NHS

London Ambulance Service

NHS Trust

Annual report 2021/22

Contents

Chair's foreword

Heather Lawrence OBE

The financial year 2021/22 offered little or no respite from the pandemic, creating additional pressures in terms of demand and staff availability in both 999 and NHS 111 services. COVID has taken its toll: presenting challenges to us in terms of our response to patients and our staff welfare. At all times clinical quality and safety has been at the forefront of what we offer. Working with system partners, we have continued to find solutions to mitigate the demand in the system while also offering support to our staff, where we have been able to.

2021 has been the busiest in our history, with a record 4.46 million calls answered by our 999 and 111 teams. Our ambulance crews, dispatchers, call handlers, and the teams who re-stock, re-fuel, and deep clean our ambulances ready for the next shift, have worked around the clock to make sure we can keep providing great care to the people who need us. For more than two years, our staff and volunteers have been at the forefront of the COVID response, and while our people remain steadfast in their commitment, compassion and care, the pandemic has continued to have a profound impact on our services.

The five Integrated Care Systems (ICSs) in London, the health and social care organisations working in partnership (including GPs, hospitals, mental health services and local councils) across regional areas, were set up to promote local partnerships in health and social care. We have a crucial role in working with the ICSs to ensure that urgent and emergency care strategies work for patients across the capital and that our expertise in Emergency Planning and Preparedness Response is at the centre of keeping Londoners safe.

In August, we welcomed Daniel Elkeles as our Chief Executive and he quickly identified the need to strengthen our clinical leadership as well recognising the importance of the People agenda and the need for a renewed focus and engagement with staff with regard to our culture. I am confident that under his leadership, the executive team will lead and develop services and staff to provide outstanding care to Londoners in an inclusive environment. I know from my regular meetings with our Staff and Voluntary Advisory Panel how important it is for us to actively listen to what our staff have to say. In recognition of the importance of the People agenda we have appointed our People and Culture Director Damien McGuinness to the Board.

In May we said goodbye to Jayne Mee Non-Executive Director, who also chaired our People & Culture Committee, and welcomed Anne Rainsberry CBE and Robert Alexander as Non-Executive Directors, both of whom bring a wealth of experience from the NHS and London. Anne now chairs the People and Culture committee and Robert is chair of our Finance and Audit Committee. We also welcomed Line de Decker as an Associate Non-Executive who adds expertise from a range of sectors.

As we have experienced a number of changes in our leadership, I commissioned an external review of our governance arrangements which was carried out by the Institute of Good Governance Institute. A number of recommendations were made and these have been implemented.

This will be my last forward to the LAS Annual Report as I step down from my role as Chair at the end of June 2022. Over the last six years there have been unprecedented challenges, in particular, terrorism and the pandemic. Throughout our incredible staff and volunteers have continued to respond to the increased demand often at a personal cost. The organisation is more inclusive, more accepting of need to change and address leadership and cultural problems. If we do this there is an amazing opportunity for LAS to go from strength to strength in providing excellent care to Londoners; working with partners; utilising technology; and enhancing the skills of our staff. Equally important will be playing a key role in influencing the strategy for health care in London.

I would like to thank my Board colleagues and all staff and volunteers for the support they have shown to me but more importantly for their commitment to urgent and emergency care across the capital.

Chief Executive's foreword

Daniel Elkeles

It is a privilege to introduce the London Ambulance Service Annual Report for 2021/22, my first as Chief Executive of this wonderful organisation.

Following a second year where the Covid-19 pandemic has continued to have a significant impact on our services, I want to take this opportunity to acknowledge the service and sacrifice of our people. It is thanks to their dedication and determination that despite facing record numbers of calls to our 999 and 111 services, we were able to care for millions of patients in their hour of need. However, owing the pressures on us our response hasn't always been as quick as we would want it to be. For that we apologise.

And while the challenges have been immense, reflecting on the year fills me with hope and optimism for the future. Even with the sustained pressures brought by the pandemic, we have made some significant strides forward and key improvements to the way we work, and we have celebrated a stream of achievements and awards.

Those achievements have a direct impact on patient care and staff wellbeing, and include getting our bicycle and motorcycle paramedics back on the road (these staff were redeployed to work as ambulance crew to ensure we had resilience at the core of our emergency response teams); reopening ambulance stations which were closed during the pandemic for the effective distribution of personal protective equipment (PPE) and to provide adequate crew briefings; funding over 200 new vehicles to make us the Trust with the largest electric fleet in the country; bolstering the clinical assessment across 111; further unifying our 111 team into the LAS family; and, putting in place a revitalised executive team.

It is important to recognise just how hard our staff and volunteers have worked to keep patients well cared for and services running smoothly.

Although there is a lot to be proud of this year, my proudest moment was the Board approving plans to invest millions of pounds in bringing our Make Ready teams back in-house – these vitals teams officially became part of the NHS family again on the 1 April 2022.

I have worked for the NHS for 25 years but until I joined London Ambulance Service I had not truly appreciated the scale and complexity of its mission. This Annual Report makes clear what was immediately evident to me: the success of the London Ambulance Service is built on hard work, ingenuity and innovation.

And those characteristics – hard work, ingenuity and innovation – were exactly what was needed as we approached winter. We were prepared for winter to be tough, but the rapid spread of Omicron and its impact on patient numbers and staff sickness challenged us like never before.

Ambulance services across the country hit the headlines as demand remained at unprecedented levels. We have worked in partnership with health and social care partners, and although we have driven forward some real innovations this year, we recognise that we have more to do to bring down our response times.

We have seen things getting better in the last few months, and we consistently have some of the fastest response times in the country. However working at this level for two years has taken its toll on our staff, and as we look to the future of patient care, we have to take steps to repair and restore.

Addressing this is a priority: we have to ensure staff feel cared for so they can care for others.

We have launched a far-reaching culture transformation programme aimed at helping people be happier at work, while at the same time, equipping them with the knowledge, skills and experience to thrive in their careers. Education, training and creating opportunities are key to job satisfaction and performance.

This learning culture needs to be ingrained as we launch the most ambitious recruitment programme in our history, with over 1,600 new people joining our teams over the next financial year.

With a commitment to nurturing talent and giving people the opportunity to develop their skills and their careers, we know that staff will stay with our organisation for longer, and we can be an even more inclusive and diverse workforce.

Our workforce plan is a key part of the strategy we are developing for the next five years, and I have an excellent executive team to help lead us into what will hopefully be the recovery phase of the pandemic.

I started this foreword by acknowledging this is my first Annual Report at LAS, but it is to be Chair Heather Lawrence's last. Heather has led the Service through some extraordinary challenges, but her commitment to improving patient care has never faltered. She has also shown an immense passion for improving our culture and caring for our people, as well as delivering excellent patient care. Heather, thank you.

1 Performance report

Performance overview

This section provides an overview of who we are and what we do; a review of our achievements and performance in 2021/22; and a summary of our objectives for the coming financial year.

About us

What we do, our visions, values and purpose

We are the London Ambulance Service.

It is our job to:

- Answer, prioritise and respond to 999 calls across London
- Send clinicians to patients or treating them over the phone
- Provide 111 urgent care services for 7 million people
- Take suitable patients to appointments with our non-emergency transport service

Our other work includes:

- Plan for, and respond to, major and significant incidents (with our partners)
- Provide paramedics to work for London's Air Ambulance
- Educate the public in life-saving skills and use of public access defibrillators
- Engage with partners to encourage a healthier population and a safer London
- Find hospital beds for seriously ill patients

Then & now

THEN: While the first horse-drawn ambulances appeared in London towards the end of the 19th century, London Ambulance Service was officially created in 1965 and became a NHS. Back then we had nearly 1,000 vehicles and 2,500 members of staff.

NOW: We still respond to life or death emergencies but the scope of our work has expanded to treat many more patients. We have highly trained clinicians who can treat patients in their own homes, provide care at GP practices to help avoid a trip to hospital when it is not needed, arrive to an emergency by ambulance, car, motorbike or helicopter, or even treat and advise our patients over the phone.

We answer more 999 and 111 calls than any other ambulance service in the country and attend more than 3,500 emergencies a day.

We are the only NHS provider trust to serve the whole of London – one of the world's most dynamic and diverse cities. Demand for our services increases most years, as do the challenges and complexities of our mission.

We are governed by a Trust Board made up of 14 members: a non-executive chair, seven non-executive directors, five executive directors, including the chief executive, and an associate non-executive director.

Our Executive Committee leads and manages the performance of the Trust within the framework established by the Board. It consists of eight directors, including the five executive directors on the Board.

Our vision

Building a world-class ambulance service for a world-class city

London's primary integrator of access to urgent and emergency care – on scene, on phone and online.

Our values

Respectful

Caring for our patients and each other with compassion and empathy.

Championing equality and diversity.

Acting fairly.

Professional

Acting with honesty and integrity.

Aspiring to clinical, technical and managerial excellence.

Leading by example.

Being accountable and outcomes-orientated.

Innovative

Thinking creatively.

Driving value and sustainable change.

Harnessing technology and new ways of working.

Taking courageous decisions.

Collaborative

Listening and learning from each other.

Working with partners.

Being open and transparent.

Building trust.

Our purpose

We exist to:

Provide outstanding care for all our **patients**

Be a first-class **employer**, valuing and developing the skills, diversity and quality of life of our people

Provide the best possible value for the **tax-paying public**, who pay for what we do

Partner with the wider **NHS** and public sector to optimise healthcare and emergency services provision across London

Values for the future

As part of our culture transformation work, and in collaboration with more than one thousand members of staff, we are creating a new set of values and behaviours.

We looked collectively at what makes a good day at work and what behaviour we should value and encourage.

Kindness, respect and team work were agreed to be fundamental and will be at the heart of our new set of values which were due to be launched in May 2022.

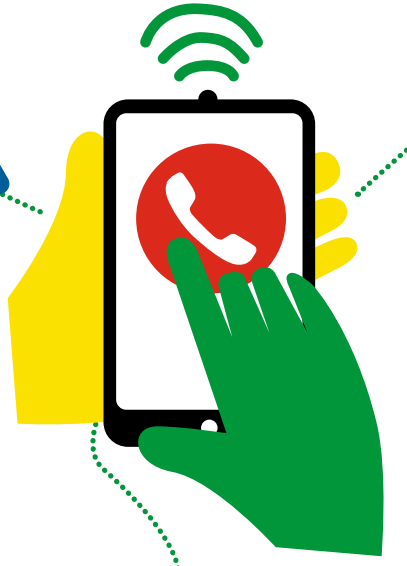
The year in numbers

2,224,565 calls

111

999

2,235,110 calls



6'50"

Our average response time for the most seriously ill or injured patients was **6 minutes and 50 seconds**

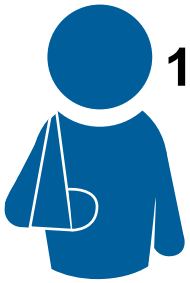
Recruited **1,100** more people to join our team

1st

Ranked **number 1** for apprenticeships among NHS employers in London

37%

37% of new recruits came from Black and Minority Ethnic (BME) backgrounds



We saw **1,103,824** patients

Treated **193,542** over the phone

We received **1,726** thank you letters from patients

Raised **£1,076,493** through our charity

Our social media posts were seen

51,380,709 times

The year in awards

Our people have worked tirelessly over the last year in incredibly challenging circumstances and yet we have continued to innovate and inspire.

May

Beeshman Sivakumaran won the **'Exceptional Pre-registration Student Paramedic'** award at the Ambulance Leadership Forum in May. Beeshman was recognised for his outstanding dedication and commitment and for being hardworking and striving to expand his knowledge, at the awards which are hosted by the Association of Ambulance Chief Executives (AACE). He was nominated by his tutors for showing how passionate he is about his career as a paramedic.

June

In the Queen's Birthday Honours in June, **Consultant Midwife Amanda Mansfield** was awarded an **MBE for 'Services to Midwifery'** for her exceptional commitment to ensuring mothers, babies, partners and families receive care that makes a difference across London.

Meanwhile **Clinical Team Manager, Jason Morris**, received a **Queen's Ambulance Medal** which recognised his long-standing dedication to the Service and patient care across London.

Paramedic Sukhjit Kadri and **Emergency Medical Technician Keith Plummer** were commended by the Metropolitan Police Service for their hard work in educating school children on the realities of knife crime to deter them from carrying weapons. Detective Chief Superintendent Stephen Clayman presented Sukhjit and Keith with a **Commander's Commendation** to recognise their commitment and collaborative work on tackling knife crime.

July

Our **End of Life Care (EoLC) team** won an **Excellence in Urgent and Emergency Care** award at the NHS Parliamentary Awards in July. The EoLC team provides training to ensure terminally ill people and their families have their wishes respected while getting compassionate care.

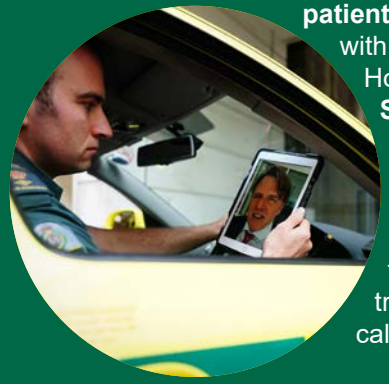
September

Chief Information Officer Stuart Crichton led the London Ambulance Service team which, in collaboration with NHS partners across London, won the **HSJ Value Award for IT & Digital Innovation**. The award recognised the OneLondon initiative for transforming health and care services by implementing a shared care record for patients across the capital.

Our **Internal Communications team** scooped the top accolade for the **Best New or Relaunched channel** for LAS TV Live at the Institute of Internal Communication National awards. The team were the only public sector team to be shortlisted and were recognised for the innovative way they communicated to staff during the pandemic.

October

Our **Maternity team** won the **Royal College of Midwives 'Innovation in Maternity Care'** for promoting safe conversations through the development of a 'midwives communication card'. The judges said their work had "the potential for huge impact on saving lives for women and babies".



The **video assessment initiative for stroke patients** we developed, in collaboration with University College London Hospital, won the **HSJ Patient Safety Award for Clinical Governance and Risk Management in Patient Safety**. When ambulance clinicians suspect stroke, they can arrange for their patient to be remotely triaged at the scene by video calling doctors using iPads.

November

The exceptional work of our **End of Life Care team** was recognised again when they won the **Macmillan 'Whatever it takes' award** for their work in enhancing staff confidence and making sure patients get the care that meets their needs.

December

London Ambulance Service was awarded the highest honour in Islington – **the Freedom of the Borough** – in recognition of our contribution to local life. The award was to acknowledge the role of the Trust in helping the people of Islington stay safe and healthy during the pandemic.

Deputy Chief Executive and Chief Medical Officer Dr Fenella Wrigley was promoted to **Commander of The Order of St John** – a tremendous accolade to her commitment and dedication to healthcare.

Internal awards

We want our teams to thrive and feel valued, and we do that by recognising success and creating a culture of engagement and loyalty.

We have established schemes to encourage positive feedback and continue to recognise the day-to-day contributions of staff and volunteers through internally publishing the names of all those who receive a letter or message of thanks; or reach long-service milestones.

VIP Awards

Our annual VIP Awards are one of the highlights of the year and the entire workforce is able to vote for the employee of the year. Sadly, for the second year running we had to swap our usual glamorous ceremony for a virtual event.

The VIP awards were themed around the Trust's core values of collaboration, innovation, professional, and respectful. The recognised staff and volunteers who have gone above and beyond for our patients and their colleagues. The winners were:

Collaboration Award

The End of Life Care Coordinators, recognising their contribution to improving the quality of care the Service provides to patients nearing their end of life and for supporting the wellbeing of their colleagues.

Innovation Award

Clinical Directorate for their work on introducing a clot-bust drug to the Advanced Paramedic Practitioner (APP) drug pack, enabling them to assist patients in a non-hospital environment and giving patients a higher chance of recovery.

Professional Award

Flavia Dolan, Performance Manager (Dispatch) in our Emergency Operations Centre (EOC) for displaying professional qualities, understanding and maturity. Flavia was recognised for her drive, passion and ambition and for being incredibly professional and hardworking.

Respectful Award

Tony Ogden, Emergency Responder, for his compassion, care and dedication in providing the very best patient care possible. He gives up time to help with training and provides mentoring and guidance to new Emergency Responders.

Chief Executive Commendation

In September Paramedic Gary Edwards was awarded the Chief Executive Commendation award for his exceptional courage and bravery in the London Bridge terror attack.

Outstanding Service Award

At our Annual Public Meeting, John Boyaram, Non-Emergency Operations Manager, was presented with a special award for outstanding service to the Trust. John has worked for London Ambulance Service for 50 years.

The year in pictures

Against a background of exceptional pressure and demand, it has been a year of extraordinary development and ambition, change and transformation.

APRIL

Our Paramedics in Primary Care pilots continued supporting our strategic aim to provide a responsive service delivering care as close to home as possible. Aside from the benefits to patient care, this scheme is a boost for our recruitment and retention of clinicians.

There were shockwaves across the capital after the distressing murder of Sarah Everard who disappeared on her walk home in south west London. Our Chair and female directors held drop-in sessions for women to share experiences and concerns, and subsequent discussions lead to the formation of the Women's Network.

MAY

Two new state-of-the-art education and training centres opened in Newham and Brentford. These centres meant we could provide training to increase workforce capacity, and to improve the quality, delivery and efficiency of education.

JUNE

Our mentorship scheme which supports Black Asian and Minority Ethnic (BAME) staff throughout the organisation – the B-Mentored Programme – launched with a new cohort of mentees. Our percentage of BAME staff has improved to 18.4%, against our end of year target of 17.5%.

We launched an initiative which saw our volunteer Community First Responders provided with the training and equipment they need to respond to patients who have fallen without obvious injury. The 'uninjured fallers' pilot means elderly patients can be looked after, helped up off the floor and checked over without the need to send an ambulance.

We were invited to a special event at 10 Downing Street to recognise the hard work of our staff and volunteers during the COVID-19 pandemic. The Prime Minister gave his thanks to those in attendance and extended his thanks Trust-wide.

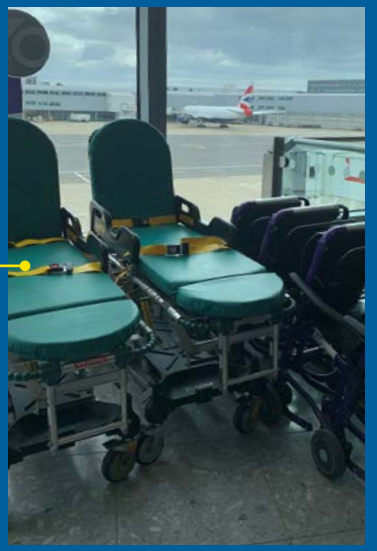
JULY

In the summer we began installing CCTV on our ambulances as an additional way of keeping our staff and patients safe. Cameras have proven to be effective in deterring antisocial behaviour from members of the public.

On the first anniversary of the Wellbeing Hub launching, the service remained in high demand with around 250 people contacting the team every month. Feedback shows that 99.4% of people rated the Hub excellent or good in providing support or signposting services.

AUGUST

Our COVID vaccine team helped find clinics for those needing to book their jabs, while also organising shuttle buses to help people get to vaccine sites. At the same time the team was planning the flu programme rollout ahead of winter.



Our staff played an important role providing medical support and offering a reassuring presence to people arriving at Heathrow Airport from Afghanistan.

SEPTEMBER

Chair Heather Lawrence, Chief Executive Daniel Elkeles and other colleagues represented London Ambulance Service at the City of London's 999 Day event in Guildhall. Emergency service partners stood side by side to hold a two-minute silence to remember those who were lost over the last year.

Ruth May, Chief Nursing Officer for NHS England and Improvement, visited our HQ in Waterloo where she met some of the highly skilled nurses who work on our ambulances and in our 999 and 111 control rooms.

In recognition of our experience and expertise in 111 Integrated Urgent Care service delivery, we were asked to answer a percentage of calls for South West London NHS 111, which is currently operated by a private provider. Our Clinical Assessment Services provide Category 3 & 4 ambulance validation of 111 calls across London, ensuring that patients receive enhanced assessment and the most appropriate outcomes for their needs. Our GPs also provide 24/7 access advice to ambulance crews across London.

OCTOBER

We officially opened our new Logistics Supply Unit in Rainham. The impressive 32,000 square foot space is built to the highest standards of environmental sustainability and replaces the old logistics stores at Deptford which were no longer fit for purpose.

Our community resuscitation trainers from the first responder department, together with volunteers, hosted events across London to raise awareness of early CPR (cardio pulmonary resuscitation) and defibrillation as part of ‘Restart a Heart’ Day.

With the flag at half-mast and heavy hearts, we held a special memorial event at our HQ for the families of our 22 colleagues who sadly died over the past 20 months. As well as receiving a personalised book of condolence and a brass bell, each family was given a yellow rose to lay in our new memorial garden.

NOVEMBER

We secured £16.6 m to buy new greener vehicles, which will make us the NHS trust with the largest electric response fleet in the country. The money will help pay for 200 new vehicles including 19 low emission ambulances and 42 electric fast response cars.

We opened our new Medicines Packing Unit which was specially designed to meet the needs of the service. As well as providing far better facilities for our Pharmacy Team it allows us to store medicines securely, at the right temperatures and in accordance with Good Distribution Practice requirements.

Our Motorcycle Response Unit (MRU) was back on the road again. This unit sees paramedics travel on motorcycles to get to patients quickly in busy, built up areas around the capital where it can be difficult for an ambulance or a car to get through.

DECEMBER

We had seven Tea Trucks operating seven days a week during the winter, when staff were facing long handover delays at hospitals. The trucks were able to offer crews across London much needed hot drinks and refreshments.

We began rolling out nearly 5,000 eighth generation iPads to our ambulance crews. These, combined with the electronic patient care record (ePCR), support our people to make more informed decisions and provide better patient care.

John Boyaram – also featured in our awards pages and our longest serving employee – marked his 50 years of service by switching on our Christmas lights. John, 68, has worked in our 999 control room, patient transport services and now in our non-emergency transport service.

JANUARY

Paramedic science students at Buckinghamshire New University began placements with London Ambulance Service thanks to a new partnership. Meanwhile 322 students have been recruited since we started a new apprenticeship paramedic programme with the University of Cumbria.

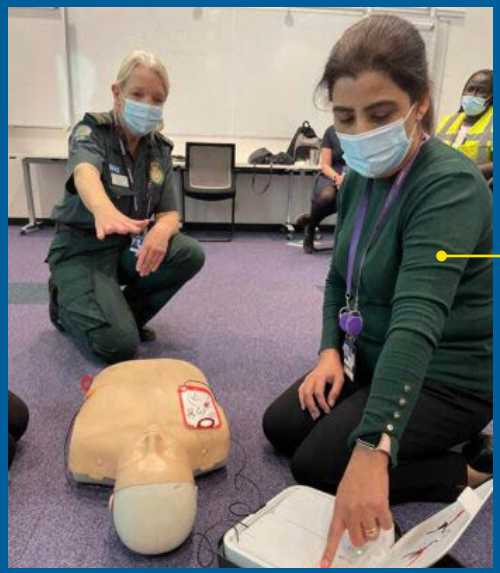
The Board approved plans to invest £14.2 million in its Make Ready service – the team of staff who work around the clock to re-stock, re-fuel and deep clean ambulances at the end of a busy shift – in a move that will improve pay and benefits.

FEBRUARY

The pilot scheme to test out body-worn cameras proved to be such a success that we agreed to fund the full roll out of kit across the Service. Body-worn cameras allow clinicians to record patients or members of the public if they become aggressive or abusive.

We became the first ambulance service in the country to sign a Sexual Safety Charter, which set out our commitment to protecting patients, staff and volunteers. We have pledged to treat all concerns raised extremely seriously and with empathy and understanding.

MARCH



We launched the London Lifesavers campaign to recruit and train 100,000 life savers to use a defibrillator and perform chest compressions. The campaign was backed by Mayor of London Sadiq Khan and aims to save the lives of 100 people a year.

On the second anniversary of the UK going into the first national lockdown we remembered the lives lost and the sacrifices made as a result of the COVID-19 pandemic. To mark the National Day of Reflection, we invited colleagues and partners to a short service in our memorial garden.

A team of volunteers from London Ambulance Service drove 10 reconditioned ambulances, filled with medical supplies, to Poland to help Ukrainian refugees. The team of 26 volunteers drove more than 1,100 miles over three days to hand the ambulances over to the Medical Aid Ukraine charity.

We joined a new national campaign to highlight the profound impact of physical and verbal abuse on ambulance staff and volunteers. As part of the national #WorkWithoutFear campaign, staff and volunteers were invited to meet Chief Executive Daniel Elkeles to share their experiences of abuse, helping to create and shape a brand new action plan.

Our strategy

We set out our vision in the Trust Strategy 2018/19 – 2022/23 which centred on providing the right care for our patients at the right time. Since the strategy was agreed in 2018, we have transformed as an organisation. We have routinely been one of the top performing ambulance services in the country for responding to our sickest patients (known as category 1) and have become a key partner in the delivery of integrated urgent care, in addition to our ambulance operations services.

Three years on and looking to the future, the Trust is now faced with new challenges and opportunities, including:

- Overcoming the health, social and economic impacts of the COVID-19 pandemic
- Creating new ways of working and collaborating with our NHS partners
- The development of new models of delivering place-based care
- Contributing to the socio-economic development of our local areas
- New targets to achieve carbon net zero by 2040 for the emissions that we directly control.
- Our new strategy, which will take us from 2022 to 2027 will be launched in the new financial year.

Our role as an anchor institution

As a large NHS organisation serving the whole of London, we have a significant responsibility to the capital we serve, and not just because of the emergency care we provide. We are known as an 'anchor institution' – this term refers to large, typically non-profit, public sector organisations whose long-term sustainability is tied to the wellbeing of the populations they serve.

As a major employer with 10,000 staff, we want to offer Londoners meaningful jobs with clear routes for career progression; we are also committed to improving our diversity so we better represent the people of this city.

In addition, we have dedicated public education teams and run public health campaigns that are aimed at improving public health, tackling inequities, and contributing to developing thriving local communities.

In line with our commitment to being a sustainable and socially responsible organisation, and as we plan for the future, we have made significant progress in a number of strategic areas this year. Those strategic projects include:

1. Make Ready, Steady, Go!

We announced a £14.2 million investment in our Make Ready service – the team of staff who work around the clock to re-stock, re-fuel and deep clean ambulances at the end of a busy shift – in a move that improves pay and benefits for these teams, and allows for significant investment in new equipment and technology.

The move brought 400 members of the Make Ready team into the NHS family, with an average hourly pay increase of 8%. This is in line with the London Living Wage and staff also gained other NHS benefits such as the generous pension scheme. It will mean even stronger team working, better support for individuals, and allows us to bolster the number of people working in the team.

2. Strategic Workforce Planning

To meet increasing demand on our services, we have developed and finalised the 2022-23 Workforce Plan, which sets out the forecast demand and workforce requirements for the next financial year. Recruitment and training for patient-facing staff has already begun in line with our forecasting.

The Workforce Transformation team has also written a 'Five Year Operations Plan' to set out the long-term direction for our workforce. This plan consolidates workforce plans for each directorate, and will be used to set the direction for each in-year workforce plan going forwards.

3. Addressing health inequalities

As part of our Patient Care quality priority for 2022/23, we intend to focus on reducing health inequalities, by improving the identification of unrecognised hypertension in the patients we have contact with, which links to the national approach to reducing health inequalities being led by NHS England. We will also develop a health inequalities action plan, based on an analysis of need, working with our system partners.

