1.0 Chief Executive’s Introduction
The past year (2010-11) has been South Central Ambulance Service NHS Trust (SCAS) most successful yet with the Trust exiting the year as the top performing ambulance service in the country in three key areas:
- quality of care (clinical performance indicators)
- national performance standards (A8)
- the highest percentage of patients assessed, treated and/or referred without the need for conveyance to a hospital emergency department.

The progress we have made over the past year has been remarkable and a real credit to our staff and management team. Our success has enabled us to enter into a tripartite agreement between the Strategic Health Authority and the Department of Health to become a Foundation Trust. We recognise the challenges that this commitment brings but believe we have the strong leadership and governance necessary to accept this responsibility.

The recent NHS reforms have created an uncertain environment that makes future planning more challenging. We have commissioner support for our future plans but recognise that we must ensure there is continued alignment with the emerging commissioning intentions of the new GP Pathfinder Consortia.

The current economic climate has, and will, continue to present a considerable financial and business challenge with a potential reduction in funding in real terms for the foreseeable future. We have put in place robust cost improvement plans to improve efficiency and reduce overheads and we have, once again, achieved our financial duties. Our future financial plans will ensure our existing high standards of care to patients are maintained.

Despite the challenges ahead, the Trust is confident that our business plan will retain SCAS as one of the country’s top performing ambulance trusts and one that our members, patients and the general public can be justly proud of.

Will Hancock
Chief Executive

6 June 2011
2.0 The Trust Board and Committees
The past year has seen a number of changes to our Board which have added new strengths and expertise in readiness for becoming a Foundation Trust.

Chairman
- Trevor Jones

Chief Executive
- Will Hancock

Directors
- Ian Ferguson, Chief Operating Officer
- Fizz Thompson, Nurse Director of Patient Care
- Charles Porter, Director of Finance
- John Black, Medical Director
- Duncan Burke*, Director of Communications and Engagement
- Paul Clarke*, Interim Director of Transformation and Organisational Development

* These executive posts are designated as being non-voting.

Non-Executive Directors
- Alastair Mitchell-Baker, Deputy Chair
- Colin Hazell
- Edward Weiss
- Keith Nuttall
- Claire Carless

As a result of Board changes, the following non-executive directors have stepped down from the Board during the year:
- Neil Goulden (former Chairman)
- June May
- Jackie Neylon

Board Meetings
Bi-monthly meetings of the Board of Directors are held in public. Board papers and minutes are published on the Trust website.

Board Committees and membership
The Board has two primary committees: Audit and, Quality and Safety, which jointly oversee governance, quality and risk within the organisation and provides assurance to the Board.
Audit Committee Membership

- Edward Weiss (Chair)
- Colin Hazell
- Keith Nuttall

Quality and Safety Membership

- Keith Nuttall (Chair)
- Alastair Mitchell-Baker (NED Patient Safety Champion)
- Nurse Director of Patient Care
- Medical Director
- Trust Chairman
- Chief Executive
- Chief Operating Officer
- Assistant Director of Finance
- Director of HR
- Corporate Secretary
- Head of Governance and Risk Management
- Staff side representative
- Public Involvement Panel representative.

Remunerations and Nominations Committee

- Alastair Mitchell-Baker (Chair)
- Claire Carless (From February 2011)
- Trevor Jones

Charitable Funds Committee

- Colin Hazell (Chair)
- Claire Carless (From February 2011)
- Edward Weiss

Register of Interests

A Register of Directors’ Interests is available for public inspection at the Trust’s Headquarters. A declaration of interests is made by directors at every Board and Committee meeting as a standing agenda item.
3.0 Management Commentary – Business Review

3.1 Overview of the Trust
The South Central Ambulance Service NHS Trust (SCAS) was formed on 1 July 2006, from a merger of the former Hampshire, Royal Berkshire, Oxfordshire ambulance trusts and the Buckinghamshire element of the Two Shires Ambulance Service. The merger brought together four small and very different ambulance trusts with differing cultures, performance and infrastructures into a single forward thinking and top performing organisation.

The Trust’s core business is that of providing an emergency 999 ambulance service managing around 500,000 emergency 999 calls a year. It serves an area of approximately 3,550 square miles, covering the counties of Hampshire, Berkshire, Oxfordshire and Buckinghamshire with a resident population of around 4 million.

In addition, the Trust provides a range of commercially viable services, which complement our core business. These include:

- Patient Transport Service – a non emergency transport service for patients
- Community Equipment Loans Service – supporting independent living and community based care for patients with long term medical and social conditions
- Logistics Services – providing a secure courier service transporting supplies, pathology specimens, and patient records between GP surgeries and hospitals
- Training services – providing first aid related training to many companies across the South of England.

We employ around 2,250 whole time equivalent (WTE) staff, of these approximately 2,000 are directly engaged in the delivery of services to patients.

The Trust’s operating income for 2010-11 was £138 million, which consists of £111 million from the emergency core contract and the remainder from non emergency contracts. We are commissioned by a Specialist Commissioner on behalf of eight primary care trusts (PCTs).

3.2 Strategic Vision and Strategy

“Towards Excellence through saving lives and taking healthcare to our patients.”

Our strategic vision is to continue to be the provider of choice for emergency ambulance services across the region, continuing to save lives and treat more patients out of hospital.

We have developed an ambitious five-year strategy, which underpins our vision and is responsive to the emergency and urgent care needs of our patients, partners and public. It has six key strategic themes:
- Clinical excellence – improving clinical outcomes, ensuring patient safety and a positive patient experience
- Operational excellence - improving response time performance standards, resilience and efficiency
- Developing strong and effective stakeholder relationships by developing whole system solutions and seamless pathways of care.
- Delivering strong governance and financial stewardship
• Delivering strong leadership, staff engagement and a learning culture
• Extending our market share of commercially viable non emergency services that complement our core business

Our strategy seeks to take advantage of new opportunities that may arise through the NHS reforms outlined in the Government’s White Paper Equity and Excellence: Liberating the NHS (2010). These include expanding the role of our emergency operations centres (EOC) as a single point of access (SPA) and ‘Gateway’ for patients to NHS and social care services.

The Next Stage Review: Providing Care Closer to Home and the recent White Paper have provided a strong focus for delivering more care out of hospital and the implementation of a comprehensive urgent care service, with a new 111 access number, linking together the ambulance service, GP out-of-hours services, social care and NHS Direct. We believe that as an ambulance service we are well placed to contribute significantly to these changes providing opportunity for new business growth. We are working closely with local commissioners and are currently the preferred partners in three new 111 pilot sites within the South Central region.

We recognise that the economic position will significantly impact on future funding, which will require SCAS to have a strong focus on managing demand and internal efficiencies to fund future developments. The Trust does however start from a position of strength with a history of sound financial management and strong governance. We have commissioner alignment to our strategy and continue to work with them on a number of joint partnership projects, which are driving further improvements.

3.3 Rationale for NHS Foundation Trust Status
Since its formation in 2006, SCAS has been on a journey and we believe that becoming an NHS Foundation Trust is the next critical stage of our organisational development.

The diagnostic process has acted as a catalyst for improvement and has driven changes in the way we operate. It has made us look at ourselves critically through the eyes of our stakeholders and has strengthened our resolve to become more externally focused and to improve our relationships with our partner organisations.

