Department of Health and Social Care consistent with the revised funding arrangements in response to the COVID-19 pandemic. Discussions to date indicate this funding will be forthcoming. These funds are expected to be sufficient to enable the Trust to meet its obligations as they fall due; and will be accessed through the nationally agreed process published by NHS Improvement and the Department of Health and Social Care.
The NHS Improvement Foundation Trust Annual Reporting Manual 2020/21 states that financial statements should be prepared on a going concern basis unless management either intends to apply to the Secretary of State for the dissolution of the NHS foundation trust without the transfer of the services to another entity, or has no realistic alternative but to do so.

There has been no application to the Secretary of State for the dissolution of the Trust and following the preparation of detailed financial plans for 2021/22, no such application is planned.

The Board of Directors has therefore concluded that there is a reasonable expectation that the Trust will have access to adequate resources to continue in operational existence for the next 12 months.
The Board of Directors has therefore concluded that these financial statements should be prepared on a going concern basis as there is a reasonable expectation that the Trust will have adequate resources to continue in operational existence for the next 12 months.

1.4 Acquisitions and discontinued operations

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

1.5 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates 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.

Notes to the Accounts - 1. Accounting Policies (Continued)

1.5.1 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below) that management has made in the process of applying the Trust's accounting policies and which have the most significant effect on the amounts recognised in the annual report and accounts.

Provisions

Information provided by the 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 ill health retirement liability.

Provisions for pensions are estimated by using the interim life tables available from the National Statistics web site.

The 2020/21 accounts include provisions for workforce changes.

Property, plant and equipment revaluation

The Trust has used the professional services of the Local District Valuer to value all Land and Buildings as at 31 March 2021. Indexation has not been applied to any non current assets (i.e. vehicles and equipment). The key assumptions for the valuation are set out in note 1.9.

Accruals

Accruals for services received not yet invoiced are estimated on the basis of past experience.

Within the holiday accrual the NIC is estimated at the standard rate and that all employees are in the pension scheme.

Overtime accrual is estimated on the previous month and adjusted for any known movements within the rostering system.

PPE stock

During COVID-19 the Trust has received push stock for PPE from the Department of Health and Social Care (DHSC) which needs to be accounted for in each organisation. The Trust has recognised the expenditure and matching income for this position. The DH PPE stock was valued at the year end market value.

Other critical judgements

The Trust reviews all lease contracts to determine whether they are operating or finance leases.

The bad debt provision has been calculated based on a detailed review of each balance over 90 days and for all salary overpayments for employees that have left the Trust

Income has been deferred where expenditure will take place during the year ended 31 March 2022.

1.5.2 Key sources of estimation uncertainty

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

A discount rate of -0.95% (2020: -0.50%) has been used to calculate the Injury Benefit provision of £5.557 million (2020: £4.992 million).

Non current asset lives have been reassessed by the District Valuer at 31 March 2021.

Notes to the Accounts - 1. Accounting Policies (Continued)

1.6 Revenue from contracts with customer

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.

Revenue from NHS contracts

performance obligation relating to delivery of a spell of health care is generally satisfied over time as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the commissioner, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer. At the year end, the Trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete. This accrual is disclosed as a contract receivable as entitlement to payment for work completed is usually only dependent on the passage of time.

Revenue is recognised to the extent that collection of consideration is probable. Where contract challenges from commissioners are expected to be upheld, the Trust reflects this in the transaction price and derecognises the relevant portion of income.

Where the Trust is aware of a penalty based on contractual performance, the Trust reflects this in the transaction price for its recognition of revenue. Revenue is reduced by the value of the penalty.
In pre-covid years the Trust receives income from commissioners under Commissioning for Quality and Innovation (CQUIN) schemes however during the Pandemic the Trust was under a 'Block Payment' arrangement whereby the Trust received a specific sum based on period 9 forecasts which included CQUIN; no specific value has been attributed to CQUIN for 2020-21.
Where income is received for a specific activity that is to be delivered in the following year, such income is deferred. This is a combination of NHS and non NHS income which is not material in 2020/21.

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 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.

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.

Notes to the Accounts - 1. Accounting Policies (Continued)

1.7 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.

1.8 Expenditure on 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.

1.9 Vehicle Insurance

In addition to an annual premium each year, the Trust makes payments each year into a 'Claims Fund'. This fund is held by insurers to cover the cost of claims above the excess level up to a maximum level for each claim. This fund remains under the control of the insurers.

As in previous years, any potential return of funds are not accrued as an asset or income in the accounts as in SWASFT's view it does not meet the definition of an asset, being controlled not by SWASFT but by QBE as a fund for the insurer to settle claims from. An amount is recognised by SWASFT only when released by QBE and paid to SWASFT as a confirmed settlement of a period which is closed and where the surplus balance is not required to settle claims.

The Trust has applied this approach consistently from one accounting period to the next. The values involved have not required a separate accounting policy in the financial statements.

Notes to the Accounts - 1. Accounting Policies (Continued)

1.10 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the 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 cost at least £5,000; or
- Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- Items form part of the initial equipping and setting-up cost of a new building or ambulance station, 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 e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

Valuation

All property, plant and equipment is measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

All assets are measured at the depreciated historic cost. With the exception of land and buildings, which are held at fair value.

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

- Land and non-specialised buildings – market value for existing use

- Specialised buildings – depreciated replacement cost.

All other assets are measured subsequently at fair value. Valuations are carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual in accordance with the Red Book standards. This means that specialised property, for which market value cannot be readily determined, should be valued at depreciated replacement cost (DRC) on a modern equivalent asset basis. The latest full revaluation of the Trusts specialised buildings was undertaken as at 31 March 2021.

In accordance with the Treasury accounting manual, valuations are now carried out on the basis of modern equivalent asset replacement cost for specialised operational property and existing use value for non-specialised operational property.

Alternative open market value figures are only used for operational assets scheduled for closure and subsequent disposal.

Notes to the Accounts - 1. Accounting Policies (Continued)

1.10 Property, plant and equipment (Continued)

Specialised buildings - depreciated replacement cost
HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and where it would meet the location requirements of the service being provided, an alternative site can be used as the replacement cost.

Assets in the course of construction (AUC) are initially valued at cost and are subsequently valued by professional valuers when the estate's construction is completed if there is evidence that the construction cost is not a good approximation of fair value. For 2020/21 AUC includes vehicles, ICT projects and estate works, which has been assessed and this impairment is not material.