4. Delivering a carbon neutral LAS

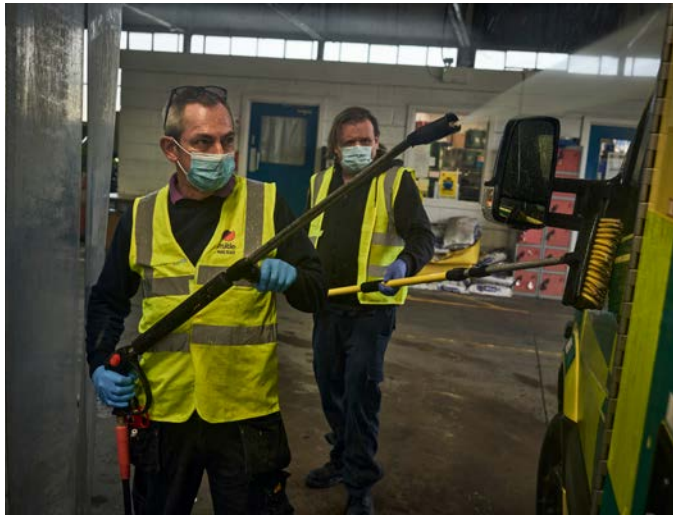
Our Carbon Neutral Plan recognises the health impacts of a changing climate, and the responsibility we have to cut emissions, improve air quality and reduce the generation of waste.

The plan sets out a number of priority initiatives across the organisation that must be delivered to support the achievement of our net zero objectives, including: transitioning to a zero emission fleet by 2031; upgrading our building fabric and removing gas boilers; and influencing the decarbonisation of suppliers within our supply chain.

To support sustainability planning, we have also developed a new Fleet Strategy which picks up the commitments in the London Ambulance Service Carbon Neutral Plan and sets out the journey to replace our vehicles that do not comply with the new 'ultra-low emission zone' by October 2023, and then transition to zero emissions vehicles from 2024.

Another core theme of the Fleet Strategy is a requirement to standardisation, to ensure a fleet that is more affordable, more reliable and fit for both current and future purposes.

In fact, during the year, we announced a £16.6 million investment into a new greener fleet.



Risks and challenges to the service we provide

As of 31 March 2022, we identified the following strategic risks:

Demand for services exceeding the available resources. Throughout this year demand for services has been at a historic high, which has meant that while we met our target for responding to Category 1 calls, we have not met some response time standards. At times we have had to implement measures to hold, assess and prioritise emergency calls. We have developed robust clinical governance processes to avoid and minimise patient during periods of peak demand. Measures taken to improve response times to Category 2 calls are set out in our Performance chapter. LINK to be added

Continuing to deliver high quality care to patients during COVID-19 whilst maintaining the safety of staff and the public. We have developed a strategic response to the impact of COVID-19 on the service and the wider community, stepping up resilience to manage surges in demand during the peaks of the pandemic, and integrating them into 'business as usual' going forward. The Performance chapter includes further detail on the lessons learned from our response to the pandemic. LINK TO BE ADDED

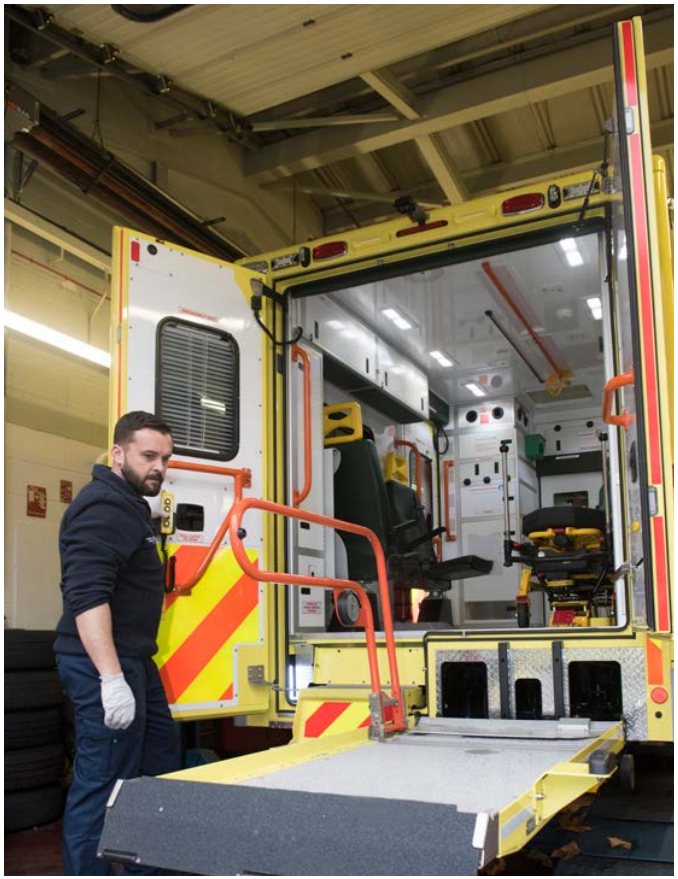
The potential for software, hardware or communications failure in IT systems. We have initiated a number of improvement projects to mitigate the impact of these risks, including unified communications and telephone improvement projects which are overseen by a delivery board.

System wide threat of cyber-attacks which could disrupt the Trust's ability to operate. We continue to mitigate this threat through technical solutions and utilising support from NHS Digital. The Trust will continue to address the on-going challenges in mitigating these risks, for example, through the planned replacement of our Computer Aided Dispatch system to help mitigate cyber and resilience risk. Following a comprehensive plan being put in place, progress has been made with Data Security and Protection Toolkit. Progress is being scrutinised and assessed by the Audit Committee.

Challenge of recruiting and retaining a skilled workforce. We have carried vacancies throughout the year. The Trust is mitigating this risk through a UK graduate recruitment programme, having an international recruitment partner in place, establishing recruitment and retention programmes and working with providers to ensure that the ambulance service remains the employer of choice for paramedics.

A lack of up-to-date immunisation records. We have carried out a review and redesign to immunisation records to provide assurance around immunity and potentially reduce the need for individuals to isolate following exposure to an infectious disease. The Trust now has an Occupational Health advisor and a full plan to deliver catch up vaccinations working in collaboration with the occupational health provider

Improving staff wellness to avoid sickness absence and improve retention of staff. The Trust has developed a well-being strategy in line with current government recommendations and guidance, which includes projects and programmes which aim to raise the Health and Wellbeing of our staff and, as a result, our organisation and our patients. The LAS Wellbeing Hub has also been set up to provide support staff (seven days a week) with both physical and mental health.



Capacity to enact the business continuity plan in the event of a protracted major incident. The Trust is building capacity to manage an extended major incident, which includes training 190 staff in specialist operations. All teams across the Trust are regularly testing our business continuity plans with a dedicated team evaluating risk and resilience

Fit with new NHS structures. As a London-wide service LAS does not fit easily with a commissioning and planning structure based on the five London Integrated Care Systems. There is a risk that London-wide planning of urgent and emergency services may not receive the priority required.

Performance analysis

Performance

Ambulance Response Programme

The Ambulance Response Programme sets the performance standards for all ambulance trusts in the UK. It sets the following definitions and standards:

Category	Response	Target average response time
Category 1	An immediate response to a life threatening condition, such as cardiac or respiratory arrest	7 minutes
Category 2	A serious condition, such as stroke or chest pain, which may require rapid assessment and/or urgent transport	18 minutes
Category 3	An urgent problem, such as an uncomplicated diabetic issue, which requires treatment and transport to an acute setting	2 hours
Category 4	A non-urgent problem, such as stable clinical cases, which requires transportation to a hospital ward or clinic	3 hours

	2019/20	2019/20	2020/21	2020/21	2021/22	2021/22
Category	Response Time	Incidents (n)	Response Time	Incidents (n)	Response Time	Incidents (n)
Category 1	06:51:00	79,738	00:06:16	86,586	00:06:50	116,304
	11:30:00		00:10:38		00:11:35	
Category 2	00:23:49	620,913	00:19:38	677,861	00:38:18	713,613
	00:49:23		00:38:21		01:27:20	
Category 3	01:08:57	237,596	00:42:43	260,659	01:37:12	213,032
	02:45:15		01:33:37		04:08:09	
Category 4	03:48:30	13,986	02:51:48	15,218	07:22:25	146,565

Responding to patients

London Ambulance Service has faced its busiest year on record with 2.2 million 999 calls and 2.2 million 111 calls. We have never known such prolonged pressure, with more patients needing our help than ever before. At the same time, we faced some of the highest number of staff absences due to sickness or isolation.

Demand increased during each of the COVID waves with Omicron coinciding with the critical Christmas and New Year period.

The extraordinary number of 999 calls we were receiving triggered us to implement Resource Escalation Action Plan (REAP) level four – this allows us to put a sharp focus on responding to and caring for patients. Although operating at REAP 4 is only ever meant to be a temporary way of managing demand but sustained pressure meant we spend much of the year at this level.

While in REAP 4, we focused on reducing the length of the longest held calls.

Mutual aid and partnership working allowed us to increase our capacity for taking calls; our non-patient facing clinicians and final year paramedic science students were redeployed to work on the frontline; and corporate staff have been redeployed to support our COVID response during our busiest times.

Over winter we enhanced our oversight of operational delivery and established strategic and tactical groups to manage this difficult period. This then meant that we were able to maintain a good level of patient care despite the challenges of meeting performance targets against national standards. The response was led by our new Operational Leadership team with a strong clinical focus from our joint Deputy Chief Executives and throughout the team.

Working in collaboration with our health and social care partners across London we have continued to innovate to manage patient care, patient flow and handover delays. We introduced the “London Patient Flow” system to manage and equalise the arrival of patients across hospital Emergency Departments. We

also worked with partners to design and implement more community pathways which were accessible virtually or face to face.

Meanwhile at Queen’s Hospital in Romford we set up an Ambulance Receiving Centre (ARC). Since it opened in November, 1,263 patients were cared for at ARC rather than waiting in the back of an ambulance. This meant our paramedics getting back on the road quickly and saved 8,000 hours of waiting in hospital car parks.

Our ambulance crews responded to over 1.1 million emergency incidents and despite the exceptional demand maintained a response to life threatening calls of 6 minutes 50 seconds – under the 7 minute national target. We were one of only two Trusts to deliver Category 1 performance for 2021-22. Again this year we treated and discharged 51% of our patients at scene rather than taking them to hospital, exemplifying the excellent clinical skillset of our staff.

Following the Omicron wave of COVID-19 we focused on our Category 2 performance and noted the need for a recovery plan.

This was finalised in February 2022 and included a focus on: improving hospital handover delays; reducing on-scene times; maximising the availability of our workforce; and pro-active management of demand.

Our Emergency Operational Centres (EOC) answered a record number of calls. Working in this environment is extremely demanding and our teams coped well throughout the year to maintain patient and public confidence.

The clinical hub is staffed by clinicians who provide a telephone assessment of patients to determine whether they require an emergency ambulance or can be treated over the phone or referred to another provider.

We recruited 80 additional clinicians to the team which allowed us to respond to nearly 200,000 calls this way and treat our patients successfully and safely without the need to dispatch an ambulance. This was essential at times of extraordinary demand and equates to 15.1% of 999 calls, an increase of more than 4% on the previous year. We have the highest ‘Hear and Treat’ rates among ambulance trusts in England and this is an area we will continue to develop with other health care providers to ensure prompt and efficient health care.

NHS 111 calls

Measure	National target	2020/21	2021/22
Total number of calls	-	1,639,087 (calls answered)	2,224,565
Average calls per day	-	5,909	6,095
Calls answered within 60 seconds	95%	87%	71.7%
Calls abandoned after 30 seconds	No more than 5%	2.7%	5.3%
Calls referred to 999***	<10%	8.1%	7.6%

Despite a significant and sustained increase in call volumes to NHS 111 services, we have performed consistently in the top three providers across the country. Our services are clinician-led and bring innovation across the system in ways that the previous locally managed services have found more difficult. In 2021-22 we answered 2,224,565 calls and referred 7.6% of these calls to ambulance, well below the national average of 11%.

Around 10% of 111 calls were referred to hospital, compared to the national average of 12%.

This demonstrates how London Ambulance Service is supporting the wider urgent and emergency care system by ensuring patients calling NHS 111 are directed to the most appropriate service.

Patient care and quality

Maintenance of safety for our patients and people remains our top priority and we continue to use well governed processes to ensure the best possible outcome for all patients.

We continued to take regular clinical safety reviews ensuring that patients waiting for ambulances were monitored, treated over the phone or referred to alternative services (such as a pharmacist or GP) when appropriate. This enabled us to help protect our response capacity for patients who needed an ambulance. With multidisciplinary clinical assessment areas in both our 999 and 111 teams, our patients could be assessed by the right clinician first time. Access to patient records, care plans and video consultation provides our clinicians with the information they need to support decision making in order to achieve the best outcomes for patients. The ability to e-prescribe and access to referrals and direct booking via the national directory of services enable us to provide the most appropriate care based on clinical need.

We have continued to work collaboratively with the wider system across London to develop referral pathways to support patient care including Same Day Emergency Care and Urgent Community Response Services. This includes the successful UCR pilot within our 111 control room where specialist nurses are able to identify and refer patients within the 111 and 999 clinical queues that would benefit from community services.

Increased clinical oversight was continuously applied to calls waiting for an ambulance and vulnerable patients, including elderly people who had fallen, and calls relating to an overdose or mental health condition, to ensure people were supported and received equitable access to care.

The Clinical and Quality Directorates continued to undertake a daily review of the incidents reported to ensure any of note are escalated and there is early identification of themes and learning.

In the past year, as a result of sustained demand pressures, a number of potential harm incidents were reported by staff as a consequence of delayed responses. As an early adopter of the Patient Safety Incident Response Framework, the Trust was well placed to identify themes and drive changes in practice to prioritise patient safety. Weekly meetings have also been held to discuss potential incidents led by the Chief Paramedic and Quality Officer and Chief Medical Officer.

Having the Clinical Education and Standards Department team within the Quality Directorate allows us to develop a culture of quality, with learning from audits and investigations going straight into the classroom, where the next generation of clinicians are being taught.

The Clinical Education and Standards team has been instrumental in ensuring a continuous stream of high quality staff to meet the ongoing demands of the past year. 2021 saw the opening of two state-of-the-art training centres with the capability to provide simulation training to both clinicians and call handlers.

These sites were subject to an Ofsted inspection during mid-March where the provision of education services was rated as ‘Good’ across all categories. Bespoke training for the new Assistant Ambulance Practitioner (AAP) role was created which, alongside a Degree apprenticeship programme in conjunction with the University of Cumbria, will allow clinical staff of all levels to develop their careers through to Advanced Paramedic Practitioner.

Care Quality Commission

In December 2021, there were unannounced inspections of our 111 service in North East London and our Emergency Operations Centre at our Headquarters in Waterloo, as part of a coordinated system level inspection across North East London, which aimed to identify how well services work together to ensure patients receive safe, effective and timely care. The inspections highlighted a number of positive areas of practice, including the compassionate nature of the care we provide and the presence of an open culture. Following the inspections, zero 'must do' recommendations were made, and seven 'should do' recommendations were made, which the Trust are responding to in the form of an improvement plan.

Quality Account

The Trust identified ten quality priorities for the 2021-2022 financial year. These priorities were developed based on our business plan, feedback from our stakeholders, as well as internal sources of quality intelligence. We have made significant progress against all of these priorities, including implementation of the Patient Safety Incident Response Framework as an early adopter (as mentioned above), improving the management of medical devices and storage of medicines, further integrating our 111 and 999 clinical assessment services and implementing a station accreditation programme. A summary of our progress against all ten priorities is across (and full details can be found in our 2021/22 Quality Account):

	Quality Priority - Overview	Status
1	Implementation of the Patient Safety Incident Response Framework (PSIRF) as a pioneer in the new process for other Ambulance Trusts.	
2	Analysis of staffing levels, productivity and efficiency across Integrated Patient Care services - (front end, CAS and management- including CHUB/ ECAS).	
3	Improving the management of clinical equipment by ensuring a robust and transparent governance process for medical devices and clinical equipment which is enshrined in policy.	
4	The Trust must ensure medicines are correctly stored, in line with recommendations made from the CQC and current legislation.	
5	Patient & Communities engagement & involvement.	
6	Continued delivery of the Clinical Strategy (2016/17-2022/23 2019 Refresh)	
7	Integrating the 999 and 111/ IUC CAS systems to provide seamless care for patients regardless of access point.	
8	Implementing the station/service quality accreditation programme	
9	Development of the Trust's Culture Diversity and Inclusion (CDI) Strategy.	
10	Continue to invest in health and wellbeing of staff, to ensure that they feel supported and are able to do their job and deliver the service.	

Looking forward to 2022/23 we have developed three quality priorities on which we will focus our improvement efforts:

- Patient care
- Patient, family and carer experience
- Staff engagement and support.

Building on lessons learned from our COVID response

The pandemic saw us responding to extraordinary pressures, with demand growing at faster rate than our funding. We have had to adapt and show resilience, helping to integrate care across different settings and working to reduce avoidable hospital visits and admissions, while supporting the response to rising demand for mental health services.

Our 999 call handling workforce and infrastructure was increased after the first wave and we have agreed a mutual aid framework with other ambulance services.

We will continue to increase the number of clinicians in our 999 clinical hub, to undertake enhanced clinical assessments, ensuring the safety of patients waiting for an ambulance. These clinicians are also able to direct patients who do not need an ambulance to alternative care pathways such as direct booking in to primary care and therefore reduce the need for ambulances.

We are continuing to build on some of the improvements we have made to maintain and sustain the benefits achieved. Some of those improvements, like greater integration, were always part of our strategy however new priorities have emerged which are detailed on p.22.

Safeguarding

We have continued to maintain and improve our support to children and those at risk of abuse and neglect during the year. Our staff have raised the following safeguarding referrals and care concerns:

- Children 13,854
- Adult safeguarding 5,826
- Adult care concerns 8,621

We have continued to train our staff in safeguarding, which has included using e-learning and virtual training sessions delivered by our safeguarding specialist. We also provide bespoke Trust Board safeguarding training.

There have been 49 safeguarding issues raised for staff (most of these are concerns for a fellow member of staff from a colleague rather than allegations of abuse).

The Care Quality Commission recently identified sexual safety as an issue across the UK's ambulance services in relation to patients, staff and volunteers. Recognising the immediate importance of this and raising sexual safety awareness across the Service, we launched a Sexual Safety Charter, which sets out our commitment to make sure everyone behaves in a way that ensures sexual safety and shows our commitment to take any concerns raised seriously with empathy and understanding.

We have developed our Learning Disability Strategy and have employed a Learning Disability Specialist.

We piloted a Youth Alliance Project aimed at children who are cared for, or who are not in education or training. With external partners, we delivered a skills programme which included English and maths and learning, first aid and awareness about London Ambulance Service. The aim was to keep young people away from gangs and violence and we hope to build on the experience of the pilot in the coming year.

We held a Safeguarding Conference in October supported by NHS England/Improvement for 200 staff and focused on topics including female genital mutilation, preventing terrorism, domestic abuse and stalking.

We have continued to develop safeguarding pathways including a fire safety referrals pathways direct and a high intensity user pathway to alert local authorities to children who call 999 three or more times a year.

Our vehicles

We are in the process of procuring 200 new vehicles including 42 fully electric cars to replace older fast response vehicles in our fleet. We have also bought three electric motorbikes.

We have ordered 19 new ambulances that are lighter and produce lower emissions and can be driven on a standard category B driving licence.

The new vehicles will be more reliable, improve our carbon footprint and ensure we have a healthy vehicle availability to support the operational rosters.

We have seen a 50% reduction in the amount of time that crews are out of service due to no vehicle at the start of shift.

We have a fleet of 533 ambulances covering the daily operational vehicle requirement with a spare capacity enabling the fleet team to respond to any spikes in demand.

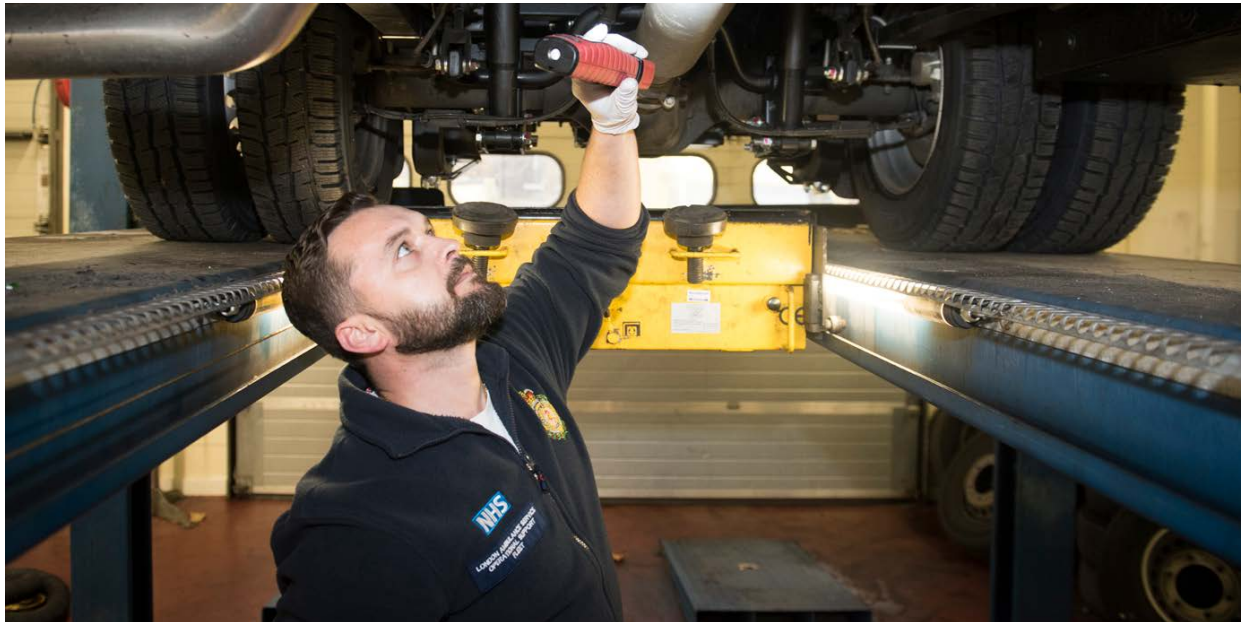
Supply and distribution

The Supply and Distribution team has the key objective of ensuring the right equipment is in the right place at the right time for the right task, facilitating high-quality patient care, reducing harm and maximising efficiencies.

This year has seen the continued transformation of the department with the move to a purpose-built warehouse from a series of seven ad-hoc industrial units, the realisation of a Central Asset Management System enabling the tracking of consumables and equipment from pallet-to-patient and the implementation of a new management structure.

The team undertook over 200,000 deliveries across the Trust's estate in 2021/22 ensuring that over 400 ambulances are stocked, equipped and are ready to use each day.

As referenced on p.23, more than 400 staff from the Make Ready team were brought in-house.



Emergency preparedness resilience and response (EPRR)

The NHS needs to plan for, and respond to, a wide range of incidents and emergencies that could affect health or patient care. Under the Civil Contingencies Act (2004), NHS organisations and providers of NHS funded care must show that they can effectively respond to emergencies and business continuity incidents while maintaining services to patients.

- The NHS England Core Standards for Emergency Preparedness, Resilience and Response are the minimum standards which NHS organisations and providers of NHS funded care must meet. The purpose of these standards are to:
- Enable health agencies across the country to share a common approach to EPRR;
- Allow coordination of EPRR activities according to the organisation's size and scope;
- Provide a consistent and cohesive framework for EPRR activities; and
- Inform the organisation's annual EPRR work programme.

The standards are reviewed and updated as lessons are identified from testing, national legislation and guidance changes and/or as part of the rolling NHS England governance programme. As part of the national EPRR assurance process we are required to assess ourselves against these core standards.

We submitted our self-assessment and evidential documents to NHSE and NHS Improvement (NHSI) in September 2021 and had our review with the team on the 4th November 2021.

Of the 32 core standards, we are rated as fully compliant for 31 of the standards and partially compliant for 1 of the standards, giving us an overall rating of 'substantially compliant'. The one standard that we were rated as partially complaint against was the Trust's compliance with the Data Protection and Security Toolkit. An improvement plan was developed and all assertions were met by the deadline of the 31st December 2021.

Of the 163 Interoperable Capabilities standards we were rated as follows:

	Standards	Fully compliant	Partially compliant
Hazardous Area Response Team (HART)	**33**	32	1
Marauding Terrorist Attack (MTA)	**28**	27	1
Chemical, Biological, Radiological and Nuclear (CBRN)	**32**	32	
Mass Casualty	**11**	11	
Command and Control	**36**	31	5
Joint Emergency Services Interoperable Principles (JESIP)	**23**	23	

This gave us an overall rating of substantially compliant for the Interoperable Capabilities standards.

Following our National Ambulance Resilience Unit (NARU) assurance review on the 16th March 2022, our final grading was 41 green ratings, 9 amber ratings and one red rating.

The Trust was commended for several areas of excellent practice including a focus on clinical outcomes in HART exercises and the appointment of a clinical lead within the Resilience and Specialist Assets Unit.

We were also commended for HART's focus on increasing the male to female staffing ratio, with the recent doubling of the number of women in the unit. NARU noted that this good practice needs to be examined more closely at the national level and rolled out across other HART units.

People

London Ambulance Service is a growing team of multi-skilled people, in a variety of roles, focused on a single, simple purpose: to save lives. We call ourselves a family: the family in green.

We have more people working for us than ever before. Our substantive employment headcount is 6,779 people but when you add all our agency and bank staff, contractors, students and volunteers, we have over 10,000 people caring for Londoners.

On average, our staff stay working for us for eight years, but around a third of our staff have worked for London Ambulance Service for more than 10 years.

Behind the scenes

London Ambulance Service is the most visible part of the NHS in the capital. We know that people do not want to be in a situation where they need an ambulance, but we recognise that the sirens and flashing blue lights of an emergency response vehicle can reassure the public that help is on its way.

Most of our workforce has contact with patients, including our ambulance crews and call handlers. However, it takes a whole team working behind the scenes to ensure all our patients get the right help at the right time.

These include:

- Our People and Culture team looking after human resources and organisation development to deliver more people, working differently in a compassionate and inclusive culture.
- Information Management and Technology specialists delivering innovative technological change to improve the quality of care we provide to patients.
- Fleet and logistics teams keeping vehicles maintained and stocked with essential medicine and equipment.
- An estates team responsible for creating safe, secure offices or ambulance stations for staff and volunteers to work.
- Communications staff engaging with our key NHS and public sector partners, our people and the media to share information and improve understanding of our work.
- Teams reviewing our governance, performance and the experience of patients so we are always improving.
- A Clinical Directorate which is responsible for clinical delivery and strategy and clinical innovation.
- What unites everyone working for London Ambulance Service is being part of a mission to save lives, improve outcomes and make London a healthier place.

Developing and managing talent

In support of the NHS People Plan and People Promise, we are developing a more resilient, flexible and sustainable service attracting people from diverse backgrounds to deliver our vision of being at the heart of urgent and emergency care in London, contributing towards Londoners having healthier outcomes.

It is essential people feel they can enjoy a meaningful career within London Ambulance Service. We are constantly looking at ways to attract, develop and retain high-quality people.

We want to ensure we have a motivated workforce who are given every opportunity to shine. The pandemic has placed demands on everyone, but it has also highlighted our strengths, including our ability to be flexible and adapt to the challenging increased demand.

