Scottish Ambulance Service
Taking Care to the Patient

NHS SCOTLAND

Scottish Ambulance Service

Annual Report and Accounts

For year ended 31 March 2022

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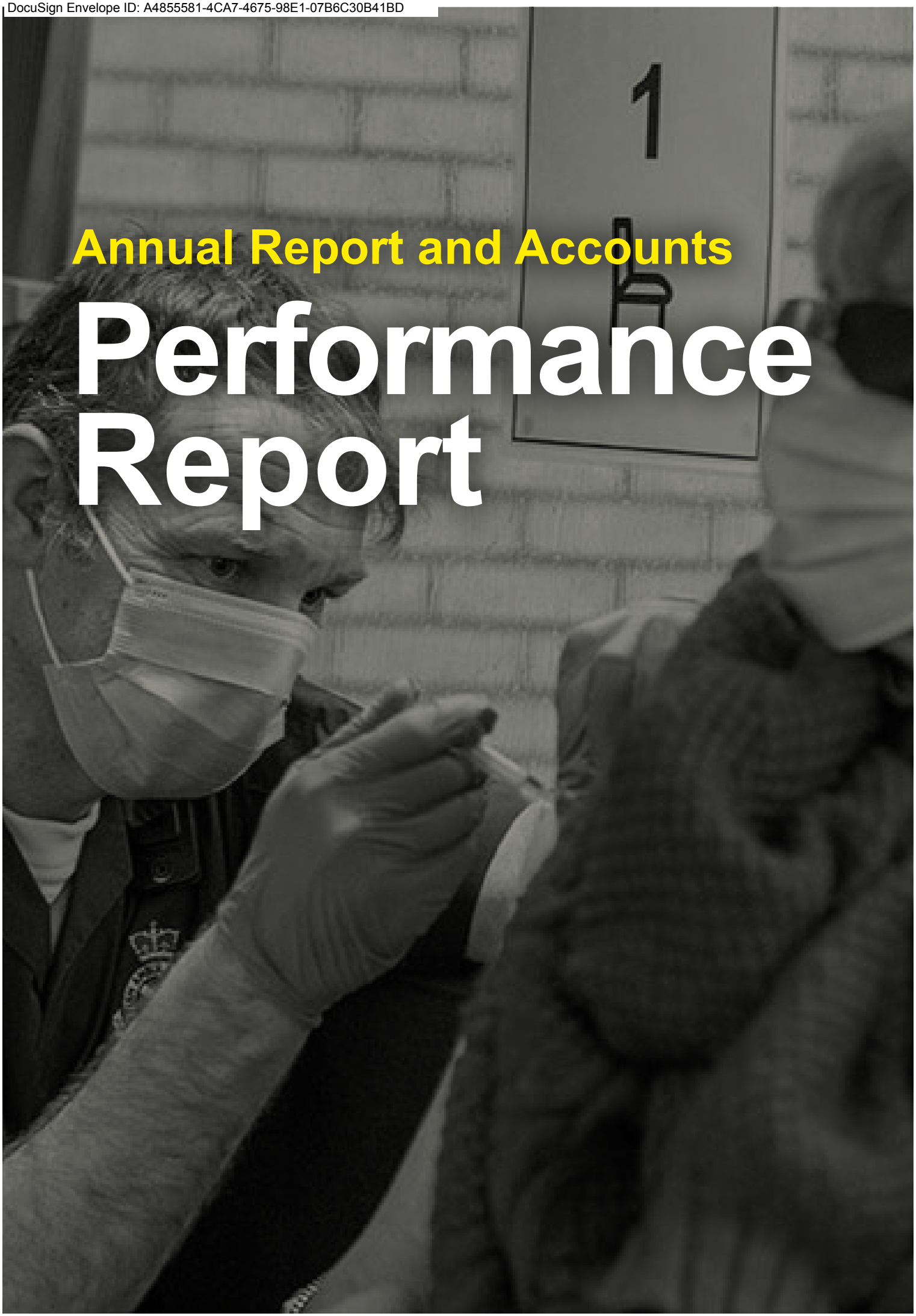


Annual Report and Accounts

Performance Report

Performance Report

1. OVERVIEW

The purpose of the following overview is to provide a short summary providing sufficient information to gain an understanding of the Scottish Ambulance Service, its purpose, the key risks to the achievement of its objectives, and how it has performed thought the year.

1.1 CHAIR AND CHIEF EXECUTIVE FOREWORD

Over the last year, our Service has continued to experience enormous pressures as a result of the ongoing Covid-19 pandemic. This has been felt across the whole of NHS Scotland, with Covid-related workforce abstractions and lengthy turnaround times at hospitals having a significant effect on response times for ambulances. Every one of our staff has demonstrated their dedication and commitment to the Service as they have gone above and beyond to bring care to the patient in these challenging times.

Despite these pressures, we have recorded our highest ever rates of survival for our most time-critically unwell patients, including those suffering from cardiac arrest. We have continued to work with our NHS and social care partners to redesign urgent care. We further enhanced our senior clinical decision-making support, resulting in 279,356 patients (21.26% more than 2020/21) being managed in community settings rather than having to be conveyed to emergency departments.

In response to the increased demand on our service, we accelerated the recruitment of an additional 549 staff and 21 new A&E vehicles across the country, along with a number of other support and response vehicles, through our Demand and Capacity programme. We established ten new stations through co-locations with the Scottish Fire and Rescue Service and NHS partners. We are also aligning rosters to better meet patient demand. This will result in a change in shift patterns in some locations to fit with the periods that experience the most pressure on our service, improving responses to patients, improving staff welfare and further reducing on-call working.

By 2021 we had already experienced a year of working under a pandemic, and so these new, adaptable ways of working became firmly entrenched within the organisation. This included rigorous infection prevention control processes, such as the wearing of full protective wear, and sanitising work surfaces, as well as the ability to conduct meetings virtually. Microsoft Teams was invaluable in helping our office-based staff to hold meetings remotely, as well as allowing staff across the organisation to participate in discussions with the Executive Team.

Given the demands they faced, one of our top priorities as an organisation was the welfare of our staff. To help ease some of the pressures, we are grateful to our partner agencies including the Scottish Fire and Rescue Service, the Ministry of Defence and the British Red Cross, who worked with our staff on our lower acuity calls, such as falls patients, to protect service delivery and staff welfare.

We liaised closely with health boards to establish facilities at major hospital sites to ensure crews have access to food and drink whilst they are waiting to hand over patients. We also introduced a range of measures as part of our Health & Wellbeing Strategy 2021 to 2024, to ensure all staff and volunteers felt valued and supported. Some of the measures in place included training programmes by Lifelines to develop peer support skills, and the delivery of Mental Health training.

We have also been developing our Mental Health provisions to better serve patients over the past year. The Service has been provided with £1.6 million by the Scottish Government over the last three years as part of their Mental Health Strategy. This funding has supported the recruitment of 21 new mental health staff, including 13 mental health paramedics and a manager, four mental health dispatchers and three clinical effectiveness leads. The funding is also assisting with the continuation of the Service's Mental Health Triage cars, which provide specialist care to people who are experiencing mental health challenges and have contacted the Service for help. There are three mental health cars available for the east, west and the north, based in Dundee, Glasgow and Inverness. They offer an adaptive and approachable way of responding to people experiencing mental health distress, with a joint response from a mental health practitioner and a paramedic, to meet the patient's immediate needs.

Three new clinical drug leads were recruited in January 2021 to develop a programme of reducing drugs harm and to support the targeted distribution of life-saving naloxone across Scotland.

Over the past year they have been leading on the rollout of a national training programme to ensure all paramedics, technicians and nurses are trained to supply Take Home Naloxone to patients. They met their target of distributing 1000 kits by the end of 2021 and have been instrumental in developing connections for the Service's clinicians to use to refer patients into appropriate treatment pathways.

To ensure the most seriously injured patients receive the right care, the Service has continued to work with colleagues in the Scottish Trauma Network (STN). In August, to coincide with the launch of the South East of Scotland and West of Scotland Major Trauma Centres, we introduced the adult and paediatric Major Trauma Triage Tools (MTTT) to assist responding clinicians in decision-making to triage the patient to the appropriate receiving unit. A number of CPD events for staff were also held as part of the national roll out.

Over the course of 2021 we extended our role in public health with the operation of our drop-in Vaccination Buses, to help deliver over 60,000 Covid-19 vaccinations across the country. We have worked with Health Boards and local authorities across the country in their vaccination efforts, and the buses have parked up at popular hotspots like shopping centres, football stadiums such as Hampden Park, and outside community centres, churches and mosques. The success of our vaccination buses has been assisted by the Scottish Government, having provided new funding in order to improve the accessibility of vaccines in some of Scotland's most remote places.

Our Mobile Testing Units (MTUs) also played a vital role in helping tackle the pandemic as one of the biggest projects ever carried out by the Service. By the beginning of 2022, they reached the monumental milestone of delivering 2 million tests across Scotland. As the country faced further challenges with the Omicron variant, the MTUs were delivering 15,000 tests a day.

This has been a very challenging year, and we would like to pay tribute to all our staff and volunteers for their tireless work in the face of these enormous pressures. We are grateful to each and every one of you.

The annual report and accounts, detailed below, provide a summary of our work and a comprehensive description of our financial performance during 2021/22.

1.2 WHO WE ARE

The Scottish Ambulance Service was established in 1999 under The Scottish Ambulance Service Board Order 1999, which amended the National Health Service (Scotland) Act 1978.

As the frontline of the NHS in Scotland and with over 8,300 members of staff, we provide an emergency ambulance service to a population of five million four hundred thousand people serving all of the nation's mainland and island communities. Our Patient Transport Service normally undertakes over 660,000 journeys every year and provides care for patients who need support to reach their healthcare appointments due to their medical and mobility needs, support for discharges and transfers. During the pandemic the number of clinics reduced which impacted on the number of patient journeys supported by the Service. Our data shows that as services remobilise the demand for our support has increased compared with 2020/21.

We are therefore responsible for a range of services for the people of Scotland, from accident and emergency response, to delivering primary care, providing patient transport, dispatching rapid air ambulance and SCOTSTAR support for critical patients, to being a Category 1 responder for national emergencies.

The Chief Executive is supported by an Executive Team comprising; Director of Finance, Logistics and Strategy, Medical Director, Director of Care, Quality and Professional Development, Director of Workforce, Chief Operating Officer – Deputy Chief Executive, National Operations Director, North Operations Director, East Operations Director and West Operations Director.

The Service's Board is supported in its governance responsibilities by the following Committees; Staff Governance Committee, Audit Committee, Remuneration Committee and Clinical Governance Committee.

1.3 CHIEF EXECUTIVE'S STATEMENT

During the financial year ending 31 March 2022 we received 1,647,858 calls and dealt with 829,475 incidents, of which 527,286 were emergency incidents that we attended. We also completed 420,468 patient transport journeys, 4,183 air ambulance missions, 32,491 inter hospital transfers, 2,936 transfer and retrievals across Scotland and 6,599 special operations teams responses.

Following the delivery of our '2020' vision and as we focus on our Remobilisation Plan for 2021-2022, we have continued to build on the three main strands of work highlighted in the delivery plan whilst assessing our 2030 strategic aims and prioritising our deliverables in line with emerging national priorities.

- Clinical Services Transformation
- Workforce Development
- Enabling Technology

Throughout the year, we have been developing our Mental Health provisions to better serve patients. As part of the Scottish Government's Mental Health Strategy, the Service has been provided with £1.6 million over the last three years. This funding has supported the recruitment of 21 new mental health staff, including 13 mental health paramedics and a manager, four mental health dispatchers and three clinical effectiveness leads.

We continue to work collaboratively with our Health & Social Care partners, Public Health Scotland, Police and NHS24 around improving outcomes for patients presenting with mental health needs. Jointly staffed mental health car pilots have been established in Glasgow, Dundee and Inverness with an initial evaluation of the Glasgow project undertaken in August 2021. This is in partnership with local agencies to provide a multi-disciplinary approach to responding to people experiencing mental health distress with a joint response from a mental health practitioner and a paramedic to meet the patient's immediate needs.

The Service has developed its mental health strategy for 2021-2027. With this, our first mental health strategy, we set out our ambition to continuously strive to enhance the care, support, and treatment we offer individuals, communities, and populations in relation to mental health. We will do this with the same commitment, passion and drive as we do with physical health problems.

Our ambitions within this strategy will actively contribute to the work being undertaken throughout Scotland to support in achieving good mental health and wellbeing for all. We will support this through identification of risk factors associated with poor mental health for all who use our service, recognising that prevention and early intervention is key. We will improve the assessment, care and experience of individuals supported by us in relation to their mental health and wellbeing. A key part of achieving this improvement will be listening to individuals, and communities, who have received support from the Service and these experiences will inform continued enhancement of the work we undertake throughout the lifetime of the strategy. Additionally, we will work with partners across the health and social care sector to ensure an optimal range of mental health care, and support, is accessible for people – and that fast, effective treatment is accessed to facilitate recovery.

The care we provide will be person-centred, and we will actively challenge stigma and inequalities associated with mental health. Listening, collaborating, and sharing will be central to us achieving our ambitions in relation to mental health and we look forward to undertaking this journey in partnership with others.

As part of the Service's contribution to improving the health and wellbeing of Scotland's population, we continue to work closely with Scotland's Drug Death Taskforce. Three new clinical drug leads were recruited in January 2021 to develop a programme of reducing drugs harm and to support the targeted distribution of life saving Naloxone across Scotland. Our priority drug harm reduction objective related to the Service's contribution to the national naloxone programme continues to become established with 85% of all ambulance clinicians now trained to supply take home naloxone. In total, 1400 kits have now been supplied since the start of the pilot in 2020 and have been instrumental in developing connections for the Service's clinicians to use to refer patients into treatment pathways.

To ensure the most seriously injured patients receive the right care, the Service has continued to work with colleagues in the Scottish Trauma Network (STN). In August, to coincide with the launch of the South East of Scotland and West of Scotland Major Trauma Centres, we introduced the adult and paediatric Major Trauma Triage Tools (MTTT) to assist responding clinicians in decision-making to triage the patient to the appropriate receiving unit. A number of CPD events for staff were also held as part of the national roll out.

As part of the national COVID-19 testing programme, the Service recruited 1,300 new staff to set up 39 Mobile Testing Units, to cover 78 deployment sites across Scotland carrying out 1,774,884 PCR tests and 252,103 LFT tests between 1 April 2021 and 31 March 2022.

Over the course of 2021, the Service has again shown its ability to develop and scale up new services at pace, delivering on our commitment to develop and implement a fully functioning mobile vaccination service for remote and rural communities, enabling those most vulnerable in society to have equitable access to vaccines. In addition, the Service has continued to work closely with a number of Boards to support vaccine delivery across a range of settings with a focus on hard to reach communities.

We established a Mobile Vaccination Programme, working with Scottish Government and health boards across the country to support their vaccination delivery and promote mobile vaccinations, enabling improved access to vaccinations and supporting improvements in public protection and health.

Agreements have been reached with a number of territorial health boards across the country to help support and deliver mobile vaccinations. To date, we have provided support in 306 locations across 10 health boards, helping to deliver over 60,000 Covid-19 vaccinations across the country.

Our highly trained and dedicated staff continue to go above and beyond in their care for patients. It is their hard work and professionalism which is delivering fantastic results day in, day out. A highly trained, motivated and fully engaged workforce will help us to continue to deliver upon our ambitions and their input and support is key.

That is why we are continuing to invest in our staff and their ongoing health, wellbeing and professional development, whilst ensuring they are continually engaged in work to improve the services we provide for patients. A top priority for the Service is the health and wellbeing of our own staff. Our recently approved Health and Wellbeing Strategy and Roadmap outlines our key aims over the next three years to enable our workforce to feel healthy, valued and supported by taking a more proactive and preventative approach to wellbeing.

This year, we will continue to build on last year's successes, capturing learning in order to transform services with new techniques, technology and clinically safe care and pathways for patients; working effectively in partnership with our primary care colleagues, IJBs, Health Boards, Emergency Services, our staff, patients and the public.

The Audit Scotland report, NHS in Scotland 2021, focussed on the continued impact of the pandemic on services in 2021. The report described the NHS continuing to operate under extremely challenging circumstances for a period longer than anyone could have predicted at the outset of the pandemic.

In this year the pandemic continued to put the whole system under considerable strain. Despite the immense and ongoing challenges of this, the Service has risen to the challenge. We have adapted and found new ways of working to ensure we continue to provide the very best care to patients across Scotland.

All of these achievements are against a backdrop of good financial planning, management and performance, with all of our financial targets being achieved.

2. PERFORMANCE ANALYSIS

2.1 THE SCOTTISH GOVERNMENT VISION

The NHS has been in Emergency footing during the 2021/22 Financial Year and has risen to the significant challenges posed by the COVID-19 pandemic; services were prioritised and adapted to help cope with demand.

Staff have shown incredible resolve, flexibility, and many across the health and social care system have adapted to new ways of working.

The response to the pandemic has led to some remarkable and innovative developments for the benefit of patients particularly via the use of digital technology to enable more services to be delivered in the community or homely setting.

The Scottish Government published Re-mobilise, Recover, Re-design: The Framework for NHS Scotland in May 2020, which set out the framework for how health boards will safely and incrementally prioritise the resumption of services, while maintaining the ability to respond to COVID-19 demand and maintain resilience.

Boards were asked to develop remobilisation plans in 3 phases with the latest version developed to March 2022.

2.2 OUR STRATEGY DEVELOPMENT AND REMOBILISATION PLAN

Following the outbreak of the COVID-19 pandemic, our work to develop a 2030 strategy was paused, resuming in the summer of 2021. Extensive environmental scanning was required to understand how the health landscape had changed because of the pandemic, and how we would adjust our strategic direction to adapt. Discussion documents for our public and our staff were published in April 2022 to engage and seek further feedback from our staff and the wider public.

The discussion document identified six key ambitions:

1. We will provide the people of Scotland with compassionate, safe and effective care where and when they need it;
2. We will be a great place to work focusing on staff experience, health and wellbeing;
3. We will innovate to continually improve our care and enhance the resilience and sustainability of our services;
4. We will work collaboratively with citizens and our partners to create healthier and safer communities;
5. We will improve population health and tackle the impact of inequalities;
6. We will deliver our net zero climate targets.

We have been carrying out extensive internal and external engagement on these ambitions and what they mean to our staff and public. We have also been asking how our staff feel they can contribute to these ambitions to ensure successful delivery of our strategy. We understand that there are a number of things that must happen in order for us to deliver the strategic intentions, including developing our workforce and leadership capability, and using data & intelligence, research, innovation and digital solutions to develop new ways of working.

We must do this in collaboration with our communities, staff and partners to deliver whole system transformation, and use our opportunity in every community to influence improvements that will have long-term health benefits for everyone.

We intend to complete the development of our 2030 strategy for publishing in July 2022.

Whilst we paused strategy development, we published a Remobilisation plan, which is regularly updated with current actions and future planned work, both in response to the COVID-19 pandemic, and business as usual. The plan aligns to “Re-mobilise, Recover, Re-design: The Framework for NHS Scotland,” published by the Scottish Government on 31 May 2020, and its overarching purpose is to maintain and to keep building on our contribution to the redesign of the wider health service in response to and recovery from the COVID-19 pandemic. As we do this, we will continue to embed new ways of working, while supporting the physical and psychological wellbeing of our workforce.

Our plan largely focuses on our efforts to explore and nurture positive clinically driven changes that were established as part of our response to the pandemic, while continuing to deliver the best care whenever and wherever possible. We continue to apply our learning from COVID-19 and embrace whole system redesign to improve our patient and staff experience.

The broad aims of our remobilisation plans are to deliver essential services, while living with COVID-19. To do this we will:

- Ensure the **health, wellbeing and safety** of staff and patients.
- Reduce harm by ensuring effective **demand management** procedures are in place.
- Ensure that we have sufficient **workforce capacity** to manage further waves of COVID-19 incidents effectively, on top of existing demand and seasonal pressures.
- Recover and renew to a better, more **innovative and digitally enabled** sustainable model than the pre-pandemic one.

The most recent update to this plan was submitted to Scottish Government in April 2022, with outlines on what has been achieved and what is planned for the forthcoming financial year.

The following performance summary relates to work undertaken and achieved in 2021/22

Clinical Services Transformation

WHAT WE SAID WE WILL DO	WHAT WE HAVE ACHIEVED
Develop our out-of-hospital cardiac arrest strategy to save more lives	Out of Hospital Cardiac Arrest (OHCA) data is showing positive signs of recovery from the pandemic, and we have continued to develop our in-house linked data set capabilities. Key data measures up to and including December 2021 shows that 30-day survival is once again approaching 10% having fallen to 2012 figures during the pandemic. The 30-day survival for VF/VT has risen to 27% and bystander CPR continues to show a year-on-year increase at 66.7%. The measures reflect improvements on 2020/21 data but would caution that it is not the full year's data for 2021/22 which will be available and published in the annual linked data report for OHCA, towards the end of the summer. This report is compiled by the Service on behalf of all the OHCA strategy partners. This robust performance is based on Scotland's system approach of looking at all aspects of the 'chain of survival', which underpins Scotland's response to OHCA with the next iteration of Scotland's OHCA strategy 2021 - 2026 having been published in March 2021. As key strategic partners, the Service is at the centre of operationalising many of the strategic aims including: • Increasing bystander CPR rates from around 65% to 85% is a key aim of the strategy through training a further 500,000 people in CPR • Ensuring optimisation of telephone CPR by identifying areas for improvement • Enhancing the deployment of GoodSAM volunteers • Identifying regions where cardiac responder schemes would be of benefit. • Increasing Publicly Available Defibrillator (PAD) deployment during OHCA to 20% by using the Service's data to help inform communities where best to place PADS (the ScotPAD project) and encouraging these PAD guardians to register their PAD with the Service. • As part of the Service's commitment to improving population health, there is a focus on improving outcomes for those in areas of higher deprivation, access to CPR training for those with disabilities and ensuring that we are sensitive in delivering resuscitation where this does not benefit the patient, as part of a supported and dignified process of end-of-life care.

Clinical Services Transformation

WHAT WE SAID WE WILL DO	WHAT WE HAVE ACHIEVED
Develop our national and local pathways for hyper-acute stroke to improve patient outcomes	We continue to work to improve outcomes for patients who have experienced stroke, through accurate triage and on scene assessment with rapid conveyance to definitive care in line with Scotland's stroke improvement ambitions. **National Thrombectomy service:** The national thrombectomy service continues to evolve across the planned three regional sites. Progress in the roll out of this service is entirely dependent on all stakeholders being able to progress which limits the ability to attach definitive timelines to this work stream. Work has progressed to allow the Service to support the further partial and limited expansion of thrombectomy in-line with Scottish Government's Thrombectomy Advisory Group's (TAG) planning and modelling which has adopted a multi-phased approach. **Crew feedback:** A new platform for providing clinical follow-up to crews following treatment of a hyper acute stroke patient has been created as a test of change within Glasgow. This model relies on the use of clinical outcome data and collaboration with our health board partners. It is anticipated that this model could be further developed with a large degree of automation and rolled out to a wider geographical area. We have introduced monthly on-line Continuing Professional Development (CPD) sessions for colleagues where an external speaker will present on a different stroke-related topic each month. To date, these sessions have been highly successful ranging from 30-90 attendees each time.
Enhance our capability and capacity to respond to major trauma to save more lives	The Scottish Trauma Network (STN) went live nationally on 30 August 2021, this development has seen staff implement a new bypass protocol for the most seriously injured patients, ensuring they are delivered to a centre capable of delivering an improved outcome. Our overarching strategy is to ensure our pre-hospital response is tailored to each patient's individual need and that these resources can be delivered to the right patient, at the right place at the right time. A key element of our contribution to the STN has been the introduction of the adult and paediatric Major Trauma Triage Tool. These assist ambulance clinicians in the identification of major trauma as well as providing clear guidance on the most appropriate hospital to ensure the best outcome for patients. **Major Incidents** - The Service's trauma team have been working with Scottish Government and the STN to update the Mass Casualty plan. This comprises the critical care teams that form the site medical team, medical leadership to support Ambulance Control Centre and Advanced Practitioners in Critical Care support to the Casualty Clearing areas. These elements have recently been deployed at major incidents and participated in multi-agency exercises and been deployed to assist with the Service's response to COP26.

Clinical Services Transformation

WHAT WE SAID WE WILL DO	WHAT WE HAVE ACHIEVED
Increase 'hear and treat' outcomes to ensure patients receive the most appropriate care first time and reduce demand on operational ambulances.	In March 2022, 25% of patients received a hear and treat outcome. In January 2022 we introduced GP Advisers into our Ambulance Control Centre function to provide senior clinical decision-making support. Our Advanced Practitioner model completing remote clinical triage and assessment continues to evolve resulting in around 43% of our demand being concluded by remote consultation, with those individuals being offered self-care advice or signposted to appropriate care.
Increase 'see and treat' outcomes to take more care to patients in their homes and communities.	In March 2022, 20% of patients received a see and treat outcome. The Service continues to support staff in providing the most appropriate care for patients following face to face assessment by developing clinical decision-making skills.
Redesign of Urgent Care	The Redesign of Urgent Care programme moved into Phase 2 during 2021/22 within which the Service had its own work stream with a number of key objectives including increasing access to Flow Navigation Centres for the Service clinicians, professional to professional advice and planning and scheduling of unscheduled care. During the year we have worked closely with a number of Boards with the aim of accessing care closer to home for patients and this has proven to be successful across a number of areas including NHS Grampian, Ayrshire and Arran and Tayside. We continue to increase our access to community pathways for Falls, Mental Health and Breathing patients and to utilise these where possible. We have introduced our Flow Navigator Hub within the Service with the aim of supporting our clinicians to 'navigate' and 'connect' to the right pathways to best meet the needs of the needs of the patients ensuring they receive the right care in the right place. Underpinning this work we are focussing on staff engagement including our Clinical Decision Making Framework and also embedding the principles of Realistic Medicine. There is a strong focus on digital and data workstreams both nationally and within the Service and this will remain an area of focus as we move into 2022-23 and the launch of the Urgent and Unscheduled Care Collaborative.

Clinical Services Transformation

WHAT WE SAID WE WILL DO	WHAT WE HAVE ACHIEVED
Improving Population Health	The Service has embarked on an ambitious project working with Scotland's Drug Death Taskforce. Scotland has the highest rate of deaths associated with problematic drug use in Europe. In 2020 there were 1,339 drug-related deaths, a 5% increase on the previous year and the largest number ever recorded. In response to these increases in drug related deaths, the Scottish Government established a Drug Death Task Force (DDTF), of which the Service is a key member. The three recently appointed Clinical Effectiveness Leads (CELs) have been providing staff education and development related to drug harm reduction and Take-Home Naloxone across all areas of Scotland. The programme is proving to be highly successful and is augmenting the national Naloxone programme. The three CELs started with the Service in January 2021 and in total to date, over 1400 Take Home Naloxone kits have now been supplied. The Service now also has a national process to provide daily data reports to each territorial health board related to people who have experienced a non-fatal overdose or are at risk of having a fatal overdose. This process has connected services with people who were not known to them or were not actively being supported. Early feedback from across Scotland indicates that around 40% of people who agreed to relate to services were not actively being supported by services.