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

Until 31 March 2009, fixtures and equipment were carried at replacement cost, as assessed by indexation and depreciation of historic cost. From 1 April 2009 indexation has ceased. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

Non-property assets
For non-property assets the depreciated historical cost basis has been adopted as a proxy fair value in respect of assets which have short lives or low values. Where appropriate, assets assessed to be either high value or long life have been revalued to their current depreciated replacement cost using estimations of current market value.

Revaluation gains and losses
Revaluation gains and losses 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 income.

Revaluation gains and losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned and are thereafter 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’.

It is impracticable to disclose the extent of the possible effects of an assumption or another source of estimation uncertainty at the end of the reporting period. On the basis of existing knowledge, outcomes within the next financial year that are different from the assumption around the valuation of our land, property, plant and equipment could require a material adjustment to the carrying amount of the asset or liability recorded in note 9.1 and note 19.

The valuation exercise was carried out in March 2021 with a valuation date of 31 March 2021. In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2021 (‘Red Book’).

Of the £57.189 million net book value of land and buildings subject to valuation, £43.411 million relates to specialised assets valued on a depreciated replacement cost basis. Here the valuer bases their assessment on the cost to the Trust of replacing the service potential of the assets. The uncertainty explained above relates to the estimated cost of replacing the service potential, rather than the extent of the service potential to be replaced.

Notes to the Accounts - 1. Accounting Policies (Continued)

1.10 Property, plant and equipment (Continued)

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.

1.11 Depreciation
Assets in the course of construction are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

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

Freehold land is considered to have an infinite life and is not depreciated.

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 arising from a loss of economic benefit or 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 income 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.

1.12 Donated assets
Donated plant and equipment assets are capitalised at their fair value on receipt. The donation is credited to income at the same time, unless the donor imposes a condition that the future economic benefits embodied in the donation are to be consumed in a manner specified by the donor, in which case, the donation 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 assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

1.13 Software

Software which is integral to the operation of hardware, e.g. 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, e.g. application software, is charged to software in the Statement of Comprehensive Income.

Notes to the Accounts - 1. Accounting Policies (Continued)

1.14 Useful Economic lives of property, plant and equipment

Useful economic lives reflect the total life of an asset and not the remaining life of an asset. The range of useful economic lives are shown in the table below:

	Min life Years	Max life Years
Buildings, excluding dwellings	**1**	**99**
Plant & machinery	**5**	**15**
Transport equipment	**2**	**9**
Information technology	**3**	**5**
Furniture & fittings	**5**	**5**

Finance-leased assets (including land) are depreciated over the shorter of the useful economic 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.

1.15 Leases

Finance leases

Where substantially all the 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 asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for as an item of property, plant and equipment.

The annual rental is split between the repayment of the liability and the 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. The lease liability, is de-recognised when the liability is discharged, cancelled or expires.

Notes to the Accounts - 1. Accounting Policies (Continued)

1.15 Leases (Continued)

Operating leases
Other leases are recognised as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

Leases of land and buildings
Where a lease is for land and buildings, the land and building components are separated from the building component and the classification for each is assessed separately.

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

1.16 Inventories
Inventories are valued at the lower of cost and net realisable value using the first-in first-out cost formula with the exception of fleet parts which are valued using the weighted average cost formula. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.
A review is made where necessary for obsolete, slow moving and defective stocks and written off where considered appropriate.

1.17 Cash and cash equivalents
more than twenty four hours. Cash equivalents are investments that mature in three 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.

Notes to the Accounts - 1. Accounting Policies (Continued)

1.18 Provisions

Provisions are recognised when the Trust has a present legal or constructive obligation as a result of a past event and it is probable that the Trust will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury.

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

1.19 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 within Note 18 but is not recognised in the Trust's accounts.

1.20 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 the 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.

1.21 Contingencies

Contingent liabilities are not recognised, but are disclosed in Note 21, unless the probability of a transfer of economic benefit is remote.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the control of the Trust, or a present obligation 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.

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

Notes to the Accounts - 1. Accounting Policies (Continued)

1.22 Financial assets and financial liabilities

Recognition
Financial assets and financial liabilities arise where the Trust is party to the contractual provisions 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. 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 a 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.

De-recognition
All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all of the risks and rewards of ownership.
Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

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 or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described below.
Financial assets are classified as subsequently measured at amortised cost, fair value through income and expenditure
Financial liabilities classified as subsequently measured at fair value through income and expenditure.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included within current assets.
The Trust's loans and receivables comprise: cash and cash equivalents, NHS Receivables, accrued income and other receivables.

Loans and receivables are recognised initially at fair value, net of transactions costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate method is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

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

For financial assets carried at amortised costs, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced directly.

1.23 Financial assets and financial liabilities at amortised cost

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where 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 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 expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

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 and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

1.24 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.

1.25 Corporation Tax

The Trust is a Health Service Body within the meaning of s986 Corporation Taxes Act 2010. Accordingly is not liable to pay corporation tax. The Trust is also exempt from tax on chargeable gains under S271(3) Taxation of Chargeable Gains Act 1992.

There is, however, a power for HM Treasury to submit an order to Parliament which will dis-apply the corporation tax exemption in relation to particular activities of a NHS foundation Trust (s987 Corporation Taxes Act 2010). Accordingly, the Trust is potentially within the scope of corporation tax in respect of activities to be specified in the order which are not related to, or ancillary to, the provision of healthcare, and where the profits there from exceed £50,000 per annum. Until the order is approved by Parliament, the Trust has no corporation tax liability.

1.26 Foreign exchange

The Trust's functional currency and presentational currency is sterling. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions.

When 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 2021;
- 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 retranslation at the Statement of Financial Position date) are recognised in income or expense in the period in which they

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

Notes to the Accounts - 1. Accounting Policies (Continued)

1.27 Public Dividend Capital (PDC) and PDC dividend

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. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

At any time, 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 assets (including lottery 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 thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

1.28 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 and includes losses where the Trust has chosen to bear risks rather than acquire insurance cover (which would have been included as normal revenue expenditure).

However the losses and special payments note is compiled directly from the losses and compensations register which reports on an accruals basis with the exception of provisions for future losses.