Our highlights from the past year include:

- Responding to the pandemic – in support of high levels of absence across the Trust, our Organisational Development and Talent Team delivered virtual learning sessions to educate, enable and equip colleagues to respond to operational challenges, including managing sickness absence.
- The launch of 'Our LAS' – a comprehensive programme to help improve our culture and morale, based on the input and feedback from our staff. More than 1,500 people signed up to the 'Our LAS' workshops in December and January to help shape the values and behaviours we want to see across the Service.
- Developing career pathways for our clinical and non-clinical colleagues in 2022.
- The launch of the Engaging Leadership Pilot Programme in March 2022, delivered in partnership with NHS Elect.
- Leading the integration of Make Ready colleagues into the LAS family.
- Increasing the provision of blended learning opportunities.
- Growing our apprenticeship programme.

Recruitment

The recruitment team continues to work with frontline and clinical education colleagues to deliver a strong pipeline of registered, non-registered staff and call handling staff.

There have been many challenges this year due to the pandemic and in spite of this, we are proud to have been able to recruit over 700 frontline ambulance staff and over 400 call handling staff across our 999 and 111 services this year.

This year we introduced our 'Trainee Emergency Ambulance Crew' upskilling apprenticeship as part of our career pathway to become a paramedic. 47 of our current Assistant Ambulance Practitioners have applied and begun this apprenticeship, while more than 200 of our Emergency Ambulance Crew (EACs) started our Paramedic Apprenticeship this year.

Our recruitment team successfully won a place on a pilot programme with Health Education England to recruit experienced paramedics outside of the UK. Our international recruitment focus will continue in 2022/23.

Apprenticeships

London Ambulance Service has been ranked 1st amongst NHS in London for exceeding the Public Sector Apprenticeship target. In the last year, we reached a milestone of 1,000 apprentice starts since the introduction of the Apprenticeship Levy in 2017. We continue to offer various apprenticeship opportunities including our popular Paramedic Degree Apprenticeship programme run in partnership with the University of Cumbria, allowing new recruits to progress their career.

Retention

Our overall vacancy rate on 31 March 2022 was 2% and we have seen increases to our turnover rate, in line with other ambulance trusts. Our frontline leavers have remained positively below plan and we have continued to work hard to improve the retention of this group with a package of initiatives, including extended periods of leave and travel loans for staff to visit families overseas, funding indefinite leave to remain and supporting staff to utilise the Government's automatic one-year visa extension.

Wellbeing

Over the past year our wellbeing team has grown from three colleagues to 10. The Wellbeing Hub continues to operate seven days a week and dealt with more than 20,000 enquiries in 21/22. Many of these calls and emails related to changes in COVID guidance and isolations, but the team also signposted colleagues to mental health support, maternity services, financial advice and physical activities.

Our seven Wellbeing Tea Trucks also continue to operate, visiting hospitals across London to provide peer support and a cup of tea to our colleagues. For our contact centres, we have funded tea trollies and more recently our "Wellbeing Cafes", again a place to debrief and have a drink or snack.

We have set up several support groups including one for colleagues who are living with post-COVID syndrome, and an active menopause support group. We have increased our mental health support including the number of senior peer support workers, and the addition of two trauma psychotherapists to assist colleagues with more complex mental health needs.

Violence reduction

Keeping our people safe will always be a priority for London Ambulance Service and we have continued to roll out body worn cameras and installed CCTV cameras in our ambulances.

Our Violence Reduction Officers are also ensuring staff and volunteers get dedicated help and provide support and information when cases go to court.

In February Chief Executive Daniel Elkeles invited members of staff to a roundtable discussion about their personal experience of violence and abuse while on duty. The discussion has helped to shape a new action plan to bring down the number of incidents and secure the toughest possible convictions for those who commit them.

At the same time, we joined the Association of Ambulance Chief Executive's national campaign #WorkWithoutFear, which seeks to cut the number of verbal and physical attacks on ambulance staff.

Staff networks

To support and champion equality, diversity and inclusion across our Service we have five staff networks – LGBT, B-ME, Christian Ambulance Association, EnAbled and the Women's Network. The networks support our staff and volunteers, as well as challenge us as an organisation to create a more inclusive place to work.

Freedom To Speak Up

Our Freedom to Speak Up (FTSU) Guardian and ambassadors continue to support our colleagues to feel safe to speak up should they have a concern. The following objectives have been put together to ensure this happens:

- Ensure there are fair and inclusive processes in place
- Listen to diverse groups across the Trust, as well as our staff networks
- Embed FTSU in everyday practice and promote a "speak up" culture
- Respond to and influence the changing landscape of the Trust's culture
- Use data and intelligence to inform our decisions
- Regularly seek feedback and learn from it.

You can read more about the work of the FTSU team in the Annual Governance statement on p.47.

Equality, diversity and inclusion

We are committed to actively promoting equality and inclusivity among our organisation and ensuring equal and fair access to our services for all our patients and their families. We embrace diversity and recognise our responsibility to eliminate discrimination and harassment while supporting and empowering all our people.

The 2021 Workforce Race Equality Standard (WRES) report shows that, although we are in the top ten organisations for BME representation in voting membership at Trust Board, we are in the bottom ten for the number of staff experiencing harassment, bullying or abuse from patients, relatives or the public in last 12 months, as well as the number of staff believing that their trust provides equal opportunities for career progression or promotion.

We have already put extra measures in place to protect our people including body worn cameras so we can record abusive incidents and use footage as evidence in court, and we are working with the police to increase convictions for hate crimes which includes people using racist or homophobic language when speaking to our call handlers.

To make sure we're treating people equitably, and providing the same opportunities across our diverse teams, our People and Culture Team are working on a comprehensive review of our recruitment and development processes

We are working towards ensuring our workforce better reflects the diversity of the population it serves in London. We end 2021/22 having recruited more than 370 Black and minority ethnic (BME) staff, representing over 37% of all our new starters. We now have more than 1,340 BME staff which is 20% of our total workforce. There is still more to do to increase these numbers and we will continue to put time effort and attention into this work. We have also worked hard to increase gender diversity and by March 2022 over 50% of our workforce was female including 43% of our senior leadership team (including Trust Board).

We launched the 'Our LAS' programme in partnership with A Kind Life, an organisation with a history of facilitating cultural transformation within NHS trusts.

Volunteers

Our volunteers continue to play a vital role at London Ambulance Service and we have always valued their commitment and time. Our Emergency Responders and Community First Responders increased their training and skillset during the pandemic to allow them to respond alongside paramedics on ambulances.

We will keep our Emergency Responders trained to work on ambulances so they can continue to step in at times of high demand in the future. This will involve increasing the number of Emergency Responders with a blue light driving qualification and Category 1 training, which means they can treat our sickest patients.

Staff and volunteer engagement and communication

The coronavirus was initially called 'novel' because scientists had never seen it before. And since the disease took hold two years ago, it continues to evade predictability with its virulence, symptoms and impact. Infection prevention measures evolved quickly while Government guidance and restrictions were updated regularly.

Our Communications Team had to share information quickly, while also making sure our people had the practical and emotional support to do their job.

Our flagship internal communication tool has been LAS TV Live: a weekly question and answer session with our Chief Executive and other senior executives. Broadcast live and made available for staff and volunteers to watch later on demand, this platform enabled us to keep everyone up to date with the latest information while being able to address any questions or concerns with transparency and openness.

In addition during times of very high demand, we held a daily live briefing which provided an update of our operational challenges and advice on the latest guidance. We also published 473 bulletins covering clinical or operational guidance and added 448 articles to our intranet.

Close to 1,500 people signed up to Our LAS workshops after we launched an ambitious programme to transform our culture. Despite being held during our most challenging winter ever, engagement was high and resulted in insightful conversations and feedback which is influencing how the programme is developed.

We had 63% engagement for our staff survey and the responses have been analysed to ensure staff experience drives the improvements we are making at London Ambulance Service.

Our Emergency Responders and Community First Responders have volunteered 25,649 hours this year. They have worked a further 4,763 hours alongside a paramedic on an ambulance.

Partners

Collaboration is key to our success and allows us to provide the best possible care for the people who need us. The pandemic has not only shown what we can do with strong partnerships, but how quickly we can bring about change and improvements for our patients.

We will continue to engage with patient groups, stakeholders, wider system partners and emergency service colleagues to build on our successes and ensure communities are empowered to help shape the future of their health services.

Working with our community

The involvement of our patients and communities is crucial in improving all aspects of care including patient safety, patient experience and health outcomes.

Patient experience and feedback allows us to understand whether our services are meeting the standards we set ourselves and addressing patients' expectations. We take all patient and stakeholder feedback very seriously and do our best to offer a comprehensive response to any issues, clearly identifying any lessons and using these to improve our service, where appropriate. We report trends and emerging themes through the Trust's governance processes and to widen the learning, publish anonymised case examples.

Now entering its second year, the London Ambulance Service Public and Patients Council (LASPPC) brings together a wide range of patients and public representatives from across London.

The council, which is co-chaired by Dame Christine Beasley and Michael Bryan, meets at regular intervals to give feedback on the care we provide and to help shape the way care is delivered. Members provide a voice for patients, the public and carers in the design, development and delivery of Trust services.

Commissioning groups have responded positively to the Public and Patients Council and the Trust and council are working together to develop a two year plan to further embed their influence.

We also continue to work closely with local Healthwatch, including keeping them updated about our response to COVID-19.

Working with our NHS partners

We work closely with NHS England/ Improvement, our commissioners, hospitals and specialist trusts.

We are grateful to North West London Integrated Care System (ICS) for their continued support as our lead ICS, recognising the particular challenges we face as the only NHS trust to cover the whole of London.

We have built on the strong relationships with all five ICSs to manage sustained surges in demand, and to redirect urgent and emergency care activity across the capital. Working in partnership across the capital has helped to reduce the risk of parts of the London health and care system being overwhelmed.

As part of our winter planning we worked with NHS hospitals across the capital to reduce the waiting times for our ambulance crews and our patients.

The Trust is continuing to provide paramedics to primary care networks (PCNs), so that our staff can help support provide care in the community and from GP surgeries. We also continue to influence system changes and are actively engaged with formal consultations on proposed changes to the health system, working closely with the Association of Ambulance Chief Executives to ensure consistent messaging from the sector.

Working with our emergency services colleagues

We continued our ground-breaking blue light collaboration during the summer peak of the pandemic with officers from London Fire Brigade and the Metropolitan Police Service helping us respond.

We trained hundreds of serving firefighters and police officers and retired police officers to increase the number of blue light drivers.

With the continued roll out of body worn cameras and our commitment to cutting the number of assaults on our staff and volunteers, we have also been working with the police to develop our violence reduction processes. We are sharing learning and best practice to ensure our people get the justice and support they need.

While we have not received formal military support, we continue to have access to senior military staff for strategic advice.

Working with the Mayor of London

The Mayor of London is chair of the London Resilience Forum and has continued to coordinate emergency services, NHS providers, local authorities and Public Health England in response to the increasing spread of COVID-19.

We have a close working relationship with the Mayor with the Chair and Chief Executive meeting him regularly.

We continue to work with the London Situational Awareness Team, which provides the Mayor's Office and London Assembly Members with accurate and timely information on our performance.

Working with charities

Our partnership with London's Air Ambulance Charity (LAAC) is a key part of our mission. We provide paramedics to respond – by helicopter or by car – to life-or-death emergencies in London. Every day one of our paramedics works alongside a doctor as part of the London's Air Ambulance service to treat patients, while a second paramedic is in our 999 control room deciding which calls might need this advanced trauma team.

We further support the charity by providing our clinicians to work alongside an emergency medicine doctor on the Physician Response Unit. The team carries advanced medication, equipment and treatments usually only found in hospital, which means patients can be treated in their homes rather than being taken to an emergency department.

We showcased this partnership at our Annual Public Meeting in September, with members of LAAC joining us to talk about our collaborative working on emergency trauma care delivery across the capital.

We also work closely with St John Ambulance, often to plan and prepare for large public events, with our partnership strengthening during the pandemic.

Anti-bribery and anti-slavery statement

The Trust does not tolerate any form of fraud, bribery or corruption by its employees, partners or third parties acting on its behalf. We investigate allegations fully and apply sanctions to those found to have committed a fraud, bribery or corruption offence.

The Trust contracted its internal audit provider to provide its local counter-fraud specialist (LCFS) services in accordance with Secretary of State Directions. The Board's Audit and Risk Committee formally approves the counter-fraud annual work plan and progress reports are provided to the committee at each of its meetings.

The Modern Slavery Act 2015 introduced changes in UK law focused on increasing transparency in supply chains, to ensure they are free from modern slavery (that is, slavery, servitude, forced and compulsory labour and human trafficking).

The Trust fully supports the government's objectives to eradicate modern slavery and human trafficking and encourages its staff to pursue training, such as the one developed by Health Education England to train NHS staff, and direct its staff to further resources available.

Public value

The Financial Framework for 2021/22 saw a continuation of block funding arrangements including additional COVID funding with providers across the year. 2021/22 was a challenging year for the Trust with easing lockdown restrictions and the introduction of the new Omicron variant of COVID, the Trust saw call levels rise to record levels over a sustained period.

Despite the operational pressures the Trust managed to deliver a year end outturn surplus of £0.7m on an adjusted financial performance basis after adjustments for Impairments, Capital Grants and Donations and centrally allocated stock. The Trust also invested £44.9m in maintaining and updating the Trust capital assets.

Finances	2021/22	2020/21	2019/20
Total income	£603.1m	£570.3m	£438.6m
Year end surplus	£0.7m	£2.6m	£0.2m

Investment	2021/22	2020/21	2019/20
Capital expenditure	£44.9m	£44.0m	£22.5m

London Ambulance Service spent £71.0 million in response to COVID in 2021/22. The most significant expenditure items are shown below:

- £34.0m on staff costs
- £21.6m on increased 111 capacity
- £8.1m on additional fleet capacity
- £4.0m on Personal Protective Equipment
- £0.9m on Estates reconfiguration

In addition to this, the Trust received an additional £0.98m for centrally provided COVID expenditure bringing the total COVID spend to £72m.

This continuation of COVID funding allowed us to maintain frontline ambulance and call handling hours, however despite growth in demand from easing national restrictions and the introduction of the new Omicron variant, increased staff absence relating to COVID sickness and isolations and increasing delays in hospital handovers, the Trust moved to its highest level of escalation and was able to maintain performance for its sickest patients maintaining Category 1 performance in line with the national standards throughout the year.

In order to ensure the maintenance of an appropriate control environment, the Trust Standing Financial Instructions and Scheme of Delegation remained in place throughout 2021/22 to ensure that appropriate oversight and assurance was maintained, whilst recognising the significant operational pressures facing the Trust. These were updated to reflect the changes in senior structure and the roles of Board Committees as well as a change in some limits to ensure consistency with other Trusts across the Integrated Care System. The revisions were approved by the Audit Committee on behalf of the Board in January 2022.

Throughout the year we have continued to focus on maximising available resources to provide the best possible value for the public, who ultimately fund the London Ambulance Service. The Trust delivered the control total agreed with North West London Integrated Care System whilst saving £8.9 million through a number of schemes, including working with partners to secure free fuel during the Omicron wave of the pandemic.

In order to continue the updating and renewal of our capital infrastructure to support improvements in frontline delivery across both 999 and 111 services the Trust invested an additional £44.9m.

London Ambulance Service spent £4.9 million on digital programmes including implementing CAD; £18.0 million increasing and modernising its fleet to meet low emission targets and improving crew safety systems; and £14.7 million on estates modernisation including consolidating its training estate, improving its logistics support capability, expanding control room capacity and improving medicines management.

The draft financial framework and allocations supporting the operational planning guidance were published in December 2021. The NHS's financial arrangements for 2022/23 continue to support a system-based approach to planning and delivery and are aligned to the new ICS boundaries agreed during 2021/22.

NHS England have issued draft one-year revenue allocations for 2022/23 and three-year capital allocations to 2024/25 and intend to publish the remaining two-year revenue allocations to 2024/25 in the first half of 2022/23.

The Trust will continue to implement our modernisation programme and maintain resilience and have a capital plan of £18.3 million. We have also identified a savings programme of £24 million for 2022/23 to ensure we continue to deliver value and provide the maximum level of patient care for the resources we receive. This includes ensuring cost reductions through improved supply chain management, increasing productivity and driving down corporate overhead costs.

London Ambulance Service charitable fund

For the second consecutive year the LAS Charitable Fund has experienced a new record income of £1,076,493.

Following significant engagement, we have been awarded various grants to build capacity and capability for our volunteering strand of the charity, as well as to support our frontline workforce.

We are extremely grateful to NHS Charities Together for their support and we have received £896,000 support investment in our Volunteering Strategy and its aim to recruit 100,000 London Lifesaver volunteers and support the placement of 40,000 defibrillators to save lives across London.

The charity raised a further £174,000 through donations and legacies and approved over 46 grants totalling more than £200,000 for projects that benefit the welfare and wellbeing of our staff and volunteers.

We recruited a Head of Charity to deliver a strategy to look proactively at the greater role the charity can play in supporting the wider Trust objectives and to drive the charity to reach its full potential. The strategy lays out a steady income growth, focusing on unrestricted income streams which deliver most flexibility to the charity and its beneficiaries. This will allow us to invest more meaningfully in the welfare of our people as they deliver the best emergency care for Londoners.

The charity looks to embark on 2022/23 with its own brand and new working title: London Ambulance Charity. We expect to apply for a further £197,000 through grants from NHS Charities Together.

Although it is unlikely income levels will match that achieved in 2021/22, the Charity Strategy lays out a steady income growth on pre-pandemic levels, focusing on unrestricted income streams which deliver most flexibility to the charity and its beneficiaries.

'Going Concern' disclosure

Our full accounts, presented at the end of this report, have been prepared in accordance with the directions made under the National Health Service Act 2006 and NHS England and Improvement, the Independent Regulator of NHS Trusts. The Chief Financial Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view in accordance with the Department of Health Group Accounting Manual 2021/22. After making enquires, the Chief Financial Officers has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future and this has been tested using unmitigated and mitigated downside scenarios. For this reason the Trust continues to adopt the 'Going Concern' principle in preparing the annual accounts and annual report. The CFO considers 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 Trust's performance and strategy.

Accountable Officer: **Daniel Elkeles**
Chief Executive Officer

Organisation: London Ambulance Service NHS Trust

2 | Accountability report

Directors' Report

Board and Executives appointment status – 2021/2022

Role	Name	From	Until
(Board members) Non-Executive Directors			
Chair	Heather Lawrence	01/04/2016	30/06/2022
Non-Executive Director	Karim Brohi	01/03/2019	28/02/2023
Non-Executive Director	Sheila Doyle	06/02/2017	05/02/2023
Non-Executive Director	Amit Khutti	01/01/2018	29/02/2024
Non-Executive Director	Jayne Mee	09/01/2017	30/06/2021
Non-Executive Director	Rommel Pereira	01/02/2020	31/01/2024
Non-Executive Director	Mark Spencer	01/03/2019	28/02/2023
Non-Executive Director	Anne Rainsberry	01/05/2021	30/04/2023
Non-Executive Director	Robert Alexander	01/09/2021	31/08/2023
Associate Non-Executive Director	Jill Anderson	01/06/2020	31/05/2022
Associate Non-Executive Director	Line De Decker	01/06/2021	31/05/2023

Role	Name	From	Until
(Board members) Executive Directors			
Chief Executive	Garrett Emmerson	30/05/2017	31/08/2021
Interim Chief Executive	Daniel Elkeles	16/08/2021	26/01/2022
Chief Executive	Daniel Elkeles	27/01/2022	Present
Chief Operating Officer	Khadir Meer	02/09/2019	30/09/2021
Deputy Chief Executive and Chief Paramedic and Quality Officer	Dr John Martin	01/03/2021	Present
Deputy Chief Executive and Chief Medical Officer	Dr Fenella Wrigley	01/03/2016	Present
Chief Finance Officer	Lorraine Bewes	17/06/2017	12/12/2021
Chief Finance Officer	Rakesh Patel	01/12/2021	Present
Director of People and Culture	Damian McGuinness	14/06/2021	Present*

Role	Name	From	Until
Directors			
Director Communications and Engagement	Antony Tiernan	20/08/2019	Present
Interim Director Corporate Affairs	Diane Scott	01/07/2021	04/01/2022
Interim Director Corporate Affairs	Trisha Bain	20/04/2021	31/07/2021
Interim Director Corporate Affairs	Mark Easton	04/01/2022	Present
Director Corporate Affairs	Syma Dawson	01/04/2020	Present
Medical Director Urgent Care	Agatha Nortley-Meshe	25/10/2021	Present
Director Quality	Jaqualine Lindridge	25/10/2021	Present
Director of Strategy and Transformation	Roger Davidson	31/01/2022	Present

* Appointed to the Board 6 months 23/09/2021

Composition of the Board of Directors

Our Trust Board is made up of 15 members — our Chair, seven non-executive directors, five executive directors (including our Chief Executive) and two associate non-executive directors.

The chief executive and the other executive directors are appointed through a process of open advertising and formal selection interview. Non-executive directors are appointed by the same method but through NHS England/Improvement. All executive appointments are permanent and subject to normal terms and conditions of employment.

The Board is responsible for setting the strategic direction, culture and organisational performance of our Service and is accountable for ensuring that the Service delivers safe,

1.3 Register of Interests of decision Making staff 2020/21

Name	Role	Description of Interest	Relevant Dates		Comments
			From	To	
Heather Lawrence	Chair	Non-Executive Director - Royal Marsden Trust Board	July 2016	Present	
		Trustee British Renal Society now UKAA	May 2011	Present	
		Chair - NRC Medical Experts	April 2021	Present	
Robert Alexander	Non-Executive Director	Trustee of Charity, Demelza Childrens Hospice		Present	
		Non-Executive Director and Advisory Roles. Imperial College Healthcare NHS Trust, CHP Ltd, CIPFA, CHKS Ltd	Various	Present	
Rommel Pereira	Non-Executive Director	Non Executive Board Member and Chair of Audit & Risk Committee, The National Archives	01/05/2021	30/04/2024	
		Non Executive Director, Chair of Audit and Risk Committee and Deputy Chair, Homerton Healthcare NHS Foundation Trust	01/06/2019	31/05/2023	
		Non Executive Director / Chair of Audit & Risk Committee, One Housing Group	21/09/2018	31/11/2021	
		Non Executive Director and Chair of Group Audit Committee, The Riverside Group	1/12/2021	30/11/2024	
Anne Rainsberry	Non-Executive Director	Advisor Health Tech Partners	01/05/2021	Present	
		Advisor Carnal Farrar	01/04/2021	Present	
		Director, What if Consult Ltd	01/01/2021	Present	Provision of executive coaching and board development
Sheila Doyle	Non-Executive Director	Deloitte - Employee	01/01/2016	Present	I am a partner and full time employee at Deloitte

Name	Role	Description of Interest	Relevant Dates		Comments
			From	To	
Jayne Mee*	Non-Executive Director	Calabash Limited - Director	01/08/2015	30/06/2021*	
		St John Ambulance - Trustee	Paril 2015	30/06/2021*	
		University Hospitals Bristol NHS Foundation Trust - Non Executive Director	June 2019	30/06/2021*	
Jill Anderson	Associate Non-Executive Director	ViiV Healthcare Ltd, subsidiary of Glaxo SmithKline, Chief Financial Officer	01/06/2020	Present	
		Ordinary shares in GlaxoSmithKline awarded as part of reward package and long term incentives	01/06/2020	Present	
Amit Khutti	Non-Executive Director	Board Director for Zava Global BV	01/12/2018	Present	
Karim Brohi	Non-Executive Director	Queen Mary University of London Professor of Trauma Sciences, / Honorary Consultant Trauma Surgeon, Barts Health NHS Trust	01/03/2008	Present	
		Clinical Director, London Major Trauma System NHS England (London)	01/10/2015	Present	
		Advisory Board Member to AI Nexus who are in early phase innovations of artificial intelligence applications for healthcare monitoring and diagnosis.	01/05/2021	Present	
Dr Mark Spencer	Non-Executive Director	GP in HMP Bullingdon, Buckinghamshire, Subcontracted to Practice Plus (formerly CareUK)	01/04/2021	Present	None of my activity produces a conflict of interest with my role in LAS
		Health care consultancy, varied – currently NEL LIS	01/04/2021	Present	None of my activity produces a conflict of interest with my role in LAS
Line De-Decker	Associate Non-Executive Director	GlaxoSmithKline , Head Transformation Office	01/03/2008	31/03/2022	
		Ordinary shares in GSK awarded as part of reward package and incentives	01/03/2008	31/03/2022	
		GlaxoSmithKleine, Chief Financial Officer	01/03/2008	Present	
Garrett Emmerson*	CEO	Non-Executive Director University Buses	01/02/2019	31/08/2021*	
Khadir Meer*	Chief Operating Officer	NIL	01/04/2021	30/09/2021*	
Lorraine Bewes*	Chief Finance Officer	NIL	01/04/2021	12/12/2021*	

Name	Role	Description of Interest	Relevant Dates		Comments
			From	To	
Fenella Wrigley	Chief Medical Director	Royal London Hospital, Barts	01/07/2008	Present	
		Health Emergency Medicine Consultant			
		Financial - Substantive NHS consultant			
		St John Ambulance London Region Regional Professional lead for Specialist Events	01/08/2012	Present	
		Non-Financial - Voluntary role			
		All England Lawn Tennis Club	01/09/2018	Present	
		Chief Medical Officer - Financial			
		HM Prison and Probate Services (Ministry of Justice) Clinical Advisor (renumerated)	01/04/2013	Present	
Dr John Martin	Chief Paramedic and Quality Officer	Bank Paramedic – East of England Ambulance service NHS Trust, zero hours contract.	10/01/2021	Present	
		President / Trustee / Director – College of Paramedics, voluntary position (Paramedic professional body & charity)	10/01/2021	Present	
		Director, British Paramedic Association, voluntary position (Dormant original paramedic professional body)	10/01/2021	Present	
		Director, Challenge your thinking limited, not currently an active company (Paramedic consultancy)	10/01/2021	Present	
		Consultant Paramedic expert witness for various legal firms	10/01/2021	Present	
Patricia Bain*	Interim Director Corporate Affairs	NIL	20/04/2021	31/07/2021	
Antony Tiernan	Director of Communications and Engagement	Member of the HSJ (Health Service Journal) Awards Advisory Board	01/01/2019	Ongoing	Unpaid - non-financial professional interest
		Trustee for NHS Charities Together	01/09/2021	Ongoing	Unpaid - non-financial professional interest
Diane Scott*	Interim Director Corporate Affairs	NIL	01/07/2021	04/01/2022	
Daniel Elkeles	Chief Executive Officer	Holding Director, London Ambulance Service Dormant Companies	17/11/2021	Present	
		London Emergency Care ltd, Holding Director Dormant Company	17/11/2021	Present	
		London Urgent Care Ltd, Holding Director Dormant Company	17/11/2021	Present	
Rakesh Patel	Chief Finance Officer	NIL	01/12/2021	Present	
Mark Easton	Interim Director Corporate Affairs	Trustee, Royal College of Ophthalmologists- unpaid two year post	01/01/2022	01/01/2024	
Syma Dawson	Director of Corporate Affairs	NIL	01/04/2021	Present	

Name	Role	Description of Interest	Relevant Dates		Comments
			From	To	
Brian Jordan	Director of Operations: Ambulances Delivery & Emergency Operations Centres Delivery	NIL	01/04/2021	Present	
Athar Khan	Associate Director Equality and Diversity	Trustee, Leo Academcy Trust	01/03/2019	Present	
Agatha Nortley-Meshe	Assistant Medical Director and Head of Integrated Urgent Care (clinical)	Membership of NHS Pathways Programme Board (NHS Digital)	08/09/2020	Present	
		Ashinde Ltd	11/11/2020	Present	
		DAPS Global co-director of DAPS global a non-profit organisation aimed at empowering frontline and junior clinicians to undertake quality improvement project	2009	Present	
		The Park Practice, Bromley CCG. GP	2015	Present	
David Macklin	Deputy Medical Director	Clinical Fellow ED Doctor, Guys and St Thomas	19/09/2020	Present	
		Occasional medicolegal expert witness work - none at present	19/09/2020	Present	
Natasha Wills	Head of Resilience and Specilist Assets	NIL	01/04/2021	Present	
Pauline Cranmer	Director Clinical Education	NIL	01/04/2021	Present	

** Declaration closed when individual left the Trust*

Annual Governance Statement

Scope of responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS 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 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 Trust Accountable 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 London Ambulance Service NHS Trust (LAS), 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 London Ambulance Service NHS Trust for the year ended 31 March 2022 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

Leadership of risk management process

As Chief Executive, I am responsible for overseeing risk management across all organisational, financial and clinical activities. All executive directors report to me and their performance is held to account through both individual and team objectives that also reflect the objectives of the Board.