We have become more clinically-led, outward looking and patient-focused. The appointment of both a doctor (Medical Director) and nurse (Director of Patient Care) to our Board has enhanced our Board level focus on the quality of clinical care and has brought closer links with other medical and nursing professionals in acute hospitals, general practice and primary care.

While becoming a Foundation Trust will bring greater autonomy, it will also drive improved public engagement and stronger local partnerships. The financial freedoms will enable us to retain surpluses and will provide legally binding three-year commissioning agreements, which will significantly improve our long term financial planning.

We have become better at identifying and responding quicker to risks and opportunities. We are increasingly providing a more flexible, localised and personalised service, and we have the information we need to effectively manage our business.
3.4 Review of Performance

3.4.1 Quality and Safety

- We have strengthened our clinical focus with the development of a clinical strategy that puts the patients at the heart of everything we do
- Our performance against Clinical Indicators is the best in the country
- We obtained CQC registration without any conditions
- We obtained a further 2 years NHSLA accreditation at level 1

As part of our preparation for Foundation Trust status, we have reviewed our management arrangements and committee structure to strengthen accountability, clinical engagement, and effective decision making. Our executive management team reports to our Trust Board and is our key decision-making group, approving strategies and policies to ensure we achieve clinical, operational and financial targets.

Strengthening our clinical focus we released a new **Strategy for High Quality Care - Saving Lives and Taking Healthcare to our Patients** on 26 January 2011. This sets out the agenda for each of our teams and clearly puts quality at the heart of our delivery of care.

We actively participate and contribute to urgent care boards and engage in clinician to clinician dialogue with our partners. We are involved in taking forward both short-term Quality, Innovation, Productivity and Prevention (QIPP) projects, as well as playing an active part in longer-term transformational change programmes for our local health communities.

Our Lead Commissioner commented on our draft Quality Accounts and Audit Report, saying that…

> In particular, improvements have been seen in a number of areas, eg
> - Internal processes to manage staff clinical performance
> - Reduced healthcare acquired infections, through our ‘Make Ready’ scheme
> - Drive to reduce hospital handover delays, led by SCAS
> - Engagement with stakeholders
> - The introduction of the clinical support desk in the triaging of calls has proved pivotal in improving the patient experience and outcome
> - Managing risk

Over the past year, we have focused on improving our performance against the National Clinical Performance Indicators. We exited 2009-10 (cycle 4) with the best performance overall of any English ambulance service and were the top performing ambulance trust for asthma, stroke and hypoglycaemia and eighth in the management of heart attacks (STEMI).

Cycle 5 data for this year shows that SCAS remains the top performing Trust overall and for STEMI, and Stroke. We are ranked second for the management of cardiac arrest and asthma and third for hypoglycaemia.
During the year, we ceased to perform pre-hospital thrombolysis due to the improved availability of primary angioplasty (pPCI), as there is strong evidence to suggest that this is the best treatment for patients suffering STEMI. We are on course to achieve pPCI trajectory of 75% by the end of this year, with 75.2% of incidents currently being treated within the required target time.

In October 2010, we successfully gained a further two-year accreditation at Level 1 of the National Health Service Litigation Authority (NHSLA), which assessed SCAS against the national ambulance standards. We are working towards Level 2 accreditation in October 2013.

3.4.2 Operational performance

- Category A8 performance is the best in England
- Emergency demand has increased by 3.5% over last year
- We have halved the number of patients experiencing long delays for ambulances
- More patients have been assessed and treated without the need for ambulance conveyance to a hospital emergency department (ED)
- SCAS redirects a greater proportion of patients to more appropriate pathways of care than ED, compared with any other ambulance service in the country

The Trust is committed to providing a reliable, responsive and resilient service. The following table reflects our progressive performance improvements against the national emergency targets. The 2007/08 figures have been adjusted from the published results to reflect a comparison against the more challenging ‘Call Connect’ targets.

<table>
<thead>
<tr>
<th>Target</th>
<th>2007/08</th>
<th>2008/09</th>
<th>2009/10</th>
<th>2010-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>A8 75% in 8 minutes</td>
<td>61%</td>
<td>72.6%</td>
<td>75.8%</td>
<td>77.5%</td>
</tr>
<tr>
<td>A19 95% in 19 minutes</td>
<td>93%</td>
<td>94.5%</td>
<td>93.1%</td>
<td>95.3%</td>
</tr>
<tr>
<td>B19 95% in 19 minutes</td>
<td>88.8%</td>
<td>88%</td>
<td>88.9%</td>
<td>*91.4%</td>
</tr>
</tbody>
</table>

*SCAS has achieved the commissioned B19 performance of 90.8%

Emergency demand has continued to rise and has increased by 3.5% over the year. This is one of the lowest percentage increases seen over the past ten years which is the result of a number of joint partnership projects targeted at reducing demand.

We know that our patients highly value the prompt response to their 999 call. The past year has seen us work hard to improve our performance in areas where we have previously struggled to arrive within the appropriate timeframe. The graph below shows the dramatic reduction in long waits that has occurred.
SCAS has continued to increase the proportion of patients redirected to the most appropriate pathway of care following clinical assessment by our teams, either on scene or on the telephone. This is measured in terms of non-conveyance rates and SCAS is now a national leader in the field, with 42.5% of patients being treated without having to be transported to hospital – an increase of 3% over 2009-10.

There is however considerable variation in non conveyance rates across the region as displayed by the following table and we need to undertake further work to better understand why these variances occur.

<table>
<thead>
<tr>
<th></th>
<th>% Non conveyed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Berkshire East PCT</td>
<td>46.4%</td>
</tr>
<tr>
<td>Berkshire West PCT</td>
<td>52.4%</td>
</tr>
<tr>
<td>Buckinghamshire PCT</td>
<td>43.7%</td>
</tr>
<tr>
<td>Milton Keynes PCT</td>
<td>35.5%</td>
</tr>
<tr>
<td>NHS Hampshire</td>
<td>41.0%</td>
</tr>
<tr>
<td>Oxfordshire PCT</td>
<td>39.8%</td>
</tr>
<tr>
<td>Portsmouth PCT</td>
<td>40.4%</td>
</tr>
</tbody>
</table>

A key development during 2010-11 has been the expansion of our clinical support desks (CSDs) at our three emergency operations centres. These are staffed by nurses and emergency care practitioners who provide a 24/7 telephone clinical assessment, advice and referral service. They make a significant contribution by ensuring patients receive a response that is appropriate for their individual healthcare needs.

### 3.4.5 Patient and Public Involvement
The Trust is committed to providing our patients with excellent clinical care and advice appropriate to individual needs. We listen to comments, complaints or concerns and
aim to learn from these to further improve the service. Thanks to the professionalism and commitment of our staff, the public holds the Trust in high regard. We have a very low number of complaints, which are outweighed by compliments by more than 4:1.

We undertook a public consultation on our proposals for becoming a Foundation Trust between 22 November 2010 and 28 February 2011 with positive results. Over 80% of respondents supported our proposals.

The Trust has recruited more than 6000 public members and with the exception of one member of staff we have achieved a 100% staff membership. The election for our Council of Governors is scheduled to start in June 2011.