1.29 Accounting standards that have been issued but have not yet been adopted

At the date of authorisation of these annual report and accounts, the Department of health group accounting manual does not require the following Standards and Interpretations to be applied in these annual report and accounts. These standards are still subject to HM Treasury FRem adoption.

Standards applicable from 2022/23
IFRS 16 Leases.

Standards applicable from 2022/23
IFRS 17 Insurance contracts.

Notes to the Accounts - 1. Accounting Policies (Continued)

1.29 Standards, amendments and interpretations in issue but not yet effective or adopted

At the date of authorisation of these annual report and accounts, the Department of health group accounting manual does not require the following Standards and Interpretations to be applied in these annual report and accounts. These standards are still subject to HM Treasury FRem adoption.

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 2022. 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 2022, 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 (0.91%). The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments.

For leases commencing in 2022/23, 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.

Notes to the Accounts - 2. Operating Segments

The Trust has assessed that the chief operating decision maker is the Board of Directors.

The Board receives a detailed Integrated Corporate Performance Report (ICPR) on a monthly basis; this includes segmental analysis of the Trust's service lines. However segmented information is not provided for asset and liabilities. This analysis is also received by the Finance Committee (FC), a sub-committee of the Board of Directors.

The Accident and Emergency Ambulance (A&E) service line accounts for 71.69% (2020:85.30%) of total income received by the Trust during the year ended 31 March 2021. The A&E service line includes HART income for 2020-21. Urgent Care Services (UCS) including Integrated Urgent Care – Clinical Advice and Assessment Service accounts for 0.01% (2020: 3.01%) of the total income received by the Trust during the same year.

	31 March 2021 £000	31 March 2020 £000
A&E income	**254,430**	223,747
PTS income	**24**	25
UCS income	**626**	7,903
COVID Income	**35,853**	1,772
Other income	**29,251**	28,788
Total income	**320,184**	262,235
Operating expenses	**(316,750)**	(258,331)
Operating surplus	3,434	3,904

Other income includes hosting of the Ambulance Radio Programme (ARP) team, Winter Pressures, Road Traffic Collision and Injury Recovery (RTC), ECS Project, Medical Transport Service (MTS), Provider sustainability fund (PSF) and Training Income.

Emergency Ambulance Service (A&E)

The Trust provides an emergency response to 999 Category injuries and illnesses, which are likely to require treatment and immediate transport to a hospital or other facility. Provision is provided across the entire Trust area being the South West region.

Urgent Care Service (UCS)

The Trust provides non-emergency responses to people who require, or perceive the need for, urgent (but not emergency) advice, care, diagnosis or treatment. The Intergrated Urgent Care - Clinical Advice and Assessment (CAAS) service is delivered across Dorset. The CAAS service provided in Dorset ceased from April 2020 and be transfered to Dorset Health Care University NHS Foundation Trust.

Patient Transport Service (PTS)

The Trust provided ambulance non-emergency medical patient transport services, such as to and from out-patient appointments. The Trust now only provides services on the Isles of Scilly.

The Board in approving the Finance Strategy periodically undertakes a review to evaluate contracts against the investment/ disinvestment criteria and the commercial principles. This is particularly pertinent for UCS and PTS contacts which are competitively tendered.

Notes to the Accounts - 3. Operating Income

3.1. Operating income from patient care activities (by classification)	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Income from activities		
Income from Commissioner Requested Services		
A&E income	**254,430**	223,747
PTS income	**24**	25
Income from non-Commissioner Requested Services		
Other income	**12,031**	15,805
Additional Pension Contribution	**8,937**	7,959
Total income from patient care activities	**275,422**	247,536

Other Income

The other income from non-Commissioner requested services of £12.031 million (2020: £15.805 million) can be further broken down as follows:

	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
NHS 111 / Intergrated Urgent Care -Clinical Advice and Assessment Service (CAAS)	**626**	7,903
Other	**11,405**	7,902
Total Other Income	**12,031**	15,805

Other income includes Winter pressure income of £1.8 million (2020: £1.8 million), CBRN of £0.6 million (2020: £0.5 million), Tiverton MIU £1.4 million (2020: £1.1 million), Road Traffic Collision and Injury Recovery Income £0.6 million (2020: £0.6 million), Somerset GP Car 0.7 million (2020: £0.7 million), MTS Income £0.5million (2020: £0.5 million), Flowers Income £3.7 million (2020: Nil).

	Year ended 31 March 2021 £'000	Year ended 31 March 2020 £'000
Other operating income (by source)		
Research and development	**105**	122
Education and training	**4,235**	2,677
Provider sustainability fund (PSF)	**0**	1,924
Reimbursement and top up funding	**24,312**	0
Income in respect of staff costs	**1,928**	1,928
Education and training - notional income from apprenticeship fund	**151**	
Contributions to expenditure - consumables (inventory) donated from DHSC group bodies for COVID response	**5,095**	0
Other	**8,927**	7,952
Rental revenue from operating leases	**9**	96
Total other operating income	**44,762**	14,699
Total operating income	**320,184**	262,235

Included in other operating income of £8.927 million (2020: £7.952 million) is £6.8 million relates to Ambulance Radio Programme (ARP) for hosting the team (2020: £5.6 million), MEDIVAC £0.546 million (2020: £0.682 million) , Events £0.219 million (2020: £0.690 million)

3.2. Income from patient care activities	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
NHS Foundation Trusts	**822**	7,535
NHS Trusts	**0**	0
NHS England	**14,738**	10,291
Clinical Commissioning Groups	**259,073**	228,802
Local Authorities	**189**	219
Non-NHS:		
Road Traffic Collision and Injury Recovery (RTC)	**538**	556
Other	**62**	133
Total Income from patient care activities	**275,422**	247,536

Notes to the Accounts - 3. Operating Income (continued)

3.3 Operating lease income

The 2020/21 Operating lease income relates to the Chippenham aerial site and associated telecommunication companies. The 2020/21 Operating lease income included previous years invoices for aerial sites.

Operating lease income	**Year ended 31 March 2021 £000**	Year ended 31 March 2020 £000
Rents recognised as income in the year	**9**	96
Total	**9**	96

Future minimum lease payments receivable	**Year ended 31 March 2021 £000**	Year ended 31 March 2020 £000
Not later than one year	**9**	96
Later than one year and not later than five years	**0**	125
Later than five years	**0**	9
Total	**9**	230

The Operating income from the aerial site will end 2021/22 as the aerial site is in the process of being s

3.4 Income from sale of goods

Income is wholly from the supply of services, there is no income from the sale of goods.

