Department of Health

South Staffordshire Primary Care Trust

2012-13 Annual Report and Accounts

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South Staffordshire Primary Care Trust

2012-13 Annual Report

NHS
South Staffordshire PCT

South Staffordshire PCT

Annual Report 2012/13

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Message from Graham Urwin, Chief Executive

Welcome to your annual report for South Staffordshire Primary Care Trust (PCT), which covers the period 1 April 2012 to 31 March 2013.

Once again, over the last 12 months we have witnessed unprecedented change within the NHS, as we move towards the delivery of the Government's vision to modernise the health service with the key aim of securing the best possible health outcomes for patients – by prioritising them in every decision we make.

South Staffordshire PCT has continued, this year, to work as part of the Staffordshire Cluster of PCTs, which includes NHS North Staffordshire and NHS Stoke-on-Trent.

At the heart of the Government's proposals for a new way of buying health services are the Clinical Commissioning Groups (CCGs), led by local clinicians. We have four CCGs in south Staffordshire that have worked as sub-committees of the PCT Board. This year, they have undergone a rigorous assessment in order to become authorised and will formally come into being on 1 April 2013. The CCGs will plan and commission hospital, community health and mental health services for their individual populations.

Major changes to the provision of public health services, to ensure improvements to the health of the local population, have also been progressed this year. The Public Health Team has transferred over to Staffordshire County Council, which formally takes over this service in April 2013.

During the transformation we have not lost sight of the health needs of our local population. Progress has been made in achieving service reconfigurations and securing greater quality outcomes across patient safety, patient experience and clinical effectiveness – through an emphasis on commissioning for quality. However, there are still significant quality improvements we need to achieve across the health system.

The Quality Innovation, Productivity and Prevention (QIPP) challenge continues to be driven by the CCGs.

They have taken a strong leadership role in system redesign and QIPP delivery, making sure that every penny spent benefits our patients.

Patient engagement activities continue to build. Patient Participation Groups (PPGs) are now active in 64 of the 91 practices in south Staffordshire and we would like to thank everyone who has been actively involved. The CCGs have also adopted a model of engagement called 'Customer Insight', which has been shortlisted for a number of awards. The model includes capturing detailed feedback through many routes including complaints, Patient Advice and Liaison Service (PALS), PPGs, Patient Members and community engagement – including work with health care professionals, the voluntary sector and a range of stakeholder groups. Insight ensures that the experiences of patients, carers and service users drives everything the NHS does.

The Robert Francis QC Public Inquiry into the system oversight of Mid Staffordshire NHS Foundation Trust (MSFT) reported in February 2013. The enquiry produced 290 recommendations, which the Government has responded to. The PCT accepts all the findings and acknowledges its failings in investigating quality concerns. We also recognise how difficult it has been for the families who lost loved ones and suffered as a result of the poor care delivered at Stafford Hospital. We would like to thank Robert Francis QC and all the witnesses who contributed to the Public Inquiry. We are working across the health economy to ensure that, in future, we are proactive in identifying poor standards of quality and care to ensure that patients – and families never again experience the unnecessary anguish caused by poor levels of care.

We have also continued to work with Burton Hospitals NHS Foundation Trust which is facing financial difficulty and worked with them in their informal 'turnaround,' led by Monitor.

We are mindful that the significant changes experienced over the last 12 months have affected staff and we would like to express our sincere thanks to them and wish them success in whatever organisations they work with in the future.

We would also like to thank the clinicians, stakeholders and partners who have greatly assisted us in driving forward change and reaching a wider community.

Finally, we would also like to thank the public and our patients for their support and engagement, particularly their contribution towards the authorisation of the CCGs. Patient engagement remains a key part of the NHS reforms and is vital for the development of the CCGs. More than any other time in history, patients have the chance to shape the way health services are delivered and the transformed health service is committed to establishing an open and honest dialogue with the local community – to ensure that services are patient centred.

Graham Urwin
Chief Executive

Staffordshire Cluster of Primary Care Trusts on behalf of South Staffordshire Primary Care Trust

We continue to work with Mid Staffordshire NHS Foundation Trust (MSFT), which is in the process of going through an independent review being undertaken by the regulator Monitor. Monitor appointed Ernst and Young, supported by McKinseys, to set up a contingency planning team, which concluded that MSFT was not clinically or financially sustainable. This led to a Trust Special Administrator (TSA) being appointed to take over the running of the Trust.

About us, who we are and what we do

In April 2011, the commissioning arms of the three PCTs in Staffordshire (South Staffordshire PCT, NHS North Staffordshire and NHS Stoke-on-Trent) came together to form the Staffordshire Cluster of PCTs, which has become one organisation in the way that it operates and manages staff.

South Staffordshire PCT, although working as a Staffordshire Cluster of PCTs, remains the statutory organisation responsible for commissioning health services and improving the health of local residents – particularly the most disadvantaged – until it is abolished at the end of this financial year.

The PCT covers the geographical boundaries of Staffordshire County Council and contains a number of urban areas including Stafford, Cannock, Burton-upon-Trent, Tamworth, Lichfield, Rugeley, Uttoxeter and Wombourne – although south Staffordshire is largely a rural area.

It serves a population of approximately 615,000 people and had a turnover in 2012/13 of circa £1,001,147k. We are held to account on a cluster basis through the Staffordshire and Stoke-on-Trent Common PCT Board.

2012/13 is the final year that we will be responsible for all local NHS services. We pay for all these services on your behalf, manage performance and oversee services, to ensure the quality of care is always improving.

We contract for all NHS services provided by GPs, pharmacists, dentists and opticians in south Staffordshire and we also pay for hospital care on behalf of patients registered with south Staffordshire GPs, care for mental health patients, prescriptions and community healthcare, such as community hospitals, health visitors and district nurses.

Our strategic goals are:

A common set of strategic objectives for the Cluster was adopted by the Board in March 2012 that reflects those of the individual PCTs. These were devised using common themes from the PCTs individual goals and used to underpin Cluster assurance and risk governance.

The three common goals are:

- Improve health and reduce health inequalities
- Transform healthcare services
- Improve quality, patient experience and outcomes

Changes to the PCT in 2012/13

In preparation for the changes and subsequent abolition of the PCTs, following the Health and Social Care Bill, we moved to a new model of governance that created a Common Board for all three PCTs in Staffordshire. Called the Staffordshire and Stoke-on-Trent Common PCT Board, this arrangement took into account the new future organisations such as the CCGs, Health and Wellbeing Board (HWBB) and National Commissioning Board (now known as NHS England) – at national and regional levels.

We have a single Chair for all three PCTs and a single set of Non-Executive Directors (NEDs) meet with the single Executive Team as a Common Board to discharge the respective statutory functions of the constituent three PCT Boards.

From a legal perspective, this has meant that the three PCTs have to meet at the same venue, at the same time, with a common agenda and membership. The agenda, minutes and recommendations have reflected the legal separation.

As of March 2012 the following sub-committees of the Common Board were in place:

- Audit Committee
- Remuneration and Terms of Service Committee
- Primary Care Committee
- Clinical Senate
- QIPP, Finance and Performance Committee
- Patient and Public Engagement Committee
- Quality Committee
- Midlands and East Specialised Commissioning Group
- Individual Funding Panel x 3
- CCG Committee x 6

There are four shadow CCGs in place across south Staffordshire that will be authorised by March 2013, without conditions. This essentially means that from April 2013, when PCTs are dissolved, the CCG in question will take on its full statutory responsibilities, which is described as 'full authorisation'. Legally this is described as 'established without conditions'.

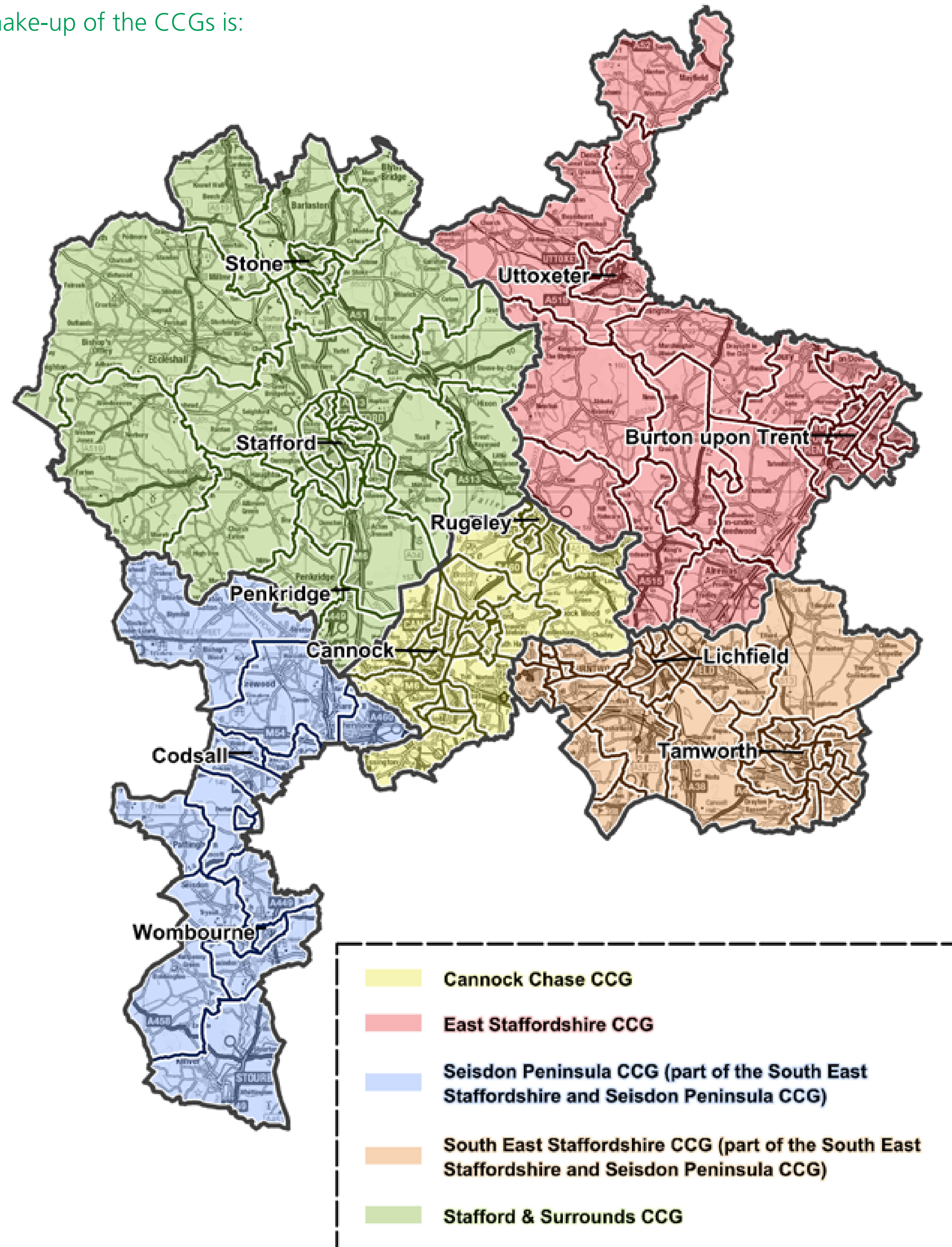
All CCGs have designate Chairs, Accountable Officers, Chief Finance Officers and, where applicable, Chief Operating Officers. Staff assignments to the CCGs have been ongoing since early 2011, with structures finalised in August 2012.

Since the October 2011 Legacy update, which reported seven emerging CCGs, Seisdon Peninsula merged with South East Staffordshire to create a single CCG. Although South East and Seisdon Peninsula do not have a common boundary, they have similar populations and both commission with common peripheral providers in Derby, Sutton Coldfield, Wolverhampton, Walsall and Dudley.