We are grateful for the continued support of the many public volunteers who have worked with the Trust throughout the year, these include:

Public Involvement Panel (PIP) are a group of members of the public who meet regularly to discuss and provide feedback from a patient and public perspective on the services offered by the Trust. Panel members also work closely with local authority LINKS organisations.

South Central Ambulance League of Friends has an active team of volunteers who supports the Trust by raising funds, providing equipment, conducting campaigns and organising events. www.ambulancefriends.org.uk

Community First Responders are members of the public who have volunteered and been trained by the Ambulance Service to help their local communities. They provide vital life saving emergency care for a wide range of incidents while the ambulance is en route. www.scas-responders.info/

Voluntary Car Drivers are volunteers, approved by the Trust, who use their own vehicles to transport non emergency patients to and from hospital for outpatient appointments, admissions and discharges.

3.4.6 Non Emergency Services

Patient Transport Service (PTS)
Non-emergency patient transport is provided for those patients who have a clinical need for transport but do not require the skills of a qualified ambulance person en route. We currently hold the majority of health PTS contracts across the region.

The PTS market is very competitive with a large number of competitive players. SCAS has however been successful in retaining several of our existing contracts in a tendering process against commercial competition, winning the contracts on both cost and quality.

PTS has a key part to play in the efficiencies of acute hospital trusts bed management by providing a responsive patient discharge service. The majority of current PTS contracts are not aligned towards this and it remains an area for further development.

Community Equipment Service
The Community Equipment Service currently operates in Berkshire and is seen to be a national leader and has the capacity to expand. The service is operated on behalf of
two PCTs and six unitary authorities providing a range of medical aids to support independent living and community based care.

**Logistics Services**
The Trust’s Logistics Services provides a delivery and collection service between hospitals, GP surgeries and other health clinics in Berkshire and Oxfordshire. This is a quality and secure service providing traceability of collections and deliveries, which is particularly important in relation to pathology specimens and patient records.

**Thames Valley Emergency Access**
Thames Valley Emergency Access (TVEA) is a support team funded by the Thames Valley PCTs and hosted by SCAS. It provides an impartial communications hub to facilitate integrated whole system working across all NHS agencies in the area.

### 3.4.7 Workforce

The Trust currently employs around 2,250 WTE staff of which 1600 are patient facing in the delivery of the emergency service and a further 400 are operational within the Patient Transport Service.

As an ambulance service the stability and reliability of our workforce is essential both for financial and emergency performance. Excessive abstractions increase costs through increased overtime and private providers. If shifts are uncovered it means that we have less operational resources to despatch to emergencies leading to slower response times and poor patient experience. Reducing the spend on private providers and excessive overtime is a key factor in our productivity and cost improvement plans.

Abstractions from the front line rota can be as a result of staff attending training and education, internal or external meetings which require a stand down, absence due to sickness, annual leave, maternity or paternity leave, or staff representatives undertaking Trade Union duties. Abstractions for training and education can either be to attend internal statutory, mandatory and clinical update training, or external attendance at university, all of which are factored in the education and workforce plans to address our needs for clinically qualified staff. We therefore monitor abstractions on a monthly basis against the plan to ensure appropriate and affordable actions are taken to address areas where there is a need to increase resource availability.

SCAS monitors a range of key performance indicators relating to workforce. These are reported to the Board and executive team on a monthly basis and posted on our intranet as a part of a suite of SCAS performance measures. The workforce measures include:

- Staff turnover
- Sickness absence
- Starters and leavers
- Workforce stability, turnover and attrition
- Appraisals.

An additional quarterly report is prepared which reviews performance in relation to the Equality and Diversity agenda.
Line managers, working with HR, use these and more detailed workforce reports to manage their workforce, addressing area of sickness absence, understanding reasons for turnover, and monitoring their appraisal rates. From April 2010, education reports are now also produced monitoring attendance against targets.

**Staff Turnover**
We have seen a reduction in our turnover rate since the middle of 2009. The Trust continues to perform significantly better than the SHA benchmark of 15%. Annual turnover for the year is 7.16%.

**Sickness absence**
SCAS has worked hard at improving the management of sickness absence, through the introduction of an Absence Management Policy, training of line managers, and better workforce information to monitor attendance. This information will be further improved following the introduction of an electronic rostering system, which will provide real-time information for managers. Sickness absence rates are stable and were 5.17% at the end of the calendar year. This percentage equates to the number of days lost to sickness absence as a percentage of the total days available. The calendar year is the latest when full data is available and is recognised by the auditors as a reasonable proxy for financial year end data.

We recognise that there is scope for further improvement. Staff sickness within ambulance trusts has historically been higher than other sectors of the health economy and we will aim to make year on year improvement. Our ambition is to be in the top quartile of all trusts across the region.

**Bank, Agency, and Overtime use**
SCAS has traditionally used bank, agency staff, overtime and private providers for the following purposes:

- Resourcing of short-term needs – for example, projects and covering for sickness, vacancies
- Resourcing for peaks – overtime rates are generally higher in the winter months
- Supplementing resource shortfalls arising from vacancies.

The introduction of the electronic rostering system commenced roll out in 2010 and is now providing real-time information for managers and scheduling teams. The monitoring of resource availability, abstractions, recruitment and turnover is an integrated process aligned to budgets and affordability. Monthly monitoring of abstractions and resource availability against plan ensures decisions to deploy additional resources through overtime or engaging private providers are essential and justifiable.

**Workforce Plans and Future Workforce Requirements**
In line with the national workforce model for ambulance trusts, *Taking Healthcare to the Patient*, the strategic intention of SCAS is for our emergency front line workforce to be made up of paramedics and emergency care assistants in the proportions of 70% to 30% respectively. The role of ambulance technician will be phased out over time.
In order to achieve our preferred workforce model, we have commissioned part time Foundation Degree Paramedic courses and we will continue to support technicians attending these education programmes in order that they can up-skill to Paramedic status. Based on current attrition rates and anticipated Foundation Degree places, we expect to have reduced our technician workforce to almost zero by 2020. To achieve this long-term model will require a short-term increase in the number of technicians, on the career route to paramedic, and this can be seen in short term workforce plans. Commissioning decisions will continue to include provision for technician conversion to paramedic, in addition to full time university places.

SCAS has, in the past, used a large number of private providers and overtime to supplement employed staff in order to meet the increasing demand for emergency ambulance services. SCAS has plans in place to reduce our use of private providers and overtime. The replacement of private providers and overtime represents an increase in our budgeted establishment of 146 front line emergency staff, bringing this to a total of 1,298. We have challenging recruitment plans in place to achieve this and expect to achieve these staffing levels by 2013. At the same time, our CIPs will be driving efficiency in resourcing, which will see overall reductions in staffing numbers.

**Appraisal and Performance Systems**
The Trust has an annual appraisal scheme for all staff which has proved challenging to deliver, particularly with operational staff providing an emergency service. The benefits of staff appraisals are well documented. We have therefore tasked managers to complete the programme, and are seeking to embed appraisals as a standard part of good management practice. At 1 February 2011, 100% of all staff had received an appraisal in the previous 12 months.