3.5 Income generation activities

The Trust undertakes income generation activities with an aim of reinvesting any profit in patient care. No income generation activities exceeded £1 million.

Notes to the Accounts - 4. Operating Expenses from continuing operations

4.1. Operating Expenses from continuing operations	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Purchase of healthcare from non NHS bodies	**2,240**	197
Employee Expenses - Executive directors & Staff	**228,786**	191,824
Employee Expenses - Non-executive directors	**148**	152
Supplies and services - clinical (excluding drug costs)	**10,872**	6,071
Supplies and services - general	**2,320**	2,227
Drug costs	**410**	451
Inventories write down	**536**	76
Other professional fees	**1,399**	1,149
Establishment	**3,255**	2,843
Premises	**12,930**	10,902
Transport	**28,502**	20,599
Depreciation on property, plant and equipment	**12,743**	9,907
Impairments of property, plant and equipment	**(160)**	(40)
Increase in provision for impairment of receivables	**(53)**	44
Change in provision discount rate and increase in other provisions	**909**	1,059
Audit fees payable to the external auditors:-		
audit services- statutory audit	**64**	65
other auditors remuneration (external auditors only)	**0**	1
Internal Audit Fees	**113**	120
Clinical negligence	**3,271**	2,371
Legal fees	**458**	448
Insurance	**179**	113
Training, courses and conferences	**3,325**	2,423
Rentals under operating leases	**3,103**	3,415
Early retirements	**4**	5
Redundancy	**308**	687
Car parking and security	**65**	47
Losses, ex gratia and special payments	**35**	136
Other services, e.g. external payroll	**237**	234
Other	**751**	805
	316,750	258,331

Audit Fee paid to KPMG is £0.064 million (2020: £0.054 million), the financial accounts 2019/20 include the VAT as not reclaimable.

Notes to the Accounts - 4. Operating Expenses from continuing operations (continued)

4.2 Other auditors remuneration

	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Other auditors remuneration paid to the external auditors:		
1. Audit of accounts of any associate of the trust	0	0
2. Audit-related assurance services	0	1
3. Taxation compliance services	0	0
4. All taxation advisory services not falling within item 3 above	0	0
5. Internal audit services	0	0
6. All assurance services not falling within items 1 to 5	0	0
7. Corporate finance transaction services not falling within items 1 to 6 above	0	0
8. Other non-audit services not falling within items 2 to 7 above	0	0
Total	**-**	**1**

4.3 Limitation on auditors' liability

The Trust's contract with its auditors, as set out in the engagement letter signed February 2021, states that the liability of KPMG, its members, partners and staff (whether in contract, negligence or otherwise) shall in no circumstances exceed £1 million in aggregate in respect of all services (2020: £1 million).

4.4 Arrangements containing an operating lease

The Trust leases property, vehicles and equipment under operating leases. Lease terms vary from less than one year to seventy years remaining, which relates to properties in Axminster, Cirencester and Paulton.

	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Minimum lease payments	**3,103**	3,415

Future minimum lease payments due	**Year ended 31 March 2021**			
	Land £000	**Buildings £000**	**Other £000**	**Total £000**
Not later than one year	**34**	**1,834**	**330**	**2,198**
Later than one year and not later than five years	**135**	**4,857**	**232**	**5,224**
Later than five years	**1,826**	**7,116**	**0**	**8,942**
Total	**1,995**	**13,807**	**562**	**16,364**

	Year ended 31 March 2020			
	Land £000	Buildings £000	Other £000	Total £000
Not later than one year	44	1,770	277	2,091
Later than one year and not later than five years	177	5,677	227	6,081
Later than five years	2,550	7,167	0	9,717
Total	2,771	14,614	504	17,889

Notes to the Accounts - 5. Employee costs

5.1 Employee benefits

	Year ended 31 March 2021	Year ended 31 March 2020
	£000	£000
Salaries and wages	178,339	150,479
Social Security Costs	16,927	13,853
Apprenticeship levy	845	720
Employer contributions to NHS Pension scheme	20,507	18,270
Pension cost - employer contributions paid by NHSE on provider's behalf (6.3%)	8,937	7,959
Agency/contract staff	3,231	543
Total	**228,786**	191,824

5.2 Remuneration and other benefits received by Directors

The aggregate remuneration and other benefits receivable by Directors and Non Executive Directors the financial year including pension related benefits totaled £1.376 million (to 31 March 2020; £1.266 million).

Benefits are accruing under the NHS defined benefit pension scheme to 8 directors (2020: 6 directors). No benefits are accruing under any money purchase schemes.

There were no other advances or guarantees existing with any of the Directors as at 31 March 2021 (2020: Nil).

During the year to 31 March 2021, the highest paid Director for the Trust was the Executive Medical Director who was paid a salary between £0.135 million and £0.140 million (2020: Chief Executive £0.175 million and £0.180 million) and benefits in kind of £0.000 million (2020: £0.003 million).

5.3 Retirements due to ill-health

During the year to 31 March 2021 there were 6 early retirements from the Trust agreed on the grounds of ill-health (31 March 2020: 1 early retirements). The estimated additional pension liabilities of these ill-health retirements will be £0.230 million (31 March 2020: £0.019 million). The cost of this ill-health retirement will be borne by the NHS Business Services Authority - Pensions Division.

5.4 Exit Packages for staff leaving during the year ending March 2021

Two staff left the Trust during the year ending 31 March 2021 (2020: 8 staff), they received exit packages totalling £0.025 million (2020: £0.226 million).

5.5 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.

Notes to the Accounts - 6. 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 2021, is based on valuation data as at 31 March 2020, updated to 31 March 2021 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 at 20.6% of pensionable pay. The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. In January 2019, the Government announced a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

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

Notes to the Accounts - 6. Pension Costs (Continued)

c) National Employment Savings Trust (NEST)

There are a small number of staff who are not entitled to join the NHS pension scheme, for example:

- those already in receipt of an NHS pension
- those who work full time at another Trust
- employees who are absent from work due to sickness, maternity leave, etc, when the statutory duty to automatically enrol applies.