The Trust's Risk Management Strategy and Policy sets out the accountability and reporting arrangements for risk management and the processes that maintain sound internal control. Risk management is a key component of enhancing patient and staff care and is an integral part of the Trust's strategic management. It is the process whereby the Trust methodically addresses the risks related to its activities with the goal of achieving sustained benefits to patient care and outcomes through delivery of the LAS Strategy. The processes set out in the Risk Management Strategy and Policy ensures clearly defined roles and responsibilities for the senior leadership team and clarity around the arrangements and purpose of the Board Assurance Framework and Corporate (Trust Wide) Risk Register.

The policy aims to promote a positive culture towards the management of risk and provides clear, systematic approaches to ensure risk assessment is integral to all clinical, managerial and financial processes. The focus of risk management at LAS is about being aware of emerging problems, working through what impact they could have and implementing changes and plans to mitigate against the worst case scenario. This is achieved through ensuring clear leadership and accountabilities throughout the Trust and encouraging cross directorate working.

Operationally, responsibility for the implementation of risk management has been delegated to the Chief Paramedic and Quality Officer, including responsibility for clinical risk management, and the Director of Corporate Affairs. The Chief Medical Officer also holds responsibility for patient safety. The Chief Paramedic and Quality Officer is the quality governance lead for the Trust and is responsible for the Trust's Risk Management Strategy and Policy and Incident Management Policy, including patient safety incidents. They are also responsible for promoting and ensuring implementation of Trust-wide systems and processes to enable the Trust to meet requirements in relation to clinical governance and risk, up to and including the Trust's Corporate Risk Register. The Director of Corporate Affairs supports the Executive Committee in

carrying out their responsibilities for risk management and takes the lead on behalf of the Trust Board for maintaining the Board Assurance Framework.

The Board Assurance Framework aligns with national guidance and reflects assurance on the high-level risks that are deemed the most significant through the year. Executive Committee members individually, and collectively, have responsibility for providing assurance to the Trust Board on the controls in place to mitigate their associated risks to achieving the Trust's strategic objectives, including compliance with the all the Trust's licences. The Trust Board's Assurance Committees have responsibility for providing assurance in respect of the effectiveness of these controls through regular scrutiny of risks in their area, and associated controls.

Staff – training

The Trust provides a comprehensive mandatory and statutory training programme which includes governance and risk management awareness, ensuring that staff are trained and equipped to identify and manage risk in a manner appropriate to their authority, duties and experience.

The Trust's Risk Management Strategy and Policy sets out the approach that it takes to the provision of training in relation to risk management. An e-learning package 'Introduction to Risk Management' has been developed and is available to all staff through ESR. All department leads/ managers that are responsible for implementing the risk management procedure locally receive more specialist training to enable them to fulfil their responsibilities. This training is generally offered on a one to one basis and tailored to be relevant to suit the responsibilities and risks associated with their role. All risk management training is recorded centrally in ESR. Staff have access to comprehensive risk guidance and advice via Risk Management Leads in the Quality Directorate, information embedded in the Risk Management page on the Trust intranet and by referring to the Risk Management Procedure. The Trust Risk Manager also supports staff in risk reviews and escalation through monthly quality governance meetings. The recent internal audit of Risk Management indicated that overall key risk management personnel have a good understanding of the risk management process. Risk management training is provided to Executive Committee and Board members every two years, in respect to high level awareness of risk management and to ensure that risks aligned to their remit are reviewed. The Trust Board last received such training in September 2020.

The Trust's mandatory and statutory training programme is regularly refreshed to ensure that it remains responsive to the needs of Trust staff and volunteers. There is regular review of the requirements of the Trust's Mandatory Training Policy and Training Needs Analysis (which includes elements of governance and risk management training) and the duty of staff to complete training deemed mandatory for their role. Despite significant operational pressures due to the impact of COVID-19, the Trust has been able to achieve average target levels of 83% compliance with mandatory and statutory training requirements during 2021/22. Monitoring and escalation arrangements are in place to ensure that the Trust maintains its current good performance and can ensure targeted action in respect of areas or staff groups where performance is not at the required level.

The risk and control framework

Risk Management Strategy and Policy

The Trust is committed to having a risk management culture that underpins and supports the delivery of the business of the Trust. The Trust will continue to demonstrate an ongoing commitment to improving the management of risk throughout the organisation.

The Risk Management Strategy and Policy, which was reviewed and amended in April 2021, provides the overarching principles, framework and processes to support managers and staff in the management of risk by ensuring that the Trust is able to deliver its objectives by identifying and managing risks, enhancing opportunities and creating an environment that adds value to ongoing operational activities. The Trust has adopted a holistic approach to risk management incorporating both clinical and non-clinical risks. This includes but is not limited to; strategic, financial, operational, regulatory, environmental and reputational risks.

The Trust's Risk Management Strategy and Policy is an integral part of the Trust's approach to continuous quality improvement and is intended to support the Trust in delivering the key objectives within the Quality Strategy as well as ensuring compliance with external standards, duties and legislative requirements.

Identifying and reporting risk

Risks are identified routinely from a range of reactive/ pro-active and internal/external sources including workplace risk assessments, analysis of incidents, complaints / PALS, claims, external safety alerts and other standards, targets and indicators etc. These are reviewed to understand the organisational impact and appropriately graded and ranked and included on the Trust's Corporate Risk Register and Board Assurance Framework (BAF). A Risk, Compliance and Assurance Group (RCAG) exists to review and monitor risks added to the Risk Register and regular reports from the Corporate Risk Register and the BAF are submitted to the relevant Board Assurance Committees and Trust Board. The Audit Committee has the delegated authority on behalf of the Trust Board for ensuring these arrangements are in place and remain appropriate. The Trust recognises that, as risks can change and new risks can emerge over time, the review and updating of risks on the risk register and within the BAF is an ongoing, dynamic process.

1. Following an external review, the Trust Board approved a refreshed BAF in January 2022, incorporating more detailed mapping to strategic risks, tolerance levels and residual to target gap analysis. These new arrangements were developed through a series of Board workshops. The refresh of the BAF led to the identification of nineteen risks in relation to the fifteen corporate objectives and provides a comprehensive evidence base of compliance across the broad spectrum

of internal and external standards, targets and requirements including CQC registration requirements. Each objective within the BAF is assigned to a lead assurance committee, which reviews evidence and reports from lead executives on performance, issues and risks. Alongside a robust internal audit programme this enables the provision of assurance to the Trust Board that strategic risk management within the Trust is being managed appropriately. The Trust also commissioned a governance review from the Good Governance Institute which resulted in a number of actions to strengthen policies, control and accountability.

2. In accordance with the Trust Board's Scheme of Delegation, responsibility for the management / control and funding of a particular risk rests with the Directorate / Sector / Station concerned. However, where action to control a particular risk falls outside the control / responsibility of that domain, where local control measures are considered to be potentially inadequate or require significant financial investment, or the risk is 'significant' and simply cannot be dealt with at that level, such issues are escalated to the appropriate corporate committee, the RCAG, the Executive Committee or the Trust Board for a decision to be made.

Embedding risk management and incident reporting

3. Risk management is embedded in the activity of the organisation by virtue of robust organisational and committee structures which are reviewed and amended as necessary on an annual basis.

4. Of fundamental importance to the early identification, escalation and control of risk is the Trust's commitment to the ongoing development of a culture where incident reporting is openly and actively encouraged and the focus when things go wrong is on 'what went wrong, not who went wrong', and a progressively 'risk aware' workforce. In addition to standard incident reporting processes, the Trust has had a full time Freedom To Speak Up (FTSU) guardian since 2018/19. Concerns raised through FTSU are all investigated and many have led to improvements in processes in a number of different parts of the service.

5. At Board level, Freedom to Speak Up is led by Non-Executive Director and Executive Director leads Amit Khutti and John Martin respectively.

6. The Trust has 24 Freedom to Speak Up ambassadors, all of whom have received training in how to promote the work of FTSU and support staff to raise concerns. In 2021/22, 138 concerns were raised compared to 167 in the previous financial year. The focus for the next financial year will be working with managers across the Trust to reduce the number of colleagues who feel they need to raise concerns via the Guardian and improve other existing pathways. The Guardian will continue to support our colleagues to feel safe to speak up as we pursue our mission to make speaking up business as usual.

7. The Risk Appetite Statement specifies the amount of risk an organisation is willing to accept in the pursuit of its strategic goals and corporate objectives. LAS endeavours to establish a positive risk culture within the organisation, where unsafe practice is not tolerated and where every member of staff feels committed and empowered to identify and correct and/or escalate system weakness.

8. LAS will be reviewing its risk appetite as part of the work on integrating the BAF and CRR and an updated Risk Appetite Statement will be presented at May Public Board.

9. The Board has had to focus on a number of emerging risks in 2021/22, including the sustained increase in pressure on the service due to the impact of the Covid-19 Pandemic. These included; securing adequate funding arrangements to enable the Trust to deliver commissioned services and to support the Trust's modernisation programme, ensuring the Trust has an effective recruitment and retention strategy in place to maintain a sufficiently skilled workforce to address staff vacancies, establishing a staff wellbeing programme to support staff and manage increased sickness levels, managing an immunisation programme to provide assurance on the immunity status and health and wellbeing of its staff. There were also capital and infrastructure developments such as updating the Trust's IT and Cyber Security infrastructure, improving the resilience of Telephony and CAD systems and advance planning of capital requirements to address supply chain delays to avoid slowing down the delivery of the Modernisation Programme.

10. During 2020/21 financial year, the NHS Staff Council reached agreement with Trade Unions to resolve claims linked to pay entitlements in respect of holiday pay under the NHS terms and conditions of service (Agenda for Change). Agreement was reached for a corrective payment in respect of current and potential backpay claims. NHSEI extracted data from the Trust's Electronic Staff Record System (ESR) to calculate the level of settlement payment. This value was calculated to be £5.7m. NHSEI subsequently sought and received approval from HM Treasury on behalf of the Trust to make this payment. However this data extract incorrectly excluded overtime paid weekly and on local pay elements. When these were factored in, the total payment made by the Trust was £7.1m. The Trust did not obtain approval for the additional £1.4m before making the payment. NHSEI is currently seeking retrospective approval from HM Treasury for additional payment.

11. 11. Throughout 2021/22, the Trust continued to face the level of unprecedented demand experienced in 200/21 as a result of the COVID-19 Pandemic. The Trust continued with arrangements put in place during the peaks in the pandemic curing 2020/21 particularly in regard to amended

governance and assurance frameworks to ensure a prompt response to the pandemic, reducing the burden at a time of significant operational pressure. When levels of demand continued to elevate throughout the summer of 2021, the Trust moved its Resource Escalation Plan (REAP) to level 4, the highest level denoting extreme pressure. At this point, an Incident Director was appointed oversee and coordinate the ongoing organisation's response to surge demand, through the Strategic Response Group who met daily and the Service Delivery Group which met twice weekly. Use of existing business continuity and Strategic Command structures for decision-making as well as amended executive decision-making and Board Assurance structures enabled the Trust to provide assurance over its decision-making during this period. Actions taken included weekly strategic briefings of Trust Board members, with the ability to quickly escalate and implement issues as they arose whilst maintaining independent assurance and oversight.

12. The Trust also has in place a range of mechanisms for managing and monitoring risks in respect of quality including:

- The Trust's Quality Strategy is based on the Care Quality Commission (CQC) fundamental standards. The Trust Board also agrees annual quality priorities.
- The Trust has a Quality Assurance Committee (a committee of the Board) which meets bi-monthly and is chaired by a Non-Executive Director who is a practising clinician. The Quality Assurance Committee is responsible for monitoring performance against the agreed annual quality objectives and is supported by the bi-monthly Quality Oversight Group as well as local Sector/ Service Quality Governance meetings. The Quality Assurance Committee provides a report of each meeting to the Trust Board.
- The Trust publishes an Annual Quality Account.
- Performance against key quality indicators are reported to the Trust Board in both the Trust's Quality Report and the Integrated Quality and Performance Report.
- Quality improvements – including the response to CQC findings and recommendations are progressed through the Trust's Quality Improvement Plan which is monitored at the Organisational Performance Meeting and at local Service/Sector Quality Governance meetings.
- A Station/Service Accreditation programme has been developed which aims to drive quality standards by empowering front line staff to make improvements in line with the Care Quality Commission's (CQC) fundamental standards. During 2020/2021, the Trust ran a pilot which was successful. The programme was subsequently rolled out in 2021/22, refining the model in view of the continued pandemic.
- The Trust acts upon patient feedback from complaints and concerns and from feedback from Patient & Public Council (PPC) representatives (e.g. Health Watch).
- Patient and Staff Stories are presented respectively to meetings of the Trust Board and actions and lessons learned are widely shared.
- The Trust has implemented the Patient Safety Incident Response Framework (PSIRF) as an early adopter. This approach allows the Trust to focus on continuously improving by addressing causal factors and the use of improvement science to prevent or continuously and measurably reduce repeat patient safety risks and incidents.
- The Trust has implemented the Learning from Death process with an internally developed digital platform to enable reviews and oversight to be undertaken and reported on.
- The Trust has a safeguarding team and a patient experience team to oversee safeguarding matters and patient experience respectively.
- To maintain safety throughout the COVID-19 Pandemic additional senior clinical support was provided to the control rooms (999 and 111) and frontline crews. Additionally close collaboration with the wider London NHS system enabled additional expert support to be accessible for patients who either did not need to be conveyed to an Emergency Department or did not wish to go to hospital.

13. Throughout COVID-19 the Quality Improvement and Learning (QI&L) team have monitored both the Trust's Risk Management system, Datix and data obtained from Business Intelligence (BI) to identify and review patient safety incidents arising from delays during periods of high demand, sharing learning where required.

- As part of the frontline delivery for the NHS in London the Trust was invited to, and engaged in, many COVID-19 surveillance research pilots to help with the understanding of this new disease. This included being early adopters of antibody testing, lateral flow testing and Test to Release (enabling people to end quarantine early via testing).
- The COVID-19 vaccination programme was delivered to LAS staff and volunteers through collaboration with larger Trusts and Regional centres. LAS supported this with providing vaccinators.

14. In 2021/22 the key performance indicators reported to the Trust Board were rated for data quality as part of the Data Quality Reviews. Further, the following key work was undertaken throughout the year to ensure data quality within the Trust:

- Data Quality Reviews of 11 key systems or reporting arrangements were carried out to assess the quality of data.
- Actions were developed based on the findings and recommendations of these reviews which is regularly monitored by IGG (Information Governance Group) and QAC (Quality Assurance Committee).

15. In 2021/22 the key performance indicators reported to the Trust Board were rated for data quality as part of the Data Quality Reviews. The work undertaken throughout the year to ensure data quality is set out in the Data Quality section of this statement.

Workforce safeguards

16. The trust ensures that short, medium and long-term workforce strategies and staffing systems are in place and provide the Trust Board with assurance that staffing processes are safe, sustainable and effective. In compliance with the recommendations of "Developing Workforce Safeguards", the Trust:

- Has formed a Workforce Development & Planning Programme, which is chaired by our Chief Paramedic and Quality Officer, and has clear oversight of risk management.
- Has produced a detailed workforce plan for 2022/2023 and a high level five year workforce plan so that structural changes and new skill requirements can start to be modelled as early as possible in management's workforce plans
- Employs sufficient numbers of suitably qualified, skilled and experienced staff to meet the care and treatment needs of our patients safely and effectively.
- Has a systematic approach to determining the number of staff and range of skills required to meet the needs of people using the service and to keep them safe at all times.
- Deploys an approach that reflects current legislation and guidance where it is available.

17. In 2021/22 the Trust continued its focus on the strategic risks associated with workforce, through the BAF, the People and Culture Committee and the Executive Committee. The People and Culture Committee has continued to focus upon further development of a workforce planning model, providing assurance to the Board on this. The ExCo has received regular reports on strategic workforce planning activities, to provide additional oversight in this area.

18. Control measures are in place to ensure that all obligations under equality, diversity and human rights legislation are complied with in line with the requirements of the Public Sector Equality Duties under the Equality Act 2010. We are working towards ensuring our workforce better reflects the diversity of the population it serves in London. We end 2021/22 having recruited more than 350 BME staff, representing over 37% of all our new starters. We now have more than 1,300 BME staff which is 20% representation. There is still more to do to increase these numbers and we will continue to put time effort and attention into this work.

19. We have also worked hard to increase gender diversity and our female representation Trust wide has increased to 51%.

Quality Strategy

20. The Trust has a Quality Strategy to support quality governance and assurance from station to Trust Board. The Quality Strategy aims to put patients and staff at the centre of everything we do and is underpinned by the Care Quality Commission's definition of quality. Alongside this, is a commitment to a just culture where reporting of both clinical and non-clinical incidents is central to continuous learning and improvement.

21. Quality Governance and assurance is supported by reliable information systems including Datix and Health Assure. These systems are a rich source of data which informs the Trust of its performance against various quality indicators. Each Sector has a dedicated Quality Governance and Assurance Manager (QGAM) and Sector Senior Clinical Lead to oversee Patient safety and the quality of service at Sector level. Their work is overseen by the Central Quality Oversight Group.

22. Every year, the Trust sets specific quality priorities which are reported in the annual Quality Account. These priorities are identified in consultation with both internal and external stakeholder to ensure they are relevant and robust for the coming year. The Trust routinely reviews its performance against its quality priorities and this is reported through the governance structures which include, sector governance meetings, the Quality Oversight Group, the Quality Assurance Committee and the Trust Board. There are processes in place to review performance regularly across the year to ensure that gains are consolidated and any learning is utilised as part of the wider quality improvement plan. These processes include a series of Sector peer reviews and quality performance reviews which are designed to test how well the Trust is doing against the CQC's key lines of enquiry. The outcome of these reviews are reported to relevant teams and meetings to guide decisions and actions.

CQC registration and compliance with the NHS provider licence

23. During 2021/22, CQC inspection activities at the Trust included regular engagement calls and virtual monitoring meetings. An infection control assessment post COVID-19 wave 1 was undertaken based on the NHS England framework and CQC reported back they were fully assured.

24. The CQC's overall rating of the Trust remains "Good". The Care Quality Commission conducted a one day unannounced inspection of our 111 and EOC services on the 6th December 2021, visiting our sites at Barking and Waterloo. This was part of a system level inspection of North East London and did not change our rating. Many areas of good practice were acknowledged and some areas of improvement were identified in the Safe, Effective, Responsive and Well-led domains with 7 'should do' recommendations being made, which will be incorporated into improvement plans. There were no "must do" recommendations.

25. The Board reviews the terms of reference of its assurance committees on an annual basis to ensure their effectiveness. The Audit Committee meets once a year with the internal and external auditors without the presence of executive directors or staff. In addition, the Local Counter Fraud specialist presents a report to every meeting of the Audit Committee on measures to tackle Fraud, Bribery and Corruption and

also the importance of reporting concerns as appropriate. The Trust also has a Remuneration and Nominations Committee consisting of the Non-Executive Directors, joined when appropriate, by the Chief Executive, the Director of People and Culture and the Director of Corporate Affairs. In addition, the Board has established a number of assurance committees which focus on key aspects of the Trust's work. Each Committee is chaired by a Non-Executive Director. All assurance committees undertake an annual self-assessment of their effectiveness, which is reported to the Board. The Audit Committee also submits an Annual Report to the Trust Board and regularly reviews the Standing Financial Instructions and Scheme of Delegation.

26. The terms of reference also serve to define the responsibilities, accountabilities and reporting lines of each assurance committee. The Board receives a report following each assurance committee meeting, and is therefore able to both receive assurance but also challenge any of the decisions made. Each assurance committee also has an identified lead Executive Director.

27. Key performance reports covering corporate, clinical, quality, workforce, finance and operational performance are received at each formal meeting of the Board and an annual report from the Audit Committee, these are made available on the Trust's website.

28. As part of gaining assurance Board and Executive directors are encouraged to visit staff in the sectors with each director allocated to a particular sector. In addition, at each meeting of the Board there is an opportunity to hear either a staff or patient story.

29. The Quality Assurance Committee receives regular reports from clinical and operational staff and through a number of documents such as the Serious Incident Reports, Quality Oversight Group, and claims and inquests updates and is able to have oversight and challenge the Trust in relation to the quality of patient care. The Trust's Chief Medical Officer, Chief Paramedic and Quality Officer and the Director of Corporate Affairs attend all meetings of the Committee. In addition, the Committee is chaired by a clinician who is a Non-Executive Director of the Trust.

Roles and Responsibilities

30. The Trust Board holds overall responsibility for the management of risks within the Trust. The Board ensures significant risks to the Trust's ability to provide a quality service are identified and managed. The Board reviews all significant risks at each formal meeting.

31. Non-Executive Directors seek assurance in relation to the performance of the Executives in meeting agreed goals and objectives. They are required to satisfy themselves as to the integrity of financial, clinical and other information, and that financial and clinical quality controls and systems of risk management and governance are robust and implemented.

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

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

The review of risk and risk registers is maintained in accordance with Trust strategy.

- all staff have the ability to identify risks and propose they are assessed and entered onto the relevant section of the Trust Risk Register.
- monitoring and timely review of the Risk Management Strategy and associated policies.
- provision of expert advice into the incident reporting process.
- all Managers within their Directorate are familiar and act in accordance with Trust policies.
- incidents are reported and investigated in accordance with the Trust's Incident Reporting Process.
- Learning is shared and embedded through a range of modalities including Core Skills Refreshers, Clinical Update and Insight bulletins and podcasts.

Reporting lines and accountabilities

34. The Board Assurance Committees and Executive Committee provide a process for the escalation and assessment of the assurance given in relation to mitigating any identified risks for the organisation.

35. The purpose of the weekly Executive Committee (ExCo) is to lead and manage the performance of the Trust within the strategic framework established by the Trust Board. The ExCo makes recommendations to the Trust Board on key policy and service issues for Trust Board decision.

36. The ExCo has also established the following sub-groups:

- The Risk Compliance and Assurance Group (RCAG) - to oversee the governance of the risk management process and management of risks rated greater than 15.
- The Information Governance Group (IGG) - to ensure that the has clear direction of and management support for the activities required to comply with data quality principles;
- The Supply Chain Management Board - monitor compliance with standing orders, standing financial instructions and scheme of delegation regarding procurement and management of the supply chain and oversee development and implementation of third party supply category strategy plans.

37. The Audit Committee monitors risks and reviews the BAF. It critically reviews and reports on the relevance and robustness of the governance structures and assurance processes on which the Board places reliance. The committee also receive internal and external audit report and ensures that all recommendations and actions are followed up.

38. The Finance and Investment Committee has responsibility for monitoring and reviewing the adequacy and utilisation of resources to assure the Board upon the risks relating to the efficient and effective delivery of strategic and operational plans and objectives. It monitors financial risks and reviews the BAF advising the Board of any material risks arising.

39. The Quality Assurance Committee has responsibility for providing the Trust Board with assurance on the achievement of strategic objectives in relation to the provision of a high quality, safe, and effective service. The Trust's definition of quality encompasses three equally important elements:

- Care that is safe – working with patients and their families to reduce avoidable harm and improve outcomes.
- Care that is clinically effective – not just in the eyes of clinicians but in the eyes of patients and their families.
- Care that provides a positive experience – to patients and their families.

40. The People and Culture Committee has responsibility for providing the Trust Board with assurance on all aspects of people management and organisational development, including the identification, mitigation and escalation of people-related risks.

41. Through the first half of 2021/22 the Logistics and Infrastructure Committee had responsibility for providing the Trust Board with assurance on and overseeing strategic development and investment in Fleet, Estate and IM&T whilst ensuring compliance with all regulatory and statutory duties as appropriate. Cyber security has been assessed via internal audit and the recommendations and actions are being progressed. The remit of the Logistics and Infrastructure Committee was incorporated into that of the Finance and Investment Committee during 2021/22 as part of a review of Trust Board level governance. The Audit Committee reviews arrangements for cyber security and receives regular updates from the responsible director.

42. The Board has also established a time-limited Digital 999 Programme Assurance Committee, to provide assurance on the delivery of the Trust's Digital 999 Programme (replacement of the Computer Aided Dispatch system and implementation of the Electronic Patient Record Form).

Public stakeholders' involvement in managing risk

43. The Trust Board meets at least six times a year in public and its papers are available on the Trust website. During 2021/22, in light of social distancing restrictions associated with COVID-19, Trust Board meetings took place virtually. Members of the public were invited to watch the Board meetings, and submit questions on matters of concern or interest, via a link on the Trust's website.

44. In early 2020, the Service launched the London Ambulance Service Public and Patients Council (LASPPC). The LASPPC brings together a wide range of patient and public representatives from across London at regular intervals to provide feedback on the services we provide and to help shape the way care is delivered. It also advises on ways for the Service to gain broader engagement. Dame Christine Beasley continues to Chair the Council and, in 2021, we appointed Michael Bryan as Co-Chair.

45. During 2021/22, we appointed public and patient representatives to key committees including infection control and prevention, frequent callers, research and development, and charity operations. In addition, we have involved public and patient representatives in key events including; the appointment of our new Chief Executive; a design workshop for a new ambulance; a programme of accrediting quality at ambulance stations; and, how we improve the care we provide to people with learning disabilities.

46. In late 2020, the Board agreed a 'patients and communities engagement and involvement strategy' which was developed in partnership with the LASPPC and sets out a range of priorities to further enhance the way we involve and listen to patients and communities. This includes working with Healthwatch England, local Healthwatch and the LASPPC to co-design a visits (enter and view) programme – giving patient and public representatives access to our 999,111 and ambulance services so they can provide constructive feedback. Progress on delivering the strategy was hampered because of the COVID-19 pandemic, however, the reduction of pressure in early 2022 has meant that work has been able to resume.

47. The Service's comprehensive website provides the public with access to information about all areas of our activity and we have a number of public-facing newsletters to keep people up-to-date with new developments and items of interest. We are also active on social media including Twitter, Instagram, LinkedIn and Facebook.

Corporate Governance Statement

48. The Trust has kept its corporate governance arrangements under review in 2021/22 to ensure that they meet the standards set out in the NHS Improvement well-led framework. An external review was commissioned from the Good Governance Institute to identify any learning or improvements to the Trust's governance arrangements. An action plan was developed and assurance on compliance has been monitored by the Trust Board.

Compliance statements

49. The Trust is fully compliant with the registration requirements of the Care Quality Commission.

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

51. 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.