All CCGs completed the cost model to ensure they can manage within the potential resources available and buy-in the level of commissioning support required. A programme of organisational development support has taken place with each group and the director of Partnerships and Planning has had overall responsibility for CCG development.

Cannock Chase CCG and Stafford and Surrounds CCG are in wave three of authorisation and East Staffordshire CCG and South East Staffordshire and Seisdon Peninsula CCG are in wave four.

The make-up of the CCGs is:



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Area	CCG	Population	Chair
South West	Stafford & Surrounds	150,000	Dr Margaret Jones
	Cannock	130,000	Dr Johnny McMahon
South East	East Staffordshire	135,000	Dr Charles Pidsley
	South East Staffordshire and Seisdon Peninsula	205,000	Dr John James

All CCGs have a formal shadow Governing Body meeting, which is a sub-committee of the Common Board and each have been allocated an aligned Board Non-Executive Director (NED) to work with them to support them in their development during the transition.

To allow CCGs to develop their skills and build for the future, between 70-80% of the PCT's budgets are now managed by the four CCGs through delegated powers. This means the shadow CCGs will move to full authorisation with a significant amount of responsibility already resting with them. The scheme of delegation clearly sets out the devolved responsibilities/accountability and allows the CCGs to demonstrate that they have a proven 'track' record and can meet the challenges of authorisation.

All four shadow CCGs are operating as the lead commissioning body on aspects of delegated commissioning.

The Cluster continues to monitor progress using the objectives outlined in the Shared Operating Model and has a performance management matrix in place to monitor CCG development and QIPP delivery.

In August 2011 the Cluster undertook a diagnostic exercise to understand CCG development needs during the transitional period and from this co-produced a development programme with the CCGs. The programme operates at three levels: Master classes, Skills Development and Bespoke Board Development.

Our main providers of services

The main providers of services in the south Staffordshire area are Burton Hospitals NHS Foundation Trust and Mid Staffordshire NHS Foundation Trust.

Serving patients in a variety of community settings including in their own homes, is Staffordshire and Stoke-on-Trent Partnership NHS Trust (SSoTPT). They deliver a variety of services including district nursing, health visiting, occupational and physiotherapy, school nursing and speech and language therapy.

Mental health, learning disability and some specialist children's services are provided in the south Staffordshire area by South Staffordshire and Shropshire Healthcare NHS Foundation Trust.

South Staffordshire PCT commissions health services for seven prisons, including a range of primary care (e.g. GP, OOH, pharmacy, dental, optometry and nursing services) delivered within prisons, along with primary and secondary mental health services. These services mirror those provided within the community and are commissioned through standard contracting routes.

Prisons

Prisons	Type	Prison Operator	Population size
Brinsford	Young male adults (18-21 yrs old.). Sentenced and remand, 11 inpatient healthcare beds	Public Sector	577
Dovegate	Adult male sentenced and remand prisoners. 11 inpatient healthcare beds	Contracted (Serco)	1060
Drake Hall	Women sentenced prisoners 18 years +	Public Sector	315
Featherstone	Adult male sentenced prisoners	Public Sector	655
Oakwood	Adult male sentenced prisoners	Contracted (G4S)	1605
Stafford	Adult male sentenced prisoners	Public Sector	741
Swinfen Hall	Young adult male (18-25) longer sentenced prisoners	Public Sector	654

The CCGs commission services from the voluntary and third sector organisations which range from small schemes of less than £10,000 to substantial services approaching £1 million. The services commissioned are predominantly for respite and end of life care, old people, mental health, physical and sensory disability, people with a learning disability and children and families, but also include support for service user and carer organisations and voluntary sector infrastructure organisations.

Hospice Services

- South Staffordshire PCT commissions health services from four adult hospices and two children's hospices

Nursing Homes

- The PCT commissions both Continuing Health Care (CHC) and Funded Nursing Care (FNC) services from 93 nursing home providers

Ambulance Service

- Ambulance services are provided through a Service Level Agreement with West Midlands Ambulance Service (WMAS)

Commissioning Support Unit

To support the CCGs to deliver their duties Commissioning Support Units (CSUs) have been created. Staffordshire CSU has been appointed as the preferred supplier to all CCGs in Staffordshire along with Herefordshire, Shropshire and Telford and Wrekin.

Public Health Transition

Public Health work has been ongoing during 2012/13, led by a Director of Public Health within Staffordshire County Council in preparation for the transition in 2013. The Public Health Department has produced its own detailed transition document in preparation for the transfer to the Local Authority. As part of the transition plan, the public health directorate re-located to premises at Staffordshire County Council to aid joint working.

Local Authority Transition

There is a Joint Commissioning Unit (JCU) in place, hosted by Staffordshire County Council. South Staffordshire PCT commissions services collaboratively with Staffordshire County Council for adult services.

In the Staffordshire JCU, all adult and substance misuse services are jointly commissioned and work is underway to assign JCU commissioning clearly to CCG leadership.

Staffordshire County Council is engaged in the Clinical Services Implementation Plan which is a transformation programme for the mid Staffordshire area. There is a single Safeguarding Board in place for adults across Staffordshire and one Local Authority based Children's Safeguarding Board.

Health and Well Being Board Transition

Established in 2011, a Shadow HWBB is in place in Staffordshire County Council, which has been meeting for some time.

Membership of the Board is reflective of the required core membership with the addition of the Police Chief Constable for Staffordshire.

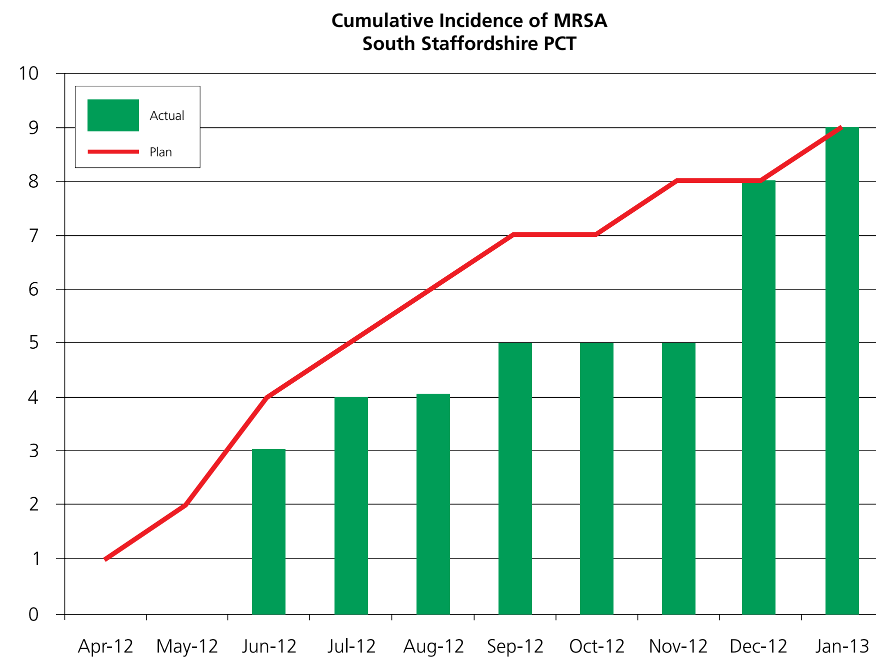
How we performed in 2012/13

Maintaining strong clinical governance is vital at South Staffordshire PCT.

The PCT is dedicated to the ongoing development of clinical governance and has focused on meeting all Integrated Performance Measures. This is why a range of challenging targets were introduced to cover all aspects of healthcare, including patient safety, clinical effectiveness and cost effectiveness.

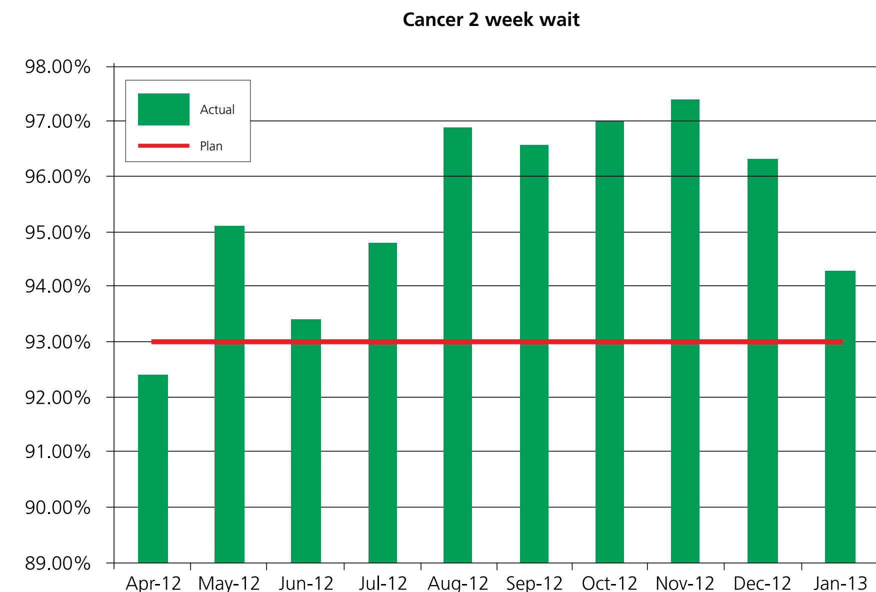
MRSA bacteraemia

South Staffordshire PCT has continued to focus on reducing the incidences of MRSA.



Cancer two-week wait from GP referral

South Staffordshire PCT achieved the cancer two week wait target for nine out of 10 months (up to January 2013).



Performance achieved year to date (YTD)

What	Target	Performance (as at March 2013 unless otherwise stated)
Category A calls meeting 19 minute standard	95%	79.59% (March West Midlands Performance)
Category A calls meeting 19 minute standard	95%	96.37% (March West Midlands Performance)
Cancer two week wait from urgent GP referral	93%	96% (Q4)
Cancer two week wait from GP referral (symptomatic breast)	93%	93.9% (Q4)
Cancer 31 day (one month) wait to first definitive treatment	96%	98.5% (Q4)
31 day standard for subsequent cancer treatments (surgery)	94%	96.7% (Q4)
31 day standard for subsequent cancer treatments (drug)	98%	99.5% (Q4)
31 day standard for subsequent cancer treatments (Radiotherapy)	94%	97.8% (Q4)
Cancer 62 day (two month) wait from urgent referral to treatment	85%	81.3% (Q4)
Cancer 62 day wait (referral from NHS Cancer Screening Service)	90%	97% (Q4)
Referral to Treatment (admitted)	90%	88.21% (March)
Referral to Treatment (non-admitted)	95%	98.56% (March)
Referral to treatment (incomplete pathways)	92%	95.22% (March)
Stroke Care – time spent in hospital on a stroke unit	80%	78.7% (Q4)
Diagnostic Waiting times	99%	99.7%
Stroke Care – suspected TIAs assessed and treated within 24 hours	60%	64.9% (Q4)
Maternity 12 weeks	90%	100%
Mental health measure – the care programme approach	95%	97.7% (Q4)
Mental Health Crisis Resolution	95%	100% (Q4)
Mental Health – Improved access to psychological	28.2%	61.4%
MRSA bacteraemia	9 cases	10 cases
Cdiff	174 cases	180 cases
NHS health checks (received)	10% plan	8.7% (Q4)

Performance measures not achieving (YTD)

What	Target	Performance (as at March 2013 unless otherwise stated)
Mental Health – Improved access to psychological therapies (general need of population)	3%	2.4% (Q4)
Stroke Care – time spent in hospital on a stroke unit	80%	78.7% (Q4)
Cancer 62 day wait (consultant upgrade)	94%	93.7%
Mixed Sex accommodation breaches	0 breaches	22 MSFT 29 BHFT
NHS health checks (offered)	20% plan	16.5% (Q4)
Smoking quitters	2045 quitters	1627 quitters up to quarter two

Achievements in 2012/13

Infection Prevention and Control

The Staffordshire Cluster of PCTs remains strongly committed to reducing Healthcare Associated Infections (HCAI), which is a catch-all term for a wide range of infections.