All staff will be appraised during 2011-12 and all subsequent years. Performance will be monitored by the Executive Management Team and progress reported monthly to the Board as a key performance indicator (KPI).

**Education, Training and Development**
The Trust will shortly be undertaking a review of education and training to ensure that there is equality of access to learning and development opportunities and that these are aligned to our strategy and to all regulatory body requirements. A new programme of statutory and mandatory training for clinical and non clinical staff has been developed and will be completed by June 2011. We have recently installed new software linked to the Electronic Staff Record (ESR) to capture training records and
now provide monthly reports to the Board and executive on training and development undertaken against plan.

**Equality, Diversity and Human Rights.**
Our Equality, Diversity and Human Rights manager has led on the strategic development and implementation of the Equality, Diversity and Human Rights agenda and to ensure we meet our statutory obligations.

We were assessed against the five commitments regarding the employment, retention, training and career development of disabled employees and we retained our Two Ticks Disability Symbol given by Jobcentre Plus to employers based in Great Britain who have agreed to take action to meet five commitments.

Our Single Equality Scheme (SES) has been revised to incorporate the requirements of the Race Equality Scheme, Disability Equality Scheme and the Gender Equality Scheme which are currently statutory duties. Our revised SES also includes requirements from the Equality Bill on age discrimination, religion and belief, sexual orientation and gender reassignment.

The Trust has signed up to the Stonewall Diversity Champion Programme which is the employers' forum on sexual orientation issues in the workplace. Organisations which are members of this programme commit to improve their workplace for their lesbian, gay and bisexual staff.
Financial Review

Financial Performance

The Trust again fulfilled all statutory financial duties in 2010/11.
1. On Income and Expenditure the Trust reported a surplus of £768,000 for the year. This figure includes an impairment of £615,000 arising from revaluation of property valued at open market value. The surplus before this technical charge was £1,383,000 so the Trust did better than the break even target set for it by the Department of Health for 2010/11.
2. The Trust achieved its EFL (external financing limit) for the year.
3. A return on assets (the capital cost absorption duty) of 3.5% was achieved.
4. In the capital programme £6.411m was spent on a range of projects, including new ambulances and the fit out of a new resource centre in Eastleigh, Hampshire. Overall, the Trust under spent by £1.813m against the adjusted Capital Resource Limit of £8.206m, which it is permitted to do.

The Trust also received a clean bill of health from our external auditors. The audit for the 12 month period was carried out by the Audit Commission at a total cost of £146,000.

Total revenue income to meet pay and other day to day running costs reached £138m, of which the majority was secured through various Service Level Agreements with Primary Care and Hospital NHS Trusts.

The accounts are stated in accordance with International Financial Reporting Standards. Total fixed assets (land, buildings and capital equipment) of the Trust were valued at £64.779m in the balance sheet as at 31 March 2011.

The Trust was able to pay by value 92% of its non-NHS and 91% of its NHS trade invoices respectively within 30 days, which was below the 95% target set for it by the Department of Health. This represents a significant improvement from last year. It will improve further during 2011/12 following the final stage of the implementation of an electronic procurement system.

Looking forward to 2011/12, revenue expenditure plans totalling £137m have been approved by the Board. £7m of capital expenditure has also been identified, which includes the continuing investment in upgrading the infrastructure.

Summary financial statements which are extracted from the full accounts are included within this annual report. They may not contain enough information for a full understanding of South Central Ambulance Service NHS Trust’s financial performance. These will be contained in the Trust’s accounts. The full accounts are available free of charge from the Finance Department at the address given at the end of this Annual Report.

Environment

SCAS recognises its responsibilities towards minimizing the environmental impact of its work. By its very nature, SCAS requires a large fleet of vehicles travelling high mileages, although we have increased the fuel efficiency of these vehicles. We have made good progress implementing the plan within our Sustainable Development Strategy in order to reduce the carbon footprint from 9,999 tonnes CO₂ and to reduce
costs. We have continued to invest in more efficient frontline vehicles and have introduced a new lease car policy linked to the recommended reductions in CO₂. The new resource centre in Eastleigh meets the strict Bream environmental requirements. We have continued to invest in our clinical support desk and have increased telephone assessment. The Green team continues to drive environmental issues at station level and is responsible for training and awareness.

Remuneration Report

This report contains details of the Senior Manager’s remuneration and pensions which includes those on the SCAS Executive Team. All Senior Managers listed have given their consent for the information shown to be displayed.

The following information is also disclosed.

a) There is a Remuneration Committee who determine the inflation award on base pay for Executive Directors, taking into account any national pay award for very senior managers. This Committee is made up of Non Executive Directors and for 2010/11 membership was Alastair Mitchell-Baker (Chair), Mrs Claire Carless and Mr Trevor Jones.

b) In addition to the annual inflation uplift, the Remuneration Committee, also consider a non superannuable and non-recurrent performance element, based on a range of measures in respect of achievement of individual and corporate objectives.

c) Executive Director posts are appointed under open competition, their appointments are permanent and termination arrangements are consistent with NHS guidelines and employment legislation.

d) Benefits in kind in all cases relate to the provision of lease cars, plus professional subscriptions where applicable.

e) The following tables show, for each senior manager who served during the year, their respective remuneration and pension information.
<table>
<thead>
<tr>
<th>Name and Title</th>
<th>2010-11</th>
<th>2009-10</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Salary (bands of £5,000)</td>
<td>Other Remuneration (bands of £5,000)</td>
</tr>
<tr>
<td>South Central Trust Board</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Will Hancock, Chief Executive</td>
<td>135-140</td>
<td>9.8</td>
</tr>
<tr>
<td>Charles Porter, Director of Finance</td>
<td>95-100</td>
<td>3.4</td>
</tr>
<tr>
<td>Ian Ferguson, Chief Operating Officer</td>
<td>95-100</td>
<td>9.3</td>
</tr>
<tr>
<td>Fizz Thompson Nurse Director of Patient Care</td>
<td>90-95</td>
<td>5.0</td>
</tr>
<tr>
<td>Paul Clarke Interim Director of Transformation and Organisational Development</td>
<td>90-95</td>
<td>6.7</td>
</tr>
<tr>
<td>Duncan Burke Director of Communications and Engagement</td>
<td>145-150</td>
<td>45-50</td>
</tr>
<tr>
<td>Dr John Black Medical Director</td>
<td>75-80</td>
<td>8.6</td>
</tr>
<tr>
<td>Trevor Jones Chairman</td>
<td>10-15</td>
<td>na</td>
</tr>
<tr>
<td>Neil Goulden Chairman</td>
<td>0-5</td>
<td>0-5</td>
</tr>
<tr>
<td>Colin Hazell Non Executive</td>
<td>5-10</td>
<td>5-10</td>
</tr>
<tr>
<td>Keith Nuttall Non Executive</td>
<td>5-10</td>
<td>5-10</td>
</tr>
<tr>
<td>June May Non Executive</td>
<td>0-5</td>
<td>5-10</td>
</tr>
<tr>
<td>Alastair Mitchell-Baker Non Executive</td>
<td>5-10</td>
<td>5-10</td>
</tr>
<tr>
<td>Eddie Weiss Non Executive Director</td>
<td>5-10</td>
<td>0-5</td>
</tr>
<tr>
<td>Claire Carless Non Executive Director</td>
<td>1-5</td>
<td></td>
</tr>
</tbody>
</table>
Trevor Jones joined the Trust on 1 August 2010.