Workforce Development

WHAT WE SAID WE WILL DO	WHAT WE HAVE ACHIEVED
Developed our workforce planning arrangements to support delivery of regional workforce aims	2021/22 recruitment and training delivery aims are informed by 2020 workforce targets. The following recruitment took place in year: 113 new Ambulance Care Assistants started (plus 12 internal appointments) 310 new Trainee Technicians started (plus 74 internal appointments) 93 new Paramedic/Trainee Paramedic started (plus 131 internal appointments) **Demand and Capacity Programme – A&E** • Demand and Capacity Programme Board continues to meet monthly, is chaired by the Chief Executive and has the Service's Board Chair and non-Executive Board members as member of the Programme Board. • 540 frontline A&E staff recruited in this financial year, which is the most staff ever recruited in any given year and 924 over the past two years. • Additional ambulances have gone live in Edinburgh and the Lothians, Greater Glasgow, Tayside, Grampian and Clyde. • We have established seven new satellite stations, spreading our operational footprint. Six are co-located with the Scottish Fire and Rescue Service. • Over 100 roster redesign workshops (Working Parties) undertaken across all three operating regions. • New rosters have gone live throughout the year. • Further software user training has been undertaken in both roster redesign and ambulance simulation applications. • £18.5m funding allocation confirmed by the Scottish Government for year two (2021/22). • Phase 3 addendum to the Business Case has been submitted to the Scottish Government detailing the requirements for year three (2022/23).

Workforce Development

WHAT WE SAID WE WILL DO	WHAT WE HAVE ACHIEVED
Develop a new Paramedic Education Model to respond to HCPC registration changes	The five universities commissioned to deliver undergraduate paramedic education (Glasgow Caledonian University, Queen Margaret University, University of Stirling, University of the West of Scotland and Robert Gordon University) all commenced their HCPC approved programmes in September 2020.

323 students were recruited to the 2021 academic Programme, across all five partner universities. Table 1 details the breakdown:

University	Number
Queen Margaret University	73
Glasgow Caledonian University	54
University of Stirling	60
Robert Gordon University	73
University of the West of Scotland	63
Total	323

Table 1: Breakdown per university

Scottish Government have confirmed BSc Paramedic Programme intake numbers for 2022 as 335. This is in line with workforce projections and Service need. The split across the five universities is equal, with 67 for each university.

The NES SCoPE group continues to meet to oversee the development and delivery of undergraduate paramedic programmes and ensures that shared learning is achieved across the commissioned universities.

Practice placements for all stages of BSc students have continued as planned during the 2021/22 period despite the COVID-19 disruptions. The Service has a Director led group that has been working on all aspects of student and Practice Educator Mentor (PEM) development to ensure placement experience and infrastructures are robust. The main focus of the work has included:

- Co-ordination and development of practice placement environments for students and gaining feedback.
- Working with universities to co-ordinate streams of placements to maximise student benefit.
- Increasing Practice Educator capacity to ensure full support is provided.
- Development of an internal framework document to support student placement to ensure the highest standard is delivered across the country.
- Strengthening support and development mechanisms for Practice Educators.
- Maximising use of non-registrants to provide support and supervision gaining that wider working experience.
- Implementing alternative models of supervision to support student development
- Expanding the range of placement opportunities e.g. working in ambulance control centres
- Ensuring operational and strategic engagement with university partners
- Maximising Practice Education Lead (PEL) support to learning environments
- Working with NES on the development of feedback mechanisms
- Engaging with NES on the development of a unified Practice Assessment Document

The Scottish Ambulance Academy continues to deliver our internal Paramedic Training programmes. As a consequence of the pandemic, the HCPC awarded an extension to the delivery of the programme until May 2022. The last cohort commenced in April 2021. The programme is planning to end July 2023.

Workforce Development

WHAT WE SAID WE WILL DO	WHAT WE HAVE ACHIEVED
Coordinate and Plan Learning & Development activity to enable achievement of 2020 Strategy	Our Workforce systems review was completed February – June 2021 and will inform the launch of an organisation wide learning management system, reflecting developments in the NHS Scotland Business Systems programme. This will be implemented in a phased approach throughout 2022/23.
Leadership and management arrangements developed to support our strategic change activity	All leadership and management development activity remained suspended throughout 2021/22 whilst all efforts were focused on dealing with the global pandemic. Our emphasis shifted from leadership & management development to enabling our managers to support both their own and their teams' health and wellbeing. From September 2021 – March 2022 extreme sustained pressures across the health and care system resulted in escalation to REAP level 4. Our primary focus during this time was supporting the basic welfare needs of an increasingly fatigued workforce by providing access to refreshments within and out of hours and working in partnership to improve meal break compliance and reduce shift overruns. From June - October 2021 we recruited 4 Organisational Development Leads and in addition to supporting the staff wellbeing agenda, they revised our leadership development programme for first level managers. This programme will be recommencing in April 2022 with phased cohorts through 2022/23. They will also be progressing further leadership and management development activity, team effectiveness & development interventions, talent management, succession planning, career coaching and appraisal activity.
Developing the employee experience within the service to support sustainable workforce	The first year of the Health & Wellbeing Strategy 2021/24 commenced with an ambitious Health & Wellbeing Roadmap for 2021/22. This had to be revised several times throughout the year due to sustained pressures on our workforce whilst working through the global pandemic, operating at REAP Level 4 from September 2021 and the NHS on an emergency footing. Despite these challenges, the Service has delivered a great deal of the Health and Wellbeing Roadmap in the first year. Our priority to address the welfare and wellbeing needs of our workforce led to a review of staff welfare refreshment provision across the Service in October 2021 to establish current provision, ensure equity and identify any gaps and areas for improvement. Recommendations of the review were subsequently implemented whilst responding to local staff welfare needs on an ongoing basis. Staff were also consulted on the identification of appropriate local outdoor wellbeing spaces and funding from NHS Charities Together was set aside to provide staff with these facilities. Regular engagement and discussion with staff, staff side colleagues and partners through a range of channels continued throughout 2021/22. This included speaking with crews at hospital sites, discussion at Regional cells, specific meetings regarding staff welfare provision with partnership colleagues, suggestions at weekly staff engagement sessions or through the national wellbeing group. These ongoing discussions ensured staff welfare provision remained appropriate to requirements and changing needs were addressed swiftly. The staff engagement survey iMatter ran throughout Scotland in September 2021 and we received a 60% response rate with an Employee Engagement score of 65. This represents a 1% increase from the previous survey in 2019. The average response rate across Health & Social care was 56%.

Enabling Technology

WHAT WE SAID WE WILL DO	WHAT WE HAVE ACHIEVED
Ensure the Service has continued access to appropriate emergency service communications when the current Airwave system is 'decommissioned'. This will be achieved through active participation in the GB-wide Emergency Service Mobile Communications Programme	Continued active participation in the UK Government, GB-wide, 'Emergency Services Mobile Communications Programme' (ESMCP). Proactive engagement and collaboration with the Scottish Government, Police Scotland, Scottish Fire & Rescue and other relevant partners. Preparation and planning for transition to the GB-wide Emergency Services Network (ESN) in line with the further delayed GB programme. Taking proactive steps to ensure the current Airwave service is sustainable for longer than anticipated due to ESMCP delays. Progressing our Integrated Communications Control System (ICCS) Project to ensure we have an ESN compatible ICCS that will work on the current Airwave network but is capable of being upgraded to work with the new ESN network when it becomes available. The ICCS replacement is a joint programme with other GB Ambulance Services and will be used in our Ambulance Control Centres. The requisite infrastructure is in place. Due to technical challenges within the wider GB programme, the Service are now scheduled to migrate to the new ICCS in June 2022.
Enhance and promote our capability to electronically transfer the patient information our clinicians collect to our NHSS partners, e.g. territorial health boards. The aim being to support and enable better clinical decision making, patient care and patient safety	There has been further refinement of the technical solution for transferring the Service's Electronic Patient Report (ePR) information to partner organisations. This includes upgrading the infrastructure that underpins the solution. Our ePR transfer capability is now live in Orkney, Grampian, Western Isles, Highland, Greater Glasgow & Clyde, Ayrshire & Arran, Dumfries & Galloway, Lothian and Tayside. We continue to engage with partners in Borders, Lanarkshire, Fife, Forth Valley and Shetland with a view to bringing them on board. Further enhancement of the validation checks have been introduced to reduce clinical and reputational risk.

Enabling Technology

WHAT WE SAID WE WILL DO	WHAT WE HAVE ACHIEVED
Progress the delivery of our eHealth Strategy	Replaced the infrastructure that underpins our unscheduled care command and control system. This is the key system supporting our 999 services. Upgraded the network links to over 120 of our sites to increase bandwidth and support new technology solutions such as Microsoft Teams. Further enhanced, and extended, our remote consultation capability including the implementation of a 'Remote Worker' module on our unscheduled care command and control system. Improved our compliance against the Scottish Government Cyber Resilience Framework. Completed a project to significantly improve the 'patching' status of key ICT systems and thereby improve our corporate cyber-resilience posture. Commenced work to enhance our capability to electronically share patient information with NHS 24 and to enable healthcare professionals in NHSS Boards to electronically enter patient information to our systems. Replaced our core Ambulance Control Centre telephony solution. Further reduced the number of physical servers we have by migrating them to new virtual server infrastructure. Commenced projects to replace circa 450 mobile data tablets in our patient transport fleet and to upgrade the operating system on circa 1100 tablets in our unscheduled care fleet. Completed the procurement of 4500 smartphones which will be deployed to over 4000 front-line clinical staff during 2022. Replaced our Digital and Information Communications Technology Steering Group and Enabling Technology Board with a new Digital Board. The remit of this Board is threefold; To oversee the development and delivery of our Digital Strategy; To provide governance to relevant digital & ICT programmes & projects; To oversee the development, and delivery of, our ICT work-plan.
Improve vehicle reliability, availability, emissions and operational performance through a comprehensive Fleet Replacement Programme.	Having successfully completed delivery of the 2016 – 2021 Fleet Replacement Business Case, a new five year Fleet Replacement Business Case was presented and approved covering the fleet replacement plans up to 2025/26. This plan details the transition towards a zero-emission fleet in line with Scottish Government policy as detailed in Protecting Scotland's Future: the Government's Programme for Scotland 2019-2020. The Service has continued to invest heavily in electric vehicle charging infrastructure with £1.8m of investment underway providing new, or additional, EV charging capacity across all areas of Scotland. In the last year, the Service has continued to introduce zero emission vehicles with the introduction of 35 light vans in both emergency response and support roles, along with the continued introduction of car-based vehicles, including emergency response clinical cars replacing fossil fuel vehicles. The recent purchase of 82 full electric vehicles builds on the existing electric fleet of over 200 vehicles. Where automotive technology developments have not yet provided robust zero-emission vehicles to meet the operational needs in the larger fleet, we have introduced 83 new Accident & Emergency vehicles, 17 Island Accident & Emergency vehicles, 60 new Patient Transport vehicles and a number of support and response vehicles aligned to the Fleet Replacement Business Case. The Accident & Emergency ambulance fleet was increased by 21 vehicles to facilitate the first stages of the Demand & Capacity Review with further additional vehicles being introduced in the spring. Through the National Vehicle & Equipment Group, vehicle and equipment design continues to be co-developed through staff and stakeholder engagement.

Patient Engagement and Participation

WHAT WE SAID WE WILL DO	WHAT WE HAVE ACHIEVED
Ensure our patients, staff and the people who use our services have a voice and can contribute to future service design, with people at the heart of everything we do	• Widening our Public Engagement to not just patient representatives but representatives from the third sector and other community groups. • Driven change through patient experience and new co-design focus, such as producing new mental health strategy in partnership with mental health users. • New co-produced Patient Focus, Public Involvement strategy, with improved governance. • Patient representatives now formal members of key internal committee group meetings to give valuable insight from experiences of patients and the public. • Participated in development of Our Voice framework. • Changed our policy with regards to how we categorise complaints to better reflect patient feedback. • New approaches and measures to help improve the Patient Experience and the efficiency of our complaints handling processes. • Establishment of a 'learning from feedback and incidents' group - with membership from across the Service. • Intensive engagement with staff, partners, public and patients to co-design a new Service strategy for the next decade. • New insight and engagement campaign undertaken to gain public views and attitudes towards our clinical response model and our approach to prioritising patients based on the severity of their condition.

The Service has experienced exceptional and sustained pressure from increases in COVID-19 and non COVID-19 demand, higher patient acuity, workforce abstractions and challenges in handing over patients timeously at emergency departments because of wider health and care system pressures. A detailed plan to improve workforce capacity, create more operational capacity, manage demand and progress joint turnaround improvement plans with hospitals has been created and implementation is being progressed at pace.

Performance summary: health improvement, efficiency, access to treatment and treatment

Index	Performance Indicator	2020/21	2020/21 Improvement Aim	2021/22
SAS2.1	Critically Unwell Patients Survival Rate	**42.7%**	Aim to be agreed %	**51%***
SAS2.2	Cardiac Arrest Survival Return of Spontaneous Circulation (ROSC) in people experiencing VF/VT arrest	**48.1%**	>46 %	**52.3%**
	Critically Unwell Incident Response Times Median time Purple incidents responded to	**07:11**	≤6:20	**07:24**
SAS2.5	Critically Unwell Incident Response Times Purple incidents responded to within 8 minutes	**57.1%**	67%	**54.7%**
SAS2.6	Critically Unwell Incident Response Times Purple incidents responded to within 15 minutes	**89.1%**	90%	**87.1%**
SAS3.4	High Risk Incident Response Times Median time Red incidents responded to	**08:21**	≤7:30	**08:53**
SAS3.5	High Risk Incident Response Times Red incidents responded to within 18 minutes	**89.9%**	90%	**86.4%**
SAS4.3	Stroke Stroke care bundle compliance	**96.0%**	≥ 95%	**95.5%**
SAS4.5	SAS Amber Incident Response Times Median time Amber incidents responded to	**15:25**	≤15.00	**18:19**
SAS4.6	SAS Amber Incident Response Times Amber Incidents responded to within 30 minutes	**85.5%**	90%	**76.5%**
SAS5.1	Shifting the Balance of Care Emergency patients referred to non-emergency dept. care pathway	**41.0%**	40%	**43.3%**
SAS5.4	SAS Yellow Incident Response Times Median time Yellow incidents responded to	**23:37**	≤22.00	**39:52**
SAS5.5	SAS Yellow Incident Response Times Yellow incidents responded to within 60 minutes	**79.5%**	86.5%	**61.9%**
SAS7.1	Patient Safety Peripheral Vascular Catheter (PVC) bundle compliance	**96.3%**	≥ 95%	**96.6%**

* figure to January 2

SAS2.1 shows that the 30-day survival rate for critically unwell patients has increased from previous years. We have also no evidence of impact for seasonality that we have seen in previous years. This will continue to be monitored closely to allow us to better understand any influencing factors. Out of Hospital Cardiac Arrest (OHCA) – SAS2.2 illustrates the Return of Spontaneous Circulation (ROSC) for VF/VT patients and has been maintained on or above the aim of 46% over the last ten months with 52.3% being achieved in 2021/22. This level of performance is welcome given the challenging environment in which the Service is operating and in the context of the pandemic. Out of Hospital Cardiac Arrest (OHCA) data is showing positive signs of recovery from the pandemic and is influenced by Scotland's system approach of looking at all aspects of the 'chain of survival', which underpins Scotland's response to OHCA. As key strategic partners in Scotland's OHCA strategy 2021-26 we continue to progress work across multiple work streams.

Purple median times reported in 2.5 and 2.6 improved between August 2021 and January 2022 and stabilised around median levels between January and April 2022. During 2021/22 the Service reached:

- 50% of purple incidents in 7 minutes and 24 seconds.
- 54.7% of purple incidents in 8 minutes.
- 87.1% of purple incidents in 15 minutes.

The key influencing factors on response times are service time (which includes hospital turnaround times), emergency demand, shift cover and staff availability during shift.

Work is ongoing around these four priority areas, including working with partners to address system wide challenges which impact on hospital turnaround times.

1. Reducing service time (through auto-allocation, new static sites for ambulances, reducing hospital turnaround times and timely access to professional-to-professional support).
2. Reducing the number of Accident and Emergency unit dispatches (through Advanced Paramedic clinical assessment, alternative pathways of care, flow navigation centres, specialist response vehicles for mental health and accessing mental health assessment centres).
3. Increasing ambulance resources (demand and capacity programme).
4. Reducing unavailable time (through make ready, equipment, cleaning vehicles, welfare packs at Hospital).

We have increased ambulance resources and are implementing new rosters through the demand and capacity programme. This includes 540 additional ambulance staff by April 2022, and additional ambulances and paramedic response units. We are focused on working to maximise shift coverage, support abstractions for paramedic training and managing sickness absence levels.

The first tranche of Emergency Drivers were deployed late March 2022. We continue to plan for the introduction of tranche 2 who require more detailed assessments and training and will be available early in the new financial year.

Community first responders and cardiac responders continue to play a valuable role in responding to immediately life threatening calls across Scotland and work is underway to increase their availability and their deployment.

We are continuing to see extended hospital turnaround times in many hospital sites. During the first few months of the pandemic, the number of people attending accident and emergency departments (A&E) fell significantly, and there were fewer emergency hospital admissions. These have both now increased and are similar to pre-pandemic levels. Additional measures to prevent the spread of Covid-19, such as enhanced infection prevention and control measures, impact on productivity and flow in A&E. Extended hospital turnaround times are affecting staff rest periods, ambulance availability, ambulance response times and shift over runs.

Our Regional Management Teams have been working with Health Boards to produce site action plans to support flow and reduce ambulance handover delays. Work is also underway to roll out the Hospital Arrival Screens handover module at all major hospital sites in Scotland. The system has been reconfigured to allow us to report on the notify time (the time at which the crew 'informed' the hospital they were in the department and ready to handover) and the handover time. Compliance with the use of these screens is now monitored and reported to the Service's regional teams, Health Board partners, and Scottish Government. Additional Hospital Ambulance Liaison Officer (HALO) posts have been funded by Scottish Government with all these additional people now in post.

As with the purple category, the median response to red and amber calls increased in May 2021 as lockdown restrictions were eased (SAS3.4 SAS3.5). The percentage of these calls reached within 18 minutes (red) has been below the mean from May 2021 signalling a shift in the control limits. Amber incidents within 30 minutes (amber) has been mostly at or below the lower control limit during this period returning to mean levels in January, February and April 2022. During 2021/22 the Service reached:

- 50% of red incidents in 8 minutes and 53 seconds.
- 86.4% of red incidents in 18 minutes.
- 50% of amber incidents in 18 minutes and 19 seconds.
- 76.5% of amber incidents in 30 minutes

Stroke care bundle compliance has reduced very slightly and we continue to work closely with partners to maximise this use.

Demand in the amber category has risen substantially in recent months; in April 2022, it was 1.6% higher than the same month in 2021 and 38.8% higher than April 2019.

Set against the increase in demand for patients in the amber category and wider system pressures SAS4.5 and SAS4.6 illustrate an increase in the monthly median response time and percentage reached within 30 minutes in March 2022 before stabilising in April 2022.

Since the Scottish Trauma Network (STN) went live nationally on 30 August 2021 a key element of our contribution to the STN has been the introduction of the adult and paediatric Major Trauma Triage Tools (MTTT). These assist ambulance clinicians in the identification of major trauma as well as the providing clear guidance on the most appropriate hospital to ensure the best outcome for patients.

We are currently focussing on the continued development of our MTTT governance processes

as well as continued and targeted education for ambulance clinicians. From the data inputted on the ePRF by our clinicians, we can learn how the MTTTs are being interpreted and thus tailor our education towards that.

The Service is working very closely with the STN to measure and report on a range of clinically important key performance indicators. The Service continues to work to improve outcomes for patients who have experienced stroke, through accurate triage and on scene assessment with rapid conveyance to definitive care in line with Scotland's stroke improvement ambitions.

Work has progressed to allow the Service to support the further partial and limited expansion of thrombectomy in-line with Scottish Government's Thrombectomy Advisory Group's (TAG) planning and modelling which has adopted a multi-phased approach.

A new platform for providing clinical follow-up to crews following treatment of a hyper-acute stroke patient has been created. This model relies on the use of clinical outcome data and collaboration with our health board partners. It is anticipated that this model could be further developed with a large degree of automation and rolled out to a wider geographical area.

Monthly online Continuing Professional Development sessions for colleagues where an external speaker will present on a different topic each month related to Stroke and Thrombectomy. To date, these sessions have been highly successful ranging from 30-90 attendees each time.

SAS5.1 refers to our response to emergency patients and was static in the six months from August 2020 sitting around the aim of 40% of this group of patients not conveyed to hospital. In the most recent 8 months, this has exceeded the aim and was on or above the mean in July to December 2021. In March and April 2022, it remained above the aim. The overall picture of patients being appropriately cared for out with the Emergency Department remains on target and the aim is to strengthen this through the work linked to the Redesign of Urgent Care, ensuring that patients receive the most appropriate care which may be closer to home.

During 2021/22 the Service referred 43.3% of emergency patients to non-emergency department care pathways against an aim of 40%. The response time median to yellow incidents (SAS5.4) has been impacted by a range of pressures in the system including increased service time, extended hospital turnaround times, an increase in emergency demand, abstractions through test and protect, shift cover and an increase in sickness absence. A range of interventions to mitigate these delays are being implemented and from a clinical safety perspective, our safety netting interventions to detect any clinical deterioration remain in place and are working effectively.

During 2021/22 the Service reached:

- 50% of yellow incidents in 39 minutes and 52 seconds.
- 61.9% of yellow incidents in 60 minutes.

To support our aim of delivering high quality person centred care to all our patients we identified an opportunity to introduce senior clinical decision support and we now have a number of GP Advisers working within our Ambulance Control system with recruitment of a further cohort underway. Early data indicates these interventions are helping to provide reassurance to patients, avoid delays in response, access wider health and care resources appropriately and ensure that the Service and Emergency Department resources are protected for those high acuity patients who require rapid response. This initiative will be the subject of robust evaluation over 2022-23.

We are continuing to work closely with the national programme for Urgent and Unscheduled Care principally the Redesign of Urgent Care within which the Service has its own work stream designed to improve access to Flow Navigation Centres for decision support, planning and scheduling of appointments.

As a result of this work direct access to Flow Navigation Centres for the Service clinicians is enabled across a number of Boards. There are emerging examples of increasing numbers of patients being cared for out with the Emergency Department and community responses resulting in hospital avoidance. We are developing a number of case studies that will be used for engagement and learning across the whole system reflecting the Realistic Medicine principles underpinning this work.

Improving the use of community pathways is also a priority workstream within the Service. Our work to develop a Service Directory that will guide and support our clinicians is being progressed through our Flow Navigation hub. The activities of this hub continued to be embedded within practice including increased focus on the management of referrals and connections to services to support our clinicians in their day to day work. We are broadening the team to support this work to ensure it is fully aligned with the national Urgent and Unscheduled Care programmes. We continue to focus on the three main clinical presentations of Falls, Breathing and Mental Health improving the use of community pathways as an alternative to hospital conveyance where safe and appropriate to do so.

Our Contribution to Improving Population Health Drug Harm Reduction has been enhanced with ambulance clinicians being trained to provide safe injecting equipment to those patients at risk, further increasing our contribution to the efforts to reduce drug deaths in Scotland.

2.3 FINANCIAL PERFORMANCE

The Scottish Government Health and Social Care Directorate (SGHSCD) sets three financial targets at NHS Board level on an annual basis. These limits and results are set out below:

WHAT WE SAID WE WILL DO	WHAT WE HAVE ACHIEVED
Deliver financial performance as detailed: • Revenue Resource limit: a break even resource budget for ongoing operations • Capital Resource limit: a break even resource budget for new capital investment • Cash requirement: a financial requirement to fund the cash consequences of the ongoing operations and the new capital investment, internally generated target of £60k held at end of month as at 31 March 2022 • Efficiency Target: Deliver the full quantum of savings required at £15,350k NHS Boards are expected to contain their net expenditure within these limits, and to report on any variation from the limits set.	The Service achieved each of the targets set, as at 31 March 2022, the financial performance against each target as detailed below: • Revenue Resource Limit : £24k underspend Core - £24k underspend Non Core - Breakeven • Capital Resource limit: Breakeven • Cash of £47k held at end of March 2022 • Efficiency Target: Delivered the full quantum of savings required £15,350k Financial performance was monitored and reported monthly to the Board and Scottish Government.

2.4 SCOTSTAR PERFORMANCE

Our SCOTSTAR neonatal, paediatric and adult retrieval teams continue to work together to provide safe, effective person-centred retrieval and critical care services to communities across Scotland.

It should be noted that while the SCOTSTAR teams and Air Ambulance teams work closely together, SCOTSTAR teams can carry out Road only missions and Air Ambulance can carry out paramedic only missions.

Emergency Medical Retrieval Service

Our Emergency Medical Retrieval Service (EMRS) provides national retrieval services 24 hours a day. EMRS comprises of 2 sections, EMRS West and EMRS North, based at Glasgow Airport and Aberdeen Airport respectively.

EMRS West is comprised of 3 teams per 24 hours with 2 teams on at any time. Each team is led by a Consultant accompanied by a Senior Medical Trainee or a Nurse/Paramedic Retrieval Practitioner. On-base cover providing an immediate response is available from 0700 to 2300, with an on-call response provided overnight.

EMRS North is comprised of a single team and operates on a similar basis as EMRS West.

Neonatal Team

Our Neonatal Transfer Service works nationally across three regions; North, East and West. The team undertakes transfers and retrievals of babies up to five kilograms using a team comprising up to 3 clinicians, including Consultants, Advanced Nurse Practitioners (ANPs), middle grade Doctors and Transport Nurses.

Paediatric Team

Our Paediatric Retrieval Service provides for newborn babies and patients up to 16 years old. Typically, the team is Consultant led, supported by Trainees, Nurse Practitioners and Nurses. The team also works closely with Paediatric Intensive Care Unit partners (PICU), providing telephone advice to referring clinicians.

Adult Transfer and Retrieval Activity

During 2021/22 the EMRS teams received 2,259 calls and were activated on 1,590 missions, an increase of 410 over the previous year:

- The teams performed 106 primary pre-hospital general anaesthetics and gave pre-hospital blood transfusions to 59 patients, in addition to enhanced-response critical care team interventions and senior clinical decision maker input.
- 167 secondary retrieval patients were intubated and ventilated for transfer, with 69% being transported by air, of which 48% were by helicopter and 52% by fixed wing aircraft.
    - Of which, the EMRS teams intubated and ventilated 21 secondary retrieval patients, with 86% being transported by air, of which 78% were by helicopter and 22% by fixed wing aircraft.
- 669 advice calls with remote and rural clinicians. 192 were Top Cover calls.

Other Advice Calls excluding Top Cover by Follow Up

Follow Up Outcome Type	
No follow up recorded	33
No follow up recorded but EMRS not needed	64
No transfer of patient	71
Patient transferred hospital	309

Neonatal Transfer and Retrieval Activity

During 2021/22 the Neonatal Transfer Service performed 1,062 patient transfers:

- 473 of these transfers were repatriations, allowing babies to be safely cared for at a unit closer to their families. Of those transfers the regional teams each carried out the following:
    - West: 214 (45%)
    - East: 188 (40%)
    - North: 70 (15%)
- 93% of the transfers were by road with an average transfer duration of 4 hours 2 minutes.
- 289 transfers were intensive-care level transfers with 176 intubated, ventilated babies.
- 109 other babies were transferred on other advanced respiratory support.