The PCT has made infection prevention and control and environmental cleanliness a high priority across the health economy - including commissioned services. The infection prevention and control strategy means regular meetings and monitoring of HCAIs takes place, supported by stringent governance measures.

The SSoTPT provides infection prevention and control services, on behalf of the PCTs, for GPs, Dentists and care homes across Staffordshire and this is monitored by the Head of Infection Prevention and Control.

The occurrence of Meticillin Resistant Staphylococcus Aureus (MRSA) bacteraemia has significantly reduced across Staffordshire. The Staffordshire Cluster continues to monitor Meticillin Sensitive Staphylococcus Aureus (MSSA) bacteraemia and Escherichia coli (E-coli) bacteraemia and a significant number of these have presented in patients who received no healthcare. The MRSA screening guidance allows measures to be taken to reduce the risks to individuals and prevent the spread to others.

Reducing HCAI has also been achieved by ensuring effective infection prevention and control is embedded into everyday practice and applied consistently by everyone – and trusts are increasingly using root cause analysis for all HCAI bacteraemias.

Although there is no single way of reducing HCAI, improving hand hygiene compliance has a significant impact, so it is important that everyone takes responsibility for infection prevention and control in this way.

Serious Incidents

The quality team work with providers to ensure the robust reporting and investigation of serious incidents (SIs) and monitors the progress of any subsequent action plans. The PCT is also responsible for reporting serious incidents on behalf of independent providers.

South Staffordshire PCT

Total number of SIs reported during 2012/13	Number reported on behalf of external independent providers	Number of Information Governance incidents level 3-5
40	35	0

The external providers were mainly nursing homes. The PCT also reported SIs on behalf of private prisons and MRSA (pre 48 hour) in the community.

West Midlands Specialised Commissioning Group

The West Midlands Specialised Commissioning Group buys specialised healthcare and secures mental health services on behalf of the 17 West Midlands PCTs, covering a population of approximately 5.5 million people.

The group's six engagement projects received valuable feedback in 2012/13. Patient and public involvement activities included workshops, question and answer sessions and increased opportunities for groups to have their say across the following projects:

- Safe and Sustainable Children's Heart Surgery and Neurosurgery Services Review
- Adult Congenital Heart Disease Standards
- Implementation of Trauma Care System
- Commissioning Intentions workshop
- Intestinal Failure Peer Review
- Child and Adolescent Mental Health Tier 4 Service

Key achievements for 2012/13 included:

1. New congenital heart networks introduced across England and Wales to ensure safe and sustainable care for all children. These networks will be structured around specialist Surgical Centres in Bristol, Birmingham, Liverpool, Newcastle and Southampton.
2. The review into how neurological services are delivered to children continued, including an assessment of centres against agreed standards.
3. Views were gathered on services for adults with congenital heart disease, through workshops with patients, families, clinicians, young people and people from black and minority ethnic communities.
4. A network of 22 new trauma centres was announced in April 2012, including the UHNS. The Local Involvement Networks (LINks) represent the North West Midlands and Wales Major Trauma Network.
5. A new operating model for commissioning specialised services was published, setting out how a single, national system will ensure patients are offered consistent, high quality services across the country.
6. A national peer review took place into intestinal failure, with input from the UHNS.
7. A range of providers were commissioned to ensure children and young people could be offered mental health services as close to home as possible and involve young people in their treatment plans.

Dental

In south Staffordshire, a dental performance framework has been implemented over the last three years. The framework includes clinical and non-clinical indicators with a combination of local and national benchmarks. The framework has significantly improved the quality of the services provided by dental practices and is now being put in place in North Staffordshire and Stoke-on-Trent. This is being considered to form part of the NHS England national performance framework.

Safety and environment

Emergency Planning Resilience and Response

Emergency Planning Resilience and Response, (EPRR), is a statutory function under the Civil Contingencies Act 2004. All NHS organisations and healthcare providers need to have plans and processes in place to respond effectively in the event of a major incident.

Structures across Staffordshire and Stoke-on-Trent enable the Cluster of PCTs to work with multi-agency partners to help ensure a co-ordinated response in such circumstances. This strong partnership approach resulted in a safe and memorable Olympic Torch Relay Tour of Britain and an effective response to several public health outbreaks, industrial action and severe weather.

The Staffordshire Cluster of PCTs has 24/7 on call arrangements to support provider organisations across Staffordshire. These arrangements have been put to the test in an exercise scenario and during live incidents.

Health planning structures created by the Cluster have been easily adapted to meet the EPRR requirements of NHS England. This will allow for a smooth transition from one organisation to another when the planned changes to the NHS take place.

Improvement Grants

This investment was in response to the PCT's commissioner investment and asset management strategy and the grant bidding process undertaken with Primary Care Commissioners. This year the level of budgeted capital investment in GP improvement grants is £265k. This investment has been targeted on meeting infection control, public safety, security measures and general improvements towards making GP accommodation fit for purpose.

Environmental Footprint

Work continued to make a positive difference to the communities served by South Staffordshire PCT. The organisation has a responsibility to consider the impact that property makes on the environment. We have continued to invest in sustainable technologies – helping to reduce the carbon footprint and contribute to QIPP targets. These have been implemented via the Capital Programme and Backlog

Maintenance and include improvements in:

- thermal performance
- build management control systems
- lighting solutions to reduce energy consumption

South Staffordshire PCT worked with its Estates Service Providers (ESPs) to optimise energy and waste management contracts – and ensure environmental targets would be met (under the Carbon Reduction Commitment, introduced in April 2010).

Sustainability Strategy

A single Sustainable Development Management Plan (SDMP) was developed from the existing PCT SDMPs for Staffordshire. This paper set out the commitments and roles of the respective organisations and has been approved by the Cluster Board and is being used by CCGs in their authorisation processes. The Cluster will take an overview of sustainable development delivery across the Staffordshire system during transition. With the transfer of property interests, the contribution on realising the carbon reduction footprint in the future will be met by the receiving organisations. CCGs as commissioners will focus on sustainable procurement.

All CCGs have developed Sustainable Development policies as part of their Authorisation process.

Estates Development

The capital resource allowance allocated to South Staffordshire PCT in 2012/13 has been invested in the improvement and refurbishment of health properties, particularly improvements in infection control measures, privacy and dignity and backlog maintenance. This programme is managed by the Capital Planning and Property Sub Group of the PCT and its membership includes the respective ESPs and SSoTPT.

The corporate office strategy has continued to drive the efficient use of administrative accommodation and refurbishment of accommodation to support new organisations, including the closure of Beecroft Court and relocation of Cluster HQ accommodation.

The Scheme of Transfer has been prepared for its property assets to transfer to: NHS Property Services Ltd and SSoTPT, in accordance with the Department of Health Guidance: 'PCT Estate: future ownership and management of estate in the ownership of Primary Care Trusts in England'. Due diligence has been completed by the PCT for these transfers and all property related costs determined for the funding of the receiving organisations. Lease arrangements have been put in place for the two Burton Hospitals, ahead of the planned transfer, to allow full beneficial operation of the sites by Burton NHS Hospital Foundation Trust.

Equality and Diversity

A core aspect of equality in Staffordshire is to make sure all communities have equal access to services and that the Public Sector Equality Duty and Equality Act 2010 is met.

Across Staffordshire, the six CCGs and provider trusts have formally signed up to the national Equality Delivery System (EDS) and the Cluster Common Board has nominated the Director of Partnerships and Planning to provide leadership on this across the Cluster.

Throughout this year, the PCTs have worked with the CCGs to undertake an baseline assessment and each CCG has developed its equality strategy using this system.

Quality through QIPP

What is QIPP?

The Quality, Innovation, Productivity and Prevention (QIPP) programme is all about improving quality and innovation, so that every pound spent brings maximum benefit and quality of care to patients.

The NHS needs to achieve up to £20 billion of efficiency savings by 2015, which will be reinvested back into frontline care. South Staffordshire has to find £142 million of this by focusing on quality, innovation, productivity and prevention. Every saving made will be put back into patient care by supporting frontline staff, funding innovative treatments and giving patients more choice.

The QIPP saving delivered in 2012/13 is £52,422 million, which includes £37,694 million of price efficiency savings.

QIPP Achievements

In the south, the QIPP agenda continues to be driven by the CCGs that have taken a strong leadership role in system redesign and QIPP delivery.

Long Term Conditions

- A service was established in Seisdon Peninsula for patients recovering from a stroke, or with neurological conditions. Commissioned from the Royal Wolverhampton NHS Trust it provides specialist rehabilitation.
- A home oxygen assessment and review service was set up to ensure patients receive and use oxygen appropriately – benefiting over 350 patients and saving £44K.
- Diabetes education was provided in care homes. 557 staff received training, 43 blood glucose meters were exchanged, 23 hypo boxes issued and 27 insulin passports written.

Frail older people

- A community geriatrician was appointed to provide comprehensive geriatric assessments. Older people were assessed, advised and care plans agreed, which led to fewer patients needing hospital treatment.
- Over 580 patients seen in the falls service were offered advice and education. The number of fractured neck of femurs reduced despite the higher number of older people within the local population.
- At Good Hope Hospital, (the Heart of England Foundation Trust), a team of nurses and social workers worked with hospital staff to reduce the number of delayed discharges. A community psychiatric nurse supported safe discharges for patients with dementia, where an average of 12 patients are seen each week.
- A frail older people's network was established bringing together clinicians, carers and patients. The network focuses on improving health services for older people.

Mental Health

- The reconfiguring of bed-based mental health services led to enhanced community services.

Medicines Management

- A package of quality driven initiatives were developed to improve the care of asthmatic patients. Audit and education sessions were incorporated into the business plan and the Medicine Management Quality and Outcomes Framework targets.

Planned Care

- The redesign of cardiology outpatients increased the number of one stop facilities available and improved the management of follow up appointments.

Make your voice heard

Patient Experience

Quality monitoring of patient experience is carried out regularly and forms part of the Quality Report made to the Cluster Quality Committee.

Provider patient experience is currently being monitored through patient experience reports from their respective Clinical Quality Review Meetings (CQRM), and through quality visits from Cluster staff, which includes a specific element on feedback about patient experience and treatment.

Any feedback from the above is assessed for its level of concern and if the concern is an issue of patient safety then immediate action is taken between the Cluster and the provider – whilst other concerns are addressed through the provider's CQRM.

In south Staffordshire the four CCGs are building on their existing model and developing district groups to create a new focus and are all working towards setting up a patient congress or something similar.

To broaden the spectrum of patient involvement, all CCGs are recruiting to a membership. For south Staffordshire, the scheme is in its infancy and is looking to build on the 100+ members at each of the four CCGs.

To support this model of involvement, a single repository for all patient feedback has been developed and is used to record all PALS, complaints, Patient and Public Involvement (PPIs), MP letters, social media (patient opinion), mystery shopper, media and soft intelligence. Called the Insight database, this records the information against the domains of patient experience, safe high quality care, access and waiting, better information, more choice, building better relationships and a clean comfortable place to be.