Neil Goulden left the Trust on 31 July 2010.

Jackie Neylon left the Trust on 31 March 2010.

June May left the Trust on 30 June 2010.

Eddie Weiss joined the Trust on 8 June 2009.

Keith Nuttall joined the Trust on 1 April 2010.

Claire Carless joined the Trust on 1 February 2011.

Note that the 2009/10 figures for Paul Clarke cover the period where he was employed substantively as interim director.

The figure for Duncan Burke includes the recharge cost when he was employed by an Agency. Mr Burke became a substantive employee of the Trust from August 2010, where his salary for that period fell within the £60,000 to £65,000 salary band.
<table>
<thead>
<tr>
<th>Name and Title</th>
<th>Real Increase in pension at age 60 (bands of £2,500) £000</th>
<th>Real Increase in pension lump sum at age 60 (bands of £2,500) £000</th>
<th>Total accrued pension at age 60 (bands of £5,000) £000</th>
<th>Lump sum at age 60 related to accrued pension at 31 March 2011 (bands of £5,000) £000</th>
<th>Cash equivalent transfer value at 31 March 2011 £000</th>
<th>Cash equivalent transfer value at 31 March 2010 £000</th>
<th>Real increase in Cash Equivalent Transfer Value £000</th>
<th>Employer's contribution to stakeholder pension £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Will Hancock, Chief Executive</td>
<td>0 – 2.5</td>
<td>0 – 2.5</td>
<td>30 -35</td>
<td>95 – 100</td>
<td>428</td>
<td>383</td>
<td>(62)</td>
<td>0</td>
</tr>
<tr>
<td>Fizz Thompson, Director of Patient Care</td>
<td>0 – 2.5</td>
<td>0 – 2.5</td>
<td>15 – 20</td>
<td>50 – 55</td>
<td>318</td>
<td>312</td>
<td>(19)</td>
<td>0</td>
</tr>
<tr>
<td>Ian Ferguson, Chief Operating Officer</td>
<td>0 – 2.5</td>
<td>2.5 – 5</td>
<td>5 - 10</td>
<td>25 -30</td>
<td>194</td>
<td>213</td>
<td>11</td>
<td>0</td>
</tr>
<tr>
<td>Charles Porter, Director of Finance</td>
<td>0 - 2.5</td>
<td>2.5 – 5</td>
<td>5 -10</td>
<td>15-20</td>
<td>58</td>
<td>70</td>
<td>10</td>
<td>0</td>
</tr>
<tr>
<td>Paul Clarke, Interim Director of Transformation &amp; Organisational Development</td>
<td>0 - 2.5</td>
<td>N/a</td>
<td>0 - 5</td>
<td>N/a</td>
<td>30</td>
<td>49</td>
<td>18</td>
<td>0</td>
</tr>
</tbody>
</table>
As non-executive members do not receive pensionable remuneration, there will be no entries in respect of pensions for Non Executive members.

Mr D Burke was paid directly by the Trust from 1 August 2010. He has joined the NHS Pension Scheme but at the time of this report, figures were not available from the administrators of the NHS Pension Scheme.

Cash Equivalent Transfer Values

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

A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real Increase in CETV

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

Government Actuary Department (GAD) factors for the calculation of Cash Equivalent Transfer Factors (CETVs) assume that benefits are indexed in line with CPI which is expected to be lower than RPI which was used previously and hence will tend to produce lower transfer values.
### Exit Packages for staff leaving in 2010-11

<table>
<thead>
<tr>
<th>Exit package cost band (including any special payment element)</th>
<th>Number of compulsory redundancies</th>
<th>*Number of other departures agreed</th>
<th>Total number of exit packages by cost band</th>
<th>*Number of compulsory redundancies</th>
<th>*Number of other departures agreed</th>
<th>Total number of exit packages by cost band</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;£20,001</td>
<td>0</td>
<td>4</td>
<td>4</td>
<td>0</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>£20,001 - £40,000</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>£40,001 - 100,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>£100,001 - £150,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>£150,001 - £200,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>&gt;£200,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total number of exit packages by type (total cost)</strong></td>
<td>0</td>
<td>5</td>
<td>5</td>
<td>0</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total resource cost (£000s)</strong></td>
<td>0</td>
<td>91</td>
<td>91</td>
<td>0</td>
<td>107</td>
<td>107</td>
</tr>
</tbody>
</table>

Exit costs in this note are accounted for in full in the year of departure.

Will Hancock, Chief Executive  
Date: 6 June 2011
Statement of the Chief Executive’s responsibilities as the Accountable Officer of the Trust

The Secretary of State has directed that the Chief Executive should be the Accountable Officer to the Trust. The relevant responsibilities of Accountable Officers are set out in the Accountable Officer’s Memorandum issued by the Department of Health. These include ensuring that:

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

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an accountable officer.

Will Hancock, Chief Executive

Date: 6 June 2011
## INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED

31 March 2011

<table>
<thead>
<tr>
<th>Description</th>
<th>2010/11 £000</th>
<th>2009/10 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from activities</td>
<td>132,534</td>
<td>125,295</td>
</tr>
<tr>
<td>Other operating income</td>
<td>5,367</td>
<td>5,409</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(134,959)</td>
<td>(137,003)</td>
</tr>
<tr>
<td>OPERATING SURPLUS/(DEFICIT)</td>
<td>2,942</td>
<td>(6,299)</td>
</tr>
<tr>
<td>Cost of fundamental reorganisation/restructuring</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Profit/(loss) on disposal of fixed assets</td>
<td>21</td>
<td>266</td>
</tr>
<tr>
<td>SURPLUS/(DEFICIT) BEFORE INTEREST</td>
<td>2,963</td>
<td>(6,033)</td>
</tr>
<tr>
<td>Interest receivable</td>
<td>20</td>
<td>38</td>
</tr>
<tr>
<td>Interest payable</td>
<td>(253)</td>
<td>(338)</td>
</tr>
<tr>
<td>Other finance costs - unwinding of discount</td>
<td>(49)</td>
<td>(100)</td>
</tr>
<tr>
<td>SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR</td>
<td>2,681</td>
<td>(6,433)</td>
</tr>
<tr>
<td>Public Dividend Capital dividends payable</td>
<td>(1,913)</td>
<td>(1,843)</td>
</tr>
<tr>
<td>RETAINED SURPLUS/(DEFICIT) FOR THE YEAR</td>
<td>768</td>
<td>(8,276)</td>
</tr>
</tbody>
</table>

The above figure for 2010/11 includes impairments of £615k arising from valuation changes in property. This results in a retained in year surplus of £1,383k which is the allowable technical surplus that is measured against the Trust’s break even duty.
**BALANCE SHEET AS AT**