Paediatric Transfer and Retrieval Activity

During 2021/22 the Paediatric Retrieval Team performed 287 patient transfers, visiting over 35 hospital sites across Scotland.

Of those transfers, 192 were intensive care level and 73 were high dependency:

- 153 transfers were intubated, ventilated children.
- The average mission duration by road was 5 hours 48 minutes and by Air was 8 hours 13 minutes.
- 72% of transfers were by road, 16% by fixed wing aircraft and 9% by helicopter. 5 missions required the use of both helicopter and fixed wing resources.

2.5 MEASUREMENT FOR IMPROVEMENT

The performance aims we share, report and discuss with Government colleagues reflect an important but fairly narrow perspective of the contribution the Service makes to our patients' outcomes and experience. A range of additional measures have been, or are being, developed which will guide the ambition of our service to be a care provider which puts the patients' needs at the centre of what we do, and these measures will enable us to evidence the realisation of this ambition.

Continuing to build from previous years we will progress the principle of measuring progress through the provision of high quality data and subsequent scrutiny and analysis. We will achieve this principle by using a small number of tools to improve data literacy levels across the Service beginning with the Board, executives and senior managers. This in turn will move the Service towards its ambition to progressively move away from, for example, simplistic 'Red', 'Amber' and 'Green' (RAG) status measurement/reporting methods to a more dynamic and engaging approach of data visualisation and interpretation.

To underpin this approach, we will embed the Model for Improvement and other improvement methodologies in our development and business as usual practices which will build our ability to use data as a means, for example, to help us understand variation in processes and practices by making that variation visible. This will consequently enable the organisation to collectively discuss and co-design service changes, to improve and standardise data display and improve our data interpretation skills throughout the Service.

2.6 PRINCIPAL RISKS AND UNCERTAINTIES

The Service's Annual Operational Plan identifies the key risks facing the organisation in the context of our operational, tactical and strategic aims and actions for the coming year. The key challenge is how we manage these risks in a way that ensures the continued delivery of quality clinical services and a high standard of operational performance whilst achieving our financial targets.

Principal risks identified include: increasing demand, especially in our urban areas; changes to other parts of the health system which impact on staff welfare and response times; risks in recruitment and training as we implement the new UK Paramedic Education model; cyber risks as we continue to develop digital solutions and unidentified or high risk efficiency saving targets in the planned savings programme. In addition, a separate and detailed risk register is in place for remobilising from the COVID-19 pandemic.

The Service's approach to the management of risk and the Corporate Risk Register is set out in detail in the Governance Statement.

2.7 FINANCIAL PERFORMANCE AND POSITION

The Scottish Government requires NHS Boards to meet three key financial targets:

- **revenue resource limit**
  a resource budget for ongoing operations;
- **capital resource limit**
  a resource budget for new capital investment; and
- **cash requirement**
  a financial requirement to fund the cash consequences of the ongoing operations and the new capital investment.

NHS Boards are expected to contain their net expenditure within these limits, and to report on any variation from the limits set. Further details on the non-core element of expenditure, typically comprising items of a technical accounting nature, can be found in the Summary of Resource Outturn.

The Service achieved each of the targets set and the table below indicates the financial performance against each target.

	(1) Limit as set by SGHSCD £000	(2) Actual Outturn £000	(3) Variance (over)/under (1)-(2) £000
Revenue resource limit – Core	391,142	391,118	24
Revenue resource limit – Non Core	16,570	16,570	-
Capital resource limit	26,515	26,515	-
Cash requirement	407,627	407,627	-

Memorandum for in year outturn	£'000
Core Revenue Resource Variance (Deficit)/Surplus in 2021/22	24
Financial flexibility: funding banked with/(provided by) Scottish Government	55
Underlying (Deficit)/Surplus against Core Revenue Resource Limit	**(31)**
Percentage	**0.00%**

A one-year financial plan was submitted to Scottish Government by the Service on 26 February 2021. Due to the impact of the Covid-19 pandemic, the Scottish Government paused the three-year Annual Operating and financial planning process. Recognising the exceptional nature of 2021-22 and the impact on delivery of financial plans, additional non-repayable funding was provided to support in-year financial balance across all NHS Boards. The Service did not require additional funding.

In respect of financial position and performance:

- The Scottish Ambulance Service achieved breakeven against its Non-Core Revenue Resource Limit and have a small underspend against the Core Revenue Resource Limit at the year-end;
- The Scottish Ambulance Service contained its costs within the revenue and capital resource limits.
- £33.8m of funding was provided to support the Mobile Testing Units
- £18.1m of COVID-19 related costs were incurred and funded by Scottish Government during 2021/22, this includes £1.9m of pandemic stock issued through National Services.
- An additional £2.5m of testing kits were provided through UK Government
- £18.5m of funding was provided to support the Scottish Ambulance Demand and Capacity programme
- An additional £8.5m was received to alleviate system pressures that had built up during the pandemic
- Provisions for bad and doubtful debts of £1,219k were made (2020/21 £323k).
- Provision for legal obligations of £5,153k were made relating to clinical, medical, and legal claims against the Board (2020/21 £4,716k)
- A second provision recognising the requirement to make contributions towards overall Clinical Negligence and Other Risks Indemnity Scheme (CNORIS) liabilities has also made. Based upon the advice of SGHSCD our share is £4,850k by SGHSCD (2020/21 £4,739k);
- Land and buildings were revalued by the Valuation Office Agency at 31 March 2022 on the basis of Existing Use Value (EUV) for non specialised properties and Depreciated Replacement Cost (DRC) for a number of specialised properties. The remaining specialised properties not revalued were indexed at that date using indices supplied by the Building Cost Information Service (BCIS). The valuation was in accordance with the Royal Institute of Chartered Surveyors Statement of Asset Valuation Practices and Guidance Notes, subject to the special requirements of the accounting policies of the NHS.
- The net impact was an increase in value of £426k (2020/21: £182k increase), of which £60k was charged to the revaluation reserve (2020/21: £272k) and £486k credited to the Statement of Comprehensive Net Expenditure (2020/21: £454k). The credit to the Statement of Comprehensive Net Expenditure was comprised of £120k impairment losses (2020/21 £41k) and £606k reversal of previous impairment losses (2020/21 £495k).
- Total outstanding current payables are Board £39,090k, Consolidated £39,093 (2020/21: Board £33,951k, Consolidated £33,956k). Accruals increased to £18,974k (2020/21 £14,729k and is indicative of the timing of expenditure with a large increase in goods being received but not invoiced at 31 March 2022).The Scottish Government have accepted the balanced financial plan submitted by the Service. Therefore, these accounts have been prepared on a going concern basis.

2.7.1 PAYMENT POLICY

The Service is committed to supporting the Scottish Government in helping businesses during the current economic situation by paying bills more quickly. The intention is to achieve payment of all undisputed invoices within 10 working days across all public bodies.

The target has been communicated to all non-departmental public bodies, who are working towards the accelerated payment target of 10 working days.

The Service endeavours to achieve this target, with many invoices processed within 7 working days of date of receipt. However, the sound financial management of public funds requires further investigation of some invoices which can lead to a delay in payment.

Total invoices processed during the year was 73,000 (2020/21 72,000) but with a slightly lower percentage processed within 10 days. Due to some staff turnover within the accounts payable team, the average number of days credit also increased.

Payment Policy	2021/22	2020/21
Invoices paid within 10 Days (Volume)	36%	45%
Invoices paid within 10 Days (Value)	67%	68%
Invoices paid within 30 Days (Volume)	70%	77%
Invoices paid within 30 Days (Value)	88%	88%
Average days credit taken	34	26

2.7.2 PENSION LIABILITIES

The accounting policy note for pensions is provided in Note 1 and disclosure of the costs is shown within Note 17 and the Remuneration Report.

2.7.3 SUSTAINABILITY AND ENVIRONMENTAL REPORTING

The Climate Change (Scotland) Act 2009 set outs measures adopted by the Scottish Government to reduce emissions in Scotland by at least 80% by 2050. In 2015, an Order was introduced requiring all designated Major Players (of which the Service's Board is one) to submit an annual report to the Sustainable Scotland Network detailing compliance with the climate change duties imposed by the Act. The information returned by the Board is compiled into a national analysis report, published annually and superseding the prior requirement for public bodies to publish individual sustainability reports.

The Service is committed to ensuring that it considers Sustainability in all its actions and decisions. Sustainable Development is one of the guiding principles in the Service's Strategic and Operational Planning process.

The Service recognises its responsibilities to promote development which meets the needs of the service;

- without compromising the ability of future generations or other communities to meet their needs, and
- without overburdening the ecosystems on which we all depend for our social, environmental and economic well-being.

The Service acknowledges the great potential benefits within policies and practices relating to employment, training, procurement, transport, energy, waste management and capital development policies and practices that create and support sustainable communities, through minimising environmental damage and promoting social and economic well-being and development.

The Service's National Resilience and Risk Department, with the support of the Sustainability Group will lead on the Climate Change Risk Assessment and Adaption Plan which is aimed to:

- Improve the resilience of the Service's assets to current and future climate risks and develop adaption measures to address these risks;
- Describe the cross agency working;
- Aims to protect vulnerable sites and services; and
- Should aim to reduce the cost of service disruption

Further information on the Scottish Government's approach can be found in the Climate Change Plan 2018-2032 while national reports can be found within the reports section of the Sustainable Scotland Network website www.sustainablescotlandnetwork.org/reports

2.7.4 RELATED PARTY TRANSACTIONS

Details of any interests of Board members, senior managers and other senior staff in contracts or potential contractors with the Health Board as required by IAS 24 are disclosed in Note 19.

2.7.5 EVENTS AFTER THE END OF THE REPORTING PERIOD

There have been no significant events after the end of the financial year that would materially impact on the information contained within the accounts.

2.7.6 FINANCIAL INSTRUMENTS

Information in respect of the financial risk management objectives and policies of the Board and the exposure of the Service to price risk, credit risk, liquidity risk and cash flow risk is disclosed in Note 18.

The Accounting Officer (Chief Executive) of the Service has authorised these financial statements for issue on the 29 June 2022.

2.7.7 EQUALITY AND DIVERSITY

Our mission is to deliver the best ambulance services for every person, every time. Our goals to improve clinical quality, respond appropriately to the health needs of patients, support self- management and reduce health inequalities cannot be achieved without a firm commitment to continue to progress our equalities work now and in the future.

We have reviewed progress against the Equality Outcomes agreed for 2017–21 and have built on the work we have done to develop outcomes which have been agreed for 2021–25. These closely align with our strategic direction and focus on patient facing services and initiatives planned to improve the experience of our workforce. The development of the equality outcomes provided the assurance that the Service meets the equality and diversity needs of people with the nine protected characteristics (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation) whether they are patients, members of the public, carers or staff. Details of the progress and our equality outcomes for 2021 -25 are illustrated in the Mainstreaming Report, which also provides examples of how we are building equality and diversity in to all that we do. The Report was published on the Service's website in April 2021, together with the Equal Pay Statement and Gender Pay Gap Information.

The annual Workforce Equality Monitoring Report 2020 -21 details the steps we are taking to improve the diversity of the workforce and encourage staff to disclose equality details to allow more complete reporting.

The Service has established its own Lesbian, Gay, Bisexual & Transgender + network – Proud@SAS, Black, Asian & Minority Ethnic forum and the Disability network met for the first time in January 2022. Linking with national initiatives, these networks support and engage staff and patients and help the Service raise awareness and an improved understanding of the Service's LGBT+, BAME and Disabled staff and communities. Work continues to explore other opportunities to identify ways to better engage with communities to improve the Service's diversity profile of staff.

Employee matters

The recognised principles of autonomy, dignity, equality, fairness and respect are firmly embedded in our organisational values. The Service's Equality, Diversity and Human Rights and Recruitment and Selection policies support these principles for staff ensuring there are fair and equitable processes in place and these apply to all who work with the Service. This is regardless of employment status and includes permanent and fixed term contracts, members of staff on zero hours contracts, those working on behalf of other agencies, those on secondment to Scottish Ambulance Service, volunteers and those on work experience.

The Service works within the Disability Confident Standard and recognises best practice in employing, retaining and developing disabled staff. Applicants who have a disability can take part in the job interview guarantee initiative under which they will be offered an interview if they meet the minimum criteria for the post. Additional support is provided for applicants to ensure they are able to fully participate in the recruitment process. Reasonable adjustments are put in place for those staff who become disabled during the course of their employment, in order to remove barriers to access and participation and promote equality of opportunity.

The Service has been involved in the development of human resources polices with staff side colleagues through the national 'Once for Scotland' Workforce Policies Programme. A number of these policies are now in place although this programme of work has been paused during the pandemic. In partnership with staff side colleagues, local policies are developed and staff have the opportunity to contribute to this process through the National Partnership Forum.

The Service is committed to providing a work environment free from bullying and harassment and the Bullying and Harassment Policy supports and encourages a culture where unlawful or unfair discriminatory treatment is not tolerated. The Whistleblowing Policy, confidential alert line and dedicated email address, are promoted widely in order that staff can raise serious matters of concern including those relating to danger, professional misconduct or financial malpractice that might affect patients, colleagues or Service users. New arrangements were put in place on 1 April 2021 to support the reporting of instances of whistleblowing including a dedicated webpage and designated contacts for staff to discuss concerns.

The Service is committed to complying with the duties under health and safety legislation in order to ensure, the health, safety and wellbeing of staff. The health, safety and wellbeing group support this work providing a service wide framework of policies, guidance and advice.

It is recognised that staff play a vital role in achieving the vision of the Service to provide the very best care for all our patients in Scotland. The Wellbeing Strategy sets out how we are developing a healthy culture and workplace environment in which a healthy body, mind and lifestyle for our staff will flourish. We understand that improved staff experience ultimately leads to better patient experience.

Social, Community and Human Rights

The challenge for the Service is to translate the legislative requirements into an approach to mainstreaming equality and human rights into health policy and practice, which aims in turn to tackle health inequalities and improve health outcomes. The work of the Service is aligned with existing NHS and Scottish Government policy priorities, linking this to national evidence where possible, and integrating into current performance management systems where relevant.

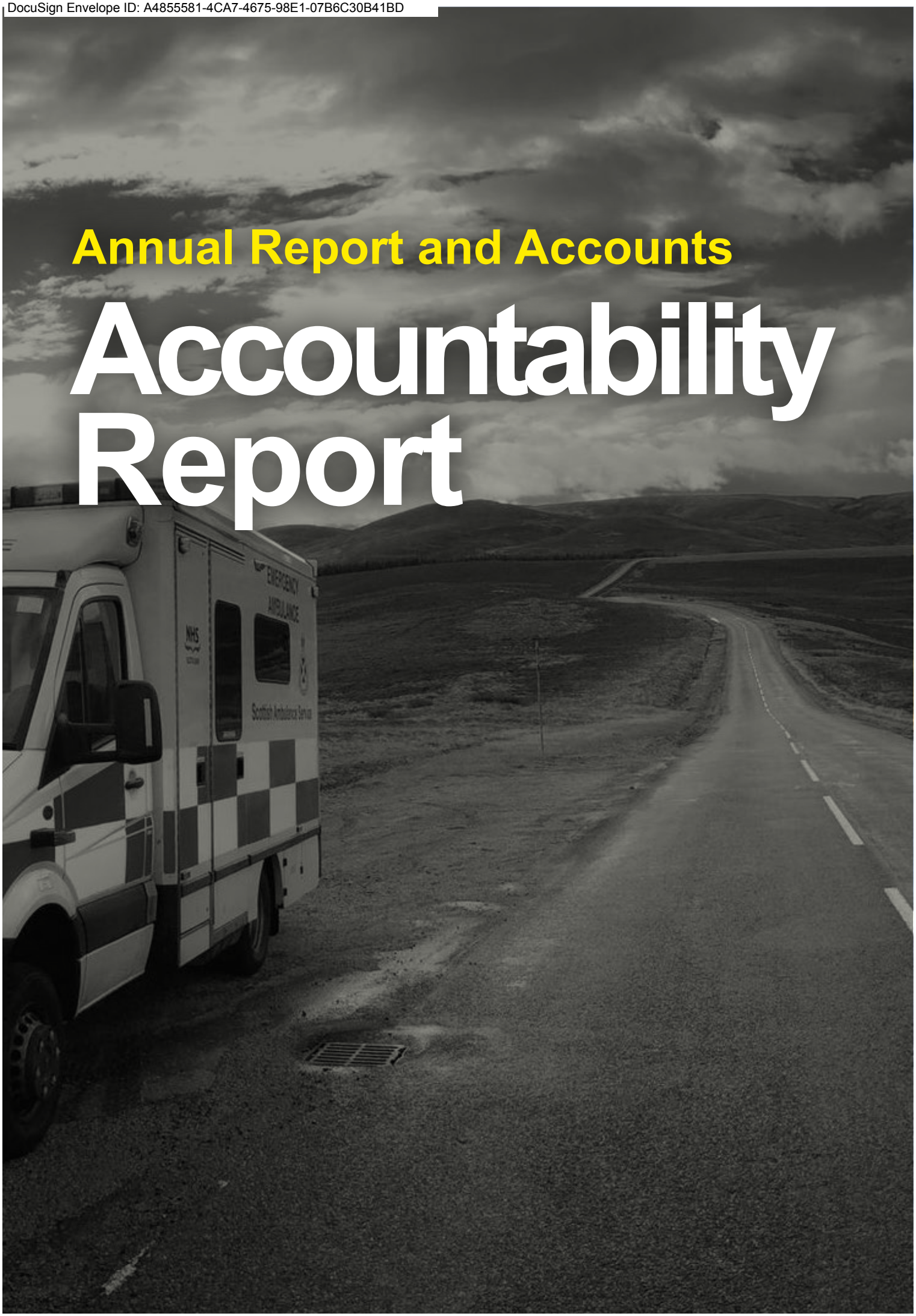
The Service's Equality Impact Assessment guidance ensures the impact of equality and health inequalities is integrated into the decisions and actions of the Board. Under the Fairer Scotland Duty, consideration is given to strategic decision-making and how steps can be taken to reduce health inequalities resulting from socio economic disadvantage.

Human rights principles of autonomy, dignity, equality, fairness and respect underpins the development of employment policies, partnership working, working with vulnerable adults and children and developing person-centred care for our patients; including the way we communicate and gain consent to treatment.

I confirm that this Performance Report is an accurate summary of the information reported therein.

Signed: Pauline Howie
Date: 29 June 2022

Mrs Pauline Howie OBE
Chief Executive



Annual Report and Accounts

Accountability Report

Accountability Report

Corporate Governance Report Directors' Report

1. ACCOUNTING CONVENTION

The Annual Accounts and Notes have been prepared under the historical cost convention as modified to reflect changes in the value of fixed assets and in accordance with the 2021/22 FReM. The Accounts have been prepared under a direction issued by Scottish Ministers, which is appended to the accounts.

The statement of the accounting policies, which are in line with the International Financial Reporting Standards (IFRS) and have been adopted, are shown at Note 1.

2. NAMING CONVENTION

Scottish Ambulance Service is the common name for the Scottish Ambulance Service Board.

3. PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The information that fulfils the requirements of the business review, principal activities and future developments can be found in the Performance Report, which is incorporated in this report by reference.

4. DATE OF ISSUE

The Accountable Officer authorised these financial statements for issue on 29 June 2022.

5. APPOINTMENT OF AUDITOR

The Public Finance and Accountability (Scotland) Act 2000 places personal responsibility on the Auditor General for Scotland to decide who is to undertake the audit of each health body in Scotland. The Auditor General has appointed Grant Thornton UK LLP to undertake the audit of the Scottish Ambulance Service. The general duties of the auditors of health bodies, including their statutory duties, are set out in the Code of Audit Practice issued by Audit Scotland and approved by the Auditor General.

6. REMUNERATION FOR NON-AUDIT WORK

Grant Thornton UK LLP, the Service's External Auditor, have undertaken no non-audit related work during 2021/22.

7. PUBLIC SERVICES REFORM (SCOTLAND) ACT 2010

The Public Services Reform (Scotland) Act came into being in October 2010. In Sections 31 and 32 it placed a duty on all public bodies to publish information on expenditure and certain other matters as soon as is reasonably practicable after the end of each financial year. These items include:

- Overseas Travel;
- Public Relations;
- Hospitality and Entertainment; and
- External Consultancy.

In order to comply with this Act, the Service places on its external website the information relating to the expenditure incurred under these headings since 1 April 2011.

In addition, public bodies are required to publish cash payments made to external parties that exceed £25,000 on a monthly basis, as soon as the monthly accounts are available. A list of these payments is also placed on our External Website. The following link will take readers to the relevant information: https://www.scottishambulance.com/publications/

Payments made to staff that exceed £100,000 per annum should also be disclosed. This information is contained in the remuneration report. No other members of staff currently earn more than £100,000 per annum.

8. PERSONAL DATA RELATED INCIDENTS REPORTED TO THE INFORMATION COMMISSIONER

There have been no data related incidents reported to the Information Commissioner during the year 2021/22.

9. DISCLOSURE OF INFORMATION TO AUDITOR

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Board's auditor is unaware; and each director has taken all the steps that he/she ought reasonably to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Board's auditors are aware of that information.

10. CORPORATE GOVERNANCE

The Board meets regularly during the year to progress the business of the Service's Board. This includes: reviewing of performance against the key targets for the organisation; considering the key strategies and policies the organisation wishes to develop; and seeking assurance that principal decisions are governed and implemented, as planned. In order to support the work of the Board and to provide a framework of assurance, the following statutory governance committees report to the Board:

- Clinical Governance;
- Audit;
- Staff Governance; and
- Remuneration (as a sub-committee of the Staff Governance Committee).

Clinical Governance Committee

The Clinical Governance Committee of the Board has two key roles:

- Systems assurance – to ensure that clinical governance mechanisms are in place and operate effectively throughout the Service's System; and
- Public health governance – to ensure that the principles and standards of clinical governance are applied to the health improvement activities of the NHS Board.

The Clinical Governance Committee comprised five Non-Executive Directors: Mr Martin Togneri, Chair, (to 31 December 2021) and Mr Stuart Currie, Chair, (from 01 January 2022), Dr Francis Tierney, Ms Irene Oldfather, Ms Carol Sinclair, Ms Elizabeth Humphreys and the Board Chair, Mr Tom Steele. The Committee meets at least four times per year to monitor standards of care and measure the effectiveness of pre-hospital treatment. The Committee met 4 times in 2021/22 and all meetings were quorate.

Audit Committee

The Audit Committee comprised five Non-Executive Directors: Ms Carol Sinclair, Chair, Ms Madeline Smith, Councillor Cecil Meiklejohn (to 01 January 2022), Ms Irene Oldfather, Mr Stuart Currie and Mr John McGuigan (from 01 December 2021). The Committee meets four times per year to consider the various reports from both internal and external auditors to assess the risks and internal controls in the Service. The Committee met 4 times in 2021/22 and all meetings were quorate.

Staff Governance Committee

The Staff Governance Committee comprised four Non-Executive Directors: Ms Madeline Smith, Chair, Mr John Riggins (Employee Director), Mr Stuart Currie (to 01 December 2021), Mr Martin Togneri (to 31 December 2021) Mr John McGuigan (from 01 December 2021), Councillor Cecil Meiklejohn (from 01 January 2022) the Board Chair Mr Tom Steele and three lay officials (in an *ex officio* capacity). The Committee meets four times per year to ensure effective monitoring of staff governance within the organisation. The Committee met 4 times in 2021/22 and all meetings were quorate.

Remuneration Committee

The Remuneration Committee, which reports to Staff Governance Committee, comprised the Board Chair, Mr Tom Steele and four Non-Executive Directors: Dr Francis Tierney (Chair); Councillor Cecil Meiklejohn; Ms Elizabeth Humphreys and Mr John Riggins (Employee Director). The Committee meets at least twice per year to consider the evaluation of performance and pay awards for Executive Directors. It has an important role in ensuring consistency of policy and equity of treatment of staff across the local NHS system, including remuneration issues, where they are not already covered by existing arrangements at national level. The Committee met twice in 2021/22 and all meetings were quorate.

11. BOARD MEMBERSHIP

Under the terms of the Scottish Health Plan, the Service's Board ("the Board") is a Board of governance whose membership will be conditioned by the functions of the Board. Members of Health Boards are selected on the basis of their position or the particular expertise which enables them to contribute to the decision making process at a strategic level.

The Board has collective responsibility for the performance of the Service as a whole, and reflects the partnership approach, which is essential to improving health and health care.

The Service's Board comprised the following up to the date of signing the accounts:

Tom Steele	Chair
Pauline Howie OBE	Chief Executive
Stuart Currie	Non-Executive Director
Elizabeth Humphreys	Non-Executive Director and Whistleblowing Champion
John McGuigan	Non-Executive Director (from 1 October 2021)
Cecil Meiklejohn	Non-Executive Director
Irene Oldfather	Non-Executive Director and Vice Chair
Carol Sinclair	Non-Executive Director
Madeline Smith	Non-Executive Director
Dr Francis Tierney	Non-Executive Director
Martin Togneri	Non-Executive Director (to 31 December 2021)
John Riggins	Employee Director
Julie Carter	Director of Finance, Logistics and Strategy
Dr Jim Ward	Medical Director

New Appointments

John McGuigan was appointed as Non-Executive Director to the Board on 1 October 2021.

The Board members' responsibilities in relation to the accounts are set out in a statement following this report.

Board Members' and Senior Managers' interests

A full register of interests of board members and senior managers is updated on a regular basis and is available on the Service's website under the Board publications section, or is available from the Board Secretary's office.

Where a Board member or senior manager exempts themselves from any decision because of a conflict of interest this is recorded in the minute of the relevant meeting.

Corporate Governance Report Statement of the Chief Executive's Responsibilities as the Acountable Officer of the Health Board

Under Section 15 of the Public Finance and Accountability (Scotland) Act, 2000, The Principal Accountable Officer (PAO) of the Scottish Government has appointed me as Accountable Officer of the Scottish Ambulance Service Board.

This designation carries with it responsibility for:

- the propriety and regularity of financial transactions under my control;
- the economical, efficient and effective use of resources placed at the Board's disposal; and
- safeguarding the assets of the Board.

In preparing the Accounts, I am required to comply with the requirements of the Government's Financial Reporting Manual and in particular to:

- observe the accounts direction issued by Scottish Ministers including the relevant accounting disclosure requirements and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government's Financial Reporting Manual have been followed and disclose and explain any material departures; and
- prepare the accounts on a going concern basis.

I confirm that the annual report and accounts as a whole are fair, balanced and reasonable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

I am responsible for ensuring proper records are maintained and that the Accounts are prepared under the principles and in the format directed by Scottish Ministers. To the best of my knowledge and belief, I have properly discharged my responsibilities as Accountable Officer as intimated in the Departmental Accountable Officers letter to me of 28 April 2012.

Corporate Governance Report Statement of Board Members' Responsibilities in Respect of the Accounts

Under the National Health Service (Scotland) Act 1978, the Health Board is required to prepare accounts in accordance with the directions of Scottish Ministers which require that those accounts give a true and fair view of the state of affairs of the Health Board as at 31 March 2022 and of its operating costs for the year then ended. In preparing these accounts the Directors are required to:

- apply on a consistent basis the accounting policies and standards approved for NHS Scotland by Scottish Ministers;
- make judgements and estimates that are reasonable and prudent;
- state where applicable accounting standards as set out in the Financial Reporting Manual, have not been followed where the effect of the departure is material; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Board will continue to operate.