The data recorded is available to all staff via real time dashboards that highlight themes and trends and this data is driving the work programmes for the patient congress and capturing patient feedback at all levels. This work has been recognised at a national level with project gaining recognition in the following awards:

- Patient Experience Network National Awards – 2011 – finalist in the measuring, reporting and acting category
- Crème de la Crème Business Awards – 2011 – winner of outstanding business achievement
- HSJ Efficient Awards – Finalist 2012 – efficiency in administrative and clerical
- EHI Award – Winner 2012 – most promising IT to support clinical commissioning
- Patient Experience Network National Awards – 2012 runner up in the measuring reporting and acting category

As part of the 'Patient Revolution' agenda, there is a drive for greater co-production between patients and professionals. This will be achieved through shared decision making between health professionals and individual patients and carers – particularly in the management of long term conditions – and will be led by the CCGs. The friends and family test is included in the contracts for 2012/13 and will be supported via the Commission for Quality Innovation Scheme (CQUIN). Local results for the Friends and Family test (l/c f's) are reported at CQRM and at the Cluster Transitional Quality Committee.

The first published results of the Friends and Family score were made publically available from April 2012 for Acute Trusts in the Midlands and East SHA. The latest available results for January 2013 are showing a Net Promoter Score of 73.9% positive for the Staffordshire Cluster, showing a largely positive trend.

Patient Advice and Liaison Service

PALS is integral to South Staffordshire PCT's commitment to working closely with patients and staff to improve services. All enquiries received through PALS are recorded on the Insight database and used in the ongoing programme of service improvement.

PALS is an informal and impartial way to resolve the concerns of patients, relatives, carers and members of the public. The service is intermediary and a useful source of information, often signposting people to the healthcare they need.

During 2012/13 754 contacts were received through PALS – and most of these were requests for information.

Meaningful engagement with the public, patients and partners

During a year of transition, which saw a shift in the ownership of patient and public involvement to the CCGs, the models of patient and public involvement in place across south Staffordshire are now realising significant tangible change. Patients and local communities are in a position to influence decision-making, from a grass roots practice level, through to a governing body level, in an open and transparent way.

Public and patients

During 2012/13 greater emphasis was placed on growing patient and public involvement in CCGs. More practices have established patient groups or virtual groups, which has resulted in strengthened communication with district groups. Patient Councils, Congress or Boards complete the model of involvement set up by CCGs, which have direct links into governing bodies via PPI Lay Members. With patient involvement structures in place and working well across all CCGs, patients and communities are involved at every level and stage of clinical decision-making. The Membership Scheme builds on the model of involvement by engaging with a wider representation of residents and groups who register their interest and wish to have a say in how health services are planned and commissioned.

Our work this year has seen:

- A growing number of people registering on the Membership Scheme. This work is ongoing to ensure more people and groups have an opportunity to have a say in health matters.
- The monthly production and circulation of CCG newsletters to those registered on the Membership Scheme to keep them up to date with plans, projects and developments and with opportunities of how to get involved.
- Strengthening links with practice based email/virtual groups and meeting groups, in relation to clinical commissioning, by improving channels of communication with district groups to encourage involvement and feedback.
- Embedding the work of Patient Councils in respect of their roles to influence commissioning decisions on behalf of the communities they represent.

As a result of the Insight and involvement work patients have been integral to:

- Consultation on transforming cancer care services in Staffordshire.
- NHS Constitution engagement over 18 weeks.
- NHS 111 awareness raising and feedback across Staffordshire.
- Consultation on the service specification for the Out of Hours service in Staffordshire.
- Any Qualified Provider consultation and feedback.
- Review of the Home Oxygen Services at Burton Hospitals.
- Review of Out-Patient services at Burton Hospitals.

Complaints

Last year, South Staffordshire PCT received 158 complaints which covered all areas of healthcare. NHS National Complaints regulations are followed when dealing with complaints – together with the principles set out by the Parliamentary and Health Service Ombudsman.

Based on the guidelines: "Listen, Improve and Respond," customer care systems are designed to support clinical and administrative staff through any changes. Every complaint is entered into the insight database which helps highlight areas for development.

This integrated approach to handling complaints allows a flexible response to complaints, concerns and compliments and embraces tangible changes to be made to services based on patient feedback.

Consultations

In south Staffordshire a formal public consultation into the Crisis Resolution Team and bed closures began in October 2011. A decision on the outcomes was made at the end of March 2012. The decision to close the Margaret Stanhope Centre, in Burton-upon-Trent, was taken by the Staffordshire Cluster of PCTs Board on 28 March 2012, on behalf of the PCT, and a plan for a phased closure was put in place. In September 2012 the Margaret Stanhope Centre was formally closed. The reconfiguration of mental health services has increased the emphasis on community provision and reduced acute mental health bed based activity – and the public are thanked for their participation in this consultation.

Freedom of Information

The Freedom of Information Act 2000 (FOI) gives people a general right of access to information held by or on behalf of public authorities. It is intended to promote a culture of openness and accountability amongst public sector bodies and to facilitate a better public understanding of how public authorities carry out their duties, why they make the decisions they do and how they spend public money.

Exemptions deal with instances where a public authority may withhold information under the Freedom of Information Act or Environmental Information Regulations. Exemptions mainly apply where releasing the information would not be in the public interest, for example, where it would affect law enforcement, or harm commercial interests.

Requests are handled in accordance with the terms of the Freedom of Information Act 2000 and, wherever possible, best practice guidelines from the Information Commissioner's Office and the Ministry of Justice are followed to maximise openness and transparency:

Organisation	Numbers of requests received
South Staffordshire PCT	35

Organisation	Number responded to within 20 working days		Number responded to over 20 working days	
South Staffordshire PCT	17	48.57%	14	40%

Organisation	Exemption applied				
	Section 12 Costs	**Section 21** Publication Scheme	**Section 22** Intended for Future Publication	**Section 40** Personal Information	**Section 43** Commercial Interest
South Staffordshire PCT	0	0	0	0	0

How we work in partnership

The Staffordshire Integrated System Plan sets out how healthcare commissioners and providers in Staffordshire are working with partners and stakeholders to ensure a joined up approach for the health of the people in Staffordshire and Stoke-on-Trent.

Joint action on health inequalities, previously developed through Local Strategic Partnerships (LSPs) in Staffordshire and Stoke-on-Trent, are being carried through and developed as part of the new HWBBs, working in partnership with the Local Authorities, Staffordshire Police, the Fire Service and local voluntary and third sector agencies.

The PCT has worked closely with Staffordshire LINks and a new Community Interest Company (Engaging Communities) is being set up to address issues identified in terms of engaging local populations in health and social care issues.

Partnerships will be developed further as the proposals under the Health and Social Care Bill roll out. The CCGs and the Cluster (on behalf of PCTs) are actively engaged in the development of the shadow HWBBs within Local Authorities. Staffordshire County Council is an early implementer of its shadow HWBBs.

The Staffordshire Cluster has two upper tier Local Authorities in the shape of Staffordshire County Council and Stoke-on-Trent City Council. Staffordshire County Council has eight District/Borough Councils and CCGs and public health in Staffordshire is working closely with these on local issues.

A healthy future for us all

Suicide prevention

Staffordshire Public Health has been working in partnership to develop a Suicide Prevention Plan for Staffordshire. There are a number of key drivers for the plan which include the localisation of the national strategy: 'Preventing Suicide in England – A cross-government outcomes strategy to save lives' September 2012; response to local concerns about a recent upward trend in suicides, (although this is from a low starting point) and action to support learning from serious case reviews. Therefore, the Staffordshire Suicide Prevention Plan is a local approach aimed at galvanising partnership activity around this important issue.

The Staffordshire Suicide Prevention Plan seeks to provide a local, multi-agency approach to reduce the suicide rate and to better support those affected by suicide in Staffordshire. As part of this partnership approach to preventing suicide in Staffordshire, we are now consulting with key stakeholders about the proposals within the draft plan being correct and appropriate, as well as identifying stakeholder contribution for each of the key action areas. This is part of our aim to make the plan truly effective with clear outcomes, making a valuable contribution to Staffordshire's Strategy for Mental Health and Wellbeing: 'Commissioning for Mental Health is Everybody's Business'.

Substance Misuse / Alcohol, Drugs

Significant progress was made in 2012/13 tackling alcohol-associated problems. A review was conducted of existing services which led to a new strategy involving prevention, early intervention and treatment. A range of new approaches have been developed, including the roll-out of the Strengthening Families Programme, which helps build parenting skills and enables families to become more resilient to alcohol problems. Alcohol education in schools is being updated and a consistent approach provided across the county, while a campaign was launched in March 2013 targeting parents to help them make informed choices when guiding their children concerning alcohol.

Tobacco Control

South Staffordshire PCT Public Health contributed to an ongoing Staffordshire and Leeds University research project to reduce the smoking uptake in school aged children. Throughout 2012/13, Public Health worked with Staffordshire Young Peoples Services and engaged with young people across Staffordshire about the government's plain packaging consultation, setting up a project working with the Fire Service and young people in Cannock, encouraging them to create videos and use social media to discourage smoking.

Active Plus in Stafford Borough

Active Plus is a ten week programme that supports young people aged 7-13 to achieve their primary goal of healthy weight and lifestyle through fun, physical activity sessions. This programme has involved 30 schools and 350 pupils over a three year period. The outcomes have been good, with nearly two thirds of young people involved in the programme improving their Body Mass Index (BMI). The PCT has commissioned a number of programmes to improve healthy weight in children.

Housing and Health Strategy in Tamworth

The PCT recognises the need to work with partners, including Tamworth Borough Council and the County Council to take a more strategic approach to housing as part of their place shaping role. By ensuring that housing is of the highest quality and located in right place with the necessary infrastructure and support, local authorities can create vibrant and healthier communities; with the reduction of illnesses attributable to long term conditions. The PCT, together with council colleagues, has developed a Housing and Health Strategy and a year one action plan.

Key areas of activity have been:

1. Promoting the approach in Tamworth and increasing the ability to monitor progress and outcomes effectively
2. Developing the effective exchange of information between professionals
3. Operational opportunities:
   - Adoption of "Let's Work Together" approach.
   - Continue activity directed at vulnerable groups.
   - Adaptations and resources.
   - Hospital discharge/community care issues – currently recruiting a health and housing link worker.
   - Targeted interventions with tenants.
   - Tamworth Homeless Education Programme (THEP) delivers a preventative programme to a wide range of client groups including schools, prisons and supported housing.

East Staffordshire Family Nurse Partnership

East Staffordshire Borough Council has funded a Family Nurse Partnership. 'Ripplz' is a home visiting programme to work with young first time parents and their children. A specially trained nurse works directly in the home with parents until the child is aged two.

The Family Nurse Partnership has been secured, developed and is now expanding. Two nurses will provide support to first time teenage mothers in Lichfield. The first cohort of 10 mothers will complete by January 2014 and the expansion will significantly increase capacity and safeguard this project for a number of years. The project is unique in that it is a partnership between East Staffordshire Borough Council, NHS England and Public Health. Funding is provided by East Staffordshire Borough Council and NHS England.

Let's Work Together in Lichfield

Let's Work Together is a growing multi-agency initiative to ensure people receive the support they need to live healthy, safe and independent lives, supported by a team which centres on them and is well connected with each other. Let's Work Together gives home visitors the tools, training and skills to be the 'eyes and ears' for partner organisations, identifying risks and signposting or referring them to services. Partners include the Fire Service, the police, district and county councils, the local voluntary sector and Bromford Housing.