The National Employment Savings Trust (NEST) has been set up specifically to help employers to comply with the Pensions Act 2008. Those employees in the categories above are automatically enrolled in the NEST scheme. NEST Corporation is the Trustee body that has overall responsibility for running NEST; it is a non-departmental public body that operates at arm's length from government and is accountable to Parliament through the Department of Work and Pensions (DWP).

In 2020/21 employee contributions to NEST were 5.0% of pensionable pay and employer contributions were 3.0% of pensionable pay.

NEST levies a contribution charge of 1.8% and an annual management charge of 0.3% which is paid for from the employee contributions. There are no separate employer charges levied by NEST and the Trust is not required to enter into a contract to utilise NEST qualifying pension schemes.

Notes to the Accounts - 7. Finance income

	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Interest on bank accounts	**0**	200
Total	**0**	200

The Trust received no interest on bank accounts during 2020/21, due to the Bank of England base rate at 0.01%

8. Finance costs - interest expense	**Year ended 31 March 2021 £000**	Year ended 31 March 2020 £000
Loans from the Department of Health	**8**	16
Finance leases	**34**	56
Interest on late payment of commercial debt	**0**	0
Unwinding of discount on provisions	**(47)**	(9)
Total	**(5)**	63

Notes to the Accounts - 9. Property, plant and equipment

9.1 Property, plant and equipment

For the year ended 31 March 2021	Land	Buildings excluding dwellings	Assets under construction	Plant and machinery	Transport equipment	Information technology	Furniture and fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2020	17,003	37,982	7,992	8,151	75,804	10,364	1,067	158,363
Additions - purchased	0	2,809	15,490	1,131	4,005	1,915	0	25,350
Additions - finance leased	0	0	2,491	0	0	0	0	2,491
Impairments	0	(575)	0	0	0	0	0	(575)
Revaluation	915	(797)	0	0	0	0	0	118
Reclassifications	0	729	(3,616)	505	836	1,546	0	0
Disposals	(355)	(482)	(71)	(238)	(2,507)	(1,751)	(152)	(5,556)
At 31 March 2021	**17,563**	**39,666**	**22,286**	**9,549**	**78,138**	**12,074**	**915**	**180,191**
Accumulated depreciation at 1 April 2020	0	0	0	5,769	42,209	6,032	875	54,885
Provided during year	0	1,733	0	1,016	8,000	1,880	114	12,743
Impairments	0	764	0	0	0	0	0	764
Reversal of impairments	(448)	(476)	0	0	0	0	0	(924)
Revaluation	448	(1,958)	0	0	0	0	0	(1,510)
Disposals	0	(23)	0	(238)	(2,292)	(1,750)	(152)	(4,455)
Accumulated depreciation at 31 March 2021	**0**	**40**	**0**	**6,547**	**47,917**	**6,162**	**837**	**61,503**
Net book value								
Owned	17,563	37,775	19,795	3,002	30,221	5,912	78	114,346
Finance leased	0	1,851	2,491	0	0	0	0	4,342
Total at 31 March 2021	**17,563**	**39,626**	**22,286**	**3,002**	**30,221**	**5,912**	**78**	**118,688**

Notes to the Accounts - 9. Property, plant and equipment (continued)

9.2 Property, plant and equipment

	Land	Buildings excluding dwellings	Assets under construction	Plant and machinery	Transport equipment	Information technology	Furniture and fittings	Total
For the year ended 31 March 2020								
	£000	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Cost or valuation at 1 April 2019	17,554	34,374	3,263	8,051	75,994	9,849	986	150,071
Additions	0	718	7,766	100	3,392	820	81	12,877
Additions - finance leased	0	1,250	0	0	0	0	0	1,250
Impairments	(276)	(310)	0	0	0	0	0	(586)
Revaluation	(57)	1,274	0	0	0	0	0	1,217
Reclassifications	0	733	(3,037)	0	1,729	575	0	0
Transfer to asset held for sale	(218)	(57)	0	0	0	0	0	(275)
Disposals	0	0	0	0	(5,311)	(880)	0	(6,191)
At 31 March 2020	**17,003**	**37,982**	**7,992**	**8,151**	**75,804**	**10,364**	**1,067**	**158,363**
Accumulated depreciation at 1 April 2019	0	0	0	4,994	41,866	4,970	792	52,622
Provided during year	0	1,586	0	775	5,521	1,942	83	9,907
Impairments	57	458	0	0	0	0	0	515
Reversal of impairments	0	(555)	0	0	0	0	0	(555)
Revaluations	(57)	(1,489)	0	0	0	0	0	(1,546)
Disposals	0	0	0	0	(5,178)	(880)	0	(6,058)
Accumulated depreciation at 31 March 2020	**0**	**0**	**0**	**5,769**	**42,209**	**6,032**	**875**	**54,885**
Net book value								
Owned	17,003	36,097	7,992	2,382	33,595	4,332	192	101,593
Finance leased	0	1,885	0	0	0	0	0	1,885
Total at 31 March 2020	**17,003**	**37,982**	**7,992**	**2,382**	**33,595**	**4,332**	**192**	**103,478**

Notes to the Accounts - 9. Property, plant and equipment (cont.)

9.3 Property, plant and equipment

The Trust's land and buildings were revalued by the District Valuer at 31 March 2021. Non specialised operational property was valued at Market Value assuming existing use. Specialised operational property was valued at Depreciated Replacement Cost.

Any improvements made to properties during the later months of the year were considered when assessing the value at 31 March 2021. Where the improvements were of a significant value, they were individually assessed by the District Valuer. The District Valuer advised that the impairment on these improvements was 10% and this impairment was applied across all other property improvements.

The remaining lives of all properties were also reviewed by the District Valuer at 31 March 2021.

No other classes of non-current assets were revalued during the year.

9.4 Impairment of assets

	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	**(160)**	(40)
Total net impairments charged to operating surplus / deficit	**(160)**	(40)
Impairments charged to the revaluation reserve	**575**	586
Total net impairments	**415**	546

The gross carrying amount of fully depreciated assets still in use at 31 March 2021 was £23.052 million (2020: £18.971 million).