The Health Board members are responsible for ensuring that proper accounting records are maintained which disclose with reasonable accuracy at any time the financial position of the Board and enable them to ensure that the accounts comply with the National Health Service (Scotland) Act 1978 and the requirements of the Scottish Ministers. They are also responsible for safeguarding the assets of the Board and hence taking reasonable steps for the prevention of fraud and other irregularities.

The NHS Board members confirm they have discharged the above responsibilities during the financial year and in preparing the accounts.

Corporate Governance Report Governance Statement

Scope of Responsibility

As Accountable Officer, I am responsible for maintaining an adequate and effective system of internal control that supports compliance with the Board's policies and promotes achievement of the Service's aims and objectives, including those set by Scottish Ministers. Also, I am responsible for safeguarding the public funds and assets assigned to the Board.

Purpose of Internal Control

The system of internal control is based on an ongoing process designed to identify, prioritise and manage the principal risks facing the organisation. The system aims to evaluate the nature and extent of risks, and manage risks efficiently, effectively and economically.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve the organisation's aims and objectives. As such, it can only provide reasonable and not absolute assurance.

The process within the Board accords with guidance from Scottish Ministers in the Scottish Public Finance Manual (SPFM) and supplementary NHS guidance, and has been in place for the year up to the date of approval of the annual report and accounts.

The SPFM is issued by Scottish Ministers to provide guidance to the Scottish Government and other relevant bodies on the proper handling and reporting of public funds. The SPFM sets out the relevant statutory, parliamentary and administrative requirements, emphasises the need for efficiency, effectiveness and economy, and promotes good practice and high standards of propriety.

In terms of enabling me to discharge my responsibilities as Accountable Officer, and in line with good practice, the Board had the following robust governance arrangements and processes in place for the year ended 31 March 2022, with the key points of this framework detailed below:

- A Board which meets regularly to discharge its governance responsibilities, set the strategic direction for the organisation and approve decisions in line with the Scheme of Delegation. The Board comprises the senior management of the organisation and Non-Executive members. The Board activity is open to public scrutiny with minutes of meetings publicly available.
- The Board receives regular reports on Healthcare Associated Infection and reducing infection as well as ensuring that health and safety, cleanliness and good clinical practice are high priorities for the Service.
- Scheme of Delegation, Standing Orders and Standing Financial Instructions approved by the Board and subject to regular review to assess whether they are relevant and fully reflective of both best practice and mandatory requirements.
- Implementation of organisation wide risk management arrangements in line with the Board's Risk Management Policy.
- Documentation of the remits of the Board and its committees as well as ensuring scrutiny of activities;
- Consideration by the Board of regular reports from the chairs of the staff governance, clinical governance, and audit committees concerning any significant matters on governance, risk and internal controls.
- The Board's Performance and Planning Steering Group scrutinises the service delivery, clinical, finance and people performance of the organisation on behalf of the Board via a range of reports and papers.
- Demand and Capacity Programme Board continues to meet monthly, is chaired by the Chief Executive and has the Service's Board Chair and non-Executive Board members as member of the Programme Board.
- A strong focus on best value and commitment to ensuring that resources are used efficiently, effectively and economically taking into consideration equal opportunities and sustainable development requirements. Updates on the Service's Best Value Programme are provided to the Executive Team on a weekly basis and the Audit Committee on a quarterly basis.
- Regular review of performance against key national targets.
- Clear allocation of responsibilities for ensuring that we continue to review and develop our organisational arrangements and services in line with national standards and guidance.
- Allocation of responsibilities for the implementation of improvement actions to lead directors and sector management across our clinical and non-clinical activities.
- Consultation on service change proposals is undertaken with stakeholders and used to inform decision making.
- A patient feedback service and how the service is performing.
- Policies to protect employees who raise concerns in relation to suspected wrongdoing such as clinical malpractice, fraud and health and safety breaches.

Governance Framework

The Scottish Ambulance has set out its vision of how the service will be delivered in its Remobilisation Plan for 2021/22 which aligns to “Re-mobilise, Recover, Re-design: The Framework for NHS Scotland”, published by the Scottish Government on 31 May 2020. Following months of extensive engagement with internal and external stakeholders, the 2030 strategy will be relaunched in July 2022.

The Audit Committee has governance oversight of system of risk management system, and that committee receives a report on risk management at every meeting. Other committees have responsibility for oversight of specific categories of risk which relate to their remit. The work of all committees includes oversight of compliance with the law and regulatory activity which is relevant to their remits.

The Service’s Board is supported in its governance responsibilities by the following committees:

Committee	Responsibilities
Staff Governance	The Staff Governance Committee comprised four Non-Executive Directors: Ms Madeline Smith, Chair, Mr John Riggins (Employee Director), Mr Stuart Currie (to 01 December 2021), Mr Martin Togneri (to 31 December 2021) Mr John McGuigan (from 01 December 2021), Councillor Cecil Meiklejohn (from 01 January 2022) the Board Chair Mr Tom Steele and three lay officials (in an *ex officio* capacity). The Committee meets four times per year to ensure effective monitoring of staff governance within the organisation. The Committee met 4 times in 2021/22 and all meetings were quorate.
Audit	The Audit Committee comprised five Non-Executive Directors: Ms Carol Sinclair, Chair, Ms Madeline Smith, Councillor Cecil Meiklejohn (to 01 January 2022), Ms Irene Oldfather, Mr Stuart Currie and Mr John McGuigan (from 01 December 2021). The Committee meets four times per year to consider the various reports from both internal and external auditors to assess the risks and internal controls in the Service. The Committee met 4 times in 2021/22 and all meetings were quorate.
Clinical Governance	The Clinical Governance Committee of the Board has two key roles: • Systems assurance – to ensure that clinical governance mechanisms are in place and operate effectively throughout the Scottish Ambulance Service System; and • Public health governance – to ensure that the principles and standards of clinical governance are applied to the health improvement activities of the NHS Board. The Clinical Governance Committee comprised five Non-Executive Directors: Mr Martin Togneri, Chair, (to 31 December 2021) and Mr Stuart Currie, Chair, (from 01 January 2022), Dr Francis Tierney, Ms Irene Oldfather, Ms Carol Sinclair, Ms Elizabeth Humphreys and the Board Chair, Mr Tom Steele. The Committee meets at least four times per year to monitor standards of care and measure the effectiveness of pre-hospital treatment. The Committee met 4 times in 2021/22 and all meetings were quorate.
Remuneration	The Remuneration Committee, which reports to Staff Governance Committee, comprised the Board Chair, Mr Tom Steele and four Non-Executive Directors: Dr Francis Tierney (Chair); Councillor Cecil Meiklejohn; Ms Elizabeth Humphreys and Mr John Riggins (Employee Director). The Committee meets at least twice per year to consider the evaluation of performance and pay awards for Executive Directors. It has an important role in ensuring consistency of policy and equity of treatment of staff across the local NHS system, including remuneration issues, where they are not already covered by existing arrangements at national level. The Committee met twice in 2021/22 and all meetings were quorate.
Information Governance	The Information Governance Group, which reports to the Audit Committee, is chaired by the Director of Care Quality & Professional Development with the main objective of the Committee to ensure a framework is in place to bring together all of the requirements, standards and best practice that apply to the handling of information.

In response to the Covid pandemic, it was agreed the scheduled review of the clinical governance framework should be deferred. The framework will be reviewed by the Clinical Governance Committee in August 2022.

The Board also examines its own effectiveness in line with current best practice, approves the scheme of delegation and ensures compliance with current legislation. The Board through defining the roles and responsibilities of members sets out clear areas of responsibility and levels of delegated authority.

The Board in conjunction with the Scottish Government Health and Social Care Directorates sets a series of performance measures that enables the Board to report to the public on the quality of services provided and how year on year these are improving.

The Board has a whistle blowing policy and makes it clear that staff will be supported when they raise areas of concern in respect of patient safety and quality of service. Following an all Boards appointment process in February 2020, the Board appointed a Non-Executive Whistle Blowing Champion to further promote a culture of openness and transparency in NHS Scotland. The Scottish Government have a whistle blowing help line in place to assist NHS Scotland staff in raising appropriate concerns.

Each of the Executives and Non-Executives as Board members have key objectives to deliver each year and they are formally appraised, in the case of the Executives, by the Chief Executive and the Non – Executives by the Chair. The Chief Executive is appraised by the Chair also. From these appraisals, Personal Development Plans are prepared and acted upon. The Board development sessions provide an opportunity for the Board to develop as a collective.

Various channels of communication exist to enable effective communication with stakeholders. These vary from the Chief Executive's Bulletin to internal stakeholders, to one to one meetings with key stakeholders at Scottish Government.

The Board has endeavoured to ensure compliance with the SPFM and is assured that it is in compliance with all relevant areas of this code that impact on Scottish NHS public bodies. In addition, the Board is aware of its responsibilities in respect of the Bribery Act 2010.

The Audit Committee received a discussion paper in June 2021 on the early stages development of an assurance framework, this work was supplemented by discussion at the National Corporate Governance Steering group and the proposed refresh of the Blueprint for Good Governance. This refresh will support the implementation of a Board Assurance Framework. The development of the Board Assurance Framework was discussed at the Board Development session in August 2021 and focused on

- the role of Board standing committees in ensuring scrutiny is taking place at this committee level, with each committee providing assurance and escalating key issues as required.
- The development of a Board Assurance Framework including the information datasets and development to support this
- Agenda setting
- Role of the annual report
- Committee workplan and/or Committee assurance plan
- Committee Chair's assurance report
- Governance statement
- A draft action plan to progress the proposed changes

As per the guidance contained within the Scottish Public Finance Manual (SPFM) to the best of my knowledge the Board has followed the underlying principles of good governance as defined by the SPFM; accountability, transparency probity and focus on sustainable success in conducting its business during the year, in conjunction with this, work has commenced to embed the principles of the Blueprint for Good Governance.

Our internal auditors completed an audit assessment in two parts against our arrangements which was reported to our Audit Committee in April 2020. KPMG were pleased to report that the Board had taken a structured and responsive approach to the Blueprint requirements and has demonstrated ongoing progress against the action plans required by the Scottish Government Health Directorate and the Board Action Plan in line with the required timescales.

Review of Adequacy and Effectiveness

As Accountable Officer, I am responsible for reviewing the adequacy and effectiveness of the system of internal control. My review is informed by:

- the executive and senior managers who are responsible for developing implementing and maintaining internal controls across their areas;
- the work of the internal auditors, who submit to the organisation's Audit Committee regular reports which include their independent and objective opinion on the effectiveness of risk management, control and governance processes, together with recommendations for improvement;
- comments made by the external auditors in their management letters and other reports;
- establishment of key performance and risk indicators, including the requirement for all projects to be managed according to PRINCEII project management methodology;

- maintenance of an organisation-wide risk register formally reviewed by the Board annually and the Risk Management Steering Group meets at the Senior Management Team meetings three times per annum;
- the operation of a comprehensive performance appraisal system for all staff with personal objectives and development plans designed to support the Board in the attainment of the corporate objectives set out in the Health Plan and Delivery Plan. In addition, Personal Development Plans for all staff are being developed in line with the NHS Agenda for Change Knowledge and Skills Framework;
- an efficient government programme which aims to achieve cash releasing savings and productivity improvements (e.g. overtime management); and
- the operation of a continuous improvement strategy.

Additional assurance has been provided during 2021/22 via the receipt of formal reports relating to each of the governance committees. All Executive Directors have also signed certificates of assurance demonstrating that all internal controls are working effectively in their area of responsibility, in line with the temporary changes to internal processes and governance during the COVID-19 pandemic.

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, Clinical Governance Committee, Staff Governance Committee and Information Governance Group. Appropriate action is in place to address weaknesses identified and to ensure the continuous improvement of the system.

Best Value

In accordance with the principles of Best Value, the Board aims to foster a culture of continuous improvement. As part of this, Directors and Managers are encouraged to review, identify and improve the efficient and effective use of resources. I can confirm that arrangements have been made to secure Best Value as set out in the Scottish Public Finance Manual.

Risk Assessment

All NHS Scotland bodies are subject to the requirements of the Scottish Public Finance Manual (SPFM) and must operate a Risk Management Strategy in accordance with relevant guidance issued by Scottish Ministers. The general principles for a successful Risk Management Strategy are set out in the SPFM.

The Board Risk Management Policy was written to replace the Management of Risk Strategy 2016-2020, and was approved by the Service's Board in January 2020. This Risk Management Policy sets out the objectives and organisational arrangements for the management of risk and supports the Service strategy and corporate objectives. The policy defines our formal process through a systematic programme of identification, analysis, evaluation, ranking, treatment and importantly escalation of risk. In addition, the Service has adopted the principles and guidelines set out in ISO31000:2018 International Standards for Risk Management, which has been updated from its previous iteration in 2009. These are commonly used in NHS Scotland.

The Service aims to control, eliminate, or reduce risk to an acceptable level by creating a culture founded upon assessment, prevention, and learning, rather than reaction and remedy. Effective Risk Management will:

- Help to ensure the safety of patients, staff and the public;
- Protects the services and finances of the Service;
- Enhance the reputation and public image of the Service; and
- Improve ongoing delivery of emergency care and patient transport services

An acceptable level of risk is defined as a level in keeping with relevant guidelines and compliance with National Standards, guidelines and legislation. In addition, during 2019/20 the Board risk appetite was also defined, with risk tolerance also set against all of our corporate risks. This was further reviewed in September 2020 following our remobilisation from COVID-19 and will form part of an annual review process with our Board along with review of our corporate risks. Processes of risk assessment and treatment; maintenance of risk registers and escalation; regular monitoring of progress and assurance of effective controls are in place to manage the high and very high risks within the Service.

In line with the Risk Management Policy all

- Low and medium risks have oversight at Local, Regional and/or Programme Group level;
- High and Very High risks have oversight at a National level through escalation to the Performance and Planning Steering Group and the appropriate Board Governance Committees; and
- Are escalated for oversight at Board Governance Committee and Board level as appropriate.

Risk Management Principles

The Service promotes and fosters a culture which is open and honest about mistakes in order that the lessons can be learned and shared to reduce the likelihood of them re-occurring in the future.

To do this, the policy aims to allow the Service:

- to positively support all staff to take personal responsibility for their own learning for risk management;
- to create an environment which encourages and supports staff to report adverse events / near miss, including their own human errors, so that learning and improvement can take place;
- to provide a 'fair and just culture';
- to make non-threatening arrangements for the open discussion of events with the sole purpose of identifying what can be done to prevent it happening again;
- to make suitable and inclusive arrangements to ensure that our learning is used to improve procedures and processes and share the lessons learned;
- to ensure all staff have a personal responsibility to perform their duties properly and in accordance with any procedures, rules or instructions provided;
- to ensure consideration of risk should not inhibit innovation and service operations;
- to endeavour to understand the risks faced and be aware of the cost of risk to the organisation.

A Board risk workshop, facilitated by our internal auditors, KPMG took place on 28 April 2021 and 27 April 2022 to review the risk appetite for the Service following our remobilisation from Covid-19. This then allowed us to identify tolerances for each of our Corporate Risks. A review of horizon scanning and risk appetite will be carried out within the coming months in parallel with the Risk Management Policy Review – this was initiated at the Board Risk Appetite Review Workshop in April and is ongoing to include newly identified risks and the monitoring of low likelihood but high consequence risks to ensure appropriate response preparedness.

Our Corporate Risk Register is presented to each Board meeting for approval following monthly review by our performance and planning steering group (PPSG). PPSG includes the Executive Team and a cross section of senior managers, who also review all risk registers bi-annually, in order to review the current high and very high risks, monitor current and planned controls, and consider whether any of those risks require escalation to the Board.

Identified risks and allocation of resources are prioritised through a risk matrix scoring methodology that examines likelihood and impact, when compared to risk tolerance through appetite. Thereafter, the risks have controls and mitigating actions planned and resourced which allow the organisation to monitor and manage these risks to an acceptable level.

Risk Management Governance is reported through the PPSG, chaired by the Chief Executive, which meets on a monthly basis. The Corporate risk output from this group is reported to the quarterly Audit Committee, as well as the bi-monthly Board meetings.

Internal Audit also utilise the Corporate Risk Register to develop their workplan for the forthcoming year. This process ensures that Internal Audit is focussed on areas of greatest risk to the organisation and can give assurance and advice with regards to controls.

More generally, the Service is committed to continuous development and improvement: developing systems in response to events, and relevant reviews and development in best practice. In particular, during the year to 31st March and up to the signing of the accounts, the Service has put in place the following:

- A workshop was facilitated by our Internal Auditors – KPMG to review our Risk Appetite Statement following our remobilisation from COVID-19 with tolerances identified for each Corporate Risk. Our Appetite for risk has also been built into our remobilisation plan 3 from Covid-19 and will also inform the development of our 2030 Strategy.
- Corporate Risk Register is approved by each Service Board meeting.
- The Service engaged with Healthcare Improvement Scotland on the management of Significant Adverse Events.
- Risk Management Governance is reported to the Performance & Planning Steering Group on a monthly basis throughout the year.
- A regular programme of facilitated workshops to identify, and keep up-to-date, the record of risks facing all levels of the Service.
- Quarterly Clinical Governance Risk Management and Patient Safety reports have been presented to the Clinical Governance Committee.
- Quarterly Risk Management reports have been presented to the Audit Committee.
- Managers and staff have been trained to use the Service's risk management system - Datix for the management of adverse events, feedback risks. This was a combination of 1-1 and e-learning training.
- The Service's Risk Management system, Datix has been developed to record Whistleblowing concerns following launch of the new Standards from 1st April 2021.
- An improvement plan is being taken forward on the Datix system to streamline the incident reporting form and review the coding structure.

In line with our approved Good Governance report and

improvement action plan approved by the Board in April 2019 we agreed the following actions under the Assessing and Assuring Risk section:

- Approve the Board risk appetite and tolerances
  – *Risk appetite statement was approved at the Board meeting in May 2019, further reviewed in August 2020, and will be updated with the results of the recent workshop. This will be an annual process.*
- Complete the Review of the Corporate Risks to reduce variability in grading, ensuring risks are more tangible and assess in line with Board agreement on risk tolerance and risk appetite
  – *This is an annual process*
- Approve and monitor the implementation of the revised Risk Management Policy across the Service to spread knowledge of updated practice and ensure underpinning risk governance reporting is in place.
  – *Risk management policy was approved at the January 2020 Board meeting and implemented through 2020/21. The Policy is currently undergoing a further review.*

Corporate Risk Register (as at March 2022)

Risk ID	Risk Description and Impact	Current Risk Level	Risk Tolerance
3852	The continuity of ACC operations is impacted because of infrastructure failing (e.g. power outage) resulting in the need to strengthen business continuity / disaster recovery arrangements for ACC evacuation to avoid the possibility of loss of service provision affecting patient care inflicting reputational, clinical, operational and political damage.	High	Medium
4636	There is a risk that the health and wellbeing of our staff is affected because of the immediate and longer-term impact of the Covid-19 pandemic. This in combination with the pressures of working in an emergency service possibly resulting in an increase in absence levels, lower morale and resilience and reduced service capacity.	High	Medium
38	Wider system changes and pressures: There is a risk of increased service pressures on SAS because of changes to other parts of the whole system resulting in the following; • Insufficient staffing and longer response times • Increased journey times to hospitals as a result of centralisation of clinical services • Longer turnaround times at hospitals • Other Health Care Services attempting to recruit paramedics, due to changes in their care delivery plan	Very High	Medium
4639	There is a risk that the Service's response to an adverse cyber event because of identified capability gaps resulting in the Service being unable to timeously fully recover from the loss of ICT systems or data, causing extended service disruption and reputational damage	Very High	Medium
4640	There is a risk of further slippage in the UK Government Emergency Service Communications Programme (ESMCP), because of ongoing technical and delivery challenges, resulting in the need to further extend Airwave service provision and the cost pressures and potential operational challenges this involves.	High	Medium
4641	There is a risk that SAS may suffer a shortfall in Paramedics because of the potential of being unable to recruit and train sufficient numbers in the transition period to the new Paramedic Education model arrangements, resulting in an inability to deliver safe, effective & person-centred care.	High	Medium
4651	Demand and Capacity: There is a risk that SAS cannot consistently deliver a timely response to patients because of increased demand which exceeds available capacity, resulting in the potential for adverse patient outcomes.	High	Medium
5062	There is a risk that we do not achieve our financial targets in 2022-23 because of non-delivery of efficiency savings, increasing cost pressures and no funding to support the increased costs of COVID within the Service resulting in an inability to ensure Financial Sustainability and Improve Value.	High	Medium

Disclosures

During the financial year, no significant control weaknesses or issues have arisen and no significant failures have arisen in the expected standards for good governance, risk management and control.

Remuneration And Staff Report Remuneration Report

Board Members' and Senior Managers' Remuneration

Information disclosed in this report relates to the remuneration of Board members and senior managers who directly report to the Chief Executive.

Board members and senior managers are remunerated in accordance with approved national pay rates. All posts at this level are subject to job evaluation arrangements and pay scales applied to reflect the outcome of these processes. All extant policy guidance issued by SGHSCD has been appropriately applied and agreed by the Remuneration Committee

Performance appraisal for Board members and senior employees is conducted in accordance with HDL(2006)23 and any subsequent amendment – *Appraisal arrangements for staff on Executive pay ranges.*

The Remuneration Committee, which reports to Staff Governance Committee, comprised the Board Chair, Mr Tom Steele and four Non-Executive Directors: Dr Francis Tierney (Chair); Councillor Cecil Meiklejohn; Ms Elizabeth Humphreys and Mr John Riggins (Employee Director). The Committee meets at least twice per year to consider the evaluation of performance and pay awards for Executive Directors. It has an important role in ensuring consistency of policy and equity of treatment of staff across the local NHS system, including remuneration issues, where they are not already covered by existing arrangements at national level. The Committee met twice in 2021/22 and all meetings were quorate.

As stated above, the Remuneration Committee meets at least twice per year to consider the evaluation of performance and pay awards for Executive Directors.

In accordance with the Financial Reporting Manual (FReM), publication of the 'pension benefits' is required. This calculation aims to bring public bodies in line with other industries in disclosing an assessed cumulative pension benefit for a standard 20 year period, which is the estimated life span following retirement.

The 'total in year earnings' column shows the remuneration relating to actual earnings payable in 2021/22.

Remuneration report
For the year ended 31 March 2022
Current year 2021/22

	Remuneration Table						Pension Values						
Director	Gross Salary	Bonus payments	Benefits in Kind £'000	Total Earnings in year	Pension benefits – Note (1)	Total remuneration Note (2) (Audited)	Accrued pension at age 60 as at 31/03/22	Total accrued lump sum at age 65 at 31 March 2022	Real increase in pension at age 60	Real increase in lump sum at 65 at 31 March 2022	CETV at 31/03/22 (Audited)	CETV at 31/03/21 (Audited)	Real Increase in CETV (Audited)
Executive Directors	Bands of £5,000	Bands of £5,000	£'000	Bands of £5,000	£'000	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £2,500	Bands of £2,500	£'000	£'000	£'000
Chief Executive: Pauline Howie	145-150	0	0	145-150	0	145-150	Not in SPPA scheme						
Medical Director: James Ward	175-180	0	3	175-180	0	175-180	Not in SPPA scheme						
Director of Finance, Logistics & Strategy: Julie Carter	110-115	0	0	110-115	45	155-160	40-45	75-80	2.5-5.0	0-2.5	723	646	61
Non-Executive Directors	Bands of £5,000	Bands of £5,000	£'000	Bands of £5,000	£'000	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £2,500	Bands of £2,500	£'000	£'000	£'000
Chair: Tom Steele	40-45	0	0	40-45	0	40-45	Non-Executive Directors are not eligible to become members of the pension scheme						
Martin Togneri (to 31st December 2021)	5-10	0	0	5-10	0	5-10							
John McGuigan (from 1st October 2021)	0-5	0	0	0-5	0	0-5							
Francis Tierney	5-10	0	0	5-10	0	5-10							
Cecil Meiklejohn	5-10	0	0	5-10	0	5-10							
Irene Oldfather	5-10	0	0	5-10	0	5-10							
Madeline Smith	5-10	0	0	5-10	0	5-10							
Carol Sinclair	5-10	0	0	5-10	0	5-10							
Stuart Currie	5-10	0	0	5-10	0	5-10							
Elizabeth Humphreys	5-10	0	0	5-10	0	5-10							
Employee Director: John Riggins	55-60	0	0	55-60	5	60-65	15-20	50-55	0-2.5	0-2.5	424	402	18
Other Senior Employees	Bands of £5,000	Bands of £5,000	£'000	Bands of £5,000	£'000	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £2,500	Bands of £2,500	£'000	£'000	£'000
Director of Care Quality & Professional Development Frances Dodd (Note3)	90-95	0	0	90-95	30	120-125	40-45	115-120	0-2.5	0-2.5	872	825	34
Director of HR & OD Lyndsay Lauder (to 10 December 2021)	65-70	0	0	65-70	0	65-70	Not in SPPA Scheme						
Avril Keen (from 15 November 2021)	30-35	0	0	30-35	24	55-60	15-20	35-40	2.5-5.0	5.0-7.5	334	273	51
Chief Operating Officer & Deputy Chief Executive (note 4) Paul Bassett (from 1 November 2021)	40-45	0	0	40-45	18	60-65	35-40	65-70	2.5-5.0	0-2.5	624	571	40

Note (1) - Pension Benefits - This figure represents the value of pension benefits accrued during the year. It does not represent the contributions to the scheme by either employee or employer. Instead it represents the value of benefits to be received in the future by the employee over the expected lifetime of the pension. It is calculated as [(Real increase in pension x 20) plus [Real Increase in Lump Sum] less (Employees Superannuation Contributions for the year)]

Note (2) - Total Remuneration - This figure is calculated as: (Gross Salary + Bonus Payments + Benefit in Kind + Pension Benefits) = Total Remuneration. As this includes Pension Benefits per Note (1) above, this is not the salary paid to the employee during the year but the salary plus the employee's pension benefits over the life of the pension. There were no bonus payments in 2021/22

Note (3).Director of Care Quality & Professional Development - Frances Dodd had been on fixed term secondment from NHS Lanarkshire but joined the Scottish Ambulance Service on a permanent basis from 1st July 2022

Note (4).Chief Operating Officer & Deputy Chief Executive - This new role was created during 2021/22

Remuneration report
For the year ended 31 March 2022
Prior year 2020/21

	Remuneration Table						Pension Values						
Director	Gross Salary	Bonus payments	Benefits in Kind £'000	Total Earnings in year	Pension benefits – Note (1)	Total remuneration Note (2) (Audited)	Accrued pension at age 60 as at 31/03/21	Total accrued lump sum at age 65 at 31 March 2021	Real increase in pension at age 60	Real increase in lump sum at 65 at 31 March 2021	CETV at 31/03/20 (Audited)	CETV at 31/03/19 (Audited)	Real Increase in CETV (Audited)
Executive Directors	Bands of £5,000	Bands of £5,000	£'000	Bands of £5,000	£'000	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £2,500	Bands of £2,500	£'000	£'000	£'000
Chief Executive: Pauline Howie	140-145	0	0	140-145	0	140-145	Not in SPPA scheme						
Medical Director: James Ward	155-160	0	8.8	165-170	0	165-170	Not in SPPA scheme						
Director of Finance, Logistics & Strategy: Julie Carter	105-110	0	0	105-110	53	160-165	35-40	70-75	2.5-5.0	2.5-5.0	646	581	50
Non-Executive Directors	Bands of £5,000	Bands of £5,000	£'000	Bands of £5,000	£'000	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £2,500	Bands of £2,500	£'000	£'000	£'000
Chair: Tom Steele	40-45	0	0	40-45	0	40-45	Non-Executive Directors are not eligible to become members of the pension scheme						
Martin Togneri	5-10	0	0	5-10	0	5-10							
Francis Tierney	5-10	0	0	5-10	0	5-10							
Cecil Meiklejohn	5-10	0	0	5-10	0	5-10							
Irene Oldfather	5-10	0	0	5-10	0	5-10							
Madeline Smith	5-10	0	0	5-10	0	5-10							
Carol Sinclair	5-10	0	0	5-10	0	5-10							
Stuart Currie	5-10	0	0	5-10	0	5-10							
Elizabeth Humphreys	5-10	0	0	5-10	0	5-10							
Employee Director: John Riggins	50-55	0	0	50-55	0	60-65	15-20	50-55	0-2.5	0-2.5	402	387	10
Other Senior Employees	Bands of £5,000	Bands of £5,000	£'000	Bands of £5,000	£'000	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £2,500	Bands of £2,500	£'000	£'000	£'000
Director of Care Quality & Strategic Development Frances Dodd (note 3)	90-95	0	0	90-95	0	90-95	(see note 3)						
Director of HR & OD: Lyndsay Lauder	90-95	0	1.9	90-95	0	90-95	(see note 3)	Not in SPPA scheme					

Note (1) - Pension Benefits This figure represents the value of pension benefits accrued during the year. It does not represent the contributions to the scheme by either employee or employer. Instead it represents the value of benefits to be received in the future by the employee over the expected lifetime of the pension. It is calculated as [(Real increase in pension x 20) plus [Real Increase in Lump Sum] less (Employees Superannuation Contributions for the year)]

Note (2) - Total Remuneration This figure is calculated as: (Gross Salary + Bonus Payments + Benefit in Kind + Pension Benefits) = Total Remuneration. As this includes Pension Benefits per Note (1) above, this is not the salary paid to the employee during the year but the salary plus the employee's pension benefits over the life of the pension. There were no bonus payments in 2019/20.