The Lets Work Together programme has proved very successful, in that the model has been taken up by other areas in Tamworth, East Staffordshire and Newcastle-under-Lyme. Savings that can be achieved by a Lets Work Together approach include:

- Prevention of a domestic dwelling fire – £1.65m
- Hospital admission for a fractured neck of femur/fall – up to £905k

The current phase of Lets Work Together is embedding this approach, with administration provided by Lichfield Community and Voluntary Service (CVS). Lichfield has also provided advice and support for the other areas taking on the programme. Work has begun with Improvement and Efficiency West Midlands (IEWM) to look at alternative methods of delivery and training and funding is being secured to achieve this. Lichfield District Board has also agreed to maintain funding until 2014.

So far over 400 front line workers have been trained and 53 referrals formally made. A significant number of referrals have been made but not reported.

Physical activity and weight management

• Walking for health

Nearly 2,000 people regularly take part in healthy walks in Stafford Borough and South Staffordshire District through their respective walking programmes. These schemes have very high satisfaction rates and in south Staffordshire 85% of participants improved their exercise and 90% reported an increase in the perception of their health and well being.

• Re-design of weight management services

We have integrated a number of lifestyle programmes such as health trainers, lifestyle services and dietetic led weight management services into one service. This has been modelled on the Cannock service and now streamlines prevention, early intervention and more long term support through one team. The integrated approach has been developed for both adult and childhood weight management services.

• South Staffordshire Village Agent Scheme

Managed by the Community Council, the aim of the Village Agent programme is to help regenerate a specified area, sustain existing resources and explore ways to address real issues, with a particular emphasis on isolated individuals within rural communities. Each Village Agent is employed part-time, approximately 10 hours a week to work within local communities and tackle highlighted issues. The key objectives of each Village Agent is to develop sustainable local community groups and targeted programmes, maximise the use of local community volunteer training opportunities, improve communication between the local community and service providers to increase access and raise awareness of local opportunities. This scheme was developed in south Staffordshire by the LSP, which includes the PCT, police, Fire and Rescue, Staffordshire County Council, Housing Plus and South Staffordshire District Council.

• Community Games Grant Fund

This project has been successful in attracting a significant number of people who do not normally take part in sport or physical activity and there is good evidence to suggest that these people have been fed through to ongoing physical activity and/or healthy lifestyle programmes in the local area. South Staffordshire PCT and Sport Across Staffordshire and Stoke-on -Trent (SASSOT) aimed to support up to 12 community focused events, with a maximum grant of £500 each to enable communities to come together and organise a local sporting and cultural event inspired by the Olympic and Paralympic Games. Thirteen events have been funded and successfully held, involving over 6000 people.

Healthy Living Pharmacy – South Staffordshire

Healthy Living Pharmacies (HLP) provide comprehensive services such as help to stop smoking, weight management services and support, referral to local exercise programmes, advice on eating healthily, free emergency contraception and more support and lifestyle advice to people who misuse drugs. Since February 2012, 31 pharmacies across south Staffordshire have been assessed against the national HLP criteria and achieved accreditation as Healthy Living Pharmacies and 31 are working towards accreditation.

Making Every Contact Count (MECC)

A key ambition and strategic priority for NHS Midlands and East Strategic Health Authority is to 'Make Every Contact Count' (MECC) by using every opportunity to deliver brief healthy lifestyle information to improve health and wellbeing.

A Staffordshire and Stoke-on-Trent MECC implementation group meets regularly to move MECC forward. Across the county, SSoTPT and individual acute trusts have developed plans to embed MECC within their organisations and are rolling out training to frontline staff.

The Good-life

The Good Life encourages children and their families to lead a healthy lifestyle using fun creative approaches in Cannock Chase and south Staffordshire districts. The Community Arts and Wellbeing team engages with the local community to develop sustainable interventions that increase healthier opportunities through social health marketing techniques. The Good Life involves lots of people, community groups, schools, organisations and venues to showcase healthy living examples on its action packed website.

NHS Health Checks

The NHS Health Check programme contributes to reducing heart disease, stroke, kidney disease and diabetes, by offering people aged 40-74 who don't already have these conditions the opportunity to have a NHS Health Check. The NHS Health Check assesses a person's risk of developing heart disease by reviewing key factors such as blood pressure, smoking status, weight and exercise levels. This information is used to form an action plan to reduce their risk of developing these diseases by stopping smoking, losing weight and, where necessary, having medical treatment. The NHS Health Check programme has been delivered by GP practices and people aged 40 to 74 are invited once every five years to attend for a check. The majority of GP practices have signed up to this programme and are currently inviting patients. Outreach provision of the NHS Health Check has been commissioned for areas where we know this service is not provided within primary care to ensure all eligible people get the opportunity to have a Health Check. In addition, support for practices delivering NHS Health Checks is being offered to ensure consistent and high quality checks are offered across the PCT.

Our Staff

The NHS landscape during 2012/13 has seen an unprecedented period of change. Over this 12 month period, staff have been supported through the recruitment and transfer phase, as new organisations continue to develop and PCT functions continued to be delivered.

Managing staff has focused on securing posts into the new era. This function was carried out through a programme called; **Investing in Your Future**, giving advice and support to staff to help consider the options available to them.

The transfer of staff to different and new NHS organisations has been managed in line with the nationally agreed process through TUPE transfer, or a Transfer Order, which safeguards staff by protecting their employment rights. Staff from the Staffordshire Cluster are transferring into 22 different organisations – which either sit under the NHS or Local Authorities.

Consultation has been important throughout this process as the PCTs worked with the trade unions and professional bodies. As part of the closedown of PCTs, any outstanding issues relating to staff have been identified and will be dealt with through the legacy programme in 2014.

Workforce

The overall approach of the Cluster has been to establish a new structure that fits with the proposed transition set out in the Health and Social Care Act. We have focused on the business critical skill sets required and rapidly assigned or aligned all commissioning staff, from each PCT, to either the newly emerging CCGs, the CSU, NHS England, the Area Team, or the Cluster itself. By aligning and assigning staff quickly there has been minimal disruption to business continuity and business functions are well-placed for the remaining changes.

The Cluster has been active in supporting senior staff to attend the Aspiring Chief Executive Officer programme and Directors to undertake the Top Leaders programme. In addition there is a dedicated Organisational Development role at Assistant Director level to support CCG development.

All staff have been offered 1:1 review sessions about the future and these have taken place each month. The Cluster has also developed a support programme for all staff which has been shaped by feedback from the 1:1s and discussions with trade unions.

Sickness absence

The tables below indicate the commissioning sickness absence rates for March 2012 to February 2013 by PCT, by Commissioning entity and as a whole. The sickness absence rate is defined as the percentage of Full Time Equivalent (FTE) days lost from those days that were available to be worked within the period in question. Sickness rates for earlier months have been recalculated and refreshed within the table below, based on the latest Electronic Staff Record (ESR) absence records.

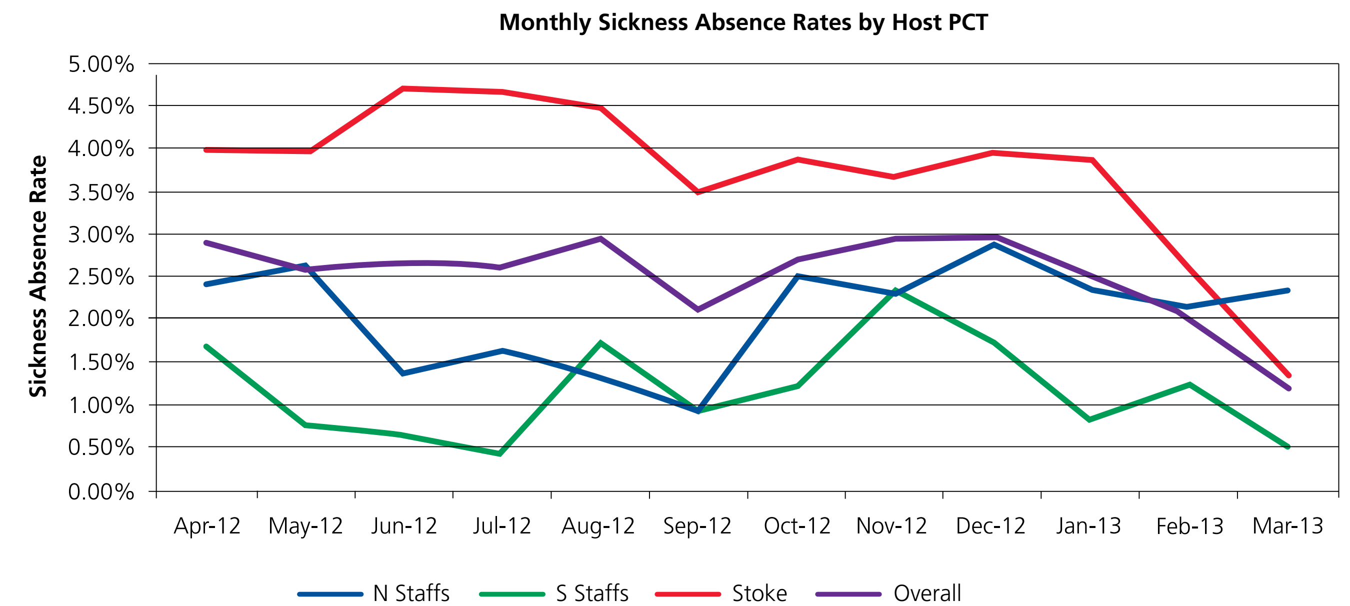
Monthly sickness absence rates – by host PCT

Host PCT	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
N Staffs	2.45%	2.65%	1.35%	1.62%	1.32%	0.92%	2.52%	2.32%	2.86%	2.37%	2.16%	2.33%
S Staffs	1.68%	0.75%	0.64%	0.41%	1.75%	0.91%	1.23%	2.33%	1.73%	0.80%	1.23%	0.50%
Stoke	3.99%	3.95%	4.73%	4.68%	4.47%	3.49%	3.87%	3.68%	3.95%	3.87%	2.61%	1.32%
Overall	**2.89%**	**2.58%**	**2.67%**	**2.63%**	**2.95%**	**2.13%**	**2.68%**	**2.96%**	**2.96%**	**2.50%**	**2.04%**	**1.18%**

Previous months' rates refreshed each month with latest ESR figures

There is clearly some substantial under-reporting of sickness for the month of March 2013 due to the fact that PCT absence capture processes ceased to operate from 1 April 2013. This prohibited the submission of full March sickness returns. From the limited sickness information processed, March figures are considerably lower than for February 2013. There are noticeable reductions for both South Staffordshire PCT and Stoke-on-Trent. South Staffordshire PCT however, is showing a slight increase in sickness absence. Only NHS Stoke-on-Trent PCT has experienced monthly rates that have regularly exceeded the annual target rate of 3.39% during 2012/13.