9.5 Non-current assets for sale and assets in disposal groups

The £0.275 million in the 2019/20 accounts for asset held for sale is for Paignton ambulance station

10. Contractual capital commitments

	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Property, plant and equipment	**5,529**	8,796
	5,529	8,796

These commitments relate to purchase of vehicles conversions where chassis have been purchased in 2021. Also 12 finance leased Mercedes that have already been ordered but are not due to be delivered until June 2021.

Notes to the Accounts - 11. Inventories

11.1. Inventories	31 March 2021 £000	31 March 2020 £000
Drugs	**186**	128
Consumables	**1,114**	1,031
Consumables donated from DHSC	**1,575**	0
Energy	**237**	367
Other	**599**	551
Total	**3,711**	2,077

11.2 Inventories movement	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Carrying Value at 1 April	**2,077**	2,170
Additions	**11,198**	8,569
Additions from DHSC	**5,095**	0
Inventories recognised in expenses	**(14,123)**	(8,586)
Write-down of inventories recognised as expenses	**(536)**	(76)
Carrying Value at 31 March	**3,711**	**2,077**

In response to the COVID 19 pandemic, the Department of Health and Social Care (DHSC) centrally procured personal protective equipment and passed these to NHS providers free of charge in the 2019/20 accounts. During 2020/21 the Trust received £5.095 million of items purchased by DHSC.

These inventories were recognised as additions to inventory at deemed cost with the corresponding benefit recognised in income. The utilisation of these items is included in the expenses disclosed above.

12. Trade and other receivables

12.1 Trade and other receivables	Current 31 March 2021 £000	Non-current 31 March 2021 £000	Current 31 March 2020 £000	Non-current 31 March 2020 £000
Contract receivables- invoiced	**2,493**	**0**	2,361	0
Trade receivables - not yet invoiced	**4,706**	**0**	2,428	0
Allowance for impaired contract receivables	**(231)**	**0**	(354)	0
Prepayments	**2,074**	**565**	1,947	752
VAT Receivable	**346**	**0**	675	0
PDC receivable	**0**	**0**	15	0
Total	**9,388**	**565**	7,072	752

The majority of trade receivables are due from Clinical Commissioning Groups, as commissioners for NHS patient care services. As Clinical Commissioning Groups are funded by Government to commission NHS patient care services, there is no need to carry out credit checks.

12.2 Provision for impairment of receivables	31 March 2021 £000	31 March 2020 £000
Balance at 1 April	**(354)**	(339)
(Increase) in provision	**(120)**	(44)
Reversal of provision as collected in-year	**173**	0
Amounts utilised	**70**	29
Balance at 31 March	**(231)**	(354)

The majority of the provision relates to the recovery of overpaid salaries.

Notes to the Accounts - 13. Trade and other payables

13.1. Trade and other payables	Current 31 March 2021 £000	Non-current 31 March 2021 £000	Current 31 March 2020 £000	Non-current 31 March 2020 £000
Trade payables	**5,134**	**0**	5,367	0
Other trade payables - capital	**14,025**	**0**	5,203	0
Accruals	**18,964**	**23**	11,996	0
Social Security costs	**2,770**	**0**	2,652	0
VAT Payable	**0**	**0**	0	0
Other taxes payable	**1,843**	**0**	1,582	0
PDC dividend payable	**15**	**0**	0	0
Other payables	**3,248**	**0**	359	0
Total	**45,999**	**23**	27,159	0

NHS pensions has been included in other payables for 2020/21 £2.833 million (2019/20; £2.542 million). NHS pensions was included in trade payables in the 2019/20 accounts

13.2 Better Payment Practice Code - measure of compliance	31 March 2021 Number	31 March 2021 £000	31 March 2020 Number	31 March 2020 £000
Total Non-NHS trade invoices paid in the year	**40,653**	**132,446**	33,874	102,515
Total Non NHS trade invoices paid within target	**40,083**	**131,873**	33,301	101,421
Percentage of Non-NHS trade invoices paid within target	**99%**	**100%**	98%	99%
Total NHS trade invoices paid in the year	**1,553**	**2,850**	1,225	3,442
Total NHS trade invoices paid within target	**1,431**	**2,733**	1,168	3,403
Percentage of NHS trade invoices paid within target	**92%**	**96%**	95%	99%

The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.

The Non-NHS trade invoices paid includes £55 million (2019/20; £45 million) for payments to HMRC for 2020/21.

13.3 The late payment of commercial debts (interest) Act 1998	2020/21 £000	2019/20 £000
Amounts included within interest payable arising from claims made under this legislation	**0**	0
Compensation paid to cover debt recovery costs under this legislation	**0**	0
Total	**0**	0

14. Other liabilities	Current 31 March 2021 £000	Non-current 31 March 2021 £000	Current 31 March 2020 £000	Non-current 31 March 2020 £000
Deferred income	**1,873**	**0**	1,225	0
Total	**1,873**	**0**	1,225	0

15. Borrowings	Current 31 March 2021 £000	Non-current 31 March 2021 £000	Current 31 March 2020 £000	Non-current 31 March 2020 £000
Loans from Department of Health and Social Care	**0**	**0**	434	0
Other loans	**0**	**0**	0	0
Obligations under finance leases	**581**	**3,775**	53	1,831
Total	**581**	**3,775**	487	1,831

A loan was taken out by Great Western Ambulance Service NHS Trust (GWAS) during 2010 and was transferred as part of the acquisition. This loan with the Department of Health and Social Care, was a Working Capital loan (£4.500 million) taken out in 2010 at an interest rate of 2.3% and expired March 2021.

The increase in obligation under finance leases is for medical equipment leased during 2020/21.

The Trust has an agreed £5.0 million Overdraft Facility in place which has not been utilised during the year.

Notes to the Accounts - 16. Finance lease obligations

Finance lease liabilities relate to four leasehold premises with lease periods ranging from 50 to 69 years and medical equipment with a lease periods of 5 years.

Amounts payable under finance leases:

Buildings and vehicles	**Gross lease liabilities**	**Net lease liabilities**	Gross lease liabilities	Net lease liabilities
		31 March	31 March	31 March
	31 March 2021	**2021**	2020	2020
	£000	**£000**	£000	£000
Not later than one year;	**587**	**581**	53	53
Later than one year and not later than five years;	**2,350**	**2,167**	214	203
After five years	**2,674**	**1,608**	2,727	1,628
Less future finance charges	**(1,255)**	**0**	(1,110)	0
Present value of minimum lease payments	**4,356**	**4,356**	1,884	1,884
Included in:				
Current borrowings		581		53
Non-current borrowings		3,775		1,831
		4,356		1,884

17. Finance lease commitments

The Trust has one new finance lease commitments as at 31 March 2021 for medical equipment (2020: £nil). Note 16 lays out the existing financial lease obligation.