Note (3) F Dodd seconded from NHS Lanarkshire; no pension disclosed as not substantive SAS Employee at 31st March 2021.

Remuneration And Staff Report Staff Report

Fair Pay Disclosure (Audited)

	Current Year 2021/22	Prior Year 2020/21
Range of staff remuneration	8,930 – 179,439	8,842 – 166,911
Highest earning Director's total remuneration (£000s)	175-180	165-170
Median (Total pay & benefits)	36,599	34,336
Median (Salary only)	36,507	
Ratio	4.85	4.88
25th Percentile (Total pay & benefits)	25,101	
25th Percentile (Salary only)	25,101	
Ratio	7.07	
75th Percentile (Total pay & benefits)	49,399	
75th Percentile (Salary only)	49,325	
Ratio	3.59	

There has been a minor reduction to the median pay ratio from the previous year. This is consistent with the 4% pay award received by most Service staff compared with the lower pay percentage increase received by higher paid staff.

There are no bonus payments made within the Service normally, although 2020/21 saw NHS staff receive a one-off Covid-19 bonus payment of £500 pro-rata based on certain criteria.

The highest paid director salary and allowances increased by 6% based on the midpoint of the salary band. The percentage increase for the employees of the Service as a whole, excluding the highest paid director was 8%.

Higher Paid Employees' Remuneration (Audited)

Clinical	2021/22	2020/21
70,001-80,000	65	26
80,001-90,000	15	9
90,001-100,000	4	3
100,001-110,000	1	0
110,001-120,000	0	0
120,001-130,000	0	0
130,001-140,000	0	0
140,001-150,000	0	0
150,001-160,000	0	0
160,001-170,000	0	1
170,001-180,000	1	0
	86	**39**

Other	2021/22	2020/21
70,001-80,000	35	31
80,001-90,000	7	6
90,001-100,000	10	6
100,001-110,000	0	1
110,001-120,000	1	1
120,001-130,000	0	0
130,001-140,000	0	0
140,001-150,000	1	1
150,001-160,000	0	1
160,001-170,000	1	0
	55	**47**
Total	**141**	**86**

Staff Costs (Audited)

	Executive Board Members	Non Executive Board Members	Permanent Staff	Inward Secondees	Other staff	Outward Secondess	2022 Total	2021 Total
Staff Costs	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Salaries and Wages	440	117	215,842	0	29,154	(556)	244,997	209,486
Social Security costs	57	5	23,947	0	2,513	(68)	26,454	22,221
NHS scheme employers' costs	24	0	38,878	0	4,653	(116)	43,439	35,848
Other employers' pension costs	0	0	0	0	0	0	0	3
Inward secondees	0	0	0	4,359	0	0	4,359	4,067
Agency Staff	0	0	0	1,013	0	0	1,013	143
	521	**122**	**278,667**	**5,372**	**36,320**	**(740)**	**320,262**	**271,765**
Compensation for loss of office or early retirement	0	0	45	0	0	0	45	8
Pensions to former board employees	0	0	0	0	523	0	523	603
TOTAL	**521**	**122**	**278,712**	**5,372**	**36,843**	**(740)**	**320,830**	**272,376**
Included in the total staff costs above were costs of staff engaged directly on capital projects, charged to capital expenditure of:							-	0

Staff Numbers

Whole time equivalent (WTE)	3	9	5,195		989		6,196	5,286
Included in the total staff numbers above were staff engaged directly on capital projects, charged to capital expenditure of:							0	0
Included in the total staff numbers above were disabled staff of:								185
Included in the total staff numbers above were Special Advisers of:								

Reconciliation to income and expenditure	**£`000**
Total employee expenditure as above	£320,830
Less: employee income charged to capital projects	£0
Add: employee income included in Note 4 (secondee income)	£740
Total employee expenditure disclosed in note 3	£321,570

Staff Composition

	2021/22			2020/21		
	Male	**Female**	**Total**	**Male**	**Female**	**Total**
Executive Directors	1	2	3	1	2	3
Non-Executive Directors and Employee Director	6	5	11	4	5	9
Senior Employees	114	24	138	66	17	83
Other	4,581	3,630	8,211	3,857	2,895	6,752
Total Headcount	**4,702**	**3,661**	**8,363**	**3,928**	**2,919**	**6,847**

Senior Employees are those who have earned over £70,000 in year

Sickness Absence Data (Unaudited)

	2021/22	2020/21
Sickness Absence Rate	7.5%	6.2%

Staff policies applied during the financial year relating to the employment of disabled persons (Not Audited)

For giving full and fair consideration to applications for employment by the Board made by disabled persons, having a regard to their particular aptitudes and abilities.

The Scottish Ambulance Service works within the Disability Confident Standard and recognises best practice in employing, retaining and developing disabled staff. Applicants who have a disability are supported through the job interview guarantee initiative. The disability confident symbol is included on all job advertisements.

Under the Disability Confident scheme we operate the job interview guarantee initiative. Applicants who wish to be covered under this initiative will be interviewed if they meet the minimum criteria for the post. Adjustments are made in accordance with individual needs to ensure applicants are able to fully participate in the recruitment process.

The standard NHS Scotland application form is used for all applicants and this includes a section on equality monitoring which enables us to monitor the number of disabled applicants and to establish success rates in order to consider any actions that need to be taken forward to address any issues.

In partnership with Glasgow Centre for Inclusive Living, The Service has employed a disabled graduate under the Professional Careers Programme. This is a 2 year employment opportunity designed to help set up the individual for a long term sustainable career.

For continuing the employment of, and for arranging appropriate training for, employees of the Board who have become disabled persons during the period when they were employed by the Board.

Reasonable adjustments are put in place for those staff who become disabled during the course of their employment. For example; changing hours of work, providing specific equipment or supporting staff to complete assessments, e.g. for dyslexia. Support is also provided for disabled staff who are absent under the Attendance Management Policy to enable additional assistance to be put in place where appropriate.

The Service has developed a Redeployment Policy and actively encourages the redeployment of staff who are no longer able to carry out their current role and staff are advised of alternative roles and provided with assistance to move.

All disabled staff have access to Occupational Health Services, Confidential Harassment Advisers and the Employee Assistance Programme.

Otherwise for the training, career development and promotion of disabled persons employed by the Board.

All staff receive an annual review letter giving them the opportunity to self declare a disability or health issue which can be discussed with their line manager in order to identify any support required. Staff have an annual performance review under the knowledge and skills framework system. The discussion covers developmental opportunities and access to these. Any disabled staff attending a course at The Scottish Ambulance Service Academy, Glasgow Caledonian University will have access to the Student Support Centre where additional assistance can be provided.

During any internal recruitment there is an open progression policy allowing all staff the opportunity for advancement and any staff requiring additional assistance can discuss this with their line manager or HR representative.

The Equality, Diversity and Human Rights Policy, Guidance for the Recruitment and Employment of staff with Diabetes and Managers Recruitment Guide provide additional guidance for all staff who have a disability.

Exit Packages (Audited)

2021/22

Exit Package cost band	Number of Compulsory	Number of other departures agreed	Total number of exit packages by cost band
< £10,000	0	0	0
£10,000 - £25,000	0	0	0
£25,000 - £50,000	0	1	1
Total number of exit packages by type	**0**	**1**	**1**
Total Resource Cost £'000	**0**	**45**	**45**

2020/21

Exit Package cost band	Number of Compulsory	Number of other departures agreed	Total number of exit packages by cost band
< £10,000	1	1	2
£10,000 - £25,000	0	0	0
£25,000 - £50,000	0	1	1
Total number of exit packages by type	**1**	**2**	**3**
Total Resource Cost £'000	**8**	**42**	**50**

Trade Union Regulations

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on 1 April 2017. The regulations place a legislative requirement on relevant public sector employers to collate and publish, on an annual basis, a range of data on the amount and cost of facility time within their organisation. The data is required to be published by 31 July each year and is displayed on the Service's website at the following link.

http://www.scottishambulance.com/TheService/publications.aspx

Parliamentary Accountability Report

Losses and Special Payments

The following losses and special payments have been approved by the Board:

	2022		2021	
	Number of cases	£'000	Number of cases	£'000
Losses	1799	459	5	-
Special payments	50	450	55	444

In the year to March 2022, the following balances in excess of £300,000 were written off following approval by Scottish Government.

Reference	Description	2022
		£'000
	PAIAW overpayments	440

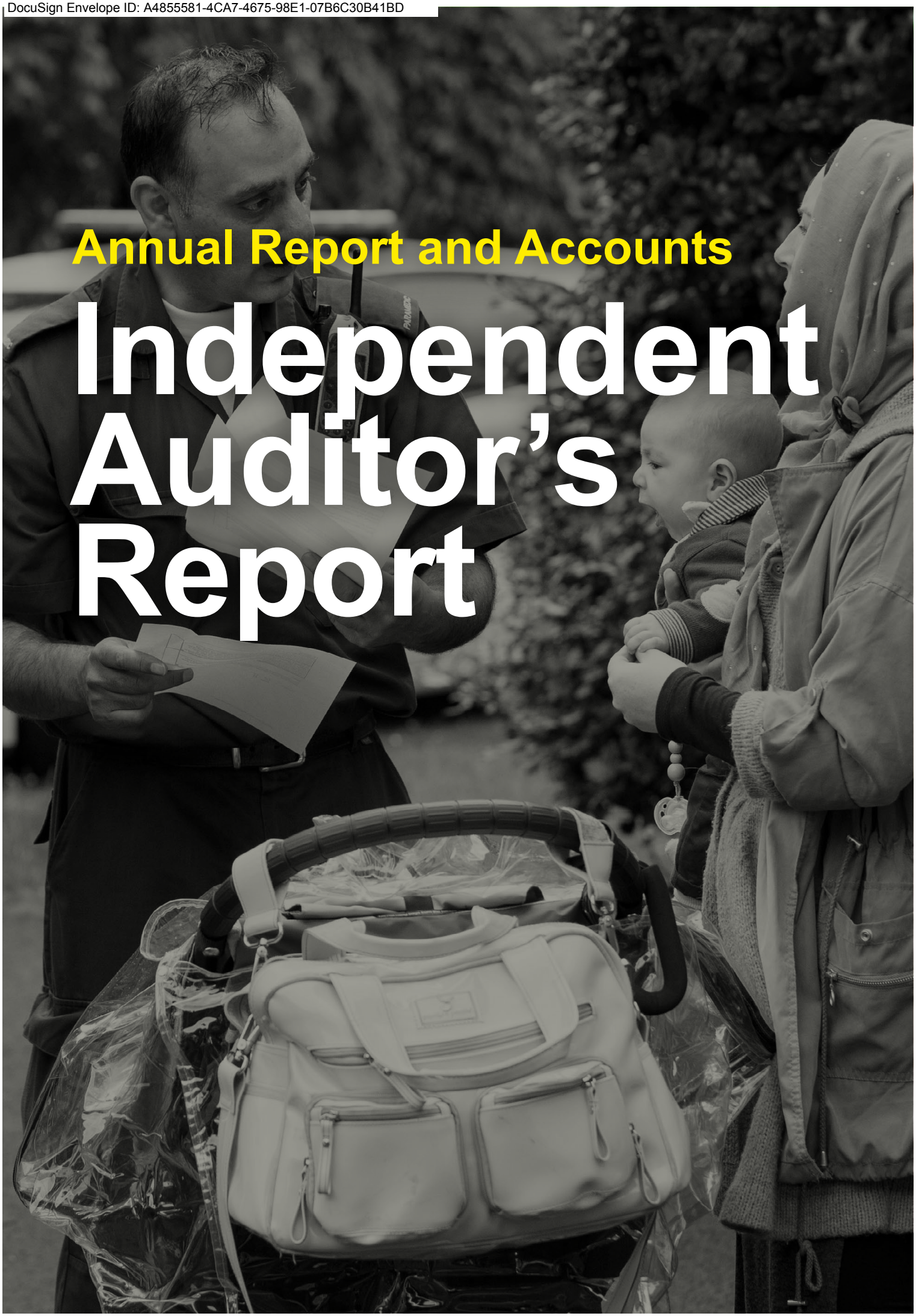
Fees and Charges

As required in the fees and charges guidance in the Scottish Public Finance Manual, the Scottish Ambulance Service Board charges for services provided on a full costs basis, wherever applicable.

I confirm that this Accountability Report (incorporating the Corporate Governance Report and Remuneration and Staff Report) is an accurate summary of the information reported therein.

Signed: Pauline Howie
Date: 29 June 2022

Mrs Pauline Howie OBE
Chief Executive



Annual Report and Accounts

Independent Auditor's Report

Independent Auditor's Report

Independent auditor's report to the members of Scottish Ambulance Service, the Auditor General for Scotland and the Scottish Parliament

Reporting on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements in the annual report and accounts of Scottish Ambulance Service and its group for the year ended 31 March 2022 under the National Health Service (Scotland) Act 1978. The financial statements comprise the Consolidated Statement of Comprehensive Net Expenditure, the Consolidated Summary of Financial Position, the Consolidated Statement of Cash Flow, the Consolidated Statement of Changes in Taxpayers' Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the 2021/22 Government Financial Reporting Manual (the 2021/22 FReM).

In our opinion the accompanying financial statements:

- give a true and fair view in accordance with the National Health Service (Scotland) Act 1978 and directions made thereunder by the Scottish Ministers of the state of the affairs of the board and its group as at 31 March 2022 and of the net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2021/22 FReM; and
- have been prepared in accordance with the requirements of the National Health Service (Scotland) Act 1978 and directions made thereunder by the Scottish Ministers.

Basis of opinion

We conducted our audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Auditor General for Scotland. 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 were appointed by the Auditor General on 31 May 2016. The period of total uninterrupted appointment is six years. We are independent of the board and its group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the board. 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 basis of accounting

We have concluded that the 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 ability of the board and its group to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the board's current or future financial sustainability. However, we report on the board's arrangements for financial sustainability in a separate Annual Audit Report available from the Audit Scotland website.

Risks of material misstatement

We report in our Annual Audit Report the most significant assessed risks of material misstatement that we identified and our judgements thereon.

Responsibilities of the Accountable Officer for the financial statements

As explained more fully in the Statement of the Chief Executive's Responsibilities as the Accountable Officer, the Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as

the Accountable Officer determines 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 Accountable Officer is responsible for assessing the ability of the board and its group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue the board's operations.

Auditor's responsibilities 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 decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- obtaining an understanding of the applicable legal and regulatory framework and how the board is complying with that framework;
- identifying which laws and regulations are significant in the context of the board;
- assessing the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which our procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the board's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

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

Report on regularity of expenditure and income

Opinion on regularity

In our opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Responsibilities for regularity

The Accountable Officer is responsible for ensuring the regularity of expenditure and income. In addition to our responsibilities in respect of irregularities explained in the audit of the financial statements section of our report, we are responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Report on other requirements

Opinion prescribed by the Auditor General for Scotland on the audited part of the Remuneration and Staff Report

We have audited the parts of the Remuneration and Staff Report described as audited. In our opinion, the audited part of the Remuneration and Staff Report has been properly prepared in accordance with the National Health Service (Scotland) Act 1978 and directions made thereunder by the Scottish Ministers.

Other information

The Accountable Officer is responsible for other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited part of the Remuneration and Staff Report.

Our responsibility is to read all 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 this gives rise to 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 this other information, we are required to report that fact. We have nothing to report in this regard.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

Opinions prescribed by the Auditor General for Scotland on the Performance Report and Governance Statement

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the National Health Service (Scotland) Act 1978 and directions made thereunder by the Scottish Ministers; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the National Health Service (Scotland) Act 1978 and directions made thereunder by the Scottish Ministers.

Matters on which we are required to report by exception

We are required by the Auditor General for Scotland to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration and Staff Report are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit; or
- there has been a failure to achieve a prescribed financial objective.

We have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to our responsibilities for the annual report and accounts, our conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in our Annual Audit Report.

Use of our report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

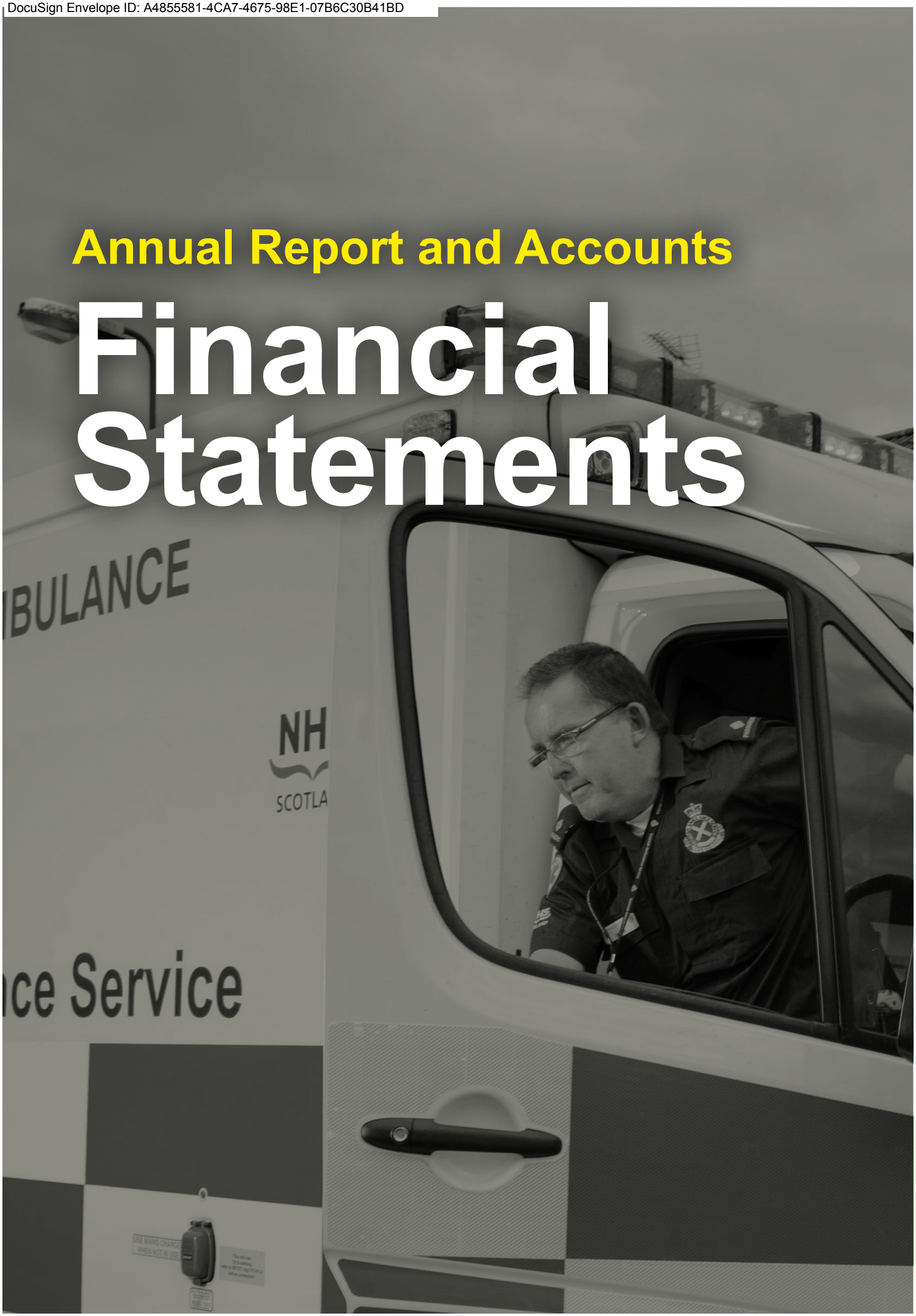
John Boyd
(for and on behalf of Grant Thornton UK LLP)

110 Queen Street, Glasgow G1 3BX
United Kingdom

Date: 29/6/2022

Annual Report and Accounts

Financial Statements



Financial Statements

Consolidated Statement of Comprehensive Net Expenditure

2021 £000		Note	2022 £000
273,035	Staff costs	3a	321,570
	Other operating expenditure	3b	
5,022	PPE & Testing Kits		4,347
10,799	Vehicle Running Costs		17,422
19,049	Air Ambulance Costs		18,014
9,113	Property Running Costs		11,018
5,695	Medical Costs		5,847
39,523	Other health care expenditure		43,178
362,236	**Gross expenditure for the year**		**421,396**
(10,543)	Less: operating income	4	(13,672)
351,693	**Net expenditure for the year**		**407,724**

Other comprehensive net expenditure

2021 £'000		2022 £'000
(337)	Net (gain) / loss on revaluation of property, plant and equipment	(616)
(337)	Other comprehensive expenditure	(616)
351,356	**Comprehensive net expenditure**	**407,108**

The Notes to the Accounts, numbered 1 to 20, form an integral part of these Accounts.

Consolidated Summary of Financial Position

Consolidated 2021 £'000	Board 2021 £'000		Note	Consolidated 2022 £'000	Board 2022 £'000
		Non-Current Assets			
110,208	110,208	Property, plant and equipment	7c	120,482	120,482
744	744	Intangible assets	6a	1,001	1,001
		Financial assets:			
4,011	4,011	Trade and other receivables	9	3,810	3,810
114,963	**114,963**	**Total non-current assets**		**125,293**	**125,293**
		Current Assets			
194	194	Inventories	8	469	469
		Financial assets:			
26,453	26,451	Trade and other receivables	9	21,551	21,471
1,077	56	Cash and cash equivalents	10	952	47
27,724	**26,701**	**Total current assets**		**22,972**	**21,987**
142,687	**141,664**	**Total assets**		**148,265**	**147,280**
		Current liabilities			
(3,770)	(3,770)	Provisions	12a	(4,306)	(4,306)
		Financial liabilities:			
(33,956)	(33,951)	Trade and other payables	11	(39,093)	(39,090)
(37,726)	**(37,721)**	**Total current liabilities**		**(43,399)**	**(43,396)**
104,961	**103,943**	**Non-current assets plus / less net current assets / liabilities**		**104,866**	**103,884**
		Non-current liabilities			
(17,243)	(17,243)	Provisions	12a	(17,038)	(17,038)
		Financial liabilities:			
(495)	(495)	Trade and other payables	12	(86)	(86)
(17,738)	**(17,738)**	**Total non-current liabilities**		**(17,124)**	**(17,124)**
87,223	**86,205**	**Assets less liabilities**		**87,742**	**86,760**
		Taxpayers' Equity			
81,365	81,365	General fund	SoCTE	81,430	81,430
4,840	4,840	Revaluation reserve	SoCTE	5,330	5,330
1,018	0	Fund held on Trust	SoCTE	982	0
87,223	**86,205**	**Total taxpayers' equity**		**87,742**	**86,760**

The Notes to the Accounts, numbered 1 to 20, form an integral part of these Accounts.
The financial statements on pages 47 to 50 were approved by the Board on 29 June 2022 and signed on their behalf by

Julie Carter

Director of Finance
29/6/2022

Pauline Howie

Chief Executive
29/6/2022

Consolidated Statement of Cash Flow

2021 £'000		Note	2022 £'000	2022 £'000
	Cash flows from operating activities			
(351,963)	Net expenditure	SoCTE	(407,724)	
14,838	Adjustments for non-cash transactions	2b	16,264	
(65)	Add back: interest payable recognised in net operating expenditure	2b	(63)	
(1)	Deduct: interest receivable recognised in net operating expenditure	4	(1)	
6,695	Movements in working capital	b	11,356	
(330,226)	**Net cash outflow from operating activities**	20c		**(380,168)**
	Cash flows from investing activities			
(19,464)	Purchase of property, plant and equipment		(28,051)	
0	Purchase of intangible assets		(40)	
214	Proceeds of disposal of property, plant and equipment		443	
1	Interest received		1	
(19,249)	**Net cash outflow from investing activities**	20c		**(27,647)**
	Cash flows from financing activities			
349,549	Funding	SoCTE	407,627	
349,549	Cash drawn down		407,627	
65	Unwinding of discount		63	
349,614	**Net Financing**	20c		**407,690**
139	**Net Increase / (decrease) in cash and cash equivalents in the period**			(125)
938	**Cash and cash equivalents at the beginning of the period**			1,077
1,077	**Cash and cash equivalents at the end of the period**			**952**
	Reconciliation of net cash flow to movement in net debt/cash			
139	Increase / (decrease) in cash in year	11		(125)
938	Net debt / cash at 1 April			1,077
1,077	**Net debt / cash at 31 March**			**952**

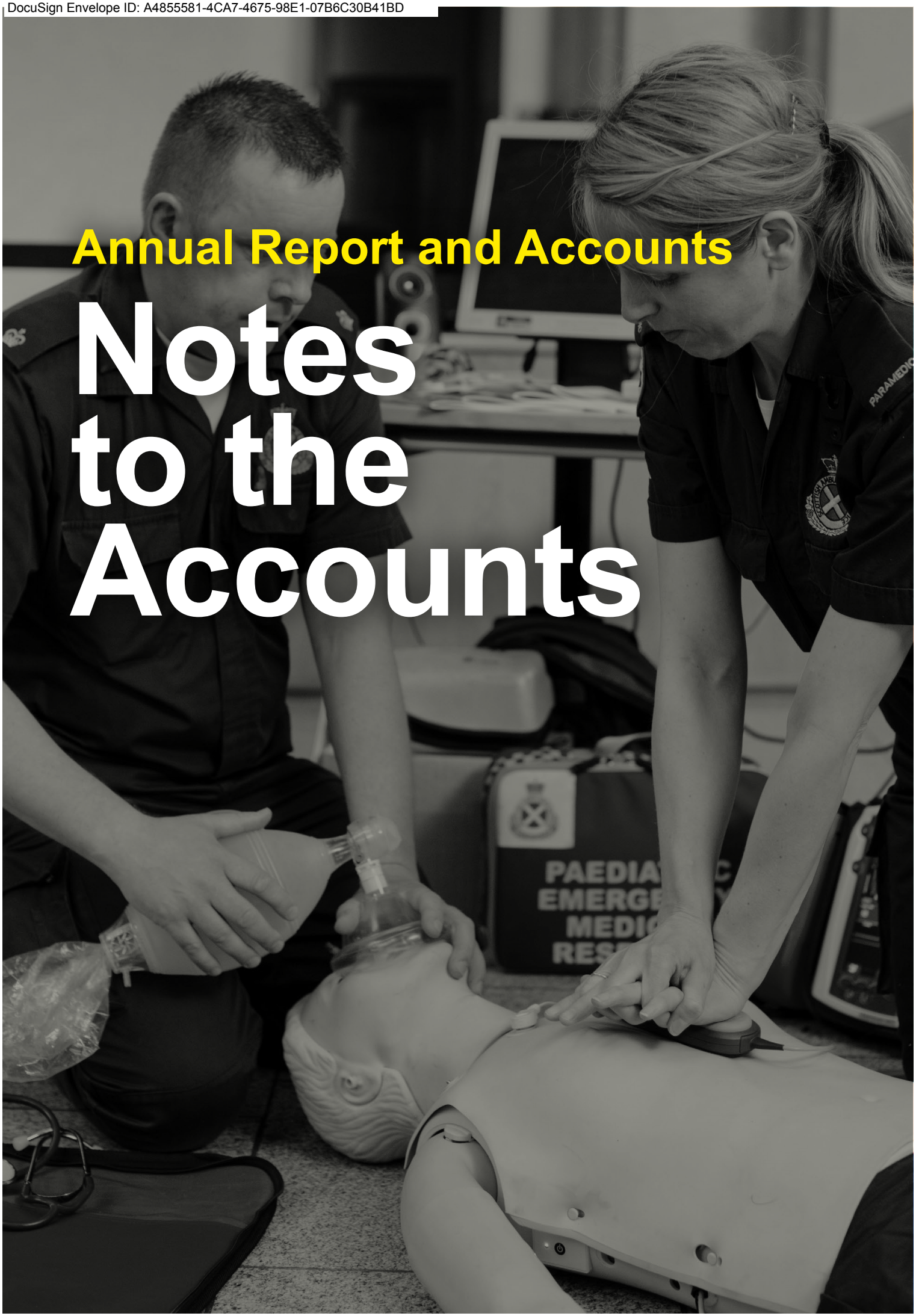
The Notes to the Accounts, numbered 1 to 20, form an integral part of these Accounts.