**31 March 2011**

<table>
<thead>
<tr>
<th></th>
<th>31 March 2011</th>
<th>31 March 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NON CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intangible assets</td>
<td>894</td>
<td>683</td>
</tr>
<tr>
<td>Tangible assets</td>
<td>63,885</td>
<td>69,462</td>
</tr>
<tr>
<td>Trade and Other Receivables</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Investments</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td><strong>64,779</strong></td>
<td><strong>70,145</strong></td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stocks and work in progress</td>
<td>1,020</td>
<td>981</td>
</tr>
<tr>
<td>Debtors</td>
<td>7,076</td>
<td>7,300</td>
</tr>
<tr>
<td>Investments</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>4,977</td>
<td>3,468</td>
</tr>
<tr>
<td>Assets held for sale</td>
<td>5,952</td>
<td>332</td>
</tr>
<tr>
<td></td>
<td><strong>19,025</strong></td>
<td><strong>12,081</strong></td>
</tr>
<tr>
<td><strong>CREDITORS: Amounts falling due within one year</strong></td>
<td><strong>(13,481)</strong></td>
<td><strong>(12,728)</strong></td>
</tr>
<tr>
<td><strong>NET CURRENT ASSETS/(LIABILITIES)</strong></td>
<td><strong>5,544</strong></td>
<td><strong>(647)</strong></td>
</tr>
<tr>
<td><strong>TOTAL ASSETS LESS CURRENT LIABILITIES</strong></td>
<td><strong>70,323</strong></td>
<td><strong>69,498</strong></td>
</tr>
<tr>
<td><strong>CREDITORS: Amounts falling due after more than one year</strong></td>
<td><strong>(4,281)</strong></td>
<td><strong>(5,694)</strong></td>
</tr>
<tr>
<td><strong>PROVISIONS FOR LIABILITIES AND CHARGES</strong></td>
<td><strong>(4,995)</strong></td>
<td><strong>(4,909)</strong></td>
</tr>
<tr>
<td><strong>TOTAL ASSETS EMPLOYED</strong></td>
<td><strong>61,047</strong></td>
<td><strong>58,895</strong></td>
</tr>
<tr>
<td><strong>FINANCED BY:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TAXPAYERS' EQUITY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public dividend capital</td>
<td>57,874</td>
<td>57,751</td>
</tr>
<tr>
<td>Revaluation reserve</td>
<td>6,770</td>
<td>5,549</td>
</tr>
<tr>
<td>Donated asset reserve</td>
<td>1,615</td>
<td>1,617</td>
</tr>
<tr>
<td>Government grant reserve</td>
<td>208</td>
<td>252</td>
</tr>
<tr>
<td>Other reserves</td>
<td>(350)</td>
<td>(350)</td>
</tr>
<tr>
<td>Retained Earnings</td>
<td>(5,070)</td>
<td>(5,924)</td>
</tr>
<tr>
<td><strong>TOTAL TAXPAYERS' EQUITY</strong></td>
<td><strong>61,047</strong></td>
<td><strong>58,895</strong></td>
</tr>
</tbody>
</table>

Will Hancock, Chief Executive
Date: 6 June 2011
## CASH FLOW STATEMENT FOR THE YEAR ENDED
### 31 March 2011

<table>
<thead>
<tr>
<th>OPERATING ACTIVITIES</th>
<th>2010/11</th>
<th>2009/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash inflow/(outflow) from operating activities</td>
<td>12,607</td>
<td>12,029</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</th>
<th>2010/11</th>
<th>2009/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest received</td>
<td>17</td>
<td>39</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(238)</td>
<td>(284)</td>
</tr>
<tr>
<td>Interest element of finance leases</td>
<td>(16)</td>
<td>(16)</td>
</tr>
<tr>
<td>Net cash inflow/(outflow) from returns on investments and servicing of finance</td>
<td>(237)</td>
<td>(261)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CAPITAL EXPENDITURE</th>
<th>2010/11</th>
<th>2009/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Payments) to acquire tangible fixed assets</td>
<td>(7,472)</td>
<td>(14,967)</td>
</tr>
<tr>
<td>Receipts from sale of tangible fixed assets</td>
<td>39</td>
<td>702</td>
</tr>
<tr>
<td>(Payments) to acquire intangible assets</td>
<td>(158)</td>
<td>(34)</td>
</tr>
<tr>
<td>Receipts from sale of intangible assets</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>(Payments to acquire)/receipts from sale of fixed asset investments</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Net cash inflow/(outflow) from capital expenditure</td>
<td>(7,591)</td>
<td>(14,299)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DIVIDENDS PAID</th>
<th>2010/11</th>
<th>2009/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash inflow/(outflow) before management of liquid resources and financing</td>
<td>2,822</td>
<td>(4,374)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MANAGEMENT OF LIQUID RESOURCES</th>
<th>2010/11</th>
<th>2009/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Purchase) of investments with DH</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>(Purchase) of other current asset investments</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Sale of investments with DH</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Sale of other current asset investments</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Net cash inflow/(outflow) from management of liquid resources</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Net cash inflow/(outflow) before financing</td>
<td>2,822</td>
<td>(4,374)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FINANCING</th>
<th>2010/11</th>
<th>2009/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public dividend capital received</td>
<td>123</td>
<td>4,089</td>
</tr>
<tr>
<td>Public dividend capital repaid (not previously accrued)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Loans received from DH</td>
<td>0</td>
<td>1,500</td>
</tr>
<tr>
<td>Other loans received</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Loans repaid to DH</td>
<td>(1,328)</td>
<td>(1,178)</td>
</tr>
<tr>
<td>Other loans repaid</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other capital receipts</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Capital element of finance lease rental payments</td>
<td>(108)</td>
<td>(85)</td>
</tr>
<tr>
<td>Cash transferred (to)/from other NHS bodies*</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Net cash inflow/(outflow) from financing</td>
<td>(1,313)</td>
<td>4,326</td>
</tr>
</tbody>
</table>

<p>| Increase/(decrease) in cash | 1,509 | (48) |</p>
<table>
<thead>
<tr>
<th>OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 March 2011</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Retained Surplus/(Deficit)</td>
</tr>
<tr>
<td>768</td>
</tr>
<tr>
<td>(8,276)</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Impairments and reversals</td>
</tr>
<tr>
<td>(580)</td>
</tr>
<tr>
<td>(316)</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Gains on revaluations</td>
</tr>
<tr>
<td>1,908</td>
</tr>
<tr>
<td>6,725</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Receipt of donated/government granted assets</td>
</tr>
<tr>
<td>0</td>
</tr>
<tr>
<td>231</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Transfers from donated and government grant reserves</td>
</tr>
<tr>
<td>(67)</td>
</tr>
<tr>
<td>(57)</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
</tr>
<tr>
<td>2,029</td>
</tr>
<tr>
<td>(1,693)</td>
</tr>
<tr>
<td>Break Even Performance</td>
</tr>
<tr>
<td>------------------------</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Turnover</td>
</tr>
<tr>
<td>Retained surplus/(deficit) for the year</td>
</tr>
</tbody>
</table>

The retained surplus is arrived at after adjusting for impairments arising from revaluation of buildings to a modern equivalent asset basis.