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

53. The Trust has undertaken risk assessments and has plans in place which take account of the 'Delivering a Net Zero Health Service' report under the Greener NHS programme. The trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

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

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

- A well-established policy framework with compliance (including Standing Financial Instructions) monitored through the Supply Chain Management Board and reported to the Finance and Investment Committee.
- An organisational structure which ensures accountability and challenge through the committee structure.
- A clear planning process.
- Effective corporate directorates responsible for workforce, revenue and capital planning and control.
- Detailed monthly financial reporting including progress on achievement of Cost Improvement Programmes and year-end forecasting.
- Monthly Operational Performance meeting between Directorates and the Executive Team.

55. The Trust has in place a performance management framework aligned to both the corporate and sector divisional management structure. The framework includes a performance dashboard which includes a series of performance metrics and reflects metrics based on the Carter Report recommendations. The Trust Board reviews the operational, productivity and financial performance, and use of resources both at Trust and Divisional level. More details of the Trust's performance and some specific Trust projects aimed at increasing efficiency are included in the quality and performance report provided to each Board meeting.

56. The Board's business includes comprehensive reviews of performance against clinical, operational, workforce, corporate and financial indicators through the quality and performance report at each formal meeting. Any emerging issues are identified and mitigating action implemented.

57. The Finance and Investment Committee, which is chaired by a Non-Executive Director with other Non-Executive Directors also members, provides assurance to the Trust Directors as to the achievement of the Trust's financial plan and priorities and, in addition, acts as the key forum for the scrutiny of the robustness and effectiveness of all cost efficiency opportunities. It interfaces with the other Board assurance committees, in particular the Audit Committee, as appropriate. This Committee also has responsibility for providing assurance with regard to the Trust's procurement policies and procedures.

58. The Trust's commitment to value for money is strengthened by the effective and focused use of its Internal Audit service. The Trust engages Internal Auditors to provide an independent and objective assurance to the Board that the Trust's risk management, governance and internal control processes are operating effectively.

59. The Trust has a Local Counter Fraud Specialist (LCFS) supported as required by other qualified LCFS. Any concerns can be directed to the team and, any information is treated in the strictest confidence.

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

Information governance

61. The Trust has a robust programme of information governance improvements and awareness and a governance framework to monitor and assure the security of its information. An executive-led Information Governance Group exists as well as an Information Governance Policy framework.

62. Information governance incidents are reported on DatixWeb and the Information Governance Manager is alerted by email whenever an incident is reported on the system. Where there has been an incident, such as where we become aware of a loss of information outside the LAS, or there is a risk that personal data has been accessed or disclosed by one or more members of the public, a report is made on the Data Security and Protection Toolkit (DSPT) portal within 72 hours of the notification of the incident reaching the IG Manager. Each of these reportable incidents is assessed using the 5x5 Breach Assessment Grid in the Guide to the Notification of Data Security and Protection Incidents. This document provides detailed guidance on the reporting of these incidents and should be read by all staff who have

reporting rights in the Toolkit before any report is made. The SIRO reports breaches to the Audit Committee.

63. Dependent on the nature of the incident, the information provided on the DSPT is sent to the Information Commissioner's Office, the Department of Health and Social Care, NHS England and the National Cyber Security Centre.

64. During 2021-22, five incidents were notified via the data security incident reporting portal. Of these, three were reported to the ICO. No action was taken by the ICO as a result of these incidents. There were zero serious incidents reportable to the Department of Health and Social Care (DHSC).

65. The Trust has an action plan to achieve "standards met" for the DSPT for the June 2022 deadline.

Data quality and governance

66. Data quality and governance within the Trust is headed up by the Data Quality Assurance team. In addition to its regular Integrated Performance Report to its Board, the Trust has in place a Data Quality Strategy which includes a governance structure, policy and implementation plan.

67. Following the development of a rigorous methodology, Data Quality Reviews were carried out on LAS key systems and reporting arrangements used by the Trust during 2020/21. The reviews assessed the quality of data and actions were developed based on the findings and recommendations. Progress on these actions has been regularly monitored by the Trust's Information Governance Group (IGG) and the Quality Assurance Committee (QAC). Recommendations from the reviews were implemented to improve data quality in 2021/22. Data Quality Impact Assessments were also carried out during the ePCR and CAD implementation phase to review the process within the new systems to ensure data quality.

68. An internal audit on Data Quality was carried out during November 2020. The audit reviewed the design and operation of the Data Quality control environment and concluded that the process has provided a significant level of assurance, the highest possible rating.

Review of effectiveness

69. As Accountable 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 trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the information provided in 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 Assurance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

70. The Trust received the following Head of Internal Audit Opinion for 2021/22:

Head of Internal Audit Opinion

The role of internal audit is to provide an opinion to the Board, through the Audit Committee (AC), on the adequacy and effectiveness of the internal control system to ensure the achievement of the organisation's objectives in the areas reviewed. The annual report from internal audit provides an overall opinion on the adequacy and effectiveness of the organisation's risk management, control, and governance processes, within the scope of work undertaken by our firm as outsourced providers of the internal audit service. It also summarises the activities of internal audit for the period.

Based upon the work completed for London Ambulance Service NHS Trust, I will be able to provide overall moderate assurance (our second highest level of assurance) that there is a sound system of internal control, designed to meet the London Ambulance Service NHS Trust's objectives and that controls are being applied consistently. In forming my view, I have accounted for:

- The context of the ongoing global Covid-19 pandemic and prolonged impact of REAP4, which the Trust has managed whilst maintaining a focus on its key objectives for the year with the continuation of strong governance arrangements and management of key risks, as shown through the results of our review of Risk Maturity.
- In respect of the corporate governance framework, the Trust commissioned an external review of its arrangements, and an action plan has been developed to implement the recommendations made. During 2021/22 there were significant changes at executive director level, including the Chief Executive and Chief Finance Officer. Alongside this has been reliance upon interim appointments, including the Director of Corporate Affairs. In the latter part of the year, there appears to be a more stable executive management team, including appointment to a new post of Director of Strategy and Transformation ahead of the significant changes across the health economy in light of Integrated Care Systems.
- Operationally, in terms of performance against national ambulance quality indicators, we note that the Trust continued to be ranked number 1 or 2 in England for Category 1response time and LAS was one of only two Trusts forecast to deliver Category 1 performance for 2021-22.
- Financially, the Trust is reporting a year end position of £729k surplus, which is above the NHS performance target of a breakeven position.
- In terms of quality, eight of the 2021-22 priorities were completed as planned. The remaining activities related to the improvement to the storage

of medicines, which is to continue in quarter one 2022-23 and the integration of 999 and 111 integrated urgent care clinical assessment services, will continue in 2022-23 as part of the Right Care, Right Place programme. The Trust continues to see a positive incident reporting culture, the continuing focus and improvement projects relating to overdue incidents and medical equipment incidents has seen a continual decrease in these areas. Infection Prevention & Control compliance across the Trust remains positive, with high compliance rates amongst the indicators assessed.

- The impact of REAP4 status on indicators related to the quality of care continued to be closely monitored through various quality and safety assurance mechanisms including thematic reviews of patient safety incidents from delayed responses. Quality indicators relating to training, including Clinical Performance Indicators and Operational Workplace Review showed positive signs of recovery following the recent reduction to REAP3.
- The unannounced inspection by the Care Quality Commission (CQC) on 6 December 2021, reported an absence of any direct safety concerns, no 'must do' recommendations and eight 'should do' recommendations that are being incorporated into the Trust Improvement Plans. We note that the inspection was part of a system level inspection of North East London and did not include re-grading of the Trust.
- The results of our work were generally positive. The assurance audits provided moderate assurance in both the design of the controls and operational effectiveness. On risk maturity, the Trust benchmarked around the average, with ongoing improvements being made. The IR35 phase 1 review and Post Implementation Review of Hub One highlighted an absence of some basic controls, however new policies and supporting processes are being developed to improve the Trust's arrangements in these areas.
- The Trust has successfully been able to close 73% of the prior year recommendations raised by the previous internal audit providers, with the remaining 27% being confirmed as in progress.

71. Maintenance and review of the effectiveness of the system of internal control has been provided by comprehensive mechanisms already referred to in this statement. Further measures include:

- Regular reports to the Trust Board from the Trust's BAF and Risk Register including NED review / challenge.
- Regular risk management activity reports to the Trust Board covering incidents, complaints/PALS and claims analysis and including details of lessons learned / changes in practice.
- Receipt by the Trust Board of minutes / reports from key forums including the Audit Committee, Finance & Investment Committee and the Quality Assurance Committee.
- The ongoing development of the BAF.
- Consideration of a monthly Quality Improvement Programme report, allowing the Trust Board to monitor improvements in this area.
- The provision and scrutiny of a monthly Integrated Performance Report to the Trust Board, which covers a combination of specific licence and key contractual obligations and including the identification of key risks to future performance and mitigating actions.

72. The Trust advised of control issues as part of its Annual Report for 2020/21 in regard to the areas of Medicines Management and staff immunisation records. Work has taken place over the past year to resolve these issues. A logistics restructure has been completed and a bespoke Medicines team under the leadership of the Chief Pharmacist developed. As part of this the old Logistics site in Deptford has been closed and a new Medicines Packing Unit now open and functioning fully in Lewisham. With respect to immunisations, the Trust now has in place an Occupational Health advisor and a full plan to deliver catch up vaccinations working in collaboration with the occupational health provider.

73. The measures taken mean that the Trust no longer considers these matters to represent a control issue.

74. The validity of the Corporate Governance Statement has been provided to me by the relevant Board assurance committees – most notably the Audit Committee, which have considered and commented on this statement, and by the external auditors.

75. All of the above measures serve to provide ongoing assurance to me, the Executive Committee and the Trust Board of the effectiveness of the system of internal control.

Conclusion

76. To the best of my knowledge no significant internal control issues have been identified in 2021/22.

Remuneration and staff report

Remuneration

Our Remuneration and Nominations Committee consists of the Chairman and the six Non-executive Directors. The Chief Executive is usually in attendance but is not present when their own remuneration is discussed.

The Remuneration and Nominations Committee is responsible for advising the Board about appropriate remuneration and terms of service for the Chief Executive and Executive Directors. It makes recommendations to the Board on all aspects of salary, provisions for other benefits (including pensions and cars), as well as arrangements for termination of employment and other contractual terms.

In formulating their recommendations to the Board, the Committee takes into account a number of factors, including the requirements of the role, the performance of the individuals, market rates, affordability, and the NHS Very Senior Managers Pay Framework.

Executive directors are subject to normal terms and conditions of employment. They are employed on permanent contracts which can be terminated by either party with six months' notice.

Their performance is assessed against individually set objectives and monitored through an appraisal process.

For the purposes of this report, the disclosure of remuneration to senior managers is limited to our executive and non-executive directors. Details of remuneration, including salaries and pension entitlements, are published on pages 2 to 14.

Percentage Change in Remuneration of Highest Paid Director

Reporting bodies are required to disclose the percentage change in remuneration for the highest paid director between financial years, along with the percentage change for employees of the entity as a whole. The below table provides a comparison of these changes for Salary and Allowances, and for Performance Pay and Bonuses.

	Percentage Change for Highest Paid Director	Percentage Change for Employees as a Whole
Salary and Allowances	-9%	0%
Performance Pay / Bonuses	-89%	0%

The highest paid Director was in place for part of the year, and the majority of that time seconded in from another organisation. As such, performance pay was minimal in comparison to a full year of performance pay for the highest paid Director in the prior year. In addition, the highest paid Director in the prior year received a duplicate performance payment which was recouped in 2021/22. Calculations underlying these movements are based on the midpoints of £5,000 bands containing the actual figure for anonymity.

Pay Ratio Information

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director / member in their organisation against the 25th percentile, median and 75th percentile of remuneration of the organisation's workforce. Total remuneration is further broken down to show the relationship between the highest paid director's salary component of their total remuneration against the 25th percentile, median and 75th percentile of salary components of the organisation's workforce.

The banded remuneration of the highest paid director / member in the London Ambulance Service in the financial year 2021-22 was £210,000 to £215,000 (2020-21, £230,001 to £235,000 on an annualised basis). The relationship to the remuneration of the organisation's workforce is disclosed in the below table.

Year	25th Percentile Total Remuneration Ratio	25th Percentile Salary Ratio	Median Total Remuneration Ratio	Median Salary Ratio	75th Percentile Total Remuneration Ratio	75th Percentile Salary Ratio
2021-22*	6.2 : 1	6.1 : 1	5.0 : 1	4.9 : 1	4.1 : 1	4.0 : 1
2020-21	7.0 : 1	6.4 : 1	6.0 : 1	5.5 : 1	4.9 : 1	4.5 : 1

*Agency costs of £6.5m are not included in the pay ratio calculation. These are 1.5% of total pay costs and do not materially distort the ratio

In 2021-22, no employee (2020-21, one) received remuneration in excess of the highest-paid director / member. In the prior year that employee's remuneration ranged from £285,001 to £290,000.

Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind, but not severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions. In addition, annual leave (£12k) and payment in lieu of notice (£71k) were excluded from the highest paid Director in the prior year to allow the use of these figures as a comparability tool.

The range of staff remuneration is £20,001 to £215,000 (2020/21 £20,001 to £290,000).

The appointment and remuneration of the Chairman and the non-executive directors are set nationally. Non-executive directors are normally appointed for a period of four years and usually serve two terms in office.

Banded Remuneration Analysis

The information contained below in the Salary and Pension Entitlement of Senior Managers has been audited by our external auditors.

Salary and pension entitlements of senior managers

A) Remuneration 2021/22

Name and Title	Salary (bands of £5,000)	Expense payments (taxable) total to nearest £100*	Performance pay and bonuses (bands of £5,000)**	Long term performance pay and bonuses (bands of £5,000)	All pension related benefits (bands of £2,500)****	Total (bands of £5,000)
Heather Lawrence, Chair	£40,001 - £45,000	£0	£0	£0		£40,001 - £45,000
Rommel Pereira, Deputy Chair	£10,001 - £15,000	£0	£0	£0	£0	£10,001 - £15,000
Sheila Doyle, Non-Executive Director	£10,001 - £15,000	£0	£0	£0	£0	£10,001 - £15,000
Jayne Mee, Non-Executive Director (1 April 2021 to 1 July 2021) (1)	£0 - £5,000	£0	£0	£0	£0	£0 - £5,000
Amit Khutti, Associate Non-Executive Director	£10,001 - £15,000	£0	£0	£0	£0	£10,001 - £15,000
Karim Brohi, Non-Executive Director	£10,001 - £15,000	£0	£0	£0	£0	£10,001 - £15,000
Mark Spencer, Non-Executive Director	£10,001 - £15,000	£0	£0	£0	£0	£10,001 - £15,000
Anne Rainsberry, Non-Executive Director (from 1 May 2021) (2)	£10,001 - £15,000	£0	£0	£0	£0	£10,001 - £15,000
Robert Alexander, Non-Executive Director (from 1 September 2021) (3)	£5,001 - £10,000	£0	£0	£0	£0	£5,001 - £10,000
Jill Anderson, Associate Non-Executive Director	£10,001 - £15,000	£0	£0	£0	£0	£10,001 - £15,000
Line De Decker, Associate Non-Executive Director (from 1 June 2021) (4)	£10,001 - £15,000	£0	£0	£0	£0	£10,001 - £15,000

Name and Title	Salary (bands of £5,000)	Expense payments (taxable) total to nearest £100*	Performance pay and bonuses (bands of £5,000)**	Long term performance pay and bonuses (bands of £5,000)	All pension related benefits (bands of £2,500)****	Total (bands of £5,000)
Garrett Emmerson, Chief Executive Officer (1 April 2021 to 31 August 2021) (5)	£170,001 - £175,000	£0	£0 - £5,000***	£0	£0	£170,001 - £175,000
Daniel Elkeles, Chief Executive Officer (from 1 September 2021) (6)	£130,001 - £135,000	£0	£0 - £5,000	£0	£35,001 - £37,500	£165,001 - £170,000
Lorraine Bewes, Chief Finance Officer (1 April 2021 to 5 December 2021) (7)	£120,001 - £125,000	£0	£5,001 - £10,000	£0	£0	£130,001 - £135,000
Rakesh Patel, Chief Finance Officer (from 6 December 2021) (8)	£45,001 - £50,000	£0	£0 - £5,000	£0	£0	£50,001 - £55,000
John Martin, Chief Paramedic and Quality Officer	£125,001 - £130,000	£0	£5,001 - £10,000	£0	£85,001 - £87,500	£220,001 - £225,000
Fenella Wrigley, Chief Medical Officer	£120,001 - £125,000	£0	£5,001 - £10,000	£0	£70,001 - £72,500	£200,001 - £205,000
Khadir Meer, Chief Operating Officer (1 April 2021 to 24 September 2021) (9)	£80,001 - £85,000	£0	£10,001 - £15,000	£0	£0	£90,001 - £95,000
Kim Nurse, Director of People & Culture (1 April 2021 to 13 June 2021) (10)	£45,001 - £50,000	£0	£0	£0	£0	£45,001 - £50,000
Damian McGuinness, Director of People & Culture (from 14 June 2021) (11)	£100,001 - £105,000	£0	£0	£0	£52,501 - £55,000	£155,001 - £160,000

* Taxable expenses and benefits in kind are expressed to the nearest £100. The values and bands used to disclose sums in this table are prescribed by the Cabinet Office through Employer Pension Notices and replicated in the HM Treasury Financial Reporting Manual.

**The performance pay payments noted relate to the financial year 2020/21 and 2021/22.

***Includes recovery of bonus payment of £10,490 paid twice in error in 2020/21.

**** The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20, less, the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights. This value does not represent an amount that will be received by the individual. It is a calculation that is intended to convey to the reader of the accounts an estimation of the benefit that being a member of the pension scheme could provide. The pension benefit table provides further information on the pension benefits accruing to the individual.

(1) Jayne Mee salary for four months, the full year equivalent is £13,000
(2) Anne Rainsberry, salary for eleven months, the full year equivalent is £13,000
(3) Robert Alexander, salary for seven months, the full year equivalent is £13,000
(4) Line De Decker, salary for ten months, the full year equivalent is £13,000
(5) Garrett Emmerson, salary for five months, the full year equivalent is £211,969
(6) Daniel Elkeles, salary for seven months, the full year equivalent is £221,276 assumes achievement of performance related pay (£14,476)
(7) Lorraine Bewes, salary for nine months, the full year equivalent is £160,498 assumes achievement of performance related pay (£10,548)
(8) Rakesh Patel, salary for four months, the full year equivalent is £164,950 assumes achievement of performance related (£15,000)
(9) Khadir Meer, salary for six months, the full year equivalent is £160,000 assumes achievement of performance related pay(£6,941)
(10) Kim Nurse, salary for two and half months, the full year equivalent is £195,000
(11) Damian McGuinness, salary for nine and half months, the full year equivalent is £130,000

Salary and pension entitlements of senior managers (continued)

A) Remuneration 2020/21

Name and Title	Salary (bands of £5,000)	Expense payments (taxable) total to nearest £100	Performance pay and bonuses (bands of £5,000)	Long term performance pay and bonuses (bands of £5,000)	All pension related benefits (bands of £2,500)	Total (bands of £5,000)
Heather Lawrence, Chairman	£35,001 - £40,000	£0	£0	£0	£0	£35,001 - £40,000
Rommel Pereira, Non-Executive Director	£10,001 - £15,000	£0	£0	£0	£0	£10,001 - £15,000
Jill Anderson, Non-Executive Director (from 1st June 2020)	£5,001 - £10,000	£0	£0	£0	£0	£5,001 - £10,000
Fergus Cass, Non-Executive Director (from 1st April 2020 to 28 February 2021)	£10,001 - £15,000	£0	£0	£0	£0	£10,001 - £15,000
Sheila Doyle, Non-Executive Director	£10,001 - £15,000	£0	£0	£0	£0	£10,001 - £15,000
Jayne Mee, Non-Executive Director	£10,001 - £15,000	£0	£0	£0	£0	£10,001 - £15,000
Amit Khutti, Associate Non-Executive Director	£10,001 - £15,000	£0	£0	£0	£0	£10,001 - £15,000
Karim Brohi, Non-Executive Director	£10,001 - £15,000	£0	£0	£0	£0	£10,001 - £15,000
Mark Spencer, Non-Executive Director	£10,001 - £15,000	£0	£0	£0	£0	£10,001 - £15,000
Garrett Emmerson, Chief Executive Officer	£210,001 - £215,000	£0	£20,001 - £25,000*	£0	£0	£230,001 - £235,000
Lorraine Bewes, Chief Finance Officer	£155,001 - £160,000	£0	£0	£0	£0	£155,001 - £160,000
John Martin, Chief Quality Officer (from 1st March 2021)	£10,001 - £15,000	£0	£0	£0	£45,001 - £47,500	£55,001 - £60,000
Fenella Wrigley, Chief Medical Officer	£115,001 - £120,000	£4,700	£5,001 - £10,000	£0	£197,501 - £200,000	£325,001 - £330,000
Patricia Bain, Chief Quality Officer (from 1st April 2020 to 28 February 2021)	£125,001 - £130,000	£0	£5,001 - £10,000	£0	£0	£130,001 - £135,000
Khadir Meer, Chief Operating Officer	£150,001 - £155,000	£0	£0 - £5,000	£0	£17,501-£20,000	£175,001 - £180,000

The performance pay payments relate to the financial year 2019/20.
*Includes bonus payment of £10,490 paid twice in error which will be recovered in 2021/22.

Salary and pension entitlements of senior managers (continued)

B) Pension benefits

Name and title	Real increase in pension at pension age (bands of £2,500)	Real increase in pension lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 March 2022 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 March 2022 (bands of £5,000)	Cash Equivalent Transfer Value at 1 April 2021	Real Increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2022	Employer's contribution to stakeholder pension
Heather Lawrence, Chair	**	**	**	**	**	**	**	
Rommel Pereira, Deputy Chair	**	**	**	**	**	**	**	
Sheila Doyle, Non-Executive Director	**	**	**	**	**	**	**	
Jayne Mee, Non-Executive Director (1 April 2021 to 1 July 2021)	**	**	**	**	**	**	**	
Amit Khutti, Associate Non-Executive Director	**	**	**	**	**	**	**	
Karim Brohi, Non-Executive Director	**	**	**	**	**	**	**	
Mark Spencer, Non-Executive Director	**	**	**	**	**	**	**	
Anne Rainsberry, Non-Executive Director (from 1 May 2021)	**	**	**	**	**	**	**	
Robert Alexander, Non-Executive Director (from 1 September 2021)	**	**	**	**	**	**	**	
Jill Anderson, Associate Non-Executive Director	**	**	**	**	**	**	**	
Line De Decker, Associate Non-Executive Director (from 1 June 2021)	**	**	**	**	**	**	**	
Garrett Emmerson, Chief Executive Officer (1 April 2021 to 31 August 2021)	*	*	*	*	*	*	*	

Name and title	Real increase in pension at pension age (bands of £2,500)	Real increase in pension lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 March 2022 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 March 2022 (bands of £5,000)	Cash Equivalent Transfer Value at 1 April 2021	Real Increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2022	Employer's contribution to stakeholder pension
Daniel Elkeles, Chief Executive Officer (from 1 September 2021)	£2,501 - £5,000	£0 - £2,500	£60,001 - £65,000	£110,001 - £115,000	£946,062	£27,356	£1,033,138	
Lorraine Bewes, Chief Finance Officer (1 April 2021 to 5 December 2021)	*	*	*	*	*	*	*	
Rakesh Patel, Chief Finance Officer (from 6 December 2021)	*	*	*	*	*	*	*	
John Martin, Chief Paramedic and Quality Officer	£2,501 - £5,000	£7,501 - £10,000	£30,001 - £35,000	£60,001 - £65,000	£404,158	£60,517	£479,435	
Fenella Wrigley, Chief Medical Officer****	£2,501 - £5,000	£2,501 - £5,000	£60,001 - £65,000	£135,001 - £140,000	£1,100,860	£71,852	£1,190,831	
Khadir Meer, Chief Operating Officer (1 April 2021 to 24 September 2021)	*	*	*	*	*	*	*	
Kim Nurse, Director of People & Culture (1 April 2021 to 13 June 2021)	*	*	*	*	*	*	*	
Damian McGuinness, Director of People & Culture (from 14 June 2021)***	£2,501 - £5,000	£2,501 - £5,000	£20,001 - £25,000	£35,001 - £40,000	£258,016	£31,431	£317,502	

* Garrett Emmerson, Lorraine Bewes, Rakesh Patel, Khadir Meer and Kim Nurse chose not to be covered by the pension arrangements during the reporting year.

** Non-executive directors do not receive pensionable remuneration; there are no disclosures in respect of pensions for non-executive directors.

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's (or other allowable beneficiary's) pension payable from the scheme. CETVs are calculated in accordance with SI 2008 No. 1050 Occupational Pension Schemes (Transfer Values) Regulations 2008 (23).

Real increase in CETV reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement) and uses common market valuation factors for the start and end of the period.

***Fenella Wrigley pension is being recalculated by the NHS Pensions Agency to correct an overpayment, the figures presented in the table are before the correction.

**** The 2020/21 Remuneration Report did not include the full year figures for the Chief Operating Officer, who left the Trust on 24 September 2021, within the disclosure of Table B: Pension Benefits for the year ending 31 March 2021 because the information was not provided by NHS Pensions Agency as at 31 March 2021 as it was not requested by the Trust during the prescribed annual window, and the information could not be obtained retrospectively. As a consequence, the external auditor issued a qualification on the 2020/21 Remuneration Report on this matter.

The Department of Health and Social Care Group Accounting Manual for 2021/22 has been updated to confirm that where a senior manager has opted out of the pension arrangements for the whole of the year, no pension figures should be reported. Therefore, as the Chief Operating Officer had opted out of the pension scheme for the full 2021/22 financial year and has no pensions figures reported in Table B, there is no qualification in the external auditor's report on the Remuneration Report for 2021/22.

Table 1: Exit packages

Exit Package cost band (including any special payment element)	Number of compulsory redundancies	Cost of compulsory redundancies £000s	Number of other departures agreed	Cost of other departures agreed £000s	Total number of exit packages	Total cost of exit packages £000s	Number of departures where special payments have been made	Cost of special payment element included in exit packages £000s
£10,000 - £25,000			2	43	2	43		
£50,001 - £100,000			1	71	1	71		
£100,001 - £150,000								
£150,001 - £200,000								
>£200,000			1	250*	1	250		
Totals			**4**	**364**	**4**	**364**		

* The Trust resolved an outstanding employment tribunal in this financial year relating to a dismissal that took place in 2018. Whilst this is an historical case, the learning has been shared internally as well with the ambulance sector, to mitigate such events happening again.

Redundancy and other departure costs have been paid in accordance with the provisions of Agenda for Change. Exit costs in this note are accounted for in full in the year of departure. Where the Trust has agreed early retirements, the additional costs are met by the Trust and not by the NHS pensions scheme. Ill-health retirement costs are met by the NHS pensions scheme and are not included in the table.

This disclosure reports the number and value of exit packages taken by staff leaving in the year.

Note: The expense associated with these departures may have been recognised in part or in full in a previous period.

Table 2 - Exit packages 2020/21

Exit Package cost band (including any special payment element)	Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages	Number of departures where special payments have been made	Cost of special payment element included in exit packages
		£000s		£000s		£000s		£000s
£10,000 - £25,000								
£25,001 - £50,000								
£50,001 - £100,000	1	100			1	100		
£100,001 - £150,000	1	127			1	127		
£150,001 - £200,000	1	160			1	160		
Totals	**3**	**387**			**3**	**387**		

Redundancy and other departure costs have been paid in accordance with the provisions of Agenda for Change. Exit costs in this note are accounted for in full in the year of departure. Where the Trust has agreed early retirements, the additional costs are met by the Trust and not by the NHS pensions scheme. Ill-health retirement costs are met by the NHS pensions scheme and are not included in the table.