Sickness absence rates are represented graphically as:



All NHS organisations in the West Midlands were committed to achieving an annualised sickness absence rate of 3.39% or lower by March 2013. The combined rate for the three PCTs for March 2013 was 1.18% and the overall annual rate for 2012/13 was 2.52%, both of which are well within the March 2013 target. At a lower level, the March 2013 sickness absence rates for the individual commissioning entities are as follows:

Monthly sickness absence rates – by commissioning entity

Commissioning Entity	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
CCG N Staffs	4.32%	4.12%	0.23%	0.49%	0.45%	1.33%	2.26%	2.93%	4.04%	2.24%	3.36%	5.10%
CCG Stoke	0.76%	3.33%	7.06%	4.05%	2.67%	3.12%	0.72%	1.06%	3.39%	3.07%	3.30%	1.07%
CCGs S Staffs	1.52%	0.44%	0.96%	0.47%	2.74%	0.39%	1.62%	3.76%	1.13%	0.71%	0.59%	0.00%
Cluster Team	0.26%	0.48%	2.11%	3.90%	4.33%	2.61%	2.25%	1.85%	2.10%	1.22%	0.22%	0.00%
CSS	2.45%	2.30%	2.03%	2.11%	1.53%	1.40%	2.20%	2.44%	2.81%	3.40%	2.41%	1.21%
CSS (SBS)	5.38%	3.35%	3.17%	3.05%	4.78%	5.09%	6.45%	5.84%	4.59%	3.75%	2.89%	2.01%
Public Health	4.41%	4.24%	3.45%	3.54%	3.75%	0.82%	2.23%	2.40%	2.61%	1.24%	1.15%	0.00%
Other	4.93%	6.41%	6.44%	6.84%	6.22%	1.83%	1.24%	0.36%	3.86%	2.38%	2.33%	0.00%
Overall	**2.89%**	**2.58%**	**2.67%**	**2.63%**	**2.95%**	**2.13%**	**2.68%**	**2.96%**	**2.96%**	**2.50%**	**2.04%**	**1.18%**

Previous months' rates refreshed each month with latest ESR figures

Sickness hotspots for March 2013 (red / red-amber) are most noticeable within Shared Business Services and North Staffordshire CCG.

In terms of sickness absence episodes, the tables below indicate the total number of days lost within March by Commissioning Entity, by Sickness Reason and by Duration Category of Episode.

Days lost in month due to sickness absence rates – by commissioning entity

Commissioning Entity	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
CCG N Staffs	42	42	3	6	7	31	35	36	56	32	37	62
CCG Stoke	8	38	90	58	41	48	14	18	58	51	50	18
CCGs S Staffs	9	4	5	1	31	10	38	58	27	16	13	0
Cluster Team	2	12	44	81	91	51	81	80	86	40	4	0
CSS	158	130	125	118	84	58	103	106	135	200	119	62
CSS (SBS)	170	90	112	92	150	162	231	209	152	138	76	58
Public Health	100	118	68	70	72	15	8	45	49	39	23	0
Other	30	39	33	35	31	9	7	2	25	13	12	0
Overall	**519**	**473**	**480**	**461**	**507**	**384**	**517**	**554**	**588**	**529**	**334**	**200**

Days Lost in Month due to Sickness Absence Rates by Reason

Reason	Apr 12	May 12	Jun 12	Jul 12	Aug 12	Sep 12	Oct 12	Nov 12	Dec 12	Jan 13	Feb 13	Mar 13
Blood Disorder	0	3	0	1	0	0	0	8	16	21	0	0
Cancer	30	4	0	0	0	0	0	0	0	0	0	0
Chest & respiratory problems	22	6	31	46	74	45	32	13	24	52	0	0
Cold, Cough, Flu - Influenza	39	28	8	22	19	16	69	43	53	88	53	0
Dental and oral problems	0	1	0	3	3	0	4	4	6	0	1	0
Ears, Nose and Throat	21	8	1	19	16	14	4	21	7	9	12	8
Eye problems	0	0	5	3	2	0		0	0	0	8	0
Gastrointestinal problems	9	16	67	75	82	90	76	71	66	46	47	33
Genitourinary & gynaecological disorders	2	4	5	0	3	3	0	28	22	14	2	0
Headache/Migraine	8	13	8	16	9	7	14	9	2	12	10	0
Heart, cardiac & circulatory problems	0	0	0	0	2	26	52	60	67	15	10	31
Infectious diseases	21	0	0	0	0	0	6	0	0	0		0
Injury, fracture	1	26	30	34	39	24	0	0	19	31	34	31
Musculo-skeletal	79	73	98	49	66	49	73	67	80	81	98	30
Nervous system Disorders	0	0	0	0	4	0	10	5	31	0	0	0
Other known causes - not elsewhere classified	32	35	31	41	57	12	23	42	31	50	0	0
Pregnancy related disorders	30	20	0	0	2	0	0	0	0	5	0	0
Skin disorders	0	0	0	0	0	0	0	0	0	0	4	0
Stress/Anixety/Depression	192	203	151	151	87	88	151	181	159	102	55	36
Unknown	33	33	45	1	42	10	3	2	5	3	0	31
Overall	519	473	480	461	507	384	517	554	588	529	334	200

Days Lost in Month due to Sickness Absence Rates by Episode Duration Category

Reason	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
Long-Term (28+ Days)	345	300	372	304	299	202	184	298	294	248	146	185
Medium-Term (8 - 27 Days)	85	72	35	69	76	71	172	107	157	104	81	13
Short-Term (1 - 7 Days)	89	101	73	88	132	111	161	149	137	177	107	2
Overall	**519**	**473**	**480**	**461**	**507**	**384**	**517**	**554**	**588**	**529**	**334**	**200**

Looking forward

As mentioned in the introduction to the Annual Report, South Staffordshire PCT is in a period of great change, and the Staffordshire Cluster of PCTs has to tackle this change. To support this a 2012/13 Integrated System Plan has been developed for the whole Staffordshire health economy, to enable the delivery of better services and better health outcomes for the population, including accommodating rising demands within a static financial environment.

The strategic challenges for health in 2012/13 and beyond are:

- Ensuring healthcare services across the Cluster are provided in a safe, clinically effective and responsive manner.
- Closing the financial gap of £272 million over a four year period up until 2014/15 whilst continually improving the quality of healthcare service provision.
- Implementing QIPP Plans across Staffordshire and delivering the transformational and sustainable change required to transport our health economies to new levels.
- Restoring public confidence within MSFT by demonstrating the improvements in quality of care and health outcomes being delivered.
- Ensuring an effective transition and integration of key services, including public health and community services, and ensuring all service changes reflect the four key national tests. Firstly, there must be clarity about the clinical evidence base underpinning any proposals. Secondly, they must have the support of the GP commissioners involved. Thirdly, they must genuinely promote choice for their patients and finally the process must have genuinely engaged the public, patients and local authorities.
- Ensuring our workforce is supported through this substantial period of organisational change and that staff have the skills, knowledge and capacity to enable them to deliver their roles effectively.

Annual Governance Statement 2012/13

Scope of responsibility

South Staffordshire Primary Care Trust (PCT) is one of the largest PCTs in the country serving a population of approximately 615,000 has a budget of £970 million.

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Primary Care Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the Primary Care Trust (PCT) is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the NHS Corporate Governance Code. My responsibilities, as set out in the Accountable Officer Memorandum, are contained within the PCTs Standing Orders and Standing Financial Instructions and make me accountable to Parliament for the stewardship and propriety of the PCT.

The governance framework of the organisation

A Common Board has previously been established for all three PCTs in Staffordshire i.e. North Staffordshire, Stoke-on-Trent and South Staffordshire.

A single Chair and a single set of Non-Executive Directors continued to meet with the single Executive Team as a Common Board to discharge the statutory duties functions of the constituent three PCT Boards

Across each of the PCTs there are effective Clinical Commissioning Groups (CCGs) in place working in the early part of the year as Sub Committees of the Common Board.

Constructive and effective working arrangements are in place with both Local Authorities (Staffordshire County Council and Stoke-on-Trent City Council) for the transfer of Public Health responsibilities.

The following sub committees continued to meet and each had at least one Non-Executive Director as part of the membership and report to the Board:

- Audit Committee
- Remuneration and Terms of Service Committee
- Primary Care Committee
- Quality Committee
- Patient Engagement Committee
- QIPP, Finance and Performance Committee
- Clinical Commissioning Group Board Committees
- Primary Care Quality Group

A highlight report and the minutes of the sub committees are submitted to the Board on a monthly basis.

The highlight reports from the Audit Committee have covered the following issues:

- The internal audit reports finalised to date were providing a positive assurance overview.
- The involvement of CCGs in Information Governance.
- The integration of CCGs in the Business Cycle of the Audit Committee.
- The progress of CCGs through the accreditation process.
- Monitoring and delivery of the 2012/13 accounts timetable.

The Primary Care Committee focuses on the implementation and development of the primary care strategy for all independent primary care contractors i.e. GPs, Dental, Pharmacy and Optometry.

The Quality Committee focuses on:

- Patient Experience
- External and Internal Reviews
- Eliminating Mixed Sex Accommodation
- Patient Safety
- Infection Prevention and Control
- Serious Incidents

This work stream relates to all Provider Trusts within the Cluster PCT area

The Patient and Public Engagement Committee has developed a Patient and Public Assurance Framework which links to the Assurance Frameworks for CCGs, Public Health etc. to assure itself that robust systems and processes are in place.

The QIPP, Finance and Performance Committee monitors the process to gain assurance on the delivery of QIPP and System Plan requirements as well as the delivery of the Key Financial targets.

All sub committees are attended by a mixture of Non-Executive and Executive Directors as well as other key personnel from the relevant Directorates.

The Chairs of the South Staffordshire CCGs were attending the Cluster Board meetings until October 2012. As the CCGs moved through the authorisation process and held their own Board meetings in public, the need for their attendance at the Common Board was superseded. The Shadow CCG committees were being disbanded and the setting up of new governance arrangements was underway.

The scheme of delegation from the Common Board was therefore amended to recognise that the CCG Governing Bodies became formal sub committees of the Common Board until March 2013 with responsibility and accountability for the delegated powers.

During 2012/13 the CCGs have continued their role discharging the responsibilities of the clinical executive. with oversight from the Clinical Senate that, with two Clinical Directors, ensured continued compliance with governance requirements.

The Common Board considers that it is compliant with the Corporate Governance Code and has met formally on eight occasions up until 30 March 2013 and has been quorate on each occasion that it has met.

Risk assessment

Risk management is led through the implementation of the PCT's Risk Management Strategy and Policy, which highlights organisational and individual responsibilities for the management of risk. Risk work streams in the latter half of 2012/13 focussed on the transition of key risks to the appropriate receiver organisation and the building of an assurance framework for the new emerging Clinical Commissioning Groups.

Risks are identified from a variety of sources including:

- Complaints, claims and incidents
- Internal investigations/clinical reviews/Coroner's Reports
- Internal/external audit reports
- Directorate/Team meetings
- Information Governance Toolkit self-assessment and risk issues identified and managed by the Information Governance Steering Group
- Risk Assessments
- Clinical Quality Review Meetings (CQRMs)
- Quality Strategy (implementation and the link to CQRMs)
- CCG Governing Body meetings
- SCSU Operational Board

As part of the identification of risks from various sources, the following risks were added to the corporate risk register in 2012/13:

- Mid Staffordshire Hospitals FT (MSFT) – insufficient staffing to provide continuity of care in A&E
- Financial - Achievement of the 2012/13 control total subject to delivery of QIPP
- Alignment of integrated IT infrastructure to ensure that staff can access aligned network systems
- Health economy - sustainability across Staffordshire in light of significant financial pressures and therefore radical service redesign needed
- Commissioning Support services (CSU) – impact of competitors entering the market
- CSU – keeping business as usual whilst developing CSU processes
- Safeguarding Children – lack of a designated doctor in post
- MSFT – recruitment and retention of permanent senior experienced staff to deliver high quality leadership across the Trust
- MSFT – unstable financial and clinical systems
- Health economy- sustainability across Staffordshire in light of significant financial pressures and therefore radical service redesign needed

The risks as identified above are evaluated by a nominated lead officer in the first instance, and reviewed by the Risk Manager for consistency and completeness. Any new risk with an initial rating of 15 or more is reported to the weekly Executive Management Team meeting before adding to the corporate risk register. Once included, they are monitored on the corporate risk register by the PCT Cluster Quality Committee (clinical risks) and Common Audit Committee (non-clinical risks) on a regular basis.