Consolidated Statement of Changes in Taxpayers' Equity

	Note	General Fund £'000	Revaluation Reserve £'000	Funds Held on Trust £'000	Total Reserves £'000
Balance at 31 March 2021		81,365	4,840	1,018	87,223
Changes in taxpayers' equity for 2021/22					
Net gain / (loss) on revaluation / indexation of property, plant and equipment	7a		616		616
Impairment of property, plant and equipment			(41)		(41)
Revaluation and impairments taken to operating costs	2a		41		41
Transfers between reserves		126	(126)		
Net operating cost for the year	CFS	(407,688)		(36)	(407,724)
Total recognised income and expense for 2021-22		(407,562)	490	(36)	(407,108)
Funding:					
Drawn down	CFS	407,627			407,627
Balance at 31 March 2022	SoFP	**81,430**	**5,330**	**982**	**87,742**

Prior year	**Note**	**General Fund £'000**	**Revaluation Reserve £'000**	**Funds Held on Trust £'000**	**Total Reserves £'000**
Balance at 31 March 2020		83,562	4,620	847	89,029
Changes in taxpayers' equity for 2020/21					
Net gain / (loss) on revaluation / indexation of property, plant and equipment	7a	0	338	0	338
Impairment of property, plant and equipment		0	63	0	63
Revaluation and impairments taken to operating costs	2a	0	(63)	0	(63)
Transfers between reserves		118	(118)	0	0
Net operating cost for the year	CFS	(351,864)	0	171	(351,693)
Total recognised income and expense for 2020-21		(351,746)	220	171	(351,355)
Funding:					
Drawn down	CFS	349,549	0	0	349,549
Balance at 31 March 2021	SoFP	**81,365**	**4,840**	**1,018**	**87,223**

The Notes to the Accounts, numbered 1 to 20, form an integral part of these Accounts.



Annual Report and Accounts

Notes to the Accounts

Notes To The Accounts

1. Accounting Policies

1. Authority

In accordance with the accounts direction issued by Scottish Ministers under section 19(4) of the Public Finance and Accountability (Scotland) Act 2000 appended, these Accounts have been prepared in accordance with the Government Financial Reporting Manual (FReM) issued by HM Treasury, which follows International Financial Reporting Standards as adopted by the United Kingdom (IFRS as adopted by the UK), IFRIC Interpretations and the Companies Act 2006 to the extent that they are meaningful and appropriate to the public sector. They have been applied consistently in dealing with items considered material in relation to the accounts.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in section 30 below.

Note: Where a new international accounting standard/ amendment/interpretation has been issued but not yet implemented, Boards are required to disclose in their financial statements the nature of the standard, and if possible, an estimate of its likely effect on future financial statements. HM Treasury issue a paper that sets out standards issued not yet adopted. Boards should refer to this paper when preparing their disclosure.

(a) Standards, amendments and interpretations effective in current year

There are no new standards, amendments or interpretations effective in the current year.

(b) Standards, amendments and interpretation early adopted this year

There are no new standards, amendments or interpretations early adopted this year.

(c) Standards, amendments and interpretation issued but not adopted this year

IFRS 16 has been issued but not adopted for the year 2021-22.

IFRS 16 Leases supersedes IAS 17 Leases and is being applied by HM Treasury in the Government Financial Reporting Manual (FReM) from 1 April 2022. IFRS 16 introduces a single lessee accounting model that results in a more faithful representation of a lessee's assets and liabilities, and provides enhanced disclosures to improve transparency of reporting on capital employed.

Under IFRS 16, lessees are required to recognise assets and liabilities for leases with a term of more than 12 months, unless the underlying asset is of low value. While no standard definition of 'low value' has been mandated, NHS Scotland have elected to utilise the capitalisation threshold of £5,000 to determine the assets to be disclosed. The Scottish Ambulance Service expects that its existing finance leases will continue to be classified as leases. All existing operating leases will fall within the scope of IFRS 16 under the 'grandfathering' rules mandated in the FReM for the initial transition to IFRS 16. In future years new contracts and contract renegotiations will be reviewed for consideration under IFRS 16 as implicitly identified right-of-use assets. Assets recognised under IFRS 16 will be held on the Statement of Financial Position as (i) right of-use assets which represent the Board's right to use the underlying leased assets; and (ii) lease liabilities which represent the obligation to make lease payments.

The bringing of leased assets onto the Statement of Financial Position will require depreciation and interest to be charged on the right-of-use asset and lease liability, respectively. Cash repayments will also be recognised in the Statement of Cash Flows, as required by IAS 7.

Impact of the new standard

The Board has assessed the impact that the application of IFRS 16 would have on the comprehensive net expenditure for the financial year ending 31 March 2023 and on the Statement of Financial Position at that date. The figures below are based on the opening position of existing leases as of 31 March 2022.

The standard is expected to increase total expenditure in 2022-23 by £7.5 million. Right-of-use assets totalling £23.3 million will be brought onto the Statement of Financial Position, with an associated lease liability of £23.3 million.

IFRS 16 – Impacts to the SoCNE	2022-23 £000s
Anticipated depreciation	7,319
Interest expense expected	170
IAS 17- basis lease payments expected	0
Net impact to SoCNE in the year to 31 March 2023	**7,489**
IFRS 16 – Impacts to the SoFP	
Right of use asset from 1 April 2022	17,286
Net additions/(disposals) to right-of-use asset as at 31 March 2023	6,014
Net impact to SoCNE in the year to 31 March 2023	**23,300**

Existing IAS 17 operating leases brought on at 1 April 2022	17,286
Re-measurements to finance leases brought on at 1 April 2022	
Net additions/(disposals) to lease liability as at 31 March 2023	6,014
Net liability as at 31 March 2023	**23,300**

2. Basis of Consolidation

In accordance with IFRS 10 – Consolidated Financial Statements, the Financial Statements consolidate the Scottish Ambulance Service Endowment Fund.

NHS Endowment Funds were established by the NHS (Scotland) Act 1978. The legal framework under which charities operate in Scotland is the Charities and Trustee Investment (Scotland) Act 2005. Under the 1978 Act Endowment Trustees are also members of the NHS Board. The Board members (who are also Trustees) are appointed by Scottish Ministers.

The Scottish Ambulance Service Endowment Fund is a Registered Charity with the Office of the Charity Regulator of Scotland (OSCR) and is required to prepare and submit Audited Financial Statements to OSCR on an annual basis.

The basis of consolidation used is Merger Accounting. Any intragroup transactions between the Board and the Endowment Fund have been eliminated on consolidation.

Note 20 to the Annual Accounts, details how these consolidated Financial Statements have been calculated.

3. Going Concern

The board has submitted a balanced financial plan and local delivery plan to Scottish Government. This highlights key assumptions and risks to delivering on our operational objectives within budget. Therefore, the accounts are prepared on the going concern basis, which provides that the entity will continue in operational existence for the foreseeable future.

4. Accounting Convention

The Accounts are prepared on a historical cost basis, as modified by the revaluation of property, plant and equipment, intangible assets, inventories and financial assets and liabilities (including derivative instruments) at fair value.

5. Funding

Most of the expenditure of the Health Board as Commissioner is met from funds advanced by the Scottish Government within an approved revenue resource limit. Cash drawn down to fund expenditure within this approved revenue resource limit is credited to the general fund.

All other income receivable by the Board that is not classed as funding is recognised in the year in which it is receivable.

Where income is received for a specific activity which is to be delivered in the following financial year, that income is deferred.

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

Non-discretionary funding out with the RRL is allocated to match actual expenditure incurred for the provision of specific pharmaceutical, dental or ophthalmic services identified by the Scottish Government. Non-discretionary expenditure is disclosed in the accounts and deducted from operating costs charged against the RRL in the Statement of Resource Outturn.

Funding for the acquisition of capital assets received from the Scottish Government is credited to the general fund when cash is drawn down.

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 the Statement of Comprehensive Net Expenditure except where it results in the creation of a non-current asset such as property, plant and equipment.

6. Property, Plant and Equipment

The treatment of capital assets in the accounts (capitalisation, valuation, depreciation, particulars concerning donated assets) is in accordance with the NHS Capital Accounting Manual.

Title to properties included in the accounts is held by Scottish Ministers.

6.1 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 Board; it is expected to be used for more than one financial year; and the cost of the item can be measured reliably.

All assets falling into the following categories are capitalised:

- Property, plant and equipment assets which are capable of being used for a period which could exceed one year, and have a cost equal to or greater than £5,000.
- In cases where a new site would face an exceptional write off of items of equipment costing individually less than £5,000, the Board has the option to capitalise initial revenue equipment costs with a standard life of 10 years.
- Assets of lesser value may be capitalised where they form part of a group of similar assets purchased at approximately the same time and cost over £20,000 in total, or where they are part of the initial costs of equipping a new development and total over £20,000

6.2 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.

All assets that are not held for their service potential (i.e. investment properties and assets held for sale), including operational assets which are surplus to requirements where there are no restrictions on disposal which would prevent access to the market, are measured subsequently at fair value as follows:

Specialised NHS Land, buildings, equipment, installations and fittings are stated at depreciated replacement cost, as a proxy for fair value as specified in the FReM.

Non-specialised land and buildings, such as offices, are stated at fair value.

Valuations of all land and building assets are reassessed by valuers under a 5-year programme of professional valuations and adjusted in intervening years to take account of movements in prices since the latest valuation. The valuations are carried out in accordance with the Royal Institution of Chartered Surveyors (RICS) Appraisal and Valuation Manual insofar as these terms are consistent with the agreed requirements of the Scottish Government.

Non specialised equipment, installations and fittings are valued at fair value. Boards value such assets using the most appropriate valuation methodology available (for example, appropriate indices). A depreciated historical cost basis as a proxy for fair value in respect of such assets which have short useful lives or low values (or both).

Assets under construction are valued at current cost. This is calculated by the expenditure incurred to which an appropriate index is applied to arrive at current value. These are also subject to impairment review.

To meet the underlying objectives established by the Scottish Government the following accepted variations of the RICS Appraisal and Valuation Manual have been required:

Specialised operational assets are valued on a modified replacement cost basis to take account of modern substitute building materials and locality factors only.

Operational assets which are in use delivering front line services or back office functions, and surplus assets with restrictions on their disposal, are valued at current value in existing use. Assets have been assessed as surplus where there is no clear plan to bring the asset back into future use as an operational asset.

Subsequent expenditure:

Subsequent expenditure is capitalised into an asset's carrying value when it is probable the future economic benefits associated with the item will flow to the Board and the cost can be measured reliably. Where subsequent expenditure does not meet these criteria the expenditure is charged to the Statement of Comprehensive Net Expenditure. If part of an asset is replaced, then the part it replaces is de-recognised, regardless of whether or not it has been depreciated separately.

Revaluations and Impairment:

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse an impairment previously recognised in the Statement of Comprehensive Net Expenditure, in which case they are recognised as income. Movements on revaluation are considered for individual assets rather than groups or land/buildings together.

Permanent decreases in asset values and impairments are charged gross to the Statement of Comprehensive Net Expenditure. Any related balance on the revaluation reserve is transferred to the General Fund.

Gains and losses on revaluation are reported in the Statement of Comprehensive Net Expenditure.

Temporary Decreases in Asset Value:

Temporary decreases in asset values or impairments are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to the Statement of Comprehensive Net Expenditure.

6.3 Depreciation

Items of Property, Plant and Equipment are depreciated to their estimated residual value over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

Depreciation is charged on each main class of tangible asset as follows:

- Freehold land is considered to have an infinite life and is not depreciated.
- Assets in the course of construction are not depreciated until the asset is brought into use or reverts to the Board, respectively.
- Property, Plant and Equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon the reclassification.
- Buildings, installations and fittings are depreciated on current value over the estimated remaining life of the asset, as advised by the appointed valuer. They are assessed in the context of the maximum useful lives for building elements.
- Equipment is depreciated over the estimated life of the asset.
- Property, plant and equipment held under finance leases are depreciated over the shorter of the lease term and the estimated useful life.

Depreciation is charged on a straight line basis.

The following asset lives have been used:

Asset Category/Component	Useful Life (Years)
Buildings The expected UEL for each asset is based on independent valuers assessment of condition but falls in the following ranges:	
Structure	11-71
Engineering	2-47
External Works	7-48
Transport Equipment	
Emergency Vehicles	4-7
Patient Transport Vehicles	5-10
Communications Equipment	5-10
IT Equipment	5-10
Plant & Machinery Medical Equipment	5-10
Mechanical	7-30
Furniture and furnishings	10
Fixtures and Fittings	4-17

7. Intangible Assets

7.1 Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Board'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 Board and where the cost of the asset can be measured reliably.

Intangible assets that meet the recognition criteria are capitalised when they are capable of being used in a Board's activities for more than one year and they have a cost of at least £5,000.

The main classes of intangible assets recognised are:

Software:

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

Software Licences:

Purchased computer software licences are capitalised as intangible fixed assets where expenditure of at least £5,000 is incurred.

7.2 Measurement

Valuation

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 that are not held for their service potential (i.e. assets held for sale), including operational assets which are surplus to requirements where there are no restrictions on disposal which would prevent access to the market, are measured at fair value. Where an active (homogeneous) market exists, intangible assets are carried at fair value. Where no active market exists, the intangible asset is revalued, using indices or some suitable model, to the lower of depreciated replacement cost and value in use where the asset is income generating. Where there is no value in use, the intangible asset is valued using depreciated replacement cost. These measures are a proxy for fair value.

Revaluation and impairment

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse an impairment previously recognised in the Statement of Comprehensive Net Expenditure, in which case they are recognised in income.

Permanent decreases in asset values and impairments are charged gross to the Statement of Comprehensive Net Expenditure. Any related balance on the revaluation reserve is transferred to the General Fund.

Temporary decreases in asset values or impairments are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to the Statement of Comprehensive Net Expenditure.

Intangible assets held for sale are reclassified to 'non-current assets held for sale' measured at the lower of their carrying amount or 'fair value less costs to sell'

Operational assets which are in use delivering front line services or back office functions, and surplus assets with restrictions on their disposal, are valued at current value in existing use. Assets have been assessed as surplus where there is no clear plan to bring the asset back into future use as an operational asset.

7.3 Amortisation

Intangible assets are amortised to their estimated residual value over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

Amortisation is charged to the Statement of Comprehensive Net Expenditure on each main class of intangible asset as follows:

- Internally generated intangible assets. Amortised on a systematic basis over the period expected to benefit from the project.
- Software. Amortised over their expected useful life.
- Software licences. Amortised over the shorter term of the licence and their useful economic lives.
- Other intangible assets. Amortised over their expected useful life.
- Intangible assets which has been reclassified as 'Held for Sale' ceases to be amortised upon the reclassification.

Amortisation is charged on a straight line basis.

The following asset lives have been used:

Asset Category/Component	Useful Life (Years)
Software Licences	5
Information Technology Software	5

8. Non-current assets held for sale

Non-current assets intended for disposal are reclassified as 'Held for Sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale must be highly probable i.e.:
    - management are committed to a plan to sell the asset;
    - an active programme has begun to find a buyer and complete the sale;
    - the asset is being actively marketed at a reasonable price;
    - the sale is expected to be completed within 12 months of the date of classification as 'Held for Sale'; and
    - the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

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 economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

9. Donated Assets

Non-current assets that are donated or purchased using donated funds are included in the Statement of Financial Position initially at the current full replacement cost of the asset. The accounting treatment, including the method of valuation, follows the rules in the NHS Capital Accounting Manual

10. Sale of Property, Plant and Equipment, Intangible Assets and Non-Current Assets Held for Sale

Disposal of non-current assets is accounted for as a reduction to the value of assets equal to the net book value of the assets disposed. When set against any sales proceeds, the resulting gain or loss on disposal will be recorded in the Statement of Comprehensive Net Expenditure. Non-current assets held for sale will include assets transferred from other categories and will reflect any resultant changes in valuation.

11. Leasing

Operating leases

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

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. Leased land is treated as an operating lease unless title to the land is expected to transfer.

12. Impairment of Non-Financial Assets

Assets that are subject to depreciation and amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where an asset is not held for the purpose of generating cash flows, value in use is assumed to equal the cost of replacing the service potential provided by the asset, unless there has been a reduction in service potential. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffer an impairment are reviewed for possible reversal of the impairment. Impairment losses charged to the SoCNE are deducted from future operating costs to the extent that they are identified as being reversed in subsequent revaluations.

13. General Fund Receivables and Payables

Where the Health Board has a positive net cash book balance at the year end, a corresponding creditor is created and the general fund debited with the same amount to indicate that this cash is repayable to the SGHSCD. Where the Health Board has a net overdrawn cash position at the year end, a corresponding debtor is created and the general fund credited with the same amount to indicate that additional cash is to be drawn down from the SGHSCD.

14. Inventories

Inventories are valued at the lower of cost and net realisable value. Taking into account the high turnover of NHS inventories, the use of average purchase price is deemed to represent current cost. Work in progress is valued at the cost of the direct materials plus the conversion costs and other costs incurred to bring the goods up to their present location, condition and degree of completion.

15. Losses and Special Payments

Operating expenditure includes certain losses which would have been made good through insurance cover had the NHS not been bearing its own risks. Had the NHS provided insurance cover, the insurance premiums would have been included as normal revenue expenditure.

16. Employee Benefits

Short-term Employee Benefits

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

Pension Costs

The Board participates in the NHS Superannuation Scheme for Scotland providing defined benefits based on final pensionable pay, where contributions are credited to the Exchequer and are deemed to be invested in a portfolio of Government Securities. The Board is unable to identify its share of the underlying notional assets and liabilities of the scheme on a consistent and reasonable basis and therefore accounts for the scheme as if it were a defined contribution scheme, as required by IAS 19 'Employee Benefits'. As a result, the amount charged to the Statement of Comprehensive Net Expenditure represents the Board's employer contributions payable to the scheme in respect of the year. The contributions deducted from employees are reflected in the gross salaries charged and are similarly remitted to Exchequer. The pension cost is assessed every four years by the Government Actuary and determines the rate of contributions required. The most recent actuarial valuation is published by the Scottish Public Pensions Agency and is available on their website.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the Statement of Comprehensive Net Expenditure at the time the Board commits itself to the retirement, regardless of the method of payment.

17. Clinical and Medical Negligence Costs

Employing health bodies in Scotland are responsible for meeting medical negligence costs up to a threshold per claim. Costs above the threshold are reimbursed to Boards from a central fund held as part of the Clinical Negligence and Other Risks Indemnity Scheme (CNORIS) by the Scottish Government.

The Board provides for all claims notified to the NHS Central Legal Office according to the value of the claim and the probability of settlement. Claims assessed as 'Category 3' are deemed most likely and provided for in full, those in 'Category 2' as 50% of the claim and those in 'Category 1' as nil. The balance of the value of claims not provided for is disclosed as a contingent liability. This procedure is intended to estimate the amount considered to be the liability in respect of any claims outstanding and which will be recoverable from the Clinical Negligence and Other Risks Indemnity Scheme in the event of payment by an individual health body. The corresponding recovery in respect of amounts provided for is recorded as a debtor and that in respect of amounts disclosed as contingent liabilities are disclosed as contingent assets.

The Board also provides for its liability from participating in the scheme. The Participation in CNORIS provision recognises the Board's respective share of the total liability of NHS Scotland as advised by the Scottish Government and based on information prepared by Boards and the Central Legal Office. The movement in the provisions between financial years is matched by a corresponding adjustment in AME provision and is classified as non-core expenditure.

Further information on the scheme can be found at: http://www.clo.scot.nhs.uk/our-services/cnoris.aspx

18. Related Party Transactions

Material related party transactions are disclosed in the note 19 in line with the requirements of IAS 24. Transactions with other NHS bodies for the commissioning of health care are summarised in note 4.

19. Value Added Tax

Most of the activities of the Board 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 non-current assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

20. Provisions

The Board provides for legal or constructive obligations that are of uncertain timing or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation. Where the effect of the time value of money is significant, the estimated cash flows are discounted using the discount rate prescribed by HM Treasury.

21. 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 Board's control) are not recognised as assets, but are disclosed in note 13 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 13, 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

22. Corresponding Amounts

Corresponding amounts are shown for the primary statements and notes to the financial statements. Where the corresponding amounts are not directly comparable with the amount to be shown in respect of the current financial year, IAS 1 'Presentation of Financial Statements', requires that they should be adjusted and the basis for adjustment disclosed in a note to the financial statements.

23. Financial Instruments

Financial assets

Business model

The Board's business model refers to how it manages its financial assets in order to generate cash flows and is determined at a level which reflects how groups of financial assets are managed to achieve a business objective, rather than assessment of individual instruments.

Classification

When the Board first recognises a financial asset, it classifies it based on its business model for managing the asset and the asset's contractual flow characteristics. The Board classifies its financial assets in the following categories: at fair value through profit or loss, amortised cost, and fair value through other comprehensive income. The default basis for financial assets is to

be held at fair value through profit or loss, although alternative treatment may be designated where receivables are held to collect principal and interest and/ or for sale.

(a) Financial assets at fair value through profit or loss

This is the default basis for financial assets.

(b) Financial assets held at amortised cost

A financial asset may be held at amortised cost where both of the following conditions are met:

1. the financial asset is held within a business model where the objective is to collect contractual cash flows; and
2. the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and related interest.

(c) Financial assets at fair value through other comprehensive income

A financial asset may be held at fair value through other comprehensive income where both of the following conditions are met:

3. the financial asset is held within a business model where the objective is to collect contractual cash flows *and* sell the asset; and
4. the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and related interest.

Impairment of financial assets

Provisions for impairment of financial assets are made on the basis of expected credit losses. The Board recognises a loss allowance for expected credit losses on financial assets and this is recognised in other comprehensive income, rather than reducing the carrying amount of the asset in the Statement of Financial Position.

Lifetime expected credit losses are recognised and applied to financial assets by the Board where there has been a significant increase in credit risk since the asset's initial recognition. Where the Board does not hold reasonable and supportable information to measure lifetime expected credit losses on an individual instrument basis, the losses are recognised on a collective basis which considers comprehensive credit risk information.

Recognition and measurement

Financial assets are recognised when the Board becomes party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the rights to receive cash flows from the asset have expired or have been transferred and the Board has transferred substantially all risks and rewards of ownership.

(a) Financial assets at fair value through profit or loss

Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Comprehensive Net Expenditure.

Financial assets carried at fair value through profit or loss are subsequently measured at fair value. Gains or losses arising from changes in the fair value are presented in the Statement of Comprehensive Net Expenditure.

(b) Financial assets held at amortised cost

Loans and receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of the asset.

(c) Financial assets held at fair value through other comprehensive income

Financial Liabilities

Classification

The Board classifies its financial liabilities in the following categories: at fair value through profit or loss, and amortised cost. The Board classifies all financial liabilities as measured at amortised cost, unless:

1. these are measured at fair value on a portfolio basis in accordance with a documented risk management or investment strategy;
2. they contain embedded derivatives; and/or
3. it eliminates or reduces 'accounting mismatch' that would otherwise arise from measurement or recognition on an amortised costs basis.

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss comprise derivatives. Liabilities in this category are classified as current liabilities. The NHS Board does not trade in derivatives and does not apply hedge accounting.

(b) Financial liabilities held at amortised cost

Financial liabilities held at amortised cost are disclosed in current liabilities, except for maturities greater than 12 months after the Statement of Financial Position date. These are classified as non-current liabilities. The NHS Board's financial liabilities held at amortised cost comprise trade and other payables in the Statement of Financial Position.

Recognition and measurement

Financial liabilities are recognised when the NHS Board becomes party to the contractual provisions of the financial instrument.

A financial liability is removed from the Statement of Financial Position when it is extinguished, that is when the obligation is discharged, cancelled or expired.

(a) Financial liabilities at fair value through profit or loss

Financial liabilities carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement.

Financial liabilities carried at fair value through profit or loss are subsequently measured at fair value. Gains or losses arising from changes in the fair value are presented in the Statement of Comprehensive Net Expenditure.