This disclosure reports the number and value of exit packages taken by staff leaving in the year.

Note: The expense associated with these departures may have been recognised in part or in full in a previous period.

Reporting of other compensation schemes – Exit packages

	2021/22		2020/21	
	Agreements	Total value of agreements	Agreements	Total value of agreements
	Number	£000s	Number	£000s
Voluntary redundancies including early retirements contractual costs	0	0	0	0
Mutually agreed resignations (MARS) contractual costs	0	0	0	0
Early retirements in the efficiency of the service contractual costs	0	0	0	0
Contractual payments in lieu of notice	3	114	2	57
Exit payments following Employment Tribunals or court orders	0	0	0	0
Non-contractual payments requiring MHT approval	1	250	0	0
Total	**4**	**364**	**2**	**57**

As a single exit package can be made up of several components each of which will be counted separately in this Note, the total number above will not necessarily match the total numbers in Table 1 which represents the number of individuals.

The Remuneration Report includes disclosure of exit payments payable to individuals named in that Report.

Off-Payroll engagements

Table 1: Length of all highly paid off-payroll engagements

For all off-payroll engagements as of 31 March 2022, for more than £245* per day:

	Number
Number of existing engagements as of 31 March 2022	**0**
Of which, the number that have existed:	
for less than one year at time of reporting	0
for between one & two years at time of reporting	0
for between two and three years at the time of reporting	0
for between three and four years at the time of reporting	0
for four or more years at the time of reporting	0

Note
* The £245 threshold is set to approximate the minimum point of the pay scale for a Senior Civil Servant.

Table 2: Off-Payroll workers engaged at any point during the financial year

For all off-payroll engagements between 1 April 2021 and 31 March 2022, for more than £245* per day:

	Number
No. of temporary off-payroll workers engaged between 1 April 2021 and 31 March 2022	**0**
Of which:	
No. not subject to off-payroll legislation**	
No. subject to off-payroll legislation and determined as in-scope of IR35**	0
No. subject to off-payroll legislation and determined as out of scope of IR35**	0
No. of engagements reassessed for compliance or assurance purposes during the year	**0**
Of which:	
No. of engagements that saw a change to IR35 status following review	0

Note
* The £245 threshold is set to approximate the minimum point of the pay scale for a Senior Civil Servant.
** A worker that provides their services through their own limited company or another type of intermediary to the client will be subject to off-payroll legislation and the Department must undertake an assessment to determine whether that worker is in-scope of Intermediaries legislation (IR35) or out-of-scope for tax purposes.

Table 3: Off-payroll board member/senior official engagements

For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2021 and 31 March 2022.

Number of off-payroll engagements of board members, and/or senior officers with significant financial responsibility, during the financial year.*	0
Total no. of individuals on payroll and off-payroll that have been deemed "board members, and/or, senior officials with significant financial responsibility", during the financial year. This figure must include both on payroll and off-payroll engagements **	20

Note
* There should only be a very small number of off-payroll engagements of board members and/or senior officials with significant financial responsibility, permitted only in exceptional circumstances and for no more than six months
** As both on payroll and off-payroll engagements are included in the total figure, no entries here should be blank or zero
In any cases where individuals are included within the first row of this table the department should set out:
- Details of the exceptional circumstances that led to each of these engagements.
- Details of the length of time each of these exceptional engagements lasted.

Staff report

Average Staff Numbers

The average number of staff has increased over last year 6,530 (2020/21 6,218) as the trust continues to recruit additional 999 and 111 ambulance and call handling staff.

Staff Category	Total Number	Permanently employed Number	Other Number
Medical and Dental	6	5	1
Ambulance Service	2,915	2,872	43
Administration and estates	2,108	1,967	141
Healthcare assistants and other support staff	1,474	1,468	6
Nursing, midwifery and heath visiting staff	25	23	2
Scientific, therapeutic and technical	2	2	0
Total	**6,530**	**6,337**	**193**

The average number of employees is calculated as the whole time equivalent number of employees under contract of service in each week in the financial year, divided by the number of weeks in the financial year. The “contracted hours” method of calculating whole time equivalent number should be used, that is, dividing the contracted hours of each employee by the standard working hours.

Staff Composition

At the end of March 2022, we had a workforce headcount of 6,779 staff, made up of 3,465 women and 3,314 women. This was broken down as follows:

	Total	Female	Male
Directors	20	7	13
Senior Managers	285	125	160
Employees	6,474	3,333	3,141
Total	**6,779**	**3,465**	**3,314**

Whilst there have been many challenges this year due to the pandemic, we are proud to have been able to recruit over 700 frontline ambulance staff and over 400 call handling staff across our 999 and 111 Services this year. During this time, a total of 798 people left the service – a turnover rate of 12.9 per cent, compared to 9 per cent in 2020/2021.

Staff Sickness

Information on sickness can be found on the NHS Digital site (https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates).

Staff Policies

We embrace our obligations under equalities legislation, including the Equality Act 2010. Our aim is to ensure that equality and inclusion is integral to everything we do.

We welcome people to our organisation from any background, who are committed to providing high-quality care that meets the needs of the diverse communities we serve. We aim to provide innovative and responsive healthcare which meets the needs of all these communities, providing better healthcare for all.

Our policy is to treat everyone fairly and without discrimination, and we want to ensure that:

- patients and customers receive fair and equal access to our healthcare service;
- everyone is treated with dignity and respect; and
- staff experience fairness and equality of opportunity and treatment in their workplace.

We want to be an employer of choice, and to attract the best and most talented people from all walks of life to a career where they can develop to their full potential.

As an employer, we are focusing on:

- celebrating and encouraging the diversity of our workforce and creating a working environment where everyone feels included and appreciated for their work;
- promoting and providing training and employment opportunities regardless of age, disability, gender reassignment, marital status, pregnancy or maternity, race, religion or belief, sex, sexual orientation or any other aspect of an individual person’s background; and
- fostering creativeness and innovation in our working environment, so that all staff can deliver to the best of their ability and help us take forward our equality and inclusion goals.

Staff Survey

The National Staff Survey was held between September and November 2021. All staff in substantive roles on 1st September 2021 were invited to take part in the survey. The LAS achieved a response rate of 63%, meaning 4096 colleagues responded to the survey. This compares favourably to the average response rate of 53% ambulance trusts nationally.

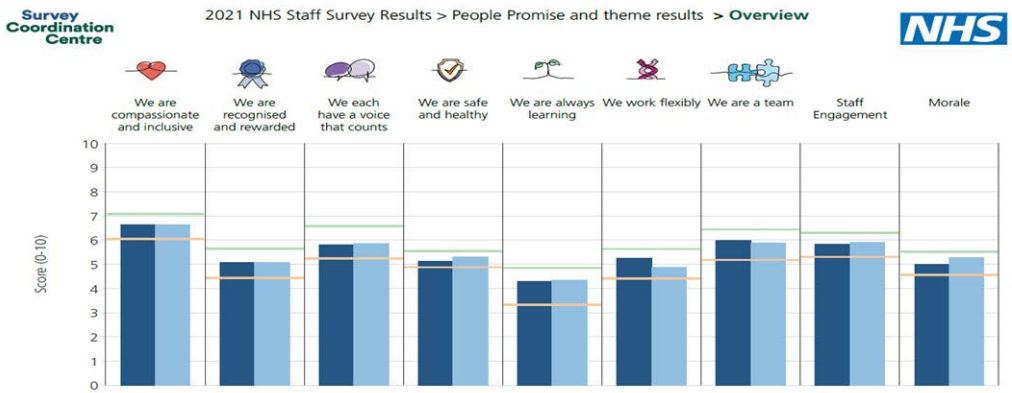
This year saw significant changes to the staff survey, with a large number of new questions making it difficult to make comparisons to previous years. Additionally, this year's results were aligned to the seven elements of the NHS People Promise, and two of the themes previously reported against ('Morale' and 'Staff Engagement'). Each was given a score between 1-10 dependent on responses to the questions which made up each element/theme. The table below shows all our scores are close to the average for ambulance services, ranging from 'We Work Flexibly' being 0.3 above average to 'Morale' being 0.3 below average.

Work done since last year's survey

Where we can compare with 2020, our most improved results show the impact that work done to reduce violence and abuse from patients has had, for example Violence Reduction Officers, the introduction of body worn cameras and publicity campaigns. We have seen a 9% fall in physical violence and a 6% fall in harassment, bullying and abuse from patients or the public. While this brings us closer to the average for ambulance services, the LAS is still above average, meaning continued focus is required in this area.

The work done to improve health and wellbeing support for colleagues is also reflected in the survey results. 47% of survey respondents feel the LAS takes positive action on health and well-being, which is 3% above the average for ambulance services. This question was reworded this year, so a direct comparison is not possible, but there was a significant improvement in this area.

Our other most improved scores also speak to improvements in management behaviours with fewer respondents experiencing harassment, bullying and abuse from managers and fewer staff feeling pressure to come to work when not feeling well enough.



	We are compassionate and inclusive	We are recognised and rewarded	We each have a voice that counts	We are safe and healthy	We are always learning	We work flexibly	We are a team	Staff Engagement	Morale
Best	7.1	5.6	6.6	5.6	4.9	5.6	6.4	6.3	5.5
Your org	6.6	5.1	5.8	5.1	4.3	5.2	6.0	5.8	5.0
Average	6.6	5.1	5.9	5.3	4.4	4.9	5.9	5.9	5.3
Worst	6.0	4.4	5.2	4.9	3.3	4.4	5.2	5.3	4.6
Responses	3,996	4,056	3,959	3,986	3,536	4,045	4,015	4,061	4,054

Next steps

The survey results have played a key role in informing the 'Our LAS' Cultural Transformation Programme. Together with the outputs from the first phase of the programme, the survey results were used to decide the four work streams for the second phase:

- Appraise with Values
- Tackling Inappropriate Behaviour
- Talent Development
- Teamwork.

The final phase of the programme will see our managers attending leadership masterclasses over the summer, as part of our commitment to reset our Values and Behaviours. We will be able to benchmark these results next year to see the impact of the 'Our LAS' programme.

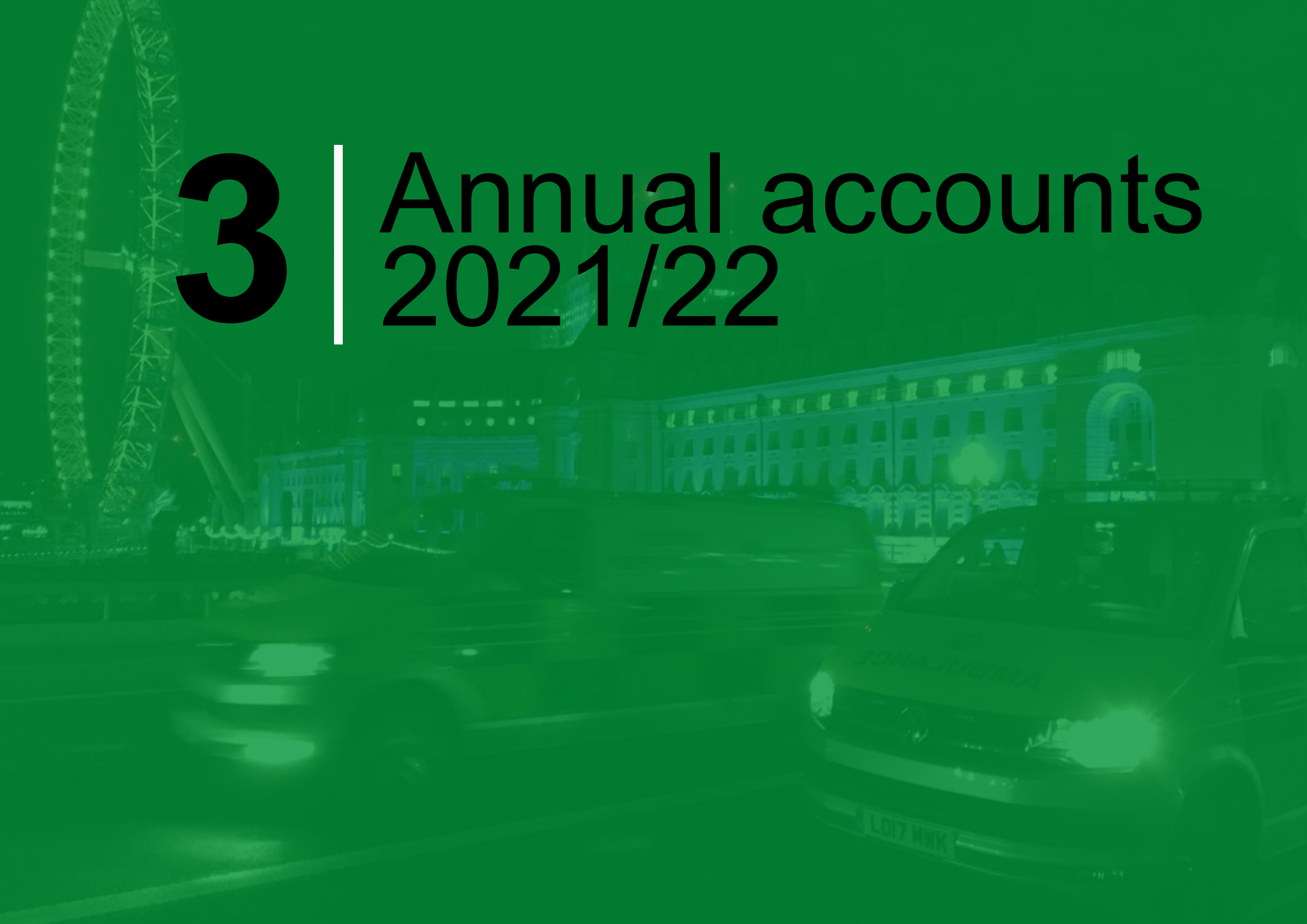
Expenditure on Consultancy

In 2021/22 the trust spent £0.6m on various consultancy projects covering strategy, organisational and change management, performance improvement and technical services.

Accountable Officer: **Daniel Elkeles**
Chief Executive Officer

Organisation: London Ambulance Service NHS Trust

3 | Annual accounts 2021/22



2021/22 Introduction to the Annual Accounts

Financial Performance

For the financial year 2021/22 the Trust reported a deficit of £4.145m and a surplus of £0.729m on an adjusted financial performance basis after the exclusion of technical items (impairments and DHSC centrally issued stock). The Trust is monitored against the adjusted financial performance measure. The Trust had planned to report a breakeven outturn before the impact of the technical adjustments. The following table summarises the key elements of the financial performance of the Trust in 2021/22.

	Plan £m	Actual £m	Variance £m
Income	577.9	603.1	25.2
Expenditure	(578.0)	(607.2)	(29.3)
Deficit	(0.0)	(4.1)	(4.1)
Adjustments for:			
Impairments	0.0	3.5	3.5
Capital Grants and Donations	0.0	0.0	0.0
DHCS Inventories	0.0	1.3	1.3
Adjusted Financial Performance (Surplus)	0.0	0.7	0.7
Gross Capital Expenditure	44.9	44.9	0.0

The Trust continued to operate under the adjusted financial framework from 2021/22 which involved pausing business planning (including Cost Improvement Programmes in H1) and contracting and commissioning processes (including CQUIN). The framework involved the Trust receiving fixed income envelopes managed at ICS level, and required the achievement of financial efficiencies by the Trust of £8.9m based on that plan. Further income was provided by Commissioners towards the latter end of the year to support costs arising from the Trust's response to COVID variants arising

Total COVID expenditure incurred across the financial year (excluding centrally provided consumables and equipment) was £71.0m, primarily in relation to maintaining resourcing to meet COVID requirements in Ambulance Services and IUC, and operational support services.

The Trust continued to invest in new equipment, spending £44.9m on new vehicles to help improve the age profile of the fleet, IM&T system expansion, renewal and improvement, estates modernisation and expansion, and additional clinical equipment including medicines management.

	£m
Capital Expenditure	44.9
Less:	
Charitable Donations and Grants	0.0
NBV of Disposals	(0.7)
Charge against Capital Resource Limit (CRL)	44.3

NHS Trusts have a number of financial duties they must adhere to. The following section of the annual report outlines the performance of the Trust against those duties for the financial year ended 31 March 2022. The results outlined in this section relate to the full 12 month period of 1 April 2021 to 31 March 2022. A copy of the full statutory audited accounts is included in this annual report together with a glossary of terms to assist the reader in interpreting the accounts.

Financial Duties Review Break-even duty

NHS Trusts have a financial duty to break-even over a three year rolling period. The Trust achieved its break-even duty.

External Financial Limit

The External Financing Limit (EFL) is the means by which the Treasury, via the Department of Health and Social Care and the NHSI, controls public expenditure in NHS Trusts. This is a financial duty, with a maximum tolerance of only 0.5% of turnover under the agreed limit. Exceeding these limits requires prior approval. Trusts are permitted to undershoot their EFL targets.

Most of the money spent by the Trust is generated from its service agreements for patient care and income generation (income from operations). The EFL determines how much more (or less) cash the Trust can spend in a year than is generated from its operations.

The original planned EFL was (£2.1m) i.e. a net borrowing requirement of £2.1m. The Trust had an under spend on its EFL of £33.8m due to higher than planned year-end cash balances £21.0m, self-funded additional capital spend £11.8m and an underspend of £1.1m on central funded capital funding. The Trust is permitted to under spend its EFL and therefore met its statutory duty.

Capital Cost Absorption Duty

The financial regime of NHS Trusts recognises that there is a cost associated with the maintenance of the capital value of the organisation. Trusts are required to absorb the cost of capital at a rate of 3.5% of average relevant net assets. The rate is calculated as the percentage that dividends paid on public dividend capital bears to the average relevant net assets of the Trust. To meet this duty, Trusts must achieve a rate between 3% and 4%.

A return on assets (the capital cost absorption duty) of 3.5% was achieved. This was within the permitted range of 3% to 4%.

Capital Resourcing Limit

The Capital Resourcing Limit (CRL) is part of the resource accounting and budgeting arrangements in the NHS and its purpose is to ensure that resources allocated by the government for capital spending are used for capital, rather than to support revenue budgets. All NHS bodies have a capital resource limit. A capital resource limit controls the amount of capital expenditure that a NHS body may incur in the financial year. Under spends against the CRL are permitted by the Department of Health and Social Care.

The Trust spent £44.9m before disposals on a range of projects, including new vehicles to help improve the age profile of the fleet, IM&T system expansion, renewal and improvement, estates modernisation and expansion, and additional clinical equipment. The Trust therefore utilised the full £44.2m capital funding available. In addition to the capital expenditure, the Trust also had disposals of £0.7m. The capital programme was primarily funded internally, but was augmented with £7.3m of external support from the Department of Health and Social Care.

Apply the Better Payment Practice Code

This regulatory duty requires NHS Trusts to pay all supplier invoices within 30 days. The Trust paid 93% of its trade invoices by volume within 30 days. This is slightly below the 95% target set by the Department of Health and Social Care.

Pension costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme and the accounting policy is set out in note 8 to the full Annual Accounts. The Remuneration report sets out information on the pension benefits of directors.

Financial plan 2022/23

The Trust has prepared a Business and Financial Plan for 2022/23 which was approved by the Trust Board at the end of April 2022 and submitted to NHS England.

Financial risk

The Trust monitors financial risk through the assurance framework and risk management processes as detailed in the statement of internal control included in the financial statements.

International Financial Reporting Standards (IFRS)

The Treasury announced that public sector bodies are required to prepare their accounts under International Financial Reporting Statements (IFRS) from 2009/10. 2009/10 was the first year the Trust prepared its accounts under IFRS, resulting in the rework of 2008/09 results to act as prior year comparators in the 2009/10 accounts.

Professional valuation was carried out by the District Valuers of the Revenue and Customs Government Department on 31 March 2022 for all land and buildings. The net loss on revaluation was £3.4 million and the total impairments were £3.5 million.

IAS 19 requires us to accrue for remuneration earned but not yet taken. In this instance, we have made an accrual for annual leave outstanding of £11.8 million for the current financial year (£10.5 million in 2020/21).

Subsequent events after the balance sheet date

There are no events after the reporting period that need to be disclosed in the financial statements.

Other information

Ernst and Young LLP were the Trust's external auditor for the year ended 31st March 2022. The Trust paid £132,000 (£140,000 in 2020/21) for audit services relating to the statutory audit. All issues relating to financial audit and financial governance are overseen by our Audit Committee. Ernst and Young LLP have not undertaken any non-audit work for the Trust during the year ended 31st March 2022.

The Directors confirm that, as far as they are aware, there is no relevant audit information of which the NHS body's auditors are unaware, and that they have taken all the steps that they should have taken as directors in order to make themselves aware of any relevant audit information and to establish that the NHS body's auditors are aware of that information. The Trust conforms to the Treasury's guidance on setting charges for information supplied to the public or commercial organisations.

The London Ambulance Service is an NHS Trust established under the National Health Service Act 2006. The Secretary of State for Health has directed that the financial statements of NHS Trusts will meet the accounting requirements of the NHS Trusts Manual for Accounts, which will be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the 2021/22. Group Accounting Manual issued by the Department of Health and Social Care.

The financial statements for the year follow.

Independent auditor's report to the directors of London Ambulance Service NHS trust

Opinion

We have audited the financial statements of London Ambulance Service NHS Trust for the year ended 31 March 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes 1 to 33.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted International Financial Reporting Standards as interpreted and adapted by the 2021/22 HM Treasury's Financial Reporting Manual (the 2021/22 FReM) as contained in the Department of Health and Social Care Group Accounting Manual 2021/22 and the Accounts Direction issued by the Secretary of State with the approval of HM Treasury as relevant to the National Health Service in England.

In our opinion the financial statements:

- give a true and fair view of the financial position of London Ambulance Service NHS Trust as at 31 March 2022 and of its expenditure and income for the year then ended;
- have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2021 to 2022; and
- have been prepared properly in accordance with the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the Comptroller and Auditor General's AGN01 and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period until 30 September 2023.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Trust's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Code of Audit Practice

In our opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with the National Health Service Act 2006 and the Accounts Directions issued thereunder.

Matters on which we are required to report by exception

The Code of Audit Practice requires us to report to you if:

- in our opinion the governance statement does not comply with the NHS Improvement's guidance; or
- we refer a matter to the Secretary of State under section 30 of the Local Audit and Accountability Act 2014 (as amended) because we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve the body incurring unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency; or
- we issue a report in the public interest under section 24 and schedule 7of the Local Audit and Accountability Act 2014 (as amended); or
- we make a written recommendation to the Trust under section 24 and schedule 7of the Local Audit and Accountability Act 2014 (as amended); or
- we are not satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2022.

We have nothing to report in these respects.

Responsibilities of the Directors and Accountable Officer

As explained more fully in the Statement of directors' responsibilities in respect of the accounts, set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to cease operations, or have no realistic alternative but to do so.

As explained in the statement of the Chief Executive's responsibilities, as the Accountable Officer of the Trust, the Chief Executive is responsible for ensuring that the financial statements are prepared in a format directed by the Secretary of State and for the arrangements to secure economy, efficiency and effectiveness in the use of the Trust's resources.

Auditor's responsibility for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Trust

and determined that the most significant are the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012), as well as relevant employment laws of the United Kingdom. In addition, the Trust has to comply with laws and regulations in the areas of anti-bribery and corruption, data protection and health & safety.

- We understood how London Ambulance Service NHS Trust is complying with those frameworks by understanding the incentive, opportunities and motives for non-compliance, including inquiring of management, the head of internal audit and those charged with governance and obtaining and reviewing documentation relating to the procedures in place to identify, evaluate and comply with laws and regulations, and whether they are aware of instances of non-compliance. We corroborated this through our review of the Trust's board minutes and through enquiry of employees to verify Trust policies. Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures had a focus on compliance with the accounting framework through obtaining sufficient audit evidence in line with the level of risk identified and with relevant legislation.
- We assessed the susceptibility of the Trust's financial statements to material misstatement, including how fraud might occur by understanding the potential incentives and pressures for management to manipulate the financial statements, and performed procedures to understand the areas in which this would most likely arise. Based on our risk assessment procedures, we identified manipulation of reported financial performance (through improper recognition of revenue), inappropriate capitalisation of revenue expenditure and management override of controls to be our fraud risks.
- To address our fraud risk around the manipulation of reported financial performance through improper recognition of revenue, we reviewed the Trust's manual year end payables accruals, challenging assumptions and corroborating the income to appropriate evidence.
- To address our fraud risk of inappropriate capitalisation of revenue expenditure we tested the Trust's capitalised expenditure to ensure the capitalisation criteria were properly met and the expenditure was genuine.
- To address our fraud risk of management override of controls, we implemented a journal entry testing strategy, assessed accounting estimates for evidence of management bias and evaluated the business rationale for significant unusual transactions. This included testing specific journal entries identified by applying risk criteria to the entire population of journals. For each journal selected, we tested specific transactions back to source documentation to confirm that the journals were authorised and accounted for appropriately.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditors responsibilities. This description forms part of our auditor's report.

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our review in accordance with the Code of Audit Practice 2020, having regard to the guidance on the specified reporting criteria issued by the Comptroller and Auditor General in December 2021, as to whether the Trust had proper arrangements for financial sustainability, governance and improving economy, efficiency and effectiveness. The Comptroller and Auditor General determined these criteria as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2022.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Trust had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

We are required under section 21(3)(c), as amended by schedule 13 paragraph 10(a), of the Local Audit and Accountability Act 2014 (as amended) to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. Section 21(5)(b) of the Local Audit and Accountability Act 2014 (as amended) requires that our report must not contain our opinion if we are satisfied that proper arrangements are in place.

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 its use of resources are operating effectively.

Certificate

We certify that we have completed the audit of the accounts of London Ambulance Service NHS Trust in accordance with the requirements of the Local Audit and Accountability Act 2014 (as amended) and the Code of Audit Practice.

Use of our report

This report is made solely to the Board of Directors of London Ambulance Service NHS Trust, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 (as amended) and for no other purpose. Our audit work has been undertaken so that we might state to the Directors of the Trust those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Directors, for our audit work, for this report, or for the opinions we have formed.

Elizabeth Jackson (Key Audit Partner)
Ernst & Young LLP (Local Auditor) Luton
20 June 2022

London Ambulance Service NHS Trust

Annual accounts for the year ended 31 March 2022

STATEMENT OF THE CHIEF EXECUTIVE'S RESPONSIBILITIES AS THE ACCOUNTABLE OFFICER OF THE TRUST

The Chief Executive of NHS Improvement, in exercise of powers conferred on the NHS Trust Development Authority, has designated that the Chief Executive should be the Accountable Officer of the Trust. The relevant responsibilities of Accountable Officers are set out in the *NHS Trust Accountable Officer Memorandum*. These include ensuring that:

- there are effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance
- value for money is achieved from the resources available to the Trust
- the expenditure and income of the trust has been applied to the purposes intended by Parliament and conform to the authorities which govern them
- effective and sound financial management systems are in place and
- annual statutory accounts are prepared in a format directed by the Secretary of State to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, other items of comprehensive income and cash flows for the year.

As far as I am aware, there is no relevant audit information of which the 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 my letter of appointment as an Accountable Officer.

Signed.....Chief Executive

Date.....17/6/22

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of HM Treasury, directs that these accounts give a true and fair view of the state of affairs of the trust and of the income and expenditure, other items of comprehensive income and cash flows for the year. In preparing those accounts, the directors are required to:

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury
- make judgements and estimates which are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts and
- prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the accounts.