Notes to the Accounts - 18. Provisions

	Current 31 March 2021 £000	**Non-current 31 March 2021 £000**	Current 31 March 2020 £000	Non-current 31 March 2020 £000
Pensions relating to other staff	**279**	**5,278**	265	4,727
Other legal claims	**407**	**0**	330	0
Redundancy	**872**	**0**	590	0
Other	**6,552**	**57**	7,764	78
Total	**8,110**	**5,335**	8,949	4,805

	Pensions injury benefit £000	**Other legal claims £000**	**Redundancy £000**	**Other £000**	**Total £000**
At 1 April 2020	4,992	330	590	7,842	**13,754**
Change in the discount rate	276	0	0	0	**276**
Arising during the year	648	290	611	2,785	**4,334**
Utilised during the year - accruals	0	0	0	(26)	**(26)**
Utilised during the year - cash	(312)	(147)	(15)	(16)	**(490)**
Reversed unused	0	(66)	(314)	(3,976)	**(4,356)**
Unwinding of discount	(47)	0	0	0	**(47)**
At 31 March 2021	5,557	407	872	6,609	**13,445**
Expected timing of cash flows:					
Not later than one year	279	407	872	6,552	**8,110**
Later than one year and not later than five years	1,117	0	0	39	**1,156**
Later than five years	4,161	0	0	18	**4,179**
Total	5,557	407	872	6,609	**13,445**

The provisions represent a material amount in the financial accounts and a more detail breakdown is listed below:

Provision for "Pensions relating to other staff" represents injury benefit pension payable to staff who retired through injury and is payable for the remainder of their lives. The provision has been calculated using current life expectancy tables and a discount factor of -0.95% (2020: -0.50%).

The provision for other legal claims includes information provided by the NHS Resolution.

Other provisions includes provision for non guaranteed overtime, long term sick, contract dispute, historical workforce provision, lease car cancellations, medical gases and dilapidations for one lease due to the termination of the lease.

Included with the provisions of the NHS Resolution at 31 March 2021 is £16.308 million (2020: £30.445 million) in respect of clinical negligence liabilities of the Trust.

Notes to the Accounts - 19. Revaluation reserve

	31 March 2021 £000	31 March 2020 £000
	Property, plant and equipment	Property, plant and equipment
At 1 April	**15,051**	13,394
Impairments	**(575)**	(586)
Revaluations	**1,628**	2,763
Transfers to other reserves	**(600)**	(520)
Asset disposals	**(154)**	0
At 31 March	**15,350**	15,051

20. Cash and cash equivalents

	31 March 2021 £000	31 March 2020 £000
Balance at 1 April	**30,440**	29,236
Net change in year	**11,056**	1,204
Balance at 31 March	**41,496**	30,440

	31 March 2021	31 March 2020
Represented by:	**£000**	£000
Cash at commercial banks and in hand	**6**	7
Cash with the Government Banking Service	**41,490**	30,433
Cash and cash equivalents as in statement of financial position and statement of cash flows	**41,496**	30,440

21. Contingencies

The Trust is currently managing a number of employment cases and no provision has been made against those which it has been advised are unlikely to succeed. In normal circumstances, a worst case assessment of the outcome of such cases would be disclosed as a contingent liability but the Trust has decided to refrain from doing so in this instance because it considers such disclosure would seriously prejudice its position (31 March 2020: £nil).

Notes to the Accounts - 22. Related party transactions

During the year, there were no material transactions relating to the Trust and members of the Trust Board, senior managers, or parties related to any of them.

Key management includes Directors, both executive and non-executive. The compensation paid or payable in aggregate to key management for employment services is shown in note 5.1.

None of the key management personnel received an advance from the Trust. The Trust has not entered into guarantees of any kind on behalf of key management personnel. There were no amounts owing to key management personnel at the beginning or end of the financial year.

The Department of Health is regarded as a related party. During the year the 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:

	Income	Income	**Receivables**	Receivables
	31 March 2021	31 March 2020	**31 March 2021**	31 March 2020
	£000	£000	**£000**	£000
BSW CCG	**35,961**		0	
Bath And North East Somerset CCG		7,399		42
Swindon CCG		7,944		30
Wiltshire CCG		19,725		65
BNSSG CCG	**36,032**	35,223	**0**	0
Kernow CCG	**28,362**	27,542	**0**	35
Department of Health and Social Care	**6,867**	5,743	**560**	31
NHS England	**30,207**	4,474	**4,174**	1,959
Devon CCG	**51,810**	50,422	**0**	0
Dorset CCG	**55,628**	29,658	**0**	296
Gloucestershire CCG	**27,379**	26,760	**0**	75
Somerset CCG	**25,239**	24,707	**0**	126
Health Education England	**3,291**	2,285	**0**	0
Dorset Health Care University NHS Foundation Trust	**652**	7,365	**0**	1
Other NHS Organisation	**302**	626	**110**	106
	301,730	**249,873**	**4,844**	**2,766**

	Expenditure	Expenditure	**Payables**	Payables
	31 March 2021	31 March 2020	**31 March 2021**	31 March 2020
	£000	£000	**£000**	£000
Dorset Health Care NHS University Foundation Trust	**69**	80	**3**	0
Great Western Hospitals NHS Foundation Trust	**10**	17	**41**	27
NHS Resolution (formaly NHS Litigation)	**3,271**	2,371	**0**	0
Portsmouth Hospitals NHS Trust	**438**	422	**65**	91
University Hospitals Plymouth NHS Trust	**348**	271	**4**	6
Oxford Health NHS Foundation Trust	**31**	23	**2**	1
Royal Devon & Exeter NHS Foundation Trust	**119**	97	**231**	136
Royal United Hospital Bath NHS Foundation Trust	**(146)**	42	**0**	156
South Central Ambulance Service NHS Foundation Trust	**0**	32	**0**	13
South East Coast Ambulance Service NHS Foundation Trust	**161**	108	**21**	14
Torbay & South Devon NHS Foundation Trust	**50**	47	**1,386**	1,397
University Hospitals Bristol NHS Foundation Trust	**42**	48	**30**	5
West Midland Ambulance Service NHS Foundation Trust	**22**	54	**1**	0
East of England Ambulance Service NHS Trust	**0**	12	**0**	0
Gloucestershire Care Services NHS Trust	**13**	16	**18**	10
NHS Business Service Authority	**22**	18	**0**	0
NHS Property Service	**20**	377	**176**	127
Care Quality Commission	**174**	171	**0**	0
Health Education England	**0**	0	**228**	0
Other NHS organisations	**116**	424	**162**	172
	4,760	4,630	**2,368**	2,155