(b) Amortised costs

Financial liabilities held at amortised cost are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

24. Segmental Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments. This has been identified as the senior management of the Board.

Operating segments are unlikely to directly relate to the analysis of expenditure shown in Note 3.

25. Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, cash balances held with the Government Banking Service, balance held in commercial banks and other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet. Where the Government Banking Service is using NatWest and Royal Bank of Scotland Group to provide the banking services, funds held in these accounts should not be classed as commercial bank balances.

26. Foreign Exchange

The functional and presentational currencies of the Board are sterling. A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Where the Board has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

- monetary items (other than financial instruments measured at 'fair value through income and expenditure') are translated at the spot exchange rate on 31 March;
- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction; and
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the balance sheet date) are recognised in income or expenditure in the period in which they arise.

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

27. Third Party Assets

Assets belonging to third parties are not recognised in the accounts since the Board has no beneficial interest in them.

28. Key sources of judgement and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Board makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The Board makes judgements in applying accounting policies. The estimates, assumptions and judgements that have a significant risk of a causing material adjustment to the carrying amounts of assets and liabilities within the financial statements within the next financial year are addressed below.

The Board also relies on the professional judgement of specialists engaged for specific activities to estimate certain matters; for example, the Board's property advisors, who determine the likely value of property owned by the organisation (see 7.2), and also its legal advisors, who determine the likely estimates of legal liabilities (see Note 12). The Board therefore is dependent on these specialists and the advice they provide.

The Board also considers the asset lives of ICT equipment and intangible assets. While historically, lives of between 5-10 years were given to these assets, the rapidly changing environment of technology means that judgements about economic lives taken at the initial capitalisation of the asset may not reflect their actual lives.

In respect of provisions made for potential liabilities that are likely to settle in future years, the Board relies on information from our professional advisors as to the likely levels of any future settlements to create the general provision.

2. Memoranda to the Primary Statements

2a. Summary of Resource Outturn (SORO)

	Note	2022 £'000	2022 £'000
Net Expenditure	**SoCNE**		**407,724**
Total non core expenditure (see below)			(16,570)
Endowment net expenditure			(36)
Total Core Expenditure			**391,118**
Core Revenue Resource Limit			391,142
Saving/(excess) against Core Revenue Resource Limit			**24**

Summary of non core revenue resource outturn	Note	2022 £'000	2022 £'000
Depreciation / amortisation		16,487	
Annually Managed Expenditure - impairments		(486)	
Annually Managed Expenditure - creation of provisions		(16)	
Annually Managed Expenditure - depreciation of donated assets	2b	68	
Additional Scottish Government non-core funding		528	
Donated Assets Income		(11)	
Total Non Core Expenditure			**16,570**
Non Core Revenue Resource Limit			16,570
Saving against Non Core Revenue Resource Limit			**0**

Summary resource outturn	Resource £'000	Expenditure £'000	Saving £'000
Core	391,142	391,118	**24**
Non Core	16,570	16,570	0
Total	**407,712**	**407,688**	**24**

2b. Notes to the Cash Flow Statement

Consolidated adjustments for non-cash transactions

2021 £'000		Note	2022 £'000
	Expenditure Not Paid In Cash		
14,527	Depreciation	7a	15,956
423	Amortisation	6	535
75	Depreciation Donated Assets	7a	68
431	Impairments on PPE charged to SOCNE		647
(494)	Reversal of impairments on PPE charged to SOCNE		(606)
0	Funding Of Donated Assets	7a	(11)
(124)	Loss / (profit) on disposal of property, plant and equipment		(325)
14,838	**Total Expenditure Not Paid In Cash**	CFS	**16,264**

Interest payable recognised in operating expenditure

2021 £'000		Note	2022 £'000
	Interest payable		
(65)	Provisions - Unwinding of discount		(63)
(65)	**Net interest payable**	CFS	**(63)**

Consolidated movements in working capital

2021 Net Movement £'000		Note	Opening Balances £'000	Closing Balances £'000	2022 Net Movement £'000
	Inventories				
(87)	Balance Sheet	8	194	469	
(87)	**Net Decrease**				**(275)**
	Trade And Other Receivables				
(2,463)	Due within one year	9	26,453	21,551	
59	Due after more than one year	9	4,011	3,810	
(2,404)			30,464	25,361	
(2,404)	**Net Decrease/(Increase)**				**5,103**
	Trade And Other Payables				
10,192	Due within one year	12	33,956	39,093	
75	Due after more than one year	12	495	86	
(2,461)	Less: property, plant & equipment (capital) included in above		(10,536)	(9,067)	
	Less: General Fund creditor included in above	12	(60)	(60)	
			23,855	30,052	
7,806	**Net (decrease) / increase**				**6,197**
	Provisions				
1,380	Statement of Financial Position	13a	21,013	21,344	
			21,013	21,344	
1,380	**Net (decrease) / increase**				**331**
6,695	**Net movement (decrease) / increase**	CFS			**11,356**

3. Operating Expenses

3a. Staff costs

2021 Total £'000		Note	2022 Board £'000	2022 Consolidated £'000
273,035	Other Staff		321,570	321,570
273,035	**Total**	SoCNE	**321,570**	**321,570**

Further detail and analysis of employee costs can be found in the Remuneration and Staff Report, forming part of the Accountability Report.

3b. Other operating expenditure

2021 Total £'000		Note	2022 Board £'000	2022 Consolidated £'000
	Drugs and medical supplies			
5,022	PPE and testing kits		4,347	4,347
5,022	**Total**		**4,347**	**4,347**
10,799	Vehicle Running Costs	SoCNE	17,422	17,422
19,049	Air Ambulance Costs	SoCNE	18,014	18,014
9,113	Property Running Costs	SoCNE	11,018	11,018
5,695	Medical Costs	SoCNE	5,847	5,847
44,656	**Total**	SoCNE	**52,301**	**52,301**
	Other health care expenditure			
39,395	Other operating expenses		42,940	42,940
80	External auditor's remuneration - statutory audit fee		82	82
48	Endowment Fund expenditure		0	156
39,523	**Total**	SoCNE	**43,022**	**43,178**
89,201	**Total Other Operating Expenditure**		**99,670**	**99,826**

Included within the Endowment Fund expenditure is £3k in relation to Chiene and Tait external audit of the Endowment Fund

4. Operating Income

2021 Total £'000		Note	2022 Board £'000	2022 Consolidated £'000
633	Income from Scottish Government		449	449
5,068	Income from other NHS Scotland bodies		5,965	5,965
11	Income from NHS non-Scottish bodies		0	0
41	Income from private patients		43	43
1,427	Donations		2,490	2,490
242	Profit on disposal of assets		325	325
288	Contributions in respect of clinical and medical negligence claims		356	356
1	Interest received	CFS		1
	Non NHS:			
458	Non-patient care income generation schemes		408	408
218	Endowment Fund Income		0	119
2,156	Other		3,516	3,516
10,543	**Total Income**	SoCNE	**13,552**	**13,672**

5. Segmental Information

Segmental information as required under IFRS has been reported for each strategic objective

	North Region £'000	East Region £'000	West Region £'000	National £'000	HQ Directorates £'000	Endowment £'000	2022 £'000
Net operating cost	46,371	74,487	101,943	100,280	84,607	**36**	**407,724**

Prior Year

Segmental information as required under IFRS has been reported for each strategic objective

	North Region £'000	East Region £'000	West Region £'000	National £'000	HQ Directorates £'000	Endowment £'000	2021 £'000
Net operating cost	39,810	64,610	87,705	74,952	84,787	**(171)**	**351,693**

6. Intangible Assets

6a. Intangible Assets (non-current) – Consolidated and Board

	Note	Software Licences £'000	IT - software £'000	Assets Under Development £'000	Total £'000
Cost or Valuation:					
At 1 April 2021		1,383	9,810	0	11,193
Additions		0	40	0	40
Completions		521	231	(752)	0
Transfers between asset categories		0	0	752	752
At 31 March 2022		**1,904**	**10,081**	**0**	**11,985**
Amortisation					
At 1 April 2021		1,340	9,109	0	10,449
Provided during the year		148	387	0	535
At 31 March 2022		**1,488**	**9,496**	**0**	**10,984**
Net book value at 1 April 2021		**43**	**701**	**0**	**744**
Net book value at 31 March 2022	SoFP	**416**	**585**	**0**	**1001**

Consolidated and Board - Prior Year

	Note	Software Licences £'000	IT - software £'000	Assets Under Development £'000	Total £'000
Cost or Valuation:					
At 1 April 2020		1,379	9,624	0	11,003
Completions		4	186	(190)	0
Transfers between asset categories		0	0	190	190
At 31 March 2021		**1,383**	**9,810**	**0**	**11,193**
Amortisation					
At 1 April 2020		1,246	8,780	0	10,026
Provided during the year		94	329	0	423
At 31 March 2021		**1,340**	**9,109**	**0**	**10,449**
Net book value at 1 April 2020		**133**	**844**	**0**	**977**
Net book value at 31 March 2021	SoFP	**43**	**701**	**0**	**744**

7a. Property, Plant And Equipment – Consolidated And Board

	Note	Land (including under buildings) £'000	Buildings (excluding dwellings) £'000	Transport Equipment £'000	Plant & Machinery £'000	Information Technology £'000	Furniture & Fittings £'000	Assets Under Construction £'000	Total £'000
Cost or Valuation:									
At 1 April 2021		4,939	19,469	101,841	19,282	16,028	7,695	13,660	182,914
Additions - purchased		0	0	2,418	390	99	46	23,629	26,582
Additions – donated		0	0	0	11	0	0	0	11
Completions		0	0	9,488	1,453	878	134	(11,953)	0
Transfers between asset categories		0	0	0	0	0	0	(752)	(752)
Revaluations		36	242	0	0	0	0	0	278
Impairment charges		0	(131)	(528)	0	0	0	0	(659)
Impairment reversals		0	227	0	0	0	0	0	227
Disposals - purchased		0	0	(11,635)	(219)	0	0	0	(11,854)
Disposals - donated		0	0	0	(16)	0	0	0	(16)
At 31 March 2022		**4,975**	**19,807**	**101,584**	**20,901**	**17,005**	**7,875**	**24,584**	**196,731**
Depreciation									
At 1 April 2021		0	0	48,543	6,052	14,068	4,043	0	72,706
Provided during the year – purchased		0	726	12,085	1,957	813	375	0	15,956
Provided during the year - donated		0	0	30	38	0	0	0	68
Revaluations		0	(338)	0	0	0	0	0	(338)
Impairment charges		0	(12)	0	0	0	0	0	(12)
Impairment reversals		0	(379)	0	0	0	0	0	(379)
Disposals - purchased		0	0	(11,518)	(218)	0	0	0	(11,736)
Disposals - donated		0	0	0	(16)	0	0	0	(16)
At 31 March 2022		**0**	**(3)**	**49,140**	**7,813**	**14,881**	**4,418**	**0**	**76,249**
Net book value at 1 April 2021		**4,939**	**19,469**	**53,298**	**13,230**	**1,960**	**3,652**	**13,660**	**110,208**
Net book value at 31 March 2022	**SoFP**	**4,975**	**19,810**	**52,444**	**13,088**	**2,124**	**3,457**	**24,584**	**120,482**
Open Market Value of Land and Dwellings Included Above		0							
Asset financing:									
Owned - purchased		4,975	19,810	52,355	12,949	2,124	3,457	24,573	120,243
Owned - donated		0	0	89	139	0	0	11	239
Net book value at 31 March 2022	**SoFP**	**4,975**	**19,810**	**52,444**	**13,088**	**2,124**	**3,457**	**24,584**	**120,482**

Prior Year

	Note	Land (including under buildings) £'000	Buildings (excluding dwellings) £'000	Transport Equipment £'000	Plant & Machinery £'000	Information Technology £'000	Furniture & Fittings £'000	Assets Under Construction £'000	Total £'000
Cost or Valuation:									
At 1 April 2020		4,903	19,393	92,326	22,670	15,722	7,727	10,612	173,353
Additions - purchased		0	0	14,323	1,003	173	0	6,426	21,925
Completions		0	40	159	2,842	133	14	(3,188)	0
Transfers between asset categories		0	0	0	0	0	0	(190)	(190)
Revaluations		36	(3)	0	0	0	0	0	33
Impairment charges		0	(59)	(390)	0	0	0	0	(449)
Impairment reversals		0	98	0	0	0	0	0	98
Disposals - purchased		0	0	(4,577)	(7,221)	0	(46)	0	(11,844)
Disposals - donated		0	0	0	(12)	0	0	0	(12)
At 31 March 2021		**4,939**	**19,469**	**101,841**	**19,282**	**16,028**	**7,695**	**13,660**	**182,914**
Depreciation									
At 1 April 2020		0	3	41,980	11,615	13,302	3,689	0	70,589
Provided during the year – purchased		0	716	11,035	1,631	766	379	0	14,527
Provided during the year - donated		0	0	36	39	0	0	0	75
Revaluations		0	(305)	0	0	0	0	0	(305)
Impairment charges		0	(18)	0	0	0	0	0	(18)
Impairment reversals		0	(396)	0	0	0	0	0	(396)
Disposals - purchased		0	0	(4,508)	(7,221)	0	(25)	0	(11,754)
Disposals - donated		0	0	0	(12)	0	0	0	(12)
At 31 March 2021		**0**	**0**	**48,543**	**6,052**	**14,068**	**4,043**	**0**	**72,706**
Net book value at 1 April 2020		**4,903**	**19,390**	**50,346**	**11,055**	**2,420**	**4,038**	**10,612**	**102,764**
Net book value at 31 March 2021	**SoFP**	**4,939**	**19,469**	**53,298**	**13,230**	**1,960**	**3,652**	**13,660**	**110,208**
Open Market Value of Land and Dwellings Included Above		0							
Asset financing:									
Owned - purchased		4,939	19,469	53,179	13,064	1,960	3,652	13,660	109,923
Owned - donated		0	0	119	166	0	0	0	285
Net book value at 31 March 2021	**SoFP**	**4,939**	**19,469**	**53,298**	**13,230**	**1,960**	**3,652**	**13,660**	**110,208**

7b. Assets Held For Sale - Consolidated And Board

	Note	Property, Plant & Equipment £'000	Total £'000
At 1 April 2021		**0**	**0**
Transfers from property, plant and equipment			
Gain or losses recognised on re-measurement of non-current assets held for sale			
Disposals of non-current assets held for sale			
At 31 March 2022	SoFP	**0**	**0**

Prior Year

	Note	Property, Plant & Equipment £'000	Total £'000
At 1 April 2020		**0**	**0**
Transfers from property, plant and equipment			
Gain or losses recognised on re-measurement of non-current assets held for sale			
Disposals of non-current assets held for sale			
At 31 March 2021	SoFP	**0**	**0**

7c. Property, Plant And Equipment Disclosures

Consolidated 2021 £'000	Board 2021 £'000		Note	Consolidated 2022 £'000	Board 2022 £'000
		Net book value of property, plant and equipment at 31 March			
109,923	109,923	Purchased		120,243	120,243
285	285	Donated		239	239
110,208	**110,208**	**Total**	SoFP	**120,482**	**120,482**
0	0	Net book value related to land valued at open market value at 31 March		0	0
0	0	Net book value related to buildings valued at open market value at 31 March		0	0

All land and buildings were revalued by an independent valuer, The Valuation Office Agency, as at 31/03/2022 on the basis of fair value (market value or depreciated replacement costs where appropriate). The values were computed in accordance with the Royal Institute of Chartered Surveyors Statement of Asset Valuation Practice and Guidance notes, subject to the special accounting practices of the NHS.

The net impact was an increase in value of £426k (2020/21: £182k increase), of which £60k was charged to the revaluation reserve (2020/21: £272k) and £486k credited to the Statement of Comprehensive Net Expenditure (2020/21: £454k). The credit to the Statement of Comprehensive Net Expenditure was comprised of £120k impairment losses (2020/21 £41k) and £606k reversal of previous impairment losses (2020/21 £495k).

7d. Analysis Of Capital Expenditure

Consolidated 2021 £'000	Board 2021 £'000		Note	Consolidated 2022 £'000	Board 2022 £'000
		Expenditure			
0	0	Acquisition of intangible assets	6	40	40
21,925	21,925	Acquisition of property, plant and equipment	7a	26,582	26,582
0	0	Donated asset additions	7a	11	11
21,925	**21,925**	**Gross Capital Expenditure**		**26,633**	**26,633**
		Income			
90	90	Net book value of disposal of property, plant and equipment		118	118
0	0	Value of disposal of non-current assets held for sale		0	0
0	0	Donated asset income		0	0
90	**90**	**Capital Income**		**118**	**118**
21,835	**21,835**	**Net Capital Expenditure**		**26,515**	**26,515**
		Summary Of Capital Resource Outturn			
21,835	21,835	Core capital expenditure included above		21,835	21,835
21,835	21,835	Core Capital Resource Limit		21,835	21,835
0	**0**	**Saving / (excess) against Core Capital Resource Limit**		**0**	**0**
0	0	Non core capital expenditure included above		11	11
0	0	Non core Capital Resource Limit		11	11
0	**0**	**Saving / (excess) against Core Capital Resource Limit**		**0**	**0**
21,835	21,835	Total capital expenditure		26,515	26,515
21,835	21,835	Total Capital Resource Limit		26,515	26,515
0	**0**	**Saving / (excess) against Total Capital Resource Limit**		**0**	**0**

8. Inventories – Consolidated And Board

2021 £'000		Note	Consolidated 2022 £'000	Board 2022 £'000
194	Consumables		469	469
194	**Total**	SoFP	**469**	**469**

9. Trade And Other Receivables

Consolidated 2021 £'000	Board 2021 £'000		Note	Consolidated 2022 £'000	Board 2022 £'000
		Receivables due within one year			
		NHS Scotland			
287	287	Scottish Government Health & Social Care Directorate		1,554	1,554
9,555	9,555	Boards		3,985	3,985
9,842	**9,842**	**Total NHS Scotland Receivables**		**5,539**	**5,539**
11	11	NHS non-Scottish bodies		1	1
2,283	2,283	VAT recoverable		2,026	2,026
12,099	12,097	Prepayments		12,127	12,127
736	736	Accrued income		381	301
241	241	Other receivables		(278)	(278)
1,185	1,185	Reimbursement of provisions		1,673	1,673
56	56	Other public sector bodies		82	82
26,453	**26,451**	**Total Receivables due within one year**	SoFP	**21,551**	**21,471**
		Receivables due after more than one year			
10	10	Prepayments		0	0
879	879	Accrued income		846	846
(180)	(180)	Other receivables		(197)	(197)
3,302	3,302	Reimbursement of provisions		3,161	3,161
4,011	**4,011**	**Total Receivables due after more than one year**	SoFP	**3,810**	**3,810**
30,464	**30,462**	**TOTAL RECEIVABLES**		**25,361**	**25,281**
323	323	The total receivables figure above includes a provision for impairments of :		1,219	1,219
		WGA Classification			
9,555	9,555	NHS Scotland		3,985	3,985
3,779	3,779	Central Government bodies		3,645	3,645
50	50	Whole of Government bodies		16	16
11	11	Balances with NHS bodies in England and Wales		1	1
17,069	17,067	Balances with bodies external to Government		17,714	17,634
30,464	**30,462**	**Total**		**25,361**	**25,281**
		Movements on the provision for impairment of receivables are as follows:			
514	514	At 1 April		323	323
193	193	Provision for impairment		876	876
(2)	(2)	Receivables written off during the year as uncollectable		(98)	(98)
(382)	(382)	Unused amounts reversed		118	118
323	323	At 31 March		1,219	1,219

As of 31 March 2022, receivables with a carrying value of £1.2 million (2021: £0.3 million) were impaired and provided for. The ageing of these receivables is as follows:

28	28	3 to 6 months past due		27	27
295	295	Over 6 months past due		1,192	1,192
323	**323**			**1,219**	**1,219**

Consolidated 2021 £'000	Board 2021 £'000		Note	Consolidated 2022 £'000	Board 2022 £'000
		The receivables assessed as individually impaired are mainly NHS Scotland Health Boards as we have impaired all those that 2 years past their due date on the basis that these may not be collectable.			
		Receivables that are less than three months past their due date are not considered impaired. As at 31 March 2022, receivables with a carrying value of £2.5 million (2020-21: £9.1 million) were past their due date but not impaired. The ageing of receivables which are past due but not impaired is as follows:			
2,745	2,745	Up to 3 months past due		123	123
55	55	3 to 6 months past due		94	94
6,261	6,261	Over 6 months past due		2,262	2,262
9,061	**9,061**			**2,479**	**2,479**
		The receivables assessed as past due but not impaired are mainly NHS Scotland Health Boards.			
		Concentration of credit risk is limited due to customer base being large and unrelated / government bodies. Due to this, management believe that there is no future credit risk provision required in excess of the normal provision for doubtful receivables.			
		The credit quality of receivables that are neither past due nor impaired is assessed by reference to external credit ratings where available. Where no external credit rating is available, historical information about counterparty default rates is used.			
		Receivables that are neither past due nor impaired are shown by their credit risk below:			
		Counterparties with external credit ratings			
21,080	21,078	Existing customers with no defaults in the past		21,663	21,583
21,080	**21,078**	**Total neither past due or impaired**		**21,663**	**21,583**
		The maximum exposure to credit risk is the fair value of each class of receivable. The NHS Board does not hold any collateral as security.			
		The carrying amount of receivables are denominated in the following currencies:			
30,464	30,462	Pounds		25,361	25,281
30,464	**30,462**			**25,361**	**25,281**
		All non-current receivables are due within 6 years (2020-21: 6 years) from the balance sheet date.			
		The carrying amount of short term receivables approximates their fair value.			
		The fair value of long term other receivables is £Nil (2020-21 £Nil).			

10. Cash And Cash Equivalents

	Note	2021 £'000	2022 £'000
At 1 April		938	1,077
Net change in cash and cash equivalent balances	CFS	139	(125)
At 31st March	SoFP	**1,077**	**952**
Total Cash - Cash Flow Statement		**1,077**	**952**
The following balances at 31 March were held at:			
Government Banking Service		54	45
Commercial Banks and Cash in Hand		2	2
Endowment Cash		1,021	905
At 31st March		**1,077**	**952**

11. Trade And Other Payables

Consolidated 2021 £'000	Board 2021 £'000		Note	Consolidated 2022 £'000	Board 2022 £'000
		Payables due within one year			
		NHS Scotland			
489	489	Scottish Government Health & Social Care Directorate		349	349
1,592	1,592	Boards		1,828	1,828
2,081	**2,081**	**Total NHS Scotland Payables**		**2,177**	**2,177**
0	0	NHS Non-Scottish bodies		195	195
60	60	Amounts payable to General Fund		60	60
3,919	3,919	Trade payables		2,334	2,334
14,729	14,724	Accruals		18,974	18,971
0	0	Deferred income		17	17
142	142	Income tax and social security		100	100
123	123	Superannuation		4	4
5,271	5,271	Holiday pay accrual		5,845	5,845
363	363	Other public sector bodies		1,036	1,036
7	7	Other payables		159	159
7,261	7,261	Other significant payables (pay accrual)		8,192	8,192
33,956	**33,951**	**Total Payables due within one year**	SoFP	**39,093**	**39,090**
		Payables due after more than one year			
495	495	Scottish Government Health & Social Care Directorate		86	86
		Total NHSScotland Payables			
0	0	Other payables		0	0
495	**495**	**Total Payables due after more than one year**		**86**	**86**
34,451	**34,446**	**TOTAL PAYABLES**		**39,179**	**39,176**
		WGA Classification			
1,592	1,592	NHS Scotland		1,828	1,828
1,816	1,816	Central Government bodies		1,363	1,363
111	111	Whole of Government bodies		108	108
1	1	Balances with NHS bodies in England and Wales		195	195
30,931	30,926	Balances with bodies external to Government		35,685	35,682
34,451	**34,446**	**Total**		**39,179**	**39,176**
		The carrying amount of short term payables approximates their fair value.			
		The carrying amount of payables are denominated in the following currencies:			
34,451	34,446	Pounds		39,179	39,176
34,451	**34,446**			**39,179**	**39,176**

12a. Provisions – Consolidated And Board

	Note	Pensions and similar obligations £'000	Clinical & Medical Legal Claims against NHS Board £'000	Participation in CNORIS £'000	Other (non-endowment) £'000	2022 Total £'000
At 1 April 2021		10,744	4,716	4,739	814	21,013
Arising during the year		471	1,683	298	1,429	3,881
Utilised during the year		(461)	(362)	(187)	(1,210)	(2,220)
Unwinding of discount		(4)	(57)	0	(2)	(63)
Reversed unutilised		(124)	(827)	0	(316)	(1,267)
At 31 March 2022	2	**10,626**	**5,153**	**4,850**	**715**	**21,344**

The amounts shown above in relation to Clinical & Medical Legal Claims against Scottish Ambulance Service are stated gross and the amount of any expected reimbursements are separately disclosed as receivables in note 9.

Analysis of expected timing of discounted flows to 31 March 2022

	Note	Pensions and similar obligations £'000	Clinical & Medical Legal Claims against NHS Board £'000	Participation in CNORIS £'000	Other (non-endowment) £'000	2022 Total £'000
Payable in one year		453	1,928	1,210	715	4,306
Payable between 2 - 5 years		1,872	3,225	2,947	0	8,044
Payable between 6 - 10 years		2,425	0	251	0	2,676
Thereafter		5,876	0	442	0	6,318
At 31 March 2022		**10,626**	**5,153**	**4,850**	**715**	**21,344**

Prior Year

	Note	Pensions and similar obligations £'000	Clinical & Medical Legal Claims against NHS Board £'000	Participation in CNORIS £'000	Other (non-endowment) £'000	2021 Total £'000
At 1 April 2020		10,334	4,017	4,745	537	19,633
Arising during the year		875	1,153	290	1,554	3,872
Utilised during the year		(458)	(260)	(296)	(1,067)	(2,081)
Unwinding of discount		(2)	(56)	0	(7)	(65)
Reversed unutilised		(5)	(138)	0	(203)	(346)
At 31 March 2021		**10,744**	**4,716**	**4,739**	**814**	**21,013**

The amounts shown above in relation to Clinical & Medical Legal Claims against Scottish Ambulance Service are stated gross and the amount of any expected reimbursements are separately disclosed as receivables in note 9.

Analysis of expected timing of discounted flows to 31 March 2021

	Note	Pensions and similar obligations £'000	Clinical & Medical Legal Claims against NHS Board £'000	Participation in CNORIS £'000	Other (non-endowment) £'000	2021 Total £'000
Payable in one year		459	1,315	1,182	814	3,770
Payable between 2 - 5 years		1,881	3,401	2,880	0	8,162
Payable between 6 - 10 years		2,418	0	245	0	2,663
Thereafter		5,986	0	432	0	6,418
At 31 March 2021		**10,744**	**4,716**	**4,739**	**814**	**21,013**

Pensions and similar obligations

The Board has in the past met the cost of additional benefits beyond the normal National Health Service Superannuation Scheme for Scotland benefits in respect of employees who retired early in the interests of the service by paying the required amounts annually to the Scottish Public Pensions Agency with the estimated value of all future payments being provided in the year the premature retiral was approved. Only one premature retiral case remains in payment and due to the immaterial sum involved the payments have not been discounted but are currently projected over a remaining life greater than nine years. The Board has provided for permanent injury benefit awards based upon advised annual rates supplied by the Scottish Public Pensions Agency under the National Health Service Superannuation Scheme for Scotland and estimated remaining lives of recipients derived from interim life tables for Scotland produced annually by National Statistics which give period life expectancy by age and sex. Each life table is based upon population estimates, births and deaths data for a period of three consecutive years. The sum provided for each individual is recalculated annually based upon changes in their annual rates and period life expectancy at the balance sheet date. As the period life expectancies are typically for a considerable number of years during which the claimants will receive payments the actuarially calculated amounts are discounted using the provision discount rate as set by HM Treasury, which was (1.30%) as at the balance sheet date. As at the balance sheet date the life expectancy varied between nine years and thirty-six years.