The directors 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 trust's performance, business model and strategy.

By order of the Board

17/6/22 Date ..... Chief Executive

17 JUNE 2022 Date ..... Chief Finance Officer

Statement of Comprehensive Income

	Note	2021/22 £000	2020/21 £000
Operating income from patient care activities	3	595,171	499,119
Other operating income	4	7,924	71,204
Operating expenses	5, 7	(601,832)	(563,081)
Operating surplus/(deficit) from continuing operations		**1,263**	**7,242**
Finance income	10	25	9
Finance expenses	11	83	36
PDC dividends payable		(4,890)	(3,432)
Net finance costs		**(4,782)**	**(3,387)**
Other gains / (losses)	12	(626)	(393)
Surplus / (deficit) for the year		**(4,145)**	**3,462**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	6	(441)	(6,043)
Revaluations	15	602	322
Total comprehensive income / (expense) for the period		**(3,984)**	**(2,259)**
Adjusted financial performance (control total basis):			
Surplus / (deficit) for the period		(4,145)	3,462
Remove net impairments not scoring to the Departmental expenditure limit		3,536	1,473
Remove I&E impact of capital grants and donations		43	(480)
Remove net impact of inventories received from DHSC group bodies for COVID response		1,295	(1,896)
Adjusted financial performance surplus / (deficit)		**729**	**2,559**

Statement of Financial Position

	Note	31 March 2022 £000	31 March 2021 £000
Non-current assets			
Intangible assets	13	13,612	13,090
Property, plant and equipment	14	211,485	194,052
Receivables	17	54	-
Total non-current assets		**225,151**	**207,142**
Current assets			
Inventories	16	6,869	6,440
Receivables	17	20,984	29,305
Cash and cash equivalents	18	47,875	39,787
Total current assets		**75,728**	**75,532**
Current liabilities			
Trade and other payables	19	(85,623)	(81,002)
Provisions	22	(3,485)	(7,557)
Other liabilities	20	(2,791)	(251)
Total current liabilities		**(91,899)**	**(88,810)**
Total assets less current liabilities		**208,980**	**193,864**
Non-current liabilities			
Borrowings	21	(107)	(107)
Provisions	22	(20,224)	(8,381)
Total non-current liabilities		**(20,331)**	**(8,488)**
Total assets employed		**188,649**	**185,376**
Financed by			
Public dividend capital		85,097	77,840
Revaluation reserve		46,254	47,907
Other reserves		(419)	(419)
Income and expenditure reserve		57,717	60,047
Total taxpayers' equity		**188,649**	**185,376**

The notes on pages 10 to 50 form part of these accounts.

Name
Position Chief Executive Officer
Date 17 June 2022

Statement of Changes in Equity for the year ended 31 March 2022

	Public dividend capital	Revaluation reserve	Financial assets reserve	Other reserves	Merger reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2021 - brought forward	**77,840**	**47,907**	**-**	**(419)**	**-**	**60,047**	**185,376**
Surplus/(deficit) for the year	-	-	-	-	-	(4,145)	**(4,145)**
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	-	-	-	-	-	-
Other transfers between reserves	-	(1,813)	-	-	-	1,813	-
Impairments	-	(441)	-	-	-	-	**(441)**
Revaluations	-	602	-	-	-	-	**602**
Public dividend capital received	7,257	-	-	-	-	-	**7,257**
Public dividend capital repaid	-	-	-	-	-	-	-
Public dividend capital written off	-	-	-	-	-	-	-
Other movements in public dividend capital in year	-	-	-	-	-	-	-
Other reserve movements	-	-	-	-	-	-	-
Taxpayers' and others' equity at 31 March 2022	**85,097**	**46,254**	**-**	**(419)**	**-**	**57,717**	**188,649**

Statement of Changes in Equity for the year ended 31 March 2021

	Public dividend capital	Revaluation reserve	Financial assets reserve	Other reserves	Merger reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2020 - brought forward	**66,178**	**55,620**	**-**	**(419)**	**-**	**54,593**	**175,972**
Prior period adjustment	-	-	-	-	-	-	-
Taxpayers' and others' equity at 1 April 2020 - restated	**66,178**	**55,620**	**-**	**(419)**	**-**	**54,593**	**175,972**
Surplus/(deficit) for the year	-	-	-	-	-	3,462	**3,462**
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	-	-	-	-	-	-
Other transfers between reserves	-	(1,992)	-	-	-	1,992	-
Impairments	-	(6,043)	-	-	-	-	**(6,043)**
Revaluations	-	322	-	-	-	-	**322**
Public dividend capital received	11,662	-	-	-	-	-	**11,662**
Public dividend capital repaid	-	-	-	-	-	-	-
Public dividend capital written off	-	-	-	-	-	-	-
Other movements in public dividend capital in year	-	-	-	-	-	-	-
Other reserve movements	-	-	-	-	-	-	-
Taxpayers' and others' equity at 31 March 2021	**77,840**	**47,907**	**-**	**(419)**	**-**	**60,047**	**185,376**

Information on reserves

Public dividend capital
Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the trust, is payable to the Department of Health as the public dividend capital dividend.

Revaluation reserve
Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Financial assets reserve
This reserve comprises changes in the fair value of financial assets measured at fair value through other comprehensive income. When these instruments are derecognised, cumulative gains or losses previously recognised as other comprehensive income or expenditure are recycled to income or expenditure, unless the assets are equity instruments measured at fair value through other comprehensive income as a result of irrevocable election at recognition.

Other reserves
This reserve was created when London Ambulance Service became a NHS Trust. The negative reserve balance was caused by the legal title of a property not being properly transferred from NHS Estates when the Trust was created. Once the error had been identified, the London Ambulance Service NHS Trust purchased the property from the NHS Estates and this led to a negative reserve being created.

Income and expenditure reserve
The balance of this reserve is the accumulated surpluses and deficits of the trust.

Statement of Cash Flows

	Note	2021/22 £000	2020/21 £000
Cash flows from operating activities			
Operating surplus / (deficit)		1,263	7,242
Non-cash income and expense:			
Depreciation and amortisation	5.1	22,921	14,548
Net impairments	6	3,536	1,473
Income recognised in respect of capital donations	4	-	(539)
Amortisation of PFI deferred credit		-	-
Non-cash movements in on-SoFP pension liability		-	-
(Increase) / decrease in receivables and other assets		8,139	(6,292)
(Increase) / decrease in inventories		(429)	(1,932)
Increase / (decrease) in payables and other liabilities		9,931	29,804
Increase / (decrease) in provisions		7,856	963
Tax (paid) / received		-	-
Operating cash flows from discontinued operations		-	-
Other movements in operating cash flows		-	-
Net cash flows from / (used in) operating activities		**53,217**	**45,267**
Cash flows from investing activities			
Interest received		25	19
Purchase and sale of financial assets / investments		-	-
Purchase of intangible assets		(2,620)	(9,179)
Sales of intangible assets		-	-
Purchase of PPE and investment property		(45,061)	(30,257)
Sales of PPE and investment property		121	25
Receipt of cash donations to purchase assets		-	488
Net cash flows from / (used in) investing activities		**(47,535)**	**(38,904)**
Cash flows from financing activities			
Public dividend capital received		7,257	11,662
Public dividend capital repaid		-	-
Movement on other loans		-	-
Other capital receipts		-	-
Capital element of finance lease rental payments		-	-
Interest on loans		-	-
Other interest		(2)	(10)
Interest paid on finance lease liabilities		-	-
PDC dividend (paid) / refunded		(4,849)	(4,192)
Cash flows from (used in) other financing activities		-	-
Net cash flows from / (used in) financing activities		**2,406**	**7,460**
Increase / (decrease) in cash and cash equivalents		**8,088**	**13,823**
Cash and cash equivalents at 1 April - brought forward		**39,787**	**25,964**
Cash and cash equivalents at 31 March	18	**47,875**	**39,787**

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

The Department of Health and Social Care 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 2021/22 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting convention

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

Note 1.2 Going concern

These accounts have been prepared on a going concern basis. The financial reporting framework applicable to NHS bodies, derived from the HM Treasury Financial Reporting Manual, defines that the anticipated continued provision of the entity's services in the public sector is normally sufficient evidence of going concern. The directors have a reasonable expectation that this will continue to be the case.

The Directors of the Trust have considered whether there are any local or national policy decisions that are likely to affect the continued funding and provision of services by the Trust. The Trust is a member of the North West London Health and Care Partnership Integrated Care System (ICS). The ICS has published its Strategic Delivery Plan and NHS Long Term Plan response for the five year period 2020/21 - 2024/25. This plan includes the continued provision of services by the Trust. No circumstances were identified causing the Directors to doubt the continued provision of NHS services.

This year the Trust reported £4.14m deficit, £0.73m surplus adjusted financial performance. Income from Commissioners was largely based on the simplified block payments system introduced in response to the COVID-19 pandemic, which improved liquidity and cash flow during the year. Additional costs due to the pandemic were supported on an actual cost reimbursement basis for the first half the year and on an advance block payment basis for the second half of the year.

The Trust is a member of North West London ICS and is planning to break even in 2022/23, which is part of the overall ICS financial plan. This financial plan is predicated on receiving income of £596.3m. The Trust has sufficient cash to continue its operations throughout 2022/23 financial year.

Our going concern assessment is made up to 30/09/2023.

The Trust has prepared a cash forecast modelled on the above expectations for funding during the going concern period to 30/09/2023 and these have been tested using a downside scenario analysis with and without mitigation.

Interim support can be accessed if it were required, but there is currently no such identified requirement.

In conclusion, these factors, and the anticipated future provision of services in the public sector, support the Trust's adoption of the going concern basis for the preparation of the accounts.

Note 1.3 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. In 2021/22 and 2020/21, the majority of the trust's income from NHS commissioners was in the form of block contract arrangements. The Trust receives block funding from its commissioners, where funding envelopes are set at an Integrated Care System level. The related performance obligation is the delivery of healthcare and related services during the period, with the Trust's entitlement to consideration not varying based on the levels of activity performed.

The Trust also receives additional income outside of the block payments to reimburse specific costs incurred and, in 2021/22, other income top-ups to support the delivery of services. Reimbursement and top-up income is accounted for as variable consideration.

Revenue from research contracts

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract. Some research income alternatively falls within the provisions of IAS 20 for government grants.

NHS injury cost recovery scheme

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when performance obligations are satisfied. In practical terms this means that treatment has been given, it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

Note 1.4 Other forms of income

Grants and donations

Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grants is used to fund capital expenditure, it is credited to the consolidated statement of comprehensive income once conditions attached to the grant have been met. Donations are treated in the same way as government grants.

Apprenticeship service income

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider from the Trust's Digital Apprenticeship Service (DAS) account held by the Department for Education, the corresponding notional expense is also recognised at the point of recognition for the benefit.

Note 1.5 Expenditure on employee benefits

Short-term employee benefits
Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension costs

NHS Pension Scheme
Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation
A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2022, is based on valuation data as 31 March 2021, updated to 31 March 2022 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay.

The 2016 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. There was initially 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.

HMT published valuation directions dated 7 October 2021 (see Amending Directions 2021) that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the NHS Pensions website at https://www.nhsbsa.nhs.uk/nhs-pension-scheme-accounts-and-valuation-reports.

Note 1.6 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

Note 1.7 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably
- the item has cost of at least £5,000, or
- collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, eg, plant and equipment, then these components are treated as separate assets and depreciated over their own useful lives.

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Measurement

Valuation

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

Assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (ie operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which is assumed to be at least equal to the cost of replacing that service potential. Specialised assets are therefore valued at their depreciated replacement cost (DRC) on a modern equivalent asset (MEA) basis. An MEA basis assumes that the asset will be replaced with a modern asset of equivalent capacity and meeting the location requirements of the services being provided. Assets held at depreciated replacement cost have been valued on an alternative site basis where this would meet the location requirements.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees. Assets are revalued and depreciation commences when the assets are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

Note 1.7 Property, plant and equipment cont'd

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'held for sale' cease to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the trust, respectively.

Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating expenditure.

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

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.
Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition

Assets intended for disposal are reclassified as 'held for sale' once the criteria in IFRS 5 are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated and grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

This includes assets donated to the trust by the Department of Health and Social Care or NHS England as part of the response to the coronavirus pandemic. As defined in the GAM, the trust applies the principle of donated asset accounting to assets that the trust controls and is obtaining economic benefits from at the year end.

Note 1.7 Property, plant and equipment cont'd

Useful lives of property, plant and equipment

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

	Min life Years	Max life Years
Buildings, excluding dwellings	3	99
Plant & machinery	5	15
Transport equipment	2	10
Information technology	3	8
Furniture & fittings	3	10

Finance-leased assets (including land) are depreciated over the shorter of the useful life or the lease term, unless the trust expects to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets above.

Note 1.8 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the trust and where the cost of the asset can be measured reliably.

Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised. Expenditure on development is capitalised where it meets the requirements set out in IAS 38.

Software

Software which is integral to the operation of hardware, eg an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, eg application software, is capitalised as an intangible asset.

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Intangible assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell.

Amortisation

Intangible assets are amortised over their expected useful lives in a manner consistent with the consumption of economic or service delivery benefits.

Useful lives of intangible assets

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

	Min life Years	Max life Years
Information technology	3	7
Software licences	3	7

Note 1.9 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the weighted average cost method.

In 2020/21 and 2021/22, the Trust received inventories including personal protective equipment from the Department of Health and Social Care at nil cost. In line with the GAM and applying the principles of the IFRS Conceptual Framework, the Trust has accounted for the receipt of these inventories at a deemed cost, reflecting the best available approximation of an imputed market value for the transaction based on the cost of acquisition by the Department.

Note 1.10 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.11 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.

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 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.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the 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.

Impairment of financial assets
For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

Note 1.11 Financial assets and financial liabilities cont'd

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

Derecognition

Financial assets are de-recognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Note 1.12 Leases

The trust as a lessee

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for an item of property plant and equipment.

The annual rental charge is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to finance costs in the Statement of Comprehensive Income.

Operating leases

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

Leases of land and buildings

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

Note 1.13 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective from 31 March 2022:

		Nominal rate	Prior year rate
Short-term	Up to 5 years	0.47%	Minus 0.02%
Medium-term	After 5 years up to 10 years	0.70%	0.18%
Long-term	After 10 years up to 40 years	0.95%	1.99%
Very long-term	Exceeding 40 years	0.66%	1.99%

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective from 31 March 2022:

	Inflation rate	Prior year rate
Year 1	4.00%	1.20%
Year 2	2.60%	1.60%
Into perpetuity	2.00%	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of minus 1.30% in real terms (prior year: minus 0.95%).

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the trust is disclosed at note 22 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

The trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses when the liability arises.

Note 1.14 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 23 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 23, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or

- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

Note 1.15 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

The Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, with certain additions and deductions as defined by the Department of Health and Social Care.

This policy is available at https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

Note 1.16 Value added tax

Most of the activities of the trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

Note 1.17 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis.

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

Note 1.18 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

Note 1.20 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2021/22.

Note 1.21 Standards, amendments and interpretations in issue but not yet effective or adopted

IFRS 16 Leases

IFRS 16 Leases will replace *IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease* and other interpretations and is applicable in the public sector for periods beginning 1 April 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 without restatement and with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the trust's incremental borrowing rate. The trust's incremental borrowing rate will be defined by HM Treasury. For 2022, this rate is 0.95%. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments. For existing peppercorn leases not classified as finance leases, a right of use asset will be measured at current value in existing use or fair value. The difference between the asset value and the calculated lease liability will be recognised in the income and expenditure reserve on transition. No adjustments will be made on 1 April 2022 for existing finance leases.

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.

The trust has estimated the impact of applying IFRS 16 in 2022/23 on the opening statement of financial position and the in-year impact on the statement of comprehensive income and capital additions as follows:

	£000
Estimated impact on 1 April 2022 statement of financial position	
Additional right of use assets recognised for existing operating leases	24,994
Additional lease obligations recognised for existing operating leases	(24,069)
Changes to other statement of financial position line items	(430)
Net impact on net assets on 1 April 2022	**495**
Estimated in-year impact in 2022/23	
Additional depreciation on right of use assets	(4,237)
Additional finance costs on lease liabilities	(196)
Lease rentals no longer charged to operating expenditure	4,291
Other impact on income / expenditure	-
Estimated impact on surplus / deficit in 2022/23	**(142)**
Estimated increase in capital additions for new leases commencing in 2022/23	**405**

Other standards, amendments and interpretations

The following list of recently issued IFRS Standards and amendments that have not yet been adopted within the FReM, and are therefore not applicable to DHSC group accounts in 2021-22.

- IFRS 14 Regulatory Deferral Accounts - Applies to first time adopters of iFRS after 1 January 2016. Therefore not applicable to DHSC group bodies. Not EU-endorsed.
- IFRS 17 Insurance Contracts - Application required for accounting periods begining on or after 1 January 2021, but not yet adopted by the FReM: early adoption is not therefore permitted. It is likely to be adopted in 2023/24.

Note 1.22 Critical judgements in applying accounting policies

There were no critical judgements, apart from those involving estimations (see below), that management has made in the process of applying the Trust's accounting policies.

Note 1.23 Sources of estimation uncertainty

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Asset Valuations

The valuation exercise was carried out in March 2022 with a valuation date of 31 March 2022. The Royal Institution of Chartered Surveyors: RICS Valuation – Global Standards and RICS UK National Supplement, commonly known together as the Red Book.

All land and buildings are restated to fair value by way of professional valuations. Full revaluationis provided every five years with the next one due in the 2024/25 financial year. In the intervening years the fair values are updated by way of annual desktop revaluations, applies to the 2021/22 financial year. For the desktop revaluation the specialised operational values are updated in line with the current Tender Price Index published by the Building Cost Information Service (BCIS). The value of the land, non specialised assets and market values are reviewed by the valuer in line with analysis of market movements during the period.

The reported amounts for depreciation of property, plant and equipment and amortisation of non-current intangible assets can be materially affected by the judgements exercised in determining their estimated economic lives. The estimated economic lives are disclosed in note 1.7 and the carrying values of property, plant and equipment and intangible assets in notes 14.1 and 13.1 respectively.

Provisions

Provisions are made for liabilities that are uncertain in amount. These include provisions for the cost of pensions relating to other staff, legal claims, restructuring and other provisions. Calculations of these provisions are based on estimated cash flows relating to these costs, discounted at an appropriate rate where significant. The costs and timings of cash flows relating to these liabilities are based on management estimates supported by external advisors. The carrying values of provisions are shown in note 22.

Annual Leave Accrual

The accrual is based on management's estimation of untaken leave as at 31 March 2022. The carrying value of the accrual is £11.82m within note 19 under accruals.

Injury Cost Recovery Scheme Accrual

The Trust receives income from the NHS injury cost recovery scheme for the recovery of ambulance journey costs relating to road traffic accidents. Accruals are made for receivables that are uncertain in amount. The receivables are based on management estimates supported by the number of cases supplied by hospitals. The carrying value of the receivable is £3.4m within note 17 under prepayments and accrued income.

Note 2 Operating Segments

The Trust Board considers that the Trust has only one segment which is the provision of accident and emergency services.

Note 3 Operating income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4

Note 3.1 Income from patient care activities (by nature)	**2021/22**	**2020/21**
	£000	**£000**
A & E income	579,766	474,640
Other income	900	1,022
Additional pension contribution central funding*	14,411	13,105
Other clinical income**	94	10,352
Total income from activities	**595,171**	**499,119**

*The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1 April 2019. Since 2019/20, NHS providers have continued to pay over contributions at the former rate with the additional amount being paid over by NHS England on providers' behalf. The full cost and related funding have been recognised in these accounts.
**One off income received in 2020-21 from NHSE for cost of Flowers case settlement proposal (£5.6m) and additional annual leave accruals caused by COVID-19 pressures on operations (£4.8m).

Note 3.2 Income from patient care activities (by source)

	2021/22	**2020/21**
Income from patient care activities received from:	**£000**	**£000**
NHS England	22,285	31,017
Clinical commissioning groups	568,162	464,818
Department of Health and Social Care	55	20
Other NHS providers	862	550
NHS other	1	6
Injury cost recovery scheme	900	1,022
Non NHS: other	2,906	1,686
Total income from activities	**595,171**	**499,119**
Of which:		
Related to continuing operations	595,171	499,119
Related to discontinued operations	-	-

Note 4 Other operating income

	2021/22			2020/21		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	165	-	**165**	275	-	**275**
Education and training	3,922	748	**4,670**	4,624	-	**4,624**
Reimbursement and top up funding*	476		**476**	60,850		**60,850**
Income in respect of employee benefits accounted on a gross basis	1,310		**1,310**	523		**523**
Receipt of capital grants and donations		-	-		539	**539**
Charitable and other contributions to expenditure**		1,229	**1,229**		4,393	**4,393**
Other income	-	74	**74**	-	-	-
Total other operating income	**5,873**	**2,051**	**7,924**	**66,272**	**4,932**	**71,204**
Of which:						
Related to continuing operations			7,924			71,204
Related to discontinued operations			-			-

*As part of the coronavirus pandemic response, transaction flows were simplified in the NHS and providers and their commissioners moved onto block contract payments at the start of 2020/21. Standard and retrospective top up payments received in the first half of the year to support Trust costs (including COVID-19 response costs) are reflected here for 2020/21. In 2021/22 the majority of this funding was merged into Commissioner block funding with only £476k of funding for vaccination support provided by the Trusts recorded here.

**In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective and medical equipment and passed these to NHS providers free of charge. During 2021/22 the Trust received £977k of PPE (2020/21 £4,191k PPE and £146k of medical equipment) purchased by DHSC along with £252k of charitable contributions to expenditure (2020/21 £56k of charitable contributions to expenditure). Income to reflect these contributions is included here.

Note 5 Expenses

Note 5.1 Operating expenses

	2021/22 £000	2020/21 £000
Staff and executive directors costs	410,945	381,790
Remuneration of non-executive directors	165	138
Supplies and services - clinical (excluding drugs costs)	29,081	34,885
Supplies and services - general	40,975	38,970
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	924	520
Inventories written down	479	182
Consultancy costs	566	293
Establishment	12,289	10,898
Premises	14,519	14,549
Transport (including patient travel)	34,229	35,738
Depreciation on property, plant and equipment*	20,761	12,975
Amortisation on intangible assets	2,160	1,573
Net impairments	3,536	1,473
Movement in credit loss allowance: contract receivables / contract assets	400	165
Increase/(decrease) in other provisions	417	91
Change in provisions discount rate(s)	318	400
Fees payable to the external auditor		
audit services- statutory audit	132	140
other auditor remuneration (external auditor only)	-	-
Internal audit costs	140	142
Clinical negligence	5,348	4,703
Legal fees	1,128	161
Insurance	1,218	920
Research and development	854	831
Education and training	10,920	8,535
Rentals under operating leases	7,039	6,693
Redundancy	67	929
Car parking & security	423	520
Hospitality	2	-
Other	2,797	4,867
Total	**601,832**	**563,081**
Of which:		
Related to continuing operations	601,832	563,081
Related to discontinued operations	-	-

* Depreciation in 2021/22 includes a £4.2m increase due to re-lifing double crewed ambulance assets from 10 years useful life to 7 years useful life.

Note 5.2 Other auditor remuneration

There was no other auditor remuneration in 2021/22 (2020/21 nil).

Note 5.3 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £2 million (2020/21: £2 million).

Note 6 Impairment of assets

	2021/22 £000	2020/21 £000
Net impairments charged to operating surplus / deficit resulting from:		
Loss or damage from normal operations	-	-
Over specification of assets	-	-
Abandonment of assets in course of construction	-	-
Unforeseen obsolescence	-	-
Loss as a result of catastrophe	-	-
Changes in market price	3,536	1,473
Other	-	-
Total net impairments charged to operating surplus / deficit	**3,536**	**1,473**
Impairments charged to the revaluation reserve	441	6,043
Total net impairments	**3,977**	**7,516**

Note 7 Employee benefits

	2021/22 Total £000	2020/21 Total £000
Salaries and wages	327,069	306,591
Social security costs	36,634	32,186
Apprenticeship levy	1,593	1,415
Employer's contributions to NHS pensions*	47,505	43,194
Pension cost - other	41	-
Other post employment benefits	-	-
Other employment benefits	-	-
Termination benefits	67	929
Temporary staff (including agency)	6,513	6,817
Total gross staff costs	**419,422**	**391,132**
Recoveries in respect of seconded staff	-	-
Total staff costs	**419,422**	**391,132**
Of which		
Costs capitalised as part of assets	783	1,161

* The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1 April 2019. From 2019/20, NHS providers continued to pay over contributions at the former rate with the additional amount being paid over by NHS England on providers' behalf. The full cost and related funding have however been recognised in these accounts.

Note 7.1 Retirements due to ill-health

During 2021/22 there was 1 early retirement from the trust agreed on the grounds of ill-health (2 in the year ended 31 March 2021). The estimated additional pension liabilities of these ill-health retirements is £95k (£57k in 2020/21).

These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

Note 8 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 2021, updated to 31 March 2022 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%, and the Scheme Regulations were amended accordingly.

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

Note 9 Operating leases

Note 9.1 London Ambulance Service NHS Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where London Ambulance Service NHS Trust is the lessee.

The Trust leases ambulances, fast response cars and other vehicles for periods of 3 to 6 years. The Trust leases buildings to provide facilities for ambulance stations, vehicle workshops and other accommodation. These lease terms vary between 1 and 15 years.

	2021/22 £000	2020/21 £000
Operating lease expense		
Minimum lease payments	7,039	6,693
Total	**7,039**	**6,693**

	31 March 2022 £000	31 March 2021 £000
Future minimum lease payments due:		
- not later than one year;	5,593	3,735
- later than one year and not later than five years;	13,410	7,084
- later than five years.	7,765	1,889
Total	**26,768**	**12,708**
Future minimum sublease payments to be received	-	-

Note 10 Finance income

Finance income represents interest received on assets and investments in the period.

	2021/22 £000	2020/21 £000
Interest on bank accounts	25	(4)
Other finance income	-	13
Total finance income	**25**	**9**

Note 11.1 Finance expenditure

Finance expenditure represents interest and other charges involved in the borrowing of money or asset financing.