| Better Payment Practice Code - measure of compliance | 2010/11 |         | £000 |
|-------------------------------------------------------|---------|---------|
| Total Non-NHS trade invoices paid in the year          | 33,763  | 53,498  |
| Total Non NHS trade invoices paid within target       | 27,990  | 49,118  |
| Percentage of Non-NHS trade invoices paid within target| 82.9    | 91.8    |
| Total NHS trade invoices paid in the year              | 3,213   | 2,442   |
| Total NHS trade invoices paid within target            | 2,802   | 2,226   |
| Percentage of NHS trade invoices paid within target    | 87.2    | 91.2    |

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

<table>
<thead>
<tr>
<th>The Late Payment of Commercial Debts (Interest) Act 1998</th>
<th>2010/11</th>
<th>2009/10</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Amounts included within Interest Payable (Note 9) arising from claims made under this legislation</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Compensation paid to cover debt recovery costs under this legislation</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Management costs</th>
<th>2010/11</th>
<th>2009/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management costs</td>
<td>7,398</td>
<td>7,412</td>
</tr>
<tr>
<td>Income</td>
<td>136,325</td>
<td>128,905</td>
</tr>
</tbody>
</table>

Summary Financial Statements (Continued)

These accounts for the year ended 31 March 2011 have been prepared by South Central Ambulance NHS Trust under section 98 (2) of the National Health Service Act 1977 (as amended by section 24 (2) schedule 2 of the National Health Service and Community Care Act 1990) in the form which the Secretary of State has, with the approval of the Treasury, directed.

The financial statements above are only a summary of the information contained in the Trust's Annual Accounts. A full copy of the Accounts is available, free of charge, on request.
STATEMENT ON INTERNAL CONTROL 2010/11

SOUTH CENTRAL AMBULANCE SERVICE NHS TRUST

1. Scope of responsibility
The Board is accountable for internal control. As Accountable Officer, and Chief Executive of this Board, I have responsibility for maintaining a sound system of internal control that supports the achievement of the organisation’s policies, aims and objectives. I also have responsibility for safeguarding the public funds and the organisation’s assets for which I am personally responsible as set out in the Accountable Officer Memorandum.

The Trust Board has under its “Scheme of Reservation and Delegation”, delegated authority to the Audit Committee and Quality and Safety Committee, to support, monitor and review risk, quality controls and associated assurance.

The Executive Directors are personally accountable for the management of risks within their respective Directorates. The broader Executive leadership of governance, clinical quality, safety and risk management is designated to the Director of Patient Care. Executive leadership of financial governance is designated to the Director of Finance.

As Chief Executive, I work within a performance management framework. The framework includes monthly external performance reviews with our commissioners and Strategic Health Authority (SHA); meetings with our lead Commissioner; and local Partnership Meetings which are attended by myself and/or responsible Executive directors.

As part of our preparation to become a Foundation Trust, the Trust has been scrutinised by the SHA with regards to its financial and operational performance, governance, quality assurance and future strategy and has been able to provide the necessary assurance to gain SHA support for our application.

2. The purpose of the system of internal control
The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to:

- identify and prioritise the risks to the achievement of the organisation’s policies, aims and objectives;
- evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

A system of internal control has been in place in South Central Ambulance Service NHS Trust for the year ended 31 March 2011 and up to the date of approval of the annual report and accounts.
3. Capacity to handle risk
The Trust has adopted an integrated approach to Risk Management bringing together Complaints, Patient Advice and Liaison Service (PALS), Health and Safety, Security Management and Patient / Clinical Safety including Child Protection, Infection Control and Medicines Management. These areas are under the Executive portfolio and leadership of the Director of Patient Care.

This centralised approach to Risk Management enables close monitoring of quality performance and provides for the linking of risks arising from different sources. The Director of Patient Care reports directly to the Chief Executive who is the Accountable Officer.

The Director of Patient Care is also the designated Caldicott Guardian, Security Management Director (SMD), Safeguarding Director, accountable officer for the management of medicines and controlled drugs and designated Director for Infection Protection and Control (DIPC).

The Director of Patient Care is assisted in her leadership role by a team of specialist managers; these include the Head of Governance and Risk Management, Head of Clinical Effectiveness, Consultant Emergency Care Practitioner and a Pharmacy Advisor, together with their supporting management teams.

The Trust has in place an overarching Risk Management Strategy which is reviewed annually by the Board, together with both a Risk Management Policy and a Health and Safety Policy, which provides specific guidance to managers and staff in respect of reporting, investigating and the risk assessment of adverse incidents and risks. The Trust actively encourages both reactive and pro-active risk reporting from staff in order that learning and continual improvements can be made. We have worked closely with our managers and staff to develop a fair open reporting culture which encourage health professionals to report errors and "near misses" without fear of blame or reprisal.

The Trust has in place a Trust wide corporate induction training programme for all new staff, which includes health and safety, awareness of risk, and incident reporting & investigation at appropriate levels. A range of other mandatory risk related courses has been identified which is being delivered in line with the training needs analysis of each post.

4. The risk and control framework
The Trust recognises that risk management is the responsibility of all employees. It forms part of our daily lives and work ethics and is integral to every aspect of the Trust business and activity. Individual responsibilities are clearly defined within Trust Polices and Job Descriptions.

Strategic Approach to Risk Management

The Trust Board has in place a Committee and meeting structure which enables it to adequately and effectively discharge its responsibilities in relation to risk management. The Board Committee structure has been reviewed during the year to ensure Committees remain fit for purpose and provide an enhanced focus and Board assurance on clinical quality and safety.
The structure comprises of four committees:

- Audit Committee
- Quality and Safety Committee
- Remuneration and Nominations Committee
- Charitable Funds Committee

The Audit Committee reviews and provides assurance to the Board on financial matters and governance and as part of its work plan reviews the Trust Assurance Framework, Governance and Risk Management arrangement. The Non-Executive Director (NED) Chair of the Quality and Safety Committee is also a member of the Audit Committee and provides link between the two committees. The Audit Committee approves the Annual Audit Plan, receives audit reports and monitors delivery of the associated action plans.

The Trust’s Quality and Safety Committee is responsible for monitoring clinical performance, patient safety and the patient experience, providing assurance on these matters to the Trust Board. The Committee is chaired by a Non-Executive Director and its membership comprises of the Director of Patient Care, Trust Chairman, Chief Executive, Chief Operating Officer, Medical Director, Assistant Director of Finance, Director of HR, Corporate Secretary, Head of Governance and Risk Management, two non-executive directors, a representative from our staff side and Public Involvement Panel.

**Reporting of Risk**

The Trust’s Risk Management and Health & Safety policies clearly define responsibilities for directors, managers and staff across the Trust. The Risk Management Policy provides guidance for managers and staff on incident reporting, investigation and risk assessment.

The Trust has in place an effective incident reporting system. There is evidence of a good level of staff both pro-actively and reactively reporting risks and incidents. The Trust is committed to creating a culture which encourages reporting and is supportive of any member of staff that does so.

The Trust has in place a Whistle Blowing Policy.

**Managing Risk**

A comprehensive web based risk management database is in place which enables analysis and divisional benchmarking of adverse incidents, complaints, PALS enquiries and vehicle accidents. All serious incidents are reported, investigated and then reviewed by a group that comprises of Trust executive and non executive directors, lead commissioner, patient representatives and also peer review from other ambulance services.