To promote risk identification and monitoring across the various directorates and staff groups, a Strategic Risk Group with terms of reference was set up and included representation from both Cluster, CSU and CCGs. This was designed to aid the consistency of application of the risk scoring matrix across the organisations.

Control measures are in place to ensure that risks to data security are identified, managed and controlled. The PCT has put an information risk management process in place led by the Senior Information Risk Owner (SIRO). Information asset owners and administrators have been identified to cover the Trust's main systems and records stores, along with information held at team level. All Trust laptops and memory sticks are encrypted. The Information Governance Toolkit self-assessment across the PCT has indicated a level 2 or above on all standards.

There have been no significant control issues involving data losses reported at level 3 or above.

The risk and control framework

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 on-going process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of South Staffordshire Primary Care Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The Chief Executive remains accountable, but delegates executive responsibility to the Executive Directors for the delivery of the organisational objectives, while ensuring that there is a high standard of public accountability, probity and performance management. The Assurance Framework reflects the strategic objectives assigned to the Executive Directors and is reviewed by the Audit Committee on a regular basis.

Risk management is embedded in the activity of the organisation through the above measures and also through assessments of specific risks e.g. information governance and equality impact assessment.

There is a clear process for the reporting, management, investigation and learning from incidents. There is a Senior Information Risk Owner through Cluster arrangements to support the arrangements for managing and controlling risks relating to information / data security, with Information Asset Owners nominated and trained across functions

The Local Counter Fraud Service reports to each Audit Committee. The report aims to appraise the Audit Committee of the proactive and reactive activity carried out by the Local Counter Fraud Specialist (LCFS), and submits a schedule of activity on individual cases that would be of interest to the Committee.

Public Health funding allocations were agreed – the allocations have been driven by advice from the Advisory Committee on Resource Allocation with funding being targeted, for the first time, at those areas with the worst health outcomes. The Director of Public Health had produced and published his annual report which has been underpinned by the opportunities to improve health and wellbeing with the establishment of the Staffordshire Health and Wellbeing Board. The Report is structured on the 'Asset-Based' approach to Health and Wellbeing and uses local insight and national evidence to help identify what contributes to wellbeing in Staffordshire and to subsequently improve health outcomes.

A process to refresh the Joint Strategic Needs Assessment has also been agreed to take forward key issues.

Clinical Commissioning Groups report regularly to the Common Board. QIPP Confirm and Challenge meetings and Contract Confirm and Challenge meetings have also been held.

The development of the Staffordshire CSU continued at pace with successful progress through the checkpoints. A product matrix and SLAs have been agreed and signed with CCGs across the CSU footprint, supported by job matching or recruitment to structures to ensure delivery and performance, along with an approved robust business plan. Further plans are in place to enhance the quality agenda and related services offered by the CSU.

With specific regard to Mid Staffordshire Hospitals, the PCT has worked collaboratively with the Trust, the Strategic Health Authority and regulators including Monitor and the Care Quality Commission to continue the programme of work to address identified inefficiencies. Robust and challenging Clinical Quality Review Meetings continue to take place monthly with all key providers and the learning from the Mid Staffordshire investigation has influenced the agendas for these meetings throughout the year. The Francis Inquiry concluded its investigations and the report was published in February 2013. All recommendations are being considered by the commissioners.

As part of the preparation for the transfer of functions in April 2013, a Transition/Closedown Plan was considered and reviewed by the Board at its informal meetings. The work was supported by a project group made up of representatives from the main project areas together with a representative from Internal Audit. This enabled completion of required work in order to meet timelines for national work streams, and the close monitoring of risks or concerns to take steps to mitigate those risks. Regular returns were submitted to the Strategic Health Authority/Department of Health regarding instructions for the formulation of Transfer Schemes/Orders, which were signed off by the PCTs. Arrangements were also made for the preparation of papers for the formal handover at the final meeting of the PCT Cluster Board in March, to ensure legal transfer took place appropriately. This was further supported by the preparation of papers for the first meeting of the receiver organisations to ensure appropriate acceptance of responsibilities.

In addition to the formal transfer outlined above, a Transitional Handover/Legacy Document was also produced, with particular attention on Quality and shared with receiver organisations. This captured the key risks within the PCT area, captured organisational memory accumulated through managerial and clinical interactions over the years, and informed the handover process to maintain the continuity of services and to maintain and improve the quality of care provided. Board level and face to face meetings were held with the Strategic Health Authority following the regular review and sign off by the PCT Board.

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 system of internal control has been in place in the Primary Care Trust for the year ended 31 March 2013, and up to the date of approval of the Annual Report and accounts.

Review of the effectiveness of risk management and internal control

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 the internal audit work. Based on the work undertaken in 2012/13, significant assurance has been given by the Head of Internal Audit that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently. However, some weaknesses in the design and inconsistent application of controls put the achievement of particular Trust strategic priorities (objectives) at risk.

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 that manage the risks to the organisation achieving its principal objectives have been reviewed. My review is also informed by:

- A number of individual internal audit reports relating to the PCT's Quality Monitoring Framework; Quality of Providers; Ledger & Budgetary Reporting and Financial Controls; Quality Outcomes Framework and Assurance Framework.
- External Audit via their Annual Audit Letter which provides a high level summary of audit work carried out.
- Regular Executive Team meetings
- Reports to Audit Committee by the Local Counter Fraud Specialists
- Information Governance Toolkit submission
- Review of the corporate risk register by the Cluster Quality Committee (clinical risks) and Common Audit Committee (non-clinical risks)
- Scrutiny of the Assurance Framework by the Common Audit Committee
- Performance Management of Independent Contractors
- Regular reports to Board from Clinical Commissioning Groups
- Regular Clinical Quality Review Meetings with all main providers

Significant Issues

The Head of Internal Audit Opinion on the system of internal control has not revealed any significant internal control weaknesses; however, following reviews, the areas below were highlighted as having the potential to affect the achievement of the PCT's strategic goals. Governance – ensuring committees receive information to complete the cycle of business; Data Warehouse Audit – design and application of controls to be strengthened , Quality Outcomes Framework and Enhanced Schemes – application of control framework regarding completion of action plans and sign off, Budgetary Control in relation to Provider Contracts - whilst robust contract management arrangements have been established towards the year end, forecasting and contract management arrangements across the individual Clinical Commissioning Groups and arrangements with the Commissioning Support Unit were not as robust during the earlier part of the financial year and forecasting has been particularly weak and had contributed to the financial pressures for the PCT.

Whilst not resulting in an overall negative opinion there were a number of identified control weaknesses that required action in the year and that some of the control weaknesses will also require continued action in the successor organisations

The Assurance Framework receives a regular review at the Common Audit Committee and two risk areas were noted to have moderate gaps/assurance levels. These relate to the significant deficit or financial pressures at Burton Hospitals NHS Foundation Trust and Mid Staffordshire Hospitals NHS Foundation Trust

Accountable Officer (name): Graham Urwin

Organisation: South Staffordshire Primary Care Trust

Date: 07 June 2013

Summary of financial statements

The following pages contain Summary Financial Statements.

If read on their own they may not contain sufficient information for a full understanding of South Staffordshire PCTs financial position and performance. A complete list of the account policies adopted is included with the full accounting statements.

A copy of the full 2012/13 Annual Accounts and the Annual Governance Report is available from:

Personal Assistant to the Director of Finance
NHS England
Shropshire and Staffordshire Area Team
Anglesey House
Towers Business Park
Wheelhouse Road
Rugeley
Staffs
WS15 1UZ

Tel: 0300 7900 233

Summary Financial Statements and Remuneration Report 2012/13

Operating and Financial Review

Introduction

The Operating and Financial Review section of the Annual Report gives a summary of the performance during the year and the main influences on it.

The financial reporting requirements of NHS Bodies are determined by the Department of Health with the approval of HM Treasury. Based on the Treasury's Government Financial Reporting Manual (FReM), South Staffordshire PCT is required to prepare its financial statements based on International Financial Reporting Standards (IFRS).

Financial balance and sustaining financial health continues to be recognised as one of the key priorities for the NHS in 2012/13 and beyond. This is especially important given the transition the Department of Health are engaging on to devolve power and responsibility for commissioning services to local Clinical Commissioning Groups (CCGs) of GP practices, transfer PCT responsibilities for local health improvement to Local Authorities and Primary Care Trusts being abolished from April 2013. In order to manage the transition the PCT has this year worked even more closely with GPs and other partners across the area to help shape and plan for the future and has supported the delegation of responsibilities in 2012/13 to help CCGs and Local Authorities take on the local agenda that they will be responsible for from April 2013.

Until the resources formally transfer in 2013/14 the income and expenditure for both devolved GP commissioning and Public Health services will continue to be shown in the PCT's accounts.

South Staffordshire PCT has four GP Clinical Commissioning Groups operating as formal sub-committees of the Staffordshire Cluster Common Trust Board. The CCGs in total in 2012/13 had delegated responsibility for £718 million (72%) of the PCT's 2012/13 allocation devolved to purchase health care for their registered patients and become heavily involved in commissioning decisions.

Financial Performance

A Primary Care Trust has three statutory duties to perform in respect of its accounting and financial standing (previously four but following disinvestment of provider functions this has now reduced to three).

- To achieve financial balance by managing revenue expenditure within resource limits. Achieved surplus in 2012/13 £15k (2011/12 £0.35 million). Actual spend of £1,008,005 million against resource limit of £1,008,020 million.
- To remain within the capital resource limit allocated by the Department of Health. The PCT spent £1.744 million on capital in 2012/13, representing an under-spend of £0.879 million against the capital resource limit.
- To remain within the notified cash limit resource of £991 million for the year, which was achieved.

Better Payment Practice Code

The PCT also has an 'administrative' departmental duty to pay its invoices within 30 days of receipt of a valid invoice in line with the Confederation of British Industry (CBI) Better Payments Practice Code. Performance under these criteria was as follows;

89.53% of Non-NHS invoices (2011/12 81.11%) and 80.99% of NHS invoices (2011/12 80.34%) based on count (the number of invoices paid within 30 days)

and

93.56% of Non NHS invoices (2011/12 86.81%) and 97.31% of NHS invoices (2011/12 98.43%) based on value (based on the value of invoices paid within 30 days).

Running Costs

The Department of Health Operating Framework definition for PCT Running Cost expenditure includes any cost incurred that is not a direct payment for the provision of healthcare or healthcare related services.

The PCT's Running costs per weighted head of population (£ per head) is £29.03 compared to a PCT Running cost target of £32.79, giving a favourable variance of £3.76 and an improvement of 8% compared to last year.

The Cluster Running Costs per weighted head of population (£ per head) is £32.00 compared to a Cluster Running Cost target of £33.75, giving a favourable variance of £1.75 and an improvement of 9% compared to last year. West Midlands Strategic Health Authority (SHA) in setting the target have confirmed that achievement of the cluster target (which consists of South Staffordshire PCT, NHS North Staffordshire and NHS Stoke-on-Trent) is the key milestone for achievement rather than the individual targets set by PCTs.

The main actions which have enabled these targets to be met have been:

- Trust Board Executive Directors acting as a single executive team covering a Cluster of PCTs that continued to remain as individual legal entities.
- Streamlining governance arrangements by operating a common Trust Board for the year covering all three PCTs within the Cluster.
- Vacancy management and review of all non pay expenditure.

Revenue Expenditure

The PCT receives its revenue funding from the Department of Health. This is in the form of a revenue funding limit imposed on it as to the amount of revenue expenditure the PCT can incur. Revenue spending includes items such as commissioning of acute, primary and mental health services and the provision of community services on behalf of its populations.