	2021/22 £000	2020/21 £000
Interest expense:		
Interest on late payment of commercial debt	2	9
Total interest expense	**2**	**9**
Unwinding of discount on provisions	(85)	(45)
Total finance costs	**(83)**	**(36)**

Note 11.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015

	2021/22 £000	2020/21 £000
Amounts included within interest payable arising from claims made under this legislation	2	9

Note 12 Other gains / (losses)

	2021/22 £000	2020/21 £000
Gains on disposal of assets	-	17
Losses on disposal of assets	(626)	(410)
Total gains / (losses) on disposal of assets	**(626)**	**(393)**

Note 13 Intangible Assets

Note 13.1 Intangible assets - 2021/22

	Software licences	Licences & trademarks	Patents	Internally generated information technology	Development expenditure	Goodwill	Websites	Intangible assets under construction	Other (purchased)	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2021 - brought forward	**8,479**	-	-	**20,142**	-	-	-	**5,388**	-	**34,009**
Additions	752	-	-	227	-	-	-	1,641	-	**2,620**
Impairments	-	-	-	-	-	-	-	-	-	-
Reversals of impairments	-	-	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-	-	-
Reclassifications	615	-	-	21	-	-	-	(281)	-	**355**
Disposals / derecognition	(321)	-	-	(891)	-	-	-	-	-	**(1,212)**
Valuation / gross cost at 31 March 2022	**9,525**	-	-	**19,499**	-	-	-	**6,748**	-	**35,772**
Amortisation at 1 April 2021 - brought forward	**3,182**	-	-	**17,737**	-	-	-	-	-	**20,919**
Provided during the year	1,355	-	-	805	-	-	-	-	-	**2,160**
Impairments	-	-	-	-	-	-	-	-	-	-
Reversals of impairments	-	-	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-	-
Disposals / derecognition	(321)	-	-	(598)	-	-	-	-	-	**(919)**
Amortisation at 31 March 2022	**4,216**	-	-	**17,944**	-	-	-	-	-	**22,160**
Net book value at 31 March 2022	**5,309**	-	-	**1,555**	-	-	-	**6,748**	-	**13,612**
Net book value at 1 April 2021	**5,297**	-	-	**2,405**	-	-	-	**5,388**	-	**13,090**

Note 13.2 Intangible assets - 2020/21

	Software licences	Licences & trademarks	Patents	Internally generated information technology	Development expenditure	Goodwill	Websites	Intangible assets under construction	Other (purchased)	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2020 - as previously stated	3,361	-	-	18,699	-	-	-	5,615	-	27,675
Prior period adjustments	-	-	-	-	-	-	-	-	-	-
Valuation / gross cost at 1 April 2020 - restated	3,361	-	-	18,699	-	-	-	5,615	-	27,675
Additions	2,400	-	-	611	-	-	-	3,724	-	6,735
Impairments	-	-	-	-	-	-	-	-	-	-
Reversals of impairments	-	-	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-	-	-
Reclassifications	2,718	-	-	1,335	-	-	-	(3,951)	-	102
Disposals / derecognition	-	-	-	(503)	-	-	-	-	-	(503)
Valuation / gross cost at 31 March 2021	8,479	-	-	20,142	-	-	-	5,388	-	34,009
Amortisation at 1 April 2020 - as previously stated	2,569	-	-	16,923	-	-	-	-	-	19,492
Prior period adjustments	-	-	-	-	-	-	-	-	-	-
Amortisation at 1 April 2020 - restated	2,569	-	-	16,923	-	-	-	-	-	19,492
Provided during the year	613	-	-	960	-	-	-	-	-	1,573
Impairments	-	-	-	-	-	-	-	-	-	-
Reversals of impairments	-	-	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-	-
Disposals / derecognition	-	-	-	(146)	-	-	-	-	-	(146)
Amortisation at 31 March 2021	3,182	-	-	17,737	-	-	-	-	-	20,919
Net book value at 31 March 2021	5,297	-	-	2,405	-	-	-	5,388	-	13,090
Net book value at 1 April 2020	792	-	-	1,776	-	-	-	5,615	-	8,183

Note 14 Property, Plant and Equipment

Note 14.1 Property, plant and equipment - 2021/22

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2021 - brought forward	**52,507**	**60,095**	**-**	**28,169**	**23,434**	**71,234**	**25,408**	**1,759**	**262,607**
Additions	-	6,960	-	28,456	166	1,029	5,681	8	**42,300**
Impairments	-	(7,244)	-	-	-	-	-	-	**(7,244)**
Reversals of impairments	-	(93)	-	-	-	-	-	-	**(93)**
Revaluations	274	(30)	-	-	-	-	-	-	**244**
Reclassifications	-	7,503	-	(24,426)	843	5,212	10,114	399	**(355)**
Disposals / derecognition	-	(201)	-	-	(2,542)	(2,298)	(2,503)	(24)	**(7,568)**
Valuation/gross cost at 31 March 2022	**52,781**	**66,991**	**-**	**32,199**	**21,901**	**75,177**	**38,700**	**2,142**	**289,891**
Accumulated depreciation at 1 April 2021 - brought forward	**-**	**41**	**-**	**-**	**17,014**	**35,877**	**15,312**	**311**	**68,555**
Provided during the year	-	3,964	-	-	1,458	10,553	4,556	230	**20,761**
Impairments	-	(3,169)	-	-	-	-	-	-	**(3,169)**
Reversals of impairments	-	(191)	-	-	-	-	-	-	**(191)**
Revaluations	-	(358)	-	-	-	-	-	-	**(358)**
Reclassifications	-	-	-	-	-	-	-	-	**-**
Disposals / derecognition	-	(82)	-	-	(2,515)	(2,163)	(2,418)	(14)	**(7,192)**
Accumulated depreciation at 31 March 2022	**-**	**205**	**-**	**-**	**15,957**	**44,267**	**17,450**	**527**	**78,406**
Net book value at 31 March 2022	**52,781**	**66,786**	**-**	**32,199**	**5,944**	**30,910**	**21,250**	**1,615**	**211,485**
Net book value at 1 April 2021	**52,507**	**60,054**	**-**	**28,169**	**6,420**	**35,357**	**10,096**	**1,448**	**194,052**

Note 14.2 Property, plant and equipment - 2020/21

	Land	Buildings excluding dwellings	Dwellings	Assets under constructio n	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2020 - as previously stated	**52,232**	**64,362**	**-**	**21,883**	**20,429**	**56,920**	**20,064**	**1,165**	**237,055**
Additions	-	4,731	-	24,908	1,635	2,220	3,350	401	**37,245**
Impairments	-	(10,769)	-	-	-	-	-	-	**(10,769)**
Reversals of impairments	-	(34)	-	-	-	-	-	-	**(34)**
Revaluations	275	(80)	-	-	-	-	-	-	**195**
Reclassifications	-	1,983	-	(18,621)	1,488	12,185	2,670	193	**(102)**
Disposals / derecognition	-	(98)	-	-	(118)	(91)	(676)	-	**(983)**
Valuation/gross cost at 31 March 2021	**52,507**	**60,095**	**-**	**28,169**	**23,434**	**71,234**	**25,408**	**1,759**	**262,607**
Accumulated depreciation at 1 April 2020 - as previously stated	**-**	**7**	**-**	**-**	**15,880**	**30,320**	**13,523**	**142**	**59,872**
Provided during the year	-	3,453	-	-	1,252	5,644	2,457	169	**12,975**
Impairments	-	(3,250)	-	-	-	-	-	-	**(3,250)**
Reversals of impairments	-	(37)	-	-	-	-	-	-	**(37)**
Revaluations	-	(127)	-	-	-	-	-	-	**(127)**
Reclassifications	-	-	-	-	-	-	-	-	**-**
Disposals / derecognition	-	(5)	-	-	(118)	(87)	(668)	-	**(878)**
Accumulated depreciation at 31 March 2021	**-**	**41**	**-**	**-**	**17,014**	**35,877**	**15,312**	**311**	**68,555**
Net book value at 31 March 2021	**52,507**	**60,054**	**-**	**28,169**	**6,420**	**35,357**	**10,096**	**1,448**	**194,052**
Net book value at 1 April 2020	**52,232**	**64,355**	**-**	**21,883**	**4,549**	**26,600**	**6,541**	**1,023**	**177,183**

Note 14.3 Property, plant and equipment financing - 2021/22

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2022									
Owned - purchased	52,781	66,786	-	32,199	5,906	30,835	21,250	1,615	**211,372**
Owned - donated/granted	-	-	-	-	38	75	-	-	**113**
NBV total at 31 March 2022	**52,781**	**66,786**	**-**	**32,199**	**5,944**	**30,910**	**21,250**	**1,615**	**211,485**

Note 14.4 Property, plant and equipment financing - 2020/21

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2021									
Owned - purchased	52,507	60,054	-	28,169	6,372	35,249	10,096	1,448	**193,896**
Owned - donated/granted	-	-	-	-	48	108	-	-	**156**
NBV total at 31 March 2021	**52,507**	**60,054**	**-**	**28,169**	**6,420**	**35,357**	**10,096**	**1,448**	**194,052**

Note 15 Revaluations of property, plant and equipment

A professional revaluation was undertaken on all land and buildings at 31 March 2022. The valuation was carried out by District Valuer Services of the Valuation Office Agency, an executive arm of HMRC, out in accordance with the terms of the Royal Institution of Chartered Surveyors (RICS), insofar as these terms are consistent with the requirement of HM Treasury, the National Services and the Department of Health. The valuation exercise was carried out in March 2022 with a valuation date of 31 March 2022 on a desktop valuation basis.

This year the valuation is not reported as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

The pandemic and the measures taken to tackle COVID-19 continue to affect economies and real estate markets globally. Nevertheless, as at the valuation date some property markets have started to function again, with transaction volumes and other relevant evidence returning to levels where an adequate quantum of market evidence exists upon which to base opinions of value. Accordingly, and for the avoidance of doubt, our valuation is not reported as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

a) Specialised In Use (Operational) assets - buildings valued using depreciated replacement cost methodology
The majority of the trust buildings are valued using the depreciated replacement cost basis. There has been no diminution identified in the public sector's ongoing requirement for these operational assets nor reduction in their ongoing remaining economic service potential as a result of the incidence of COVID-19.

b) Non - Specialised In Use (Operational) assets including the land element of the depreciated replacement cost valuation of specialised assets
The trust has a few non-specialised in use buildings. There has been no diminution identified in the public sector's ongoing requirement for these operational assets nor reduction in their ongoing remaining economic service potential as a result of the incidence of COVID-19. Their basis of valuation is however current value in existing use, having regard to comparable market evidence.

The values in the report have been used to inform the measurement of property assets at valuation in these financial statements.

The market value was used in arriving at fair value for the operational assets subject to the additional special assumptions that:

a) no adjustment has been made on the grounds of a hypothetical "flooding of the market" if a number of properties were to be marketed simultaneously;
b) in the respect of the Market Value of non-operational asset only the NHS is assumed not to be in the market for the property interest; and
c) regard has been had to appropriate lotting to achieve the best price.

The revaluation model set out in IAS 16 was applied to value the capital assets to fair value.

The following table summarises the gross carrying value of fully depreciated assets that are still in use.

GROSS CARRYING VALUE OF ASSETS IN USE

	2021/22 £000
Furniture & fittings	56
Transport equipment	23,020
Plant & machinery	11,726
Information technology	8,141
Total	**42,943**

Note 16 Inventories

	31 March 2022 £000	31 March 2021 £000
Drugs	55	333
Consumables	6,814	6,107
Total inventories	**6,869**	**6,440**
of which:		
Held at fair value less costs to sell	-	-

Inventories recognised in expenses for the year were £12,844k (2020/21: £12,355k). Write-down of inventories recognised as expenses for the year were £479k (2020/21: £182k). The write down of inventories relates to drug stock following a physical count of stock carried out on the 31st of March 2022. The stock inventory system was amended to reflect the physical count.

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2021/22 the Trust received £977k of items purchased by DHSC (2020/21: £4,191k).

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.

Note 17 Receivables

Note 17.1 Receivables

	31 March 2022 £000	31 March 2021 £000
Current		
Contract receivables	11,294	21,110
Capital receivables	9	96
Allowance for impaired contract receivables / assets	(1,460)	(1,085)
Prepayments (non-PFI)	8,623	7,069
PDC dividend receivable	667	708
VAT receivable	1,251	617
Other receivables	600	790
Total current receivables	**20,984**	**29,305**
Non-current		
Contract receivables	-	-
Capital receivables	-	-
Allowance for impaired contract receivables / assets	-	-
Prepayments (non-PFI)	-	-
VAT receivable	-	-
Other receivables	54	-
Total non-current receivables	**54**	**-**
Of which receivable from NHS and DHSC group bodies:		
Current	6,332	16,680
Non-current	54	

Note 17.2 Allowances for credit losses

	2021/22		2020/21	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 April - brought forward	**1,085**	**-**	**920**	**-**
Transfers by absorption	-	-	-	-
New allowances arising	493	-	179	-
Changes in existing allowances	-	-	-	-
Reversals of allowances	(93)	-	(14)	-
Utilisation of allowances (write offs)	(25)	-	-	-
Changes arising following modification of contractual cash flows	-	-	-	-
Foreign exchange and other changes	-	-	-	-
Allowances as at 31 Mar 2022	**1,460**	**-**	**1,085**	**-**

Note 18 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	2021/22	2020/21
	£000	£000
At 1 April	**39,787**	**25,964**
Transfers by absorption	-	-
Net change in year	8,088	13,823
At 31 March	**47,875**	**39,787**
Broken down into:		
Cash at commercial banks and in hand	9	9
Cash with the Government Banking Service	47,866	39,778
Deposits with the National Loan Fund	-	-
Other current investments	-	-
Total cash and cash equivalents as in SoFP	**47,875**	**39,787**
Bank overdrafts (GBS and commercial banks)	-	-
Drawdown in committed facility	-	-
Total cash and cash equivalents as in SoCF	**47,875**	**39,787**

Note 19 Payables

Note 19.1 Trade and other payables

	31 March 2022 £000	31 March 2021 £000
Current		
Trade payables	9,742	5,409
Capital payables	10,518	13,279
Accruals	50,404	49,599
Social security costs	5,179	4,465
Other taxes payable	4,386	3,541
Other payables	5,394	4,709
Total current trade and other payables	**85,623**	**81,002**
Non-current		
Trade payables	-	-
Capital payables	-	-
Accruals	-	-
Other taxes payable	-	-
Other payables	-	-
Total non-current trade and other payables	**-**	**-**
Of which payables from NHS and DHSC group bodies:		
Current	2,593	1,099
Non-current	-	-

Note 20 Other liabilities

	31 March 2022 £000	31 March 2021 £000
Current		
Deferred income: contract liabilities	2,791	251
Total other current liabilities	**2,791**	**251**
Non-current		
Deferred income: contract liabilities	-	-
Total other non-current liabilities	**-**	**-**

Note 21 Borrowings

	31 March 2022 £000	31 March 2021 £000
Current		
Bank overdrafts	-	-
Other loans	-	-
Total current borrowings	**-**	**-**
Non-current		
Other loans	107	107
Total non-current borrowings	**107**	**107**

Note 21.1 Reconciliation of liabilities arising from financing activities - 2021/22

	Loans from DHSC	Other loans	Finance leases	PFI and LIFT schemes	Total
	£000	£000	£000	£000	£000
Carrying value at 1 April 2021	-	107	-	-	107
Cash movements:					
Financing cash flows - payments and receipts of principal	-	-	-	-	-
Financing cash flows - payments of interest	-	-	-	-	-
Non-cash movements:					
Additions	-	-	-	-	-
Application of effective interest rate	-	-	-	-	-
Change in effective interest rate	-	-	-	-	-
Changes in fair value	-	-	-	-	-
Early terminations	-	-	-	-	-
Other changes	-	-	-	-	-
Carrying value at 31 March 2022	-	107	-	-	107

Note 21.2 Reconciliation of liabilities arising from financing activities - 2020/21

	Loans from DHSC	Other loans	Finance leases	PFI and LIFT schemes	Total
	£000	£000	£000	£000	£000
Carrying value at 1 April 2020	-	107	-	-	107
Prior period adjustment	-	-	-	-	-
Carrying value at 1 April 2020 - restated	-	107	-	-	107
Cash movements:					
Financing cash flows - payments and receipts of principal	-	-	-	-	-
Financing cash flows - payments of interest	-	-	-	-	-
Non-cash movements:					
Additions	-	-	-	-	-
Application of effective interest rate	-	-	-	-	-
Change in effective interest rate	-	-	-	-	-
Changes in fair value	-	-	-	-	-
Early terminations	-	-	-	-	-
Other changes	-	-	-	-	-
Carrying value at 31 March 2021	-	107	-	-	107

Note 22 Provisions

Note 22.1 Provisions for liabilities and charges analysis

	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Re-structuring	Equal Pay (including Agenda for Change)	Redundancy	Other	Total
	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2021	**1,108**	**7,841**	**253**	**-**	**-**	**829**	**5,907**	**15,938**
Change in the discount rate	15	303	-	-	-	-	-	**318**
Arising during the year	121	662	143	-	-	67	9,773	**10,766**
Utilised during the year	(139)	(417)	(78)	-	-	(287)	(751)	**(1,672)**
Reclassified to liabilities held in disposal groups	-	-	-	-	-	-	-	**-**
Reversed unused	(92)	(149)	(103)	-	-	-	(1,212)	**(1,556)**
Unwinding of discount	(11)	(74)	-	-	-	-	-	**(85)**
At 31 March 2022	**1,002**	**8,166**	**215**	**-**	**-**	**609**	**13,717**	**23,709**
Expected timing of cash flows:								
- not later than one year;	144	427	215	-	-	609	2,090	**3,485**
- later than one year and not later than five years;	574	1,706	-	-	-	-	10,538	**12,818**
- later than five years.	284	6,033	-	-	-	-	1,089	**7,406**
Total	**1,002**	**8,166**	**215**	**-**	**-**	**609**	**13,717**	**23,709**

Injury Benefits provision of £8,166k (2020/21 £7,841k) relates to staff injured at work, whilst the Early Departure Costs provision of £1,002k (2020/21 £1,108k) relates to staff who have taken early retirement. Both amounts are calculated by the NHS Pensions Agency following assessment of the individuals' claims. The sum provided is recalculated annually based on changes in annual rates and life expectancy; it is adjusted for inflation and a discounting factor of -1.30% is applied.

The Legal Claims provision of £215k (2020/21 £253k) relates to Employers Liability Claims based on estimates of costs and settlements provided by the NHS Litigation Authority.

The Redundancy provision of £609k (2020/21 £829k) relates to management restructures within the Trust.

Other provisions of £13,717k (2020/21 £5,907k) includes £8,833k (2020/21 £4,306k) in relation to pending legal cases affecting calculation of holiday pay, £3,900k (2020/21 £2,174k reported as an accrual) for lease dilapidations, £521k (2020/21 £910k) for pending employment tribunals, £409k (2020/21 £374k) in relation to relocation costs for recruitment of overseas paramedics and £54k for 2019/20 Pension Annual Allowance Charge Compensation Scheme.

Note 22.2 Clinical negligence liabilities

At 31 March 2022, £126,345k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of London Ambulance Service NHS Trust (31 March 2021: £74,378k).

Note 23 Contingent assets and liabilities

	31 March 2022 £000	31 March 2021 £000
Value of contingent liabilities		
NHS Resolution legal claims	(91)	(119)
Employment tribunal and other employee related litigation	-	-
Redundancy	-	-
Other	-	-
Gross value of contingent liabilities	**(91)**	**(119)**
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	**(91)**	**(119)**
Net value of contingent assets	-	-

Note 24 Contractual capital commitments

	31 March 2022 £000	31 March 2021 £000
Property, plant and equipment	11,216	5,735
Intangible assets	35	3
Total	**11,251**	**5,738**

Note 25 Financial instruments

Note 25.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Due to the continuing service provider relationship that the Trust has with commissioners and the way those commissioners are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also, financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the board of directors. Trust treasury activity is subject to review by the Trust's internal auditors.

Currency risk
The 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 borrows from government for capital expenditure, subject to affordability as confirmed by NHS Improvement. The borrowings are for 1 – 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. The Trust therefore has low exposure to interest rate fluctuations.

The Trust may also borrow from government for revenue financing subject to approval by NHS Improvement. Interest rates are confirmed by the Department of Health (the lender) at the point borrowing is undertaken.

The Trust therefore has low exposure to interest rate fluctuations.

Credit risk
Because the majority of the Trust's revenue comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2022 are in receivables from customers, as disclosed in the trade and other receivables note.

Liquidity risk
The Trust's operating costs are incurred under contracts with primary care Trusts, 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.

Note 25.2 Carrying values of financial assets

Carrying values of financial assets as at 31 March 2022	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total book value £000
Trade and other receivables excluding non financial assets	10,443	-	-	**10,443**
Other investments / financial assets	-	-	-	**-**
Cash and cash equivalents	47,875	-	-	**47,875**
Total at 31 March 2022	**58,318**	**-**	**-**	**58,318**

Carrying values of financial assets as at 31 March 2021	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total book value £000
Trade and other receivables excluding non financial assets	20,911	-	-	**20,911**
Other investments / financial assets	-	-	-	**-**
Cash and cash equivalents	39,787	-	-	**39,787**
Total at 31 March 2021	**60,698**	**-**	**-**	**60,698**

Note 25.3 Carrying values of financial liabilities

Carrying values of financial liabilities as at 31 March 2022	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
Other borrowings	107	-	**107**
Trade and other payables excluding non financial liabilities	71,142	-	**71,142**
Total at 31 March 2022	**71,249**	**-**	**71,249**

Carrying values of financial liabilities as at 31 March 2021	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
Other borrowings	107	-	**107**
Trade and other payables excluding non financial liabilities	68,646	-	**68,646**
Total at 31 March 2021	**68,753**	**-**	**68,753**

Note 25.4 Maturity of financial liabilities

The following maturity profile of financial liabilities is based on the contractual undiscounted cash flows. This differs to the amounts recognised in the statement of financial position which are discounted to present value.

	31 March 2022	31 March 2021
	£000	£000
In one year or less	71,142	68,646
In more than one year but not more than five years	107	107
In more than five years	-	-
Total	**71,249**	**68,753**

Note 25.5 Fair values of financial assets and liabilities

The book value (carrying value) of the financial assets and liabilities is considered to be a reasonable approximation of fair value.

Note 26 Losses and special payments

	2021/22		2020/21	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Stores losses and damage to property	2,273	1,749	2,076	1,083
Total losses	**2,273**	**1,749**	**2,076**	**1,083**
Special payments				
Ex-gratia payments*	26	2,198	26	6,372
Total special payments	**26**	**2,198**	**26**	**6,372**
Total losses and special payments	**2,299**	**3,947**	**2,102**	**7,455**
Compensation payments received		-		-

* The Ex-gratia balance above includes expenses in relation to Overtime Corrective Payments of £1,540k for 2021/22 (2020/21 £5,570k) in relation to the Flowers judgement. These payments are considered special payments for which HMT approval was sought nationally by NHS England on local employers' behalf. The £5,664k was approved, the Trust is still awaiting for a retrospective approval for the £1,446k payment.

Guidance issued for 2020/21 year end asked employers to accrue the cost of the nationally agreed corrective payments and associated income based on the nationally generated estimates.

Note 27 Related parties

The Department of Health and Social Care, as the London Ambulance Service NHS Trust's parent department, is considered to be a related party.

During the year none of the Department of Health and Social Care Ministers, London Ambulance Service NHS Trust board members or members of key management staff, or parties related to any of them, has undertaken any material transactions with the London Ambulance Service NHS Trust.

The London Ambulance Service NHS Trust has had a significant number of material transactions during the year with the Department, and with other entities for which the Department is regarded as the parent Department. These entities are listed below where receipts exceed £10m.

	Payments to Related Party £000s	Receipts from Related Party £000s	Amounts owed to Related Party £000s	Amounts due from Related Party £000s
NHS North Central London CCG	-	65,536	30	444
NHS North East London CCG	-	102,883	2	2,149
NHS North West London CCG	-	243,172	191	199
NHS South East London CCG	(48)	95,003	-	314
NHS South West London CCG	-	61,797	-	16
NHS England *	200	9,066	794	239

The Trust has a number of staff who or volunteer for St John Ambulance Service. Transactions with St John Ambulance Service during the year comprised expenditure of £740k (2020/21 £1,788k), income of £Nil (2020/21 £Nil) and the amount payable by the Trust as at 31 March 2022 was £Nil (31 March 2021 £Nil).

Fenella Wrigley has worked for the All England Lawn Tennis Club £88k (2020/21 £Nil).
Fennella Wrigley and Karim Brohi have both worked for Barts Health NHS Trust:
Receipts from related parties: Barts Health NHS Trust £573k (2020/21 £488k),
Payments to related parties: Barts Health NHS Trust £450k (2020/21 £120k)
Amounts due from related parties: Barts Health NHS Trust £445k (2020/21 £79k)
Amounts payable to related parties: Barts Health NHS Trust £417k (2020/21 £Nil)

* Karim Brohi has also worked in London Major Trauma System NHS England, the related party balances disclosed as part of Department of Health and Social Care parent trust.

Mark Spencer has worked for GP in HMP Bullingdon, sub-contractor to Practice Plus Group, the Trust incurred expenditure of £8.5m with Practice Plus Group during the year.

The London Ambulance Service NHS Trust acts as corporate trustee for the London Ambulance Service Charity. During the financial year ending 31 March 2022 the Trust received grants of £546k (2020/21 £142k), reported a payable balance of £48k (2020/21 NIL).

Note 28 Events after the reporting date

There have been no events after the reporting period that need to be disclosed in the financial statements.

Note 29 Better Payment Practice code

Non-NHS Payables	2021/22 Number	2021/22 £000	2020/21 Number	2020/21 £000
Total non-NHS trade invoices paid in the year	52,477	295,967	53,149	191,362
Total non-NHS trade invoices paid within target	48,692	274,058	47,325	176,414
Percentage of non-NHS trade invoices paid within target	92.8%	92.6%	89.0%	92.2%
NHS Payables				
Total NHS trade invoices paid in the year	560	3,778	380	2,506
Total NHS trade invoices paid within target	459	3,207	333	1,998
Percentage of NHS trade invoices paid within target	82.0%	84.9%	87.6%	79.7%

The Better Payment Practice code requires the NHS body to aim to pay all valid invoices by the due date or within 30 days of receipt of valid invoice, whichever is later.

Note 30 External financing limit

The trust is given an external financing limit against which it is permitted to underspend

	2021/22 £000	2020/21 £000
Cash flow financing	(831)	(2,161)
Finance leases taken out in year	-	-
Other capital receipts	-	-
External financing requirement	**(831)**	**(2,161)**
External financing limit (EFL)	(831)	31,659
Under / (over) spend against EFL	**-**	**33,820**

Note 31 Capital Resource Limit

	2021/22 £000	2020/21 £000
Gross capital expenditure	44,920	43,980
Less: Disposals	(669)	(462)
Less: Donated and granted capital additions	-	(539)
Plus: Loss on disposal from capital grants in kind	-	-
Charge against Capital Resource Limit	**44,251**	**42,979**
Capital Resource Limit	44,451	44,054
Under / (over) spend against CRL	**200**	**1,075**

Note 32 Breakeven duty financial performance

	2021/22 £000
Adjusted financial performance surplus / (deficit) (control total basis)	729
Remove impairments scoring to Departmental Expenditure Limit	-
Add back non-cash element of On-SoFP pension scheme charges	-
IFRIC 12 breakeven adjustment	-
Breakeven duty financial performance surplus / (deficit)	**729**

Note 33 Breakeven duty rolling assessment

	1997/98 to 2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
	£000	£000	£000	£000	£000	£000	£000
Breakeven duty in-year financial performance		1,425	1,002	2,751	262	262	6,048
Breakeven duty cumulative position	2,569	3,994	4,996	7,747	8,009	8,271	14,319
Operating income		279,864	283,617	281,731	303,109	303,827	324,052
Cumulative breakeven position as a percentage of operating income		1.4%	1.8%	2.7%	2.6%	2.7%	4.4%

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£000	£000	£000	£000	£000	£000	£000
Breakeven duty in-year financial performance	(4,405)	6,143	5,758	6,958	174	2,559	729
Breakeven duty cumulative position	9,914	16,057	21,815	28,773	28,947	31,506	32,235
Operating income	319,992	355,507	364,598	388,978	438,559	570,323	603,095
Cumulative breakeven position as a percentage of operating income	3.1%	4.5%	6.0%	7.4%	6.6%	5.5%	5.3%

NHS Improvement has provided guidance that the first year for consideration for the breakeven duty assessment should be 2009/10. Periods prior to 2009/10 have been consolidated to provide the cumulative breakeven position. The Trust is subject to a three year period for recovery of any deficit incurred. The application of breakeven duty means that if a cumulative surplus or deficit is reported (greater than a materiality threshold of 0.5% of operating income), it should be recovered within the subsequent two financial years.