Notes to the Accounts - 22. Related party transactions (cont)

The Trust has entered into the following contracts for 2021/22:-

Lead Commissioner	Contract Type	Comments
NHS Dorset CCG	A&E ambulance services	As part of the NHS response to COVID-19 a revised financial regime has been implemented which provides an alternative basis for the contract for the first half of 2021/22. The contract negotiations for the second half of 2021/22 are underway and will be concluded in the coming months .
NHS Devon CCG	Urgent care centre	Comparable with the value of the 2020/21 contract, an additional service was taken on during 2020/21 which is outside of the main contract, but complements the service provision and this will continue in 2021/22

Charitable Funds

As at 31 March 2021 South Western Ambulance Service NHS Foundation Trust had charitable funds of £0.601 million (2020: £0.457 million).

The Trust acts as Corporate Trustee to the South Western Ambulance Service Foundation Trust Fund Charity (Registered charity number: 1049230). Previously HM Treasury has granted dispensation to the application of IAS 27 (Revised) by NHS Foundation Trusts in relation to the consolidation of NHS Charitable funds. From 2013/14 the Treasury dispensation is no longer available and therefore NHS Foundation Trusts are required to consolidate any material NHS charitable funds determined to be subsidiaries. The Audit Committee has agreed that the level of charitable funds is below materiality and therefore consolidation is not required. The management of the Charitable Funds is the responsibility of the Charitable Funds Committee and its terms of reference state that the committee is made up from the Executives and Non-Executives of the Trust. The Trust's Chairman, Chief Executive and Executive Director of Finance have served as members of the Charitable Funds Committee during the year.

The Trust has also had a number of material transactions with other government departments and other central and local government bodies. Most of these transactions have been with the HM Revenue and Customs.

23. Intra-Government and other balances	**Current receivables £000**	**Non-current receivables £000**	**Current payables £000**	**Non-current payables £000**
Balances with other central government bodies	**387**		**4,613**	
Balances with local authorities	**20**		**840**	
Balances with NHS Trusts and FTs	**121**		**561**	
Balances with Public Corporations and Trading Funds	**4,174**		**237**	
Intra government balances	**4,702**	**0**	**6,251**	**0**
Balances with bodies external to government	**4,675**		**39,748**	
At 31 March 2021	**9,377**	**0**	**45,999**	**0**

Notes to the Accounts - 24. Financial Instruments

24.1 Financial assets by category	**Loans and receivables**
	£000
Trade and other receivables excluding non financial assets with NHS and DH bodies	**4,284**
Trade and other receivables excluding non financial assets with other bodies	**2,124**
Cash and cash equivalents	**41,496**
Total at 31 March 2021	**47,904**
Trade and other receivables excluding non financial assets with NHS and DH bodies	2,766
Trade and other receivables excluding non financial assets with other bodies	1,669
Cash and cash equivalents	30,440
Total at 31 March 2020	34,875

The book value of loans and receivables detailed above is equal to the fair value of the financial assets. This is due to the short term nature of the assets.

24.2 Financial liabilities by category	**Other financial liabilities**
	£000
DHSC loans	**0**
Obligations under finance leases	**4,356**
Trade and other payables excluding non financial liabilities with NHS and DH bodies	**998**
Trade and other payables excluding non financial liabilities with with other bodies	**39,738**
Provisions under contract	**7,888**
Total at 31 March 2021	**52,980**
Borrowings excluding finance lease and PFI liabilities	434
Obligations under finance leases	1,884
Trade and other payables excluding non financial liabilities with NHS and DH bodies	551
Trade and other payables excluding non financial liabilities with with other bodies	19,198
Provisions under contract	8,763
Total at 31 March 2020	30,830

The book value of financial liabilities detailed above is equal to the fair value of the financial assets. This is due to the short term nature of the liabilities.

Notes to the Accounts - 25. Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the year in creating or changing the risks a body faces in undertaking its activities. Due to the continuing service provider relationship that the 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. Financial instruments also 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.

Asset valuation

The District Valuer has quoted "Less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market" The District Valuer has recommended that the Trust keep the valuation of its properties under frequent review.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the Board of Directors. The Trust's treasury activity is subject to review by the Trust's internal auditors.

Currency risk

The 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 Trust's borrowings comprise of finance leases so the Trust is not considered to be exposed to interest rate risk.

Credit risk

As the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2021 are in receivables from customers, as disclosed in the trade and other receivables note. The Trust procurement process is robust and the Trust restricts prepayments to suppliers.

Liquidity risk

The Trust's operating costs are incurred under contracts with Clinical Commissioning Groups (CCGs), which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure from funds obtained within its prudential borrowing limit. The Trust is not, therefore, exposed to significant liquidity risks. The Trust invests surplus funds in line with its Treasury Management policy. The Trust produces a twelve month rolling cash flow to manage liquidity risk.

26. Losses and Special Payments

There were 441 (2020: 841) cases of losses and special payments totalling £0.241 million (2020: £0.445 million) paid during the year ended 31 March 2021.

	Number of Cases 2020/21	**Value of Cases 2020/21 £'000**	Number of Cases 2019/20	Value of Cases 2019/20 £'000
Losses				
Salary Overpayments	**227**	**173**	327	269
Bad Debt	**57**	**1**	72	7
Other	**146**	**51**	433	125
Total Losses	**430**	**225**	832	401
Special payments				
Personal Injury with advice	**11**	**16**	9	44
Special Severance Payments	**0**	**0**	0	0
Total Special Payments	**11**	**16**	9	44
Total Losses and Special Payments	**441**	**241**	841	445

Other losses include insurance excess payments for vehicles and damage to property.