A Strategic Risk Register is in place, which has been reviewed by the Board, Audit Committee and Quality & Safety Committee during the year. The risk register is also reviewed monthly by the Executive management Team. The Register shows a general trend of decreasing risk scores. Divisional Risk Registers are also in place reflecting new and residual risks occurring at a local level.
Board Assurance Framework
The Trust has in place an Assurance Framework which informs the Board of the primary strategic risks, control measures, and external assurances in relation to the delivery of the Trust’s Annual Business Plan and objectives. A common referencing system has been used throughout the Business Plan, Assurance Framework and Milestone Tracker linking the three documents together, thus strategic aims, objectives and risks are clearly identifiable. Likewise there is a reference through the Assurance Framework back to the Care Quality Commission Core Standards.

In addition, the Board receives assurance from:
- Performance reports against key objectives via the Milestone Tracker
- Review of Assurance Framework
- Directorate Reports from Executive Directors
- Reports from Quality and Safety and Audit Committees.
- Ad hoc reports from specialist project groups

The Board Assurance Framework document has been regularly reviewed by the Audit Committee. In addition the Board has formally reviewed and approved the Assurance Framework at its meeting in June 2010, November 2010, and January 2011.

There have been no significant control weaknesses identified during the 2010-11 financial year.

Key Strategic Risks
Our key strategic risks stem from the NHS reforms outlined in the White Paper “Equity and excellence: Liberating the NHS” which has created considerable uncertainty in terms future commissioning and future health economy priorities.

We have identified our top three business risks as being:-
- Our resilience and capacity to manage increasing demand on the emergency 999 service. Despite a number of partnership projects to reduce demand over the past year it has continued to rise by 3.5%. There are very real concerns that demand could significantly increase during 2011-12 as community and hospital planned cuts begin to take effect.
- Building and maintaining strong stakeholder relationships during a period of great change in the NHS and local government.
- The economic climate and uncertainty over future commissioning arrangements leading to a potential reduction in real terms of future funding.

We have worked closely with our stakeholders to develop positive relationships. There is a close working relationship with partners on a range of joint projects to reduce emergency demand, expand 'hear and treat' and 'see and treat' services which avoid Emergency Department admissions and schemes which contribute to cost savings across the wider health economy.

We have a strong track record of sound financial management and have a robust cost improvement plan in place to ensure we meet the financial challenges ahead.
Public engagement
Patients, carers, relatives and members of the public are encouraged to report any concerns or complaints they may have or to suggest areas for improvement. Advice on how to register a compliment or complaint is available on the Trust website. A Patient Advice and Liaison Service (PALS) is in place providing support and advice to patients and the public experiencing difficulties or requiring information on any aspect of their contact with the Ambulance Service or wider NHS.

Our Patient Experience Review Group, chaired by the Chief Executive, meets quarterly to review outcomes from compliments, complaints and PALS enquiries with the aim of ensuring learning and improvement takes place from the feedback received from patients and members of the public.

We value the contribution made by our Public Involvement Panel (PIP) members who have provided an additional public/patient perspective on our service delivery and future strategy. PIP members also take part in key working groups such as the Serious Incident Review Group and the Clinical Review Group.

As part of our Foundation Trust application we have started to build our public membership and will shortly be holding elections for our Council of Governors.

The Head of Internal Audit Opinion 2010-11
Significant assurance can be given that there is a generally sound system of internal control, designed to meet the organisation’s objectives, and that controls are generally being applied consistently.

This opinion has been based on the following work undertaken by Internal Audit during the year:
- Review of the Trust’s Assurance Framework
- Reviews undertaken as part of the Internal Audit Plan 2010-11
- Review of Trust arrangements for compliance with CQC Standards.

Mandatory Requirements
The Trust is aware of the importance of protecting the security of patient related information. It has undertaken the annual Information Governance self-assessment toolkit achieving a score of 67% (Green). There remains scope for further improvement and the Trust has an approved action plan in place.

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

As an employer with staff entitled to membership of the NHS Pension scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer’s contributions and payments in to the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

The Trust has undertaken a climate change risk assessment and developed an Adaptation Plan, to support its emergency preparedness and civil contingency
requirements, as based on the UK Climate Projections 2009 (UKCP09), to ensure that this organisation’s obligations under the Climate Change Act are met.

The Trust is fully compliant with CQC essential standards of quality and safety.

5. **Review of effectiveness**

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed in a number of ways. The Head of Internal Audit provides me with an opinion on the overall arrangements for gaining assurance through the Assurance Framework and on the controls reviewed as part of Internal Audit’s work. The Head of Internal Audit opinion for 2010-11 gives significant assurance.

Executive managers within the organisation who have responsibility for the development and maintenance of the system of internal control provide me with assurance. The Assurance Framework itself provides me with evidence that the effectiveness of controls which manage the risks to the organisation achieving its principal objectives have been reviewed. My review is also informed by

- Internal and External Audit Reports
- Annual Audit Letter
- Reports to the Board from the Quality and Safety and Audit Committees
- Monthly Board Performance Report which covers, Clinical, Operational, Service Development, Financial and Human Resource issues
- Business Plan Progress Report to the Board
- Head of Internal Audit Opinion Statement for 2010-11
- The Board Assurance Framework.
- Staff Satisfaction Survey
- Information Governance Toolkit compliance report and associated action plan
- Care Quality Commission assessment reports

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board of Directors and Audit Committee. A plan to address weaknesses and ensure continuous improvement of the system is in place.

In my review I have found no significant internal control issues.

My review confirms that South Central Ambulance Service NHS Trust has a generally sound system of internal control that supports the achievement of its policies, aims and objectives.

*Will Hancock*
*Chief Executive*

*April 2011*
INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF SOUTH CENTRAL AMBULANCE SERVICE NHS TRUST

I have examined the summary financial statement for the year ended 31 March 2011 which comprises the Financial Review, the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement, Other Comprehensive Income for the year, Break Even Performance, Better Payment Practice Code, The Late Payment of Commercial Debts, and Management Costs.

This report is made solely to the Board of Directors of South Central Ambulance Service NHS Trust in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 45 of the Statement of Responsibilities of Auditors and Audited Bodies published by the Audit Commission in March 2010.

Respective responsibilities of directors and auditor

The directors are responsible for preparing the Annual Report.

My responsibility is to report to you my opinion on the consistency of the summary financial statement within the Annual Report with the statutory financial statements.

I also read the other information contained in the Annual Report and consider the implications for my report if I become aware of any misstatements or material inconsistencies with the summary financial statement.

I conducted my work in accordance with Bulletin 2008/03 “The auditor’s statement on the summary financial statement in the United Kingdom” issued by the Auditing Practices Board. My report on the statutory financial statements describes the basis of my opinion on those financial statements.

Opinion

In my opinion the summary financial statement is consistent with the statutory financial statements of South Central Ambulance Service NHS Trust for the year ended 31 March 2011.

Maria Grindley
Engagement Lead
Audit Commission
Ground and 1st Floor,
Unit 5, Isis Business Centre,
Horspath Road
Cowley,
Oxford, OX4 2RD

7 June 2011
Our Annual Plan 2011-12 can also be provided in braille, on audio cassette tape and in large print on request.

If you require them in a different language or format, ask someone who speak English to ring 0118 936 5511.