Clinical & Medical Legal Claims against NHS Board

The Board provides in full for Employer's Liability claims designated by the Central Legal Office as being Category 3, provision is also made for 50% of the estimated settlement costs of claims categorised by the Central Legal Office as Category 2 claims. Claims provided for have been discounted as per HM Treasury PES guidance

Other (non-endowment)

Provision has been made for motor accident costs relating to third parties as notified by the Board's insurers on the basis of 100% of third party vehicle damage costs and third party personal injury costs. It has been assumed that outstanding claims will reach settlement with twelve months of the balance sheet date and therefore the costs have been classified as current.

12b. Clinical Negligence And Other Risks Indemnity Scheme (CNORIS)

2021 £'000		Note	2022 £'000
4,716	Provision recognising individual claims against the NHS Board as at 31 March	13a	5,153
(4,487)	Associated CNORIS receivable at 31 March	9	(4,834)
4,739	Provision recognising the NHS Board's liability from participating in the scheme at 31 March	13a	4,850
4,968	**Net Total Provision relating to CNORIS at 31 March**		**5,169**

The Clinical Negligence and Other Risks Scheme (CNORIS) has been in operation since 2000. Participation in the scheme is mandatory for all NHS boards in Scotland. The scheme allows for risk pooling of legal claims in relation to clinical negligence and other risks and works in a similar manner to an insurance scheme. CNORIS has an agreed threshold of £25k and any claims with a value less than this are met directly from within boards' own budgets. Participants e.g. NHS boards contribute to the CNORIS pool each financial year at a pre-agreed contribution rate based on the risks associated with their individual NHS board. If a claim is settled the board will be reimbursed by the scheme for the value of the settlement, less a £25k "excess" fee. The scheme allows for the risk associated with any large or late in the financial year legal claims to be managed and reduces the level of volatility that individual boards are exposed to.

When a legal claim is made against an individual board, the board will assess whether a provision or contingent liability for that legal claim is required. If a provision is required then the board will also create an associated receivable recognising reimbursement from the scheme if the legal claim settles. The provision and associated receivable are shown in the first two lines above. The receivable has been netted off against the provision to reflect reimbursement from the scheme.

As a result of participation in the scheme, boards should also recognise that they will be required to make contributions to the scheme in future years. Therefore a second provision that recognises the board's share of the total CNORIS liability of NHSScotland has been made and this is reflected in third line above.

Therefore there are two related but distinct provisions required as a result of participation in the scheme. Both of these provisions as well as the associated receivable have been shown in the note above to aid the reader's understanding of CNORIS.

Further information on the scheme can be found at: http://www.clo.scot.nhs.uk/our-services/cnoris.aspx

13a. Contingent Liabilities

The following contingent liabilities have not been provided for in the Accounts.

2021 £'000		2022 £'000
	Nature	
4,094	Clinical and medical compensation payments	4,490
1,131	Employer's liability	1,337
5,225	**Total contingent liabilities**	**5,827**

The Service is currently contesting through Central Legal Office a number of negligence claims arising from normal activities. These claims have been assessed by the Central Legal Office as at 31 March 2022 and for those which have been deemed likely to require settlement the estimated amount has been included in provisions. In addition to those claims provided for, there are further Clinical and Medical Negligence claims with an estimated value of £4.49m and Employer's Liability claims with an estimated value of £1.34m, which have not been provided for as they have been judged unlikely to result in any settlement.

13b. Contingent Assets

2021 £'000		2022 £'000
3,832	Clinical and medical compensation payments	4,278
280	Employer's liability	350
4,112	**Total contingent liabilities**	**4,628**

A contingent asset consisting of amounts recoverable from the CNORIS scheme associated with the contingent liability disclosed above, £4.28m for Clinical and Medical Negligence and £0.35m for Employer's Liability compensation payments would be receivable if these claims were to be settled at their current estimated value.

14. Events After The End Of The Reporting Year

There were no events after the end of the reporting period that would have a material effect on the accounts.

15. Commitments

The Board has the following capital commitments which have not been provided for in the accounts

2021 £'000		Property, plant and equipment £'000	2022 Total £'000
	Contracted		
26,312	Vehicles	25,278	25,278
0	Building works	0	0
0	Defibrillators	0	0
26,312	**Total**	**25,278**	**25,278**
	Authorised but not Contracted		
0	Vehicles	0	0
0	Property	0	0
0	Information Technology	0	0
0	**Total**	**0**	**0**

16. Commitments Under Leases

Operating leases Total future minimum lease payments under operating leases are given in the table below for the each of the following periods:

Obligations under operating leases comprise:

2021 £'000		2022 £'000
	Obligations under operating leases comprise: Land	
252	Not later than one year	236
211	Later than one year, not later than 2 years	203
506	Later than two year, not later than five years	582
1,110	Later than five years	1,595
	Buildings	
1,257	Not later than one year	1,310
1,129	Later than one year, not later than 2 years	1,151
3,225	Later than two years, not later than five years	3,337
5,520	Later than five years	7,130
	Other	
4,463	Not later than one year	4,382
4,282	Later than one year, not later than 2 years	855
811	Later than two years, not later than five years	72
	Amounts charged to Operating Costs in the year were:	
4,539	Hire of equipment (including vehicles)	4,541
2,141	Other operating leases	2,516
6,680	**Total**	**7,057**

The major components included within Other Operating: Leases obligations are the fixed and rotary wing aircraft contracted for under the managed Air Ambulance Service. While the managed service contract is not in the legal form of an operating lease, in adopting the IFRIC 4 approach, these aircraft are adjudged in substance to have the characteristics of leased assets and have therefore been classified under IAS 17 as operating lease assets. Other elements of the managed Air Ambulance service are not considered to be within scope of IAS 17.

17. Pension Costs

The Scottish Ambulance Service participates in the NHS Pension Scheme (Scotland). The scheme is an unfunded statutory public service pension scheme with benefits underwritten by the UK Government. The scheme is financed by payments from employers and from those current employees who are members of the scheme and paying contributions at progressively higher marginal rates based on pensionable pay, as specified in the regulations. The rate of employer contributions is set with reference to a funding valuation undertaken by the scheme actuary. **The last four-yearly valuation was undertaken as at 31 March 2016. This valuation informed an employer contribution rate from 1 April 2019 of 20.9% of pensionable pay and an anticipated yield of 9.6% employees contributions.**

Scottish Ambulance Service has no liability for other employers' obligations to the multi-employer scheme.

As the scheme is unfunded there can be no deficit or surplus to distribute on the wind-up of the scheme or withdrawal from the scheme.

1. The scheme is an unfunded multi-employer defined benefit scheme.
2. It is accepted that the scheme can be treated for accounting purposes as a defined contribution scheme in circumstances where the Scottish Ambulance Service is unable to identify its share of the underlying assets and liabilities of the scheme.
3. The employer contribution rate for the period from 1 April 2021 is 20.9% of pensionable pay. The employee rate applied is variable and is anticipated to provide a yield of 9.6% of pensionable pay.
4. While a valuation was carried out as at 31st March 2016, work on the cost cap valuation was suspended by the UK Government following the decision by the Court of Appeal (McCloud (Judiciary scheme)/Sergeant (Firefighter's Scheme) cases) that the transitional protections provided as part of the 2015 reforms unlawfully discriminated on the grounds of age. Following consultation and an announcement in February 2021 on proposals to remedy the discrimination, the UK Government confirmed that the cost control element of the 2016 valuations could be completed. The UK Government has also asked the Government Actuary to review whether, and to what extent, the cost control mechanism is meeting its original objectives. The 2020 actuarial valuations will take the report's findings into account. The interim report is complete (restricted) and is currently being finalised with a consultation. Alongside these announcements, the UK Government confirmed that current employer contribution rates would stay in force until 1 April 2024.
5. The Scottish Ambulance Service contribution in 2021/22 was £43.9 million (£35.7 million in 2020/21). The total employer contributions received for the NHS Scotland scheme in the year to 31 March 2021 was £1,264.4 million (see note 3 in the scheme accounts). Contributions collected in the year to 31 March 2022 will be published in October 2022). The Scottish Ambulance Service level of participation in the scheme is 2.8% based on the proportion of employer contributions paid in 2020/21.

National Employment Savings Trust (NEST)

The Pensions Act 2008 and 2011 Automatic Enrolment regulations required all employers to enrol workers meeting certain criteria into a pension scheme and pay contributions toward their retirement. For those staff not entitled to join the NHS Superannuation Scheme (Scotland), the Board utilised an alternative pension scheme called NEST to fulfil its Automatic Enrolment obligations.

NEST is a defined contribution pension scheme established by law to support the introduction of Auto Enrolment. Contributions are taken from qualifying earnings, which are currently from £6,136 up to £50,000, but will be reviewed every year by the government. The initial employee contribution is 1% of qualifying earnings, with an employer contribution of 1%. This will increase in stages to meet levels set by government.

	Employee Contribution	Employer Contribution	Total Contribution
1st March 2013	1%	1%	2%
1st October 2018	3%	2%	5%
1st October 2019	5%	3%	8%

Pension members can choose to let NEST manage their retirement fund or can take control themselves and alter contribution levels and switch between different funds. If pension members leave the Board they can continue to pay into NEST.

NEST Pension members can take money out of NEST at any time from age 55. If suffering from serious ill health or incapable of working due to illness members can request to take money out of NEST early. They can take the entire retirement fund as cash, use it to buy a retirement income or a combination. Additionally, members can transfer their NEST retirement fund to another scheme.

NEST is run by NEST Corporation, a trustee body which is a non-departmental public body operating at arm's length from government and is accountable to Parliament through the Department for Work and Pensions.

	2022 £'000	2021 £'000
Pension cost charge for the year	43,949	35,709
Provisions / liabilities / prepayments included in the Statement of Financial Position	0	(268)

18a. Financial Instruments By Category

Financial Assets - Consolidated

	Note	Financial Assets at amortised cost £'000	Total £'000
At 31 March 2022			
Assets per balance sheet			
Trade and other receivables excluding prepayments, reimbursements of provisions and VAT recoverable.	9	835	835
Cash and cash equivalents	10	952	952
		1,787	**1,787**

Financial Assets - Board

	Note	Financial Assets at amortised cost £'000	Total £'000
At 31 March 2022			
Assets per balance sheet			
Trade and other receivables excluding prepayments, reimbursements of provisions and VAT recoverable.	9	755	755
Cash and cash equivalents	10	47	47
		802	**802**

Prior Year

Financial Assets - Consolidated

	Note	Financial Assets at amortised cost £'000	Total £'000
At 31 March 2021			
Assets per balance sheet			
Trade and other receivables excluding prepayments, reimbursements of provisions and VAT recoverable.	9	1,743	1,743
Cash and cash equivalents	10	1,077	1,077
		2,820	**2,820**

Financial Assets - Board

	Note	Financial Assets at amortised cost £'000	Total £'000
At 31 March 2021			
Assets per balance sheet			
Trade and other receivables excluding prepayments, reimbursements of provisions and VAT recoverable.	9	1,743	1,743
Cash and cash equivalents	10	56	56
		1,799	**1,799**

Financial Liabilities - Consolidated

	Note	Financial Assets at amortised cost £'000	Total £'000
At 31 March 2022			
Liabilities per balance sheet			
Trade and other payables excluding statutory liabilities (VAT and income tax and social security), deferred income and superannuation	11	36,795	36,795
		36,795	**36,795**

Financial Liabilities - Board

	Note	Financial Assets at amortised cost £'000	Total £'000
At 31 March 2022			
Liabilities per balance sheet			
Trade and other receivables excluding prepayments, reimbursements of provisions and VAT recoverable.	11	36,792	36,792
		36,792	**36,792**

Prior Year

Financial Liabilities - Consolidated

	Note	Financial Assets at amortised cost £'000	Total £'000
At 31 March 2021			
Liabilities per balance sheet			
Trade and other payables excluding statutory liabilities (VAT and income tax and social security), deferred income and superannuation	11	31,610	31,610
		31,610	**31,610**

Financial Liabilities - Board

	Note	Financial Assets at amortised cost £'000	Total £'000
At 31 March 2021			
Liabilities per balance sheet			
Trade and other receivables excluding prepayments, reimbursements of provisions and VAT recoverable.	11	31,605	31,605
		31,605	**31,605**

18b. Financial Risk Factors

Exposure to Risk

The NHS Board's activities expose it to a variety of financial risks:

Credit risk - the possibility that other parties might fail to pay amounts due.

Liquidity risk - the possibility that the NHS Board might not have funds available to meet its commitments to make payments.

Market risk - the possibility that financial loss might arise as a result of changes in such measures as interest rates, stock market movements or foreign exchange rates.

Because of the largely non-trading nature of its activities and the way in which government departments are financed, the NHS Board is not exposed to the degree of financial risk faced by business entities.

i) Credit Risk

Credit risk arises from cash and cash equivalents, deposits with banks and other institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions.

For banks and other institutions, only independently rated parties with a minimum rating of 'A' are accepted.

Customers are assessed, taking into account their financial position, past experience and other factors, with individual credit limits being set in accordance with internal ratings in accordance with parameters set by the NHS Board.

The utilisation of credit limits is regularly monitored.

No credit limits were exceeded during the reporting period and no losses are expected from non-performance by any counterparties in relation to deposits.

ii) Liquidity Risk

The Scottish Parliament makes provision for the use of resources by the NHS Board for revenue and capital purposes in a Budget Act for each financial year. Resources and accruing resources may be used only for the purposes specified and up to the amounts specified in the Budget Act. The Act also specifies an overall cash authorisation to operate for the financial year. The NHS Board is not therefore exposed to significant liquidity risks.

The table below analyses the financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As At 31 March 2022	Less than 1 year £'000	Between 1 and 2 years £'000
Trade and other payables excluding statutory liabilities	36,652	
Total	**36,652**	

As At 31 March 2021	Less than 1 year £'000
Trade and other payables excluding statutory liabilities	31,610
Total	**31,610**

iii) Market Risk

The NHS Board has no powers to borrow or invest surplus funds. Financial assets and liabilities are generated by day-to-day operational activities and are not held to manage the risks facing the NHS Board in undertaking its activities.

Cash flow and fair value interest rate risk

The NHS Board has no significant interest bearing assets or liabilities and as such income and expenditure cash flows are substantially independent of changes in market interest rates.

Foreign Currency Risk

The NHS Board is not exposed to foreign currency risk.

Price risk

The NHS Board is not exposed to equity security price risk.

18c. Fair Value Estimation

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair value.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current HM Treasury interest rate that is available for similar financial instruments.

19. Related Party Transactions

The Board had various material transactions with other government departments and other central government bodies during the year. No Board member, key manager or other related party has undertaken any material transactions with the Board during the year. The Board members, both Executive and Non-Executive directors, are also trustees of the Scottish Ambulance Service Endowment Funds. The Board Chair and Chief Executive are trustees of the Scottish Ambulance Service Benevolent Fund.

Scottish Ambulance Service Endowment Funds

Income and Expenditure related to the charity is processed through the Scottish Ambulance Service but there were no direct transactions between the two entities. The charity holds funds of £905k at 31st March 2022 with payables of £3k and receivables of £80k.

Scottish Ambulance Service Benevolent Fund

Income and Expenditure related to the charity is processed by the finance department but not through the Scottish Ambulance Service ledgers. Members of the fund have their monthly contributions deducted from pay. There is a small administration fee charged to the Benevolent Fund to cover staff costs. Year-end balances are not available for the 2021/22 financial year.

Scotland's Charity Air Ambulance

The charity operates two helicopters and two rapid response vehicles that are tasked by the Scottish Ambulance Service. Paul Bassett, Chief Operating Officer and Carol Sinclair, non-executive director are trustees of the charity. The paramedics based with the charity are employed by the Service and recharged to the charity. There are no charges from the charity to the Service. During 2021/22 the Service received £695k from the charity for staff costs. There was no receivable balance at year-end.

Senior Officers

Senior officers have control over the Board's operational and financial policies. The total remuneration paid to senior officers is disclosed in the remuneration report (page 45). Officers have a responsibility to adhere to a code of conduct that requires them to declare an interest in matters that may influence or be perceived to influence their judgement or decisions.

Board Members Interests

There are no transactions with the entities declared by our Board members requiring disclosure.

NHS Scotland

The Scottish Ambulance Service have various contractual and ad-hoc agreements in place for the provision of services to and from other Health Boards in Scotland. For 2021/22 this included NHS Ayrshire & Arran, NHS Borders, NHS Dumfries & Galloway, NHS Fife, NHS Forth Valley, NHS Grampian, NHS Greater Glasgow & Clyde, NHS Highland, NHS Lanarkshire, NHS Lothian, NHS Orkney, NHS Shetland, NHS Tayside, NHS Western Isles, NHS National Services, NHS Education, NHS24, Public Health Scotland, Healthcare Improvement Scotland and the Golden Jubilee Foundation. During 2021/22 we recognised £5,911k of income and £11,771k of expenditure with NHS Scotland boards. Our receivable balance as 31st March 2022 is £3,985k and our payable balance is £1,828k. £757k of the receivable balance has been provided for as a doubtful debt.

Scottish Government Health and Social Care Directorate (SGHSCD)

The SGHSCD allocates resources and sets the strategic direction for NHS Scotland and is responsible for the development and implementation of health and social care policy. The Scottish Ambulance Service received a revenue funding allocation of £407.8m and capital funding allocation of £26.5m.

20a. Consolidated Statement Of Comprehensive Net Expenditure

Group 2021 £'000		Note	Board 2022 £'000	Endowment 2022 £'000	Consolidated 2022 £'000
	Total income and expenditure				
273,035	Staff costs	3	321,570		321,570
	Other operating expenditure	3			
5,022	PPE & Testing Kits		4,347		4,347
10,799	Vehicle Running Costs		17,422		17,422
19,049	Air Ambulance Costs		18,014		18,014
9,113	Property Running Costs		11,018		11,018
5,695	Medical Costs		5,847	0	5,847
39,523	Other health care expenditure		43,022	156	43,178
362,236	Gross expenditure for the year		421,240	156	421,396
(10,543)	Less: operating income	4	(13,552)	(120)	(13,672)
351,693	**Net Expenditure**		**407,688**	**36**	**407,724**

20b. Consolidated Statement Of Financial Position

Consolidated 2021 £'000		Note	Board 2022 £'000	Endowment 2022 £'000	Consolidated 2022 £'000
	Non-current assets				
110,208	Property, plant and equipment	SoFP	120,482	0	120,482
744	Intangible assets	SoFP	1,001	0	1,001
4,011	Trade and other receivables	SoFP	3,810	0	3,810
114,963	**Total non-current assets**		**125,293**	**0**	**125,293**
	Current Assets				
194	Inventories	SoFP	469	0	469
26,453	Trade and other receivables	SoFP	21,471	80	21,551
1,077	Cash and cash equivalents	SoFP	47	905	952
27,724	**Total current assets**		**21,987**	**985**	**22,972**
142,687	**TOTAL ASSETS**		**147,280**	**985**	**148,265**
	Current Liabilities				
(3,770)	Provisions	SoFP	(4,306)	0	(4,306)
	Financial liabilities:				
(33,956)	Trade and other payables	SoFP	(39,090)	(3)	(39,093)
(37,726)	**Total Current Liabilities**		**(43,396)**	**(3)**	**(43,399)**
104,961	**Non-current assets plus / less net current assets/liabilities**		**103,884**	**982**	**104,866**
	Non-current liabilities				
(17,243)	Provisions	SoFP	(17,038)	0	(17,038)
	Financial liabilities:				
(495)	Trade and other payables	SoFP	(86)	0	(86)
(17,738)	**Total non-current liabilities**		**(17,124)**	**0**	**(17,124)**
87,223	**Assets less liabilities**		**86,760**	**982**	**87,742**
	Taxpayers' Equity				
81,365	General Fund	SoFP	81,430	0	81,430
4,840	Revaluation Reserve	SoFP	5,330	0	5,330
1,018	Funds Held on Trust	SoFP	0	982	982
87,223	**Total taxpayers' equity**		**86,760**	**982**	**87,742**

20c. Consolidated Statement Of Cashflows

Consolidated 2021 £'000		Board 2022 £'000	Endowment 2022 £'000	Consolidated 2022 £'000
	Cash flows from operating activities			
(351,693)	Net operating expenditure	(407,688)	(36)	(407,724)
14,838	Adjustments for non-cash transactions	16,264		16,264
(65)	Add back: interest payable recognised in net operating expenditure	(63)		(63)
(1)	Deduct: interest receivable recognised in net operating expenditure	0	(1)	(1)
6,695	Movements in working capital	11,436	(80)	11,356
(330,226)	**Net cash outflow from operating activities**	**(380,051)**	**(117)**	**(380,168)**
	Cash flows from investing activities			
(19,464)	Purchase of property, plant and equipment	(28,051)	0	(28,051)
0	Purchase of intangible assets	(40)	0	(40)
214	Proceeds of disposal of property, plant and equipment	443	0	443
1	Interest received	0	1	1
(19,249)	**Net cash outflow from investing activities**	**(27,648)**	**1**	**(27,647)**
	Cash flows from financing activities			
349,549	Funding	407,627	0	407,627
349,549	Cash drawn down	407,627	0	407,627
65	Interest paid	63	0	63
349,614	**Net Financing**	**407,690**	**0**	**407,690**
139	**Net Increase / (decrease) in cash and cash equivalents in the period**	**(9)**	**(116)**	**(125)**
938	**Cash and cash equivalents at the beginning of the period**	56	1,021	1,077
1,077	**Cash and cash equivalents at the end of the period**	**47**	**905**	**952**
	Reconciliation of Net Cash Flow to movement in net debt / cash			
139	Increase / (decrease) in cash in year	**(9)**	**(116)**	**(125)**
938	Net debt / cash at 1 April	56	1,021	1,077
1,077	**Net debt / cash at 31 March**	**47**	**905**	**952**

Direction by the Scottish Ministers

DIRECTIONS BY THE SCOTTISH MINISTERS

The Scottish Ministers, in exercise of their functions under section 86(1) and (3) of the National Health Service (Scotland) Act 1978, in relation to the functions of Health Boards in that section which apply to the Scottish Ambulance Service Board by virtue of the Scottish Ambulance Service Board Order 1999, and all other powers enabling them to do so, hereby DIRECT that:

1. The Scottish Ambulance Service Board must prepare a statement of accounts for each financial year in accordance with the accounting principles and disclosure requirements set out in the edition of the Government Financial Reporting Manual which is applicable for the financial year for which the statement of accounts is prepared.

2. In preparing a statement of accounts in accordance with paragraph 1, The Scottish Ambulance Service Board must use the Scottish Ambulance Service Board Annual Accounts template which is applicable for the financial year for which the statement of accounts is prepared.

3. In preparing a statement of accounts in accordance with paragraph 1, The Scottish Ambulance Service Board must adhere to any supplementary accounting requirements set out in the following documents which are applicable for the financial year for which the statement of accounts is prepared –

   (a) The NHS Scotland Capital Accounting Manual,

   (b) The Manual for the Annual Report and Accounts of NHS Boards and for Scottish Financial Returns, and

   (c) The Scottish Public Finance Manual.

4. A statement of accounts prepared by The Scottish Ambulance Service Board in accordance with paragraphs 1, 2 and 3, must give a true and fair view of the income and expenditure and cash flows for that financial year, and of the state of affairs as at the end of the financial year.

5. The Scottish Ambulance Service Board must attach these directions as an appendix to the statement of accounts which it prepares for each financial year.

6. In these Directions –

   "financial year" has the same meaning as that given by Schedule 1 of the Interpretation Act 1978,

   "Government Financial Reporting Manual" means the technical accounting guide for the preparation of financial statements issued by HM Treasury,

   "Manual for the Annual Report and Accounts of NHS Boards and for Scottish Financial Returns" means the guidance on preparing annual accounts issued to Health Boards by the Scottish Ministers,

   "NHS Act 1978" means the National Health Service (Scotland) Act 1978 (c. 29),

"NHS Scotland Capital Accounting Manual" means the guidance on the application of accounting standards and practice to capital accounting transactions in the NHS issued by the Scottish Ministers,

"The Scottish Ambulance Service Board" is a Special Health Board for the whole of Scotland constituted under the Scottish Ambulance Service Board Order 1999 (S.S.I 1999/686),

"The Scottish Ambulance Service Board Annual Accounts template" means the Excel spreadsheet issued to The Scottish Ambulance Service Board by the Scottish Ministers as a template for their statement of accounts, and

"Scottish Public Finance Manual" means the guidance on proper handling and reporting of public funds issued by the Scottish Ministers.

7. Any expressions or definitions, where relevant and unless otherwise specified, take the meaning which they have in section 108 of the NHS Act 1978.

8. This Direction will come into force on the day after the day on which it is signed.

9. This Direction will remain in force until such time that it is varied, amended or revoked by a further Direction of the Scottish Ministers under section 86 of the NHS Act 1978.

Signed by the authority of the Scottish Ministers

Dated 22 March 2022

Glossary

A&E	Accident and Emergency
ACC	Ambulance Control Centre
AHP	Allied Health Professions
ALS	Advanced Life Support
ANP	Advanced Nurse Practitioner
AP	Advanced Paramedic
APCC	Advanced Practitioner in Critical Care
BASICS	British Association of Immediate Care
CFR	Community First Responder
Chain of Survival	Crucial elements required to save a life when someone is in cardiac arrest: community readiness and early recognition that a cardiac arrest is happening, early cardio pulmonary resuscitation (CPR), early defibrillation to restart the heart; timely hospital care and appropriate aftercare
CNO	Chief Nursing Office
CPR	Cardio Pulmonary Resuscitation
EMRS	Emergency Medical Retrieval Service
EPR	Electronic Patient Report
ESN	Emergency Services Network
FNC	Flow Navigation Centre
GP	General Practitioner
HAS	Hyper Acute Stroke
HCPC	Health and Care Professions Council
ICCS	Integrated Communications Control System
IJB	Integrated Joint Board
MTU	Mobile Testing Unit
NES	NHS Education for Scotland
OHCA	Out of Hospital Cardiac Arrest
OOH	Out of Hours
PAD	Public Access Defibrillator
PGD	Patient Group Directives
PHCCT	Pre-Hospital Critical Care Team
PTS	Patient Transport Service
ROSC	Return of Spontaneous Circulation
SG	Scottish Government
SORT	Specialist Operations Response Team
SPiNE	Scotland's Paramedic Integrated National Education
STN	Scottish Trauma Network
VF/VT	Ventricular Fibrillation – heart not operating correctly giving an irregular heartbeat

Scottish
Ambulance
Service

Taking Care to the Patient