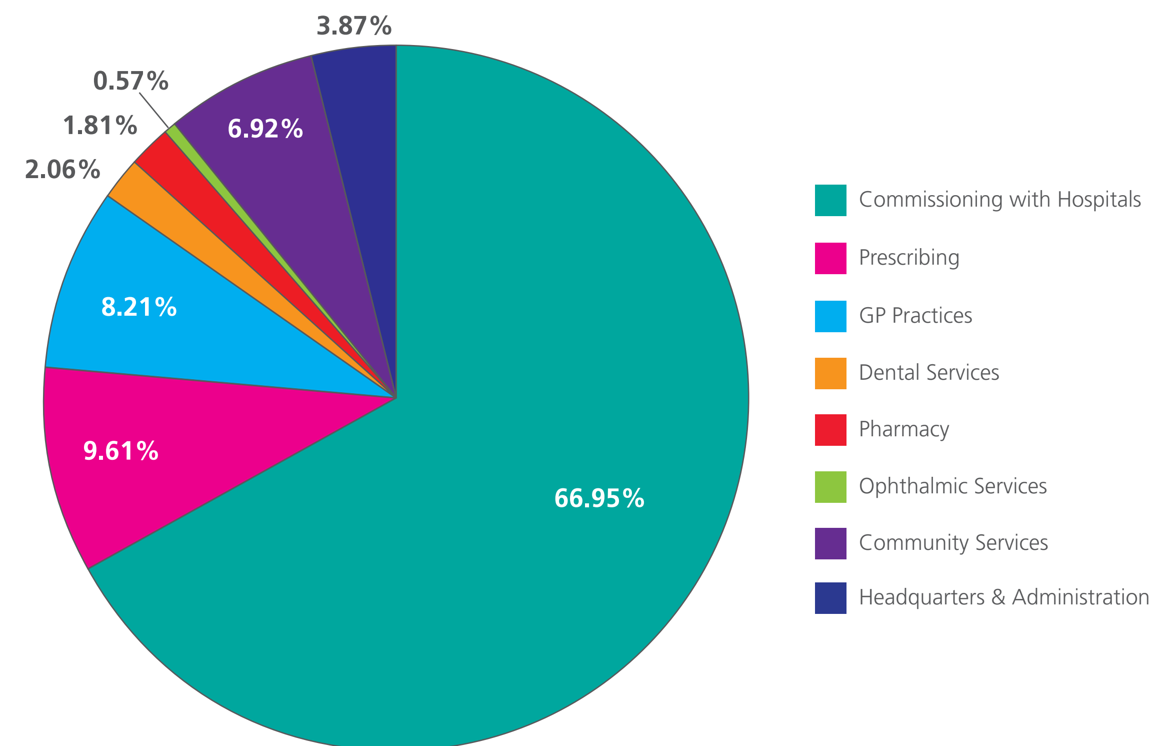
Capital Expenditure

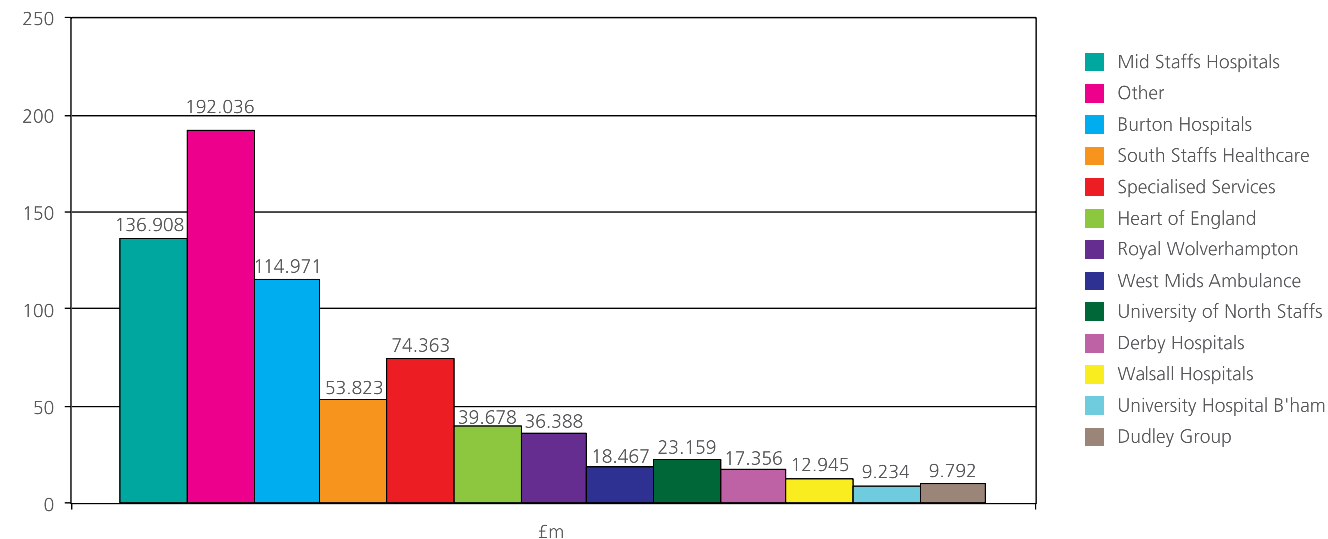
The PCT also received its capital funding from the Department of Health; a capital resource limit which is the maximum amount of capital expenditure the PCT can incur. Capital spending includes expenditure on improving buildings and purchasing equipment that has a useful life of more than one year.

The main items of capital investment were;

- Health Centre Maintenance £1.125 million
- Community Hospital and Regulation compliance £0.485 million
- GP - IT equipment £0.188 million

How your money was spent





2012/13 Audit Committee and Fees

South Staffordshire PCT undergoes scrutiny from a combination of audit mechanisms which includes the Audit Committee, Internal and External Audit.

During April 2013 the PCT came under a Cluster Common Audit Committee with terms of reference agreed by the Common Trust Board. External and Internal Auditors continued to give separate audit opinions for each entity within the Cluster. Whilst all Non Executives (with the exception of the Chairman) are invited to attend the Audit Committee, quorum being not less than two, the key membership was as follows:

- Mr B Machin (Chair), Non Executive Director – appointed by the Appointments Commission
- Mr J Howard, Non Executive Director
- Mrs L Kemp, Non Executive Director
- Mr A Burns, Non Executive Director

In attendance:

- Director of Finance
- Board Secretary
- RSM Tenon Internal Auditors
- PricewaterhouseCoopers LLP External Auditors (South Staffordshire PCT and NHS North Staffordshire)
- Grant Thornton UK LLP External Auditors (NHS Stoke-on-Trent)
- Local Counter Fraud Specialists

South Staffordshire PCT's appointed external auditor for 2012/13 was

Mark A Jones

Engagement Lead

For and on behalf of PricewaterhouseCoopers LLP

In 2012/13 South Staffordshire PCT paid £129k incl. VAT in respect of external audit fees to PricewaterhouseCoopers LLP, Docklands, 161 Marsh Wall, London E14 9SQ and £61k to RSM Tenon in respect of internal audit fees.

The PCT ensures that the auditors' independence has not been compromised by:

- Non audit work being a small proportion of total cost
- The Audit Committee being chaired by a Non Executive Director
- The Audit Committee scrutinising and approving additional work carried out by PricewaterhouseCoopers LLP
- PricewaterhouseCoopers LLP being appointed by, and fees set by, the Audit Commission

Remuneration

Policy on the remuneration of senior managers for current and future financial year

The PCT has a Remuneration Committee which is a sub-committee of the Common Trust Board. The Remuneration Committee was represented by the Chair of the Cluster of Staffordshire PCTs and the Chief Executive.

The terms of reference of the committee are:

- To make such recommendations to the Common Trust Board on the remuneration, allowances and terms of service of the Chief Executive, Executive Directors and senior managers covering the three PCT's within the Staffordshire Cluster. This committee will have proper regard for the PCT's performance and particularly the provisions of any national pay and performance arrangements, where appropriate.
- To monitor and evaluate the performance of individual Executive Directors and senior managers
- To advise on and oversee appropriate contractual arrangements for such staff including the proper calculation and scrutiny of payments taking account of such national guidance as is appropriate
- To approve any redundancy payments made to any member of staff within the organisation

The Remuneration Committee is made up of the Chair and 7 Non-Executive Directors of the Common Trust Board and the Interim Director of Human Resources.

Senior Managers within the PCT are paid under one of two national frameworks. The Chief Executive, Executive Directors are covered by the Very Senior Managers pay structure and other managers are paid under the Agenda for Change pay structure which relates to all other staff groups except for medical and dental staff.

Consultants' Remuneration is determined in line with the national Consultant's Contract. This included Dr A Ahmed, Director of Public Health.

Non Executive Directors' Remuneration is set by the Appointments Commission in accordance with national policy.

For the year 2012/13 Directors and other managers were not awarded a cost of living increase. Health Service staff, have been awarded a 1% cost of living increase for the year 2013/14.

Policy on the duration of contracts, and notice periods and termination payments

The Chief Executive and Executive Directors are permanent employees with the exception of the Interim Director of Human Resources and the Director of Performance who are employed on a consultancy basis. The Director of Commissioning and Development, in post during 2011-12 and up to 2012-13, was seconded to the post from Birmingham East and North Primary Care Trust.

The Chief Executive and Executive Directors within the Staffordshire Cluster employed on permanent contracts are entitled to a six month notice period in respect of termination.

The Chief Executive is required to give a six month notice period in respect of any decision to leave the organisation.

The Executive Directors are required to give a three month notice period in respect of any decision to leave the organisation.

No contracts have an entitlement to a termination payment other than by reason of redundancy outside of their contractual entitlement to the notice period.

Significant awards made to past senior managers

There have been no payments, outside of contractual entitlement, made to PCT senior managers in this financial year.

Pension Liabilities

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. The PCTs pension liabilities are calculates in accordance with the accounting policies note 7.5 of the Annual Accounts.

Pay Multiples

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest paid director in South Staffordshire PCT in the financial year 2012/13 was £130-135k (2011/12 £75-80k). This was 3.47 times (2011/12 2.11 times) the median remuneration of the workforce, which was £38,238 (2011/12 £36,924).

In 2012/13 1 employee (2011/12 20 employees) received remuneration in excess of the highest paid director. Remuneration in excess of the highest paid director ranged from £170-175k (2011/12 £75-175k).

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

As previously mentioned the PCT's Board is managed as a Cluster arrangement. It should therefore be noted that the salaries of the Directors have been allocated across each entity on a weighted capitation basis as detailed within the Remuneration Report. Therefore the calculation of the pay multiples for those Director posts that have been shared across the cluster, is only the apportioned cost to the entity of that individual that has been included in the calculation of the "highest paid". This is not necessarily the total of that individual's remuneration.

Statement of Comprehensive Net Expenditure for year ended 31 March 2013

	2012-13 £000	2011-12 £000
Administration Costs and Programme Expenditure		
Gross employee benefits	10,578	9,772
Other costs	1,030,953	992,027
Income	(34,432)	(32,499)
Net operating costs before interest	**1,007,009**	**969,300**
Investment income	0	0
Other (Gains)/Losses	0	0
Finance costs	906	935
Net operating costs for the financial year	**1,008,005**	**970,235**
Transfers by absorption -(gains)	0	0
Transfers by absorption - losses	0	0
Net (gain)/loss on transfers by absorption	0	0
Net Operating Costs for the Financial Year including absorption transfers	**1,008,005**	**970,235**
Of which:		
Administration Costs		
Gross employee benefits	9,615	8,866
Other costs	9,858	10,039
Income	(2,612)	(603)
Net administration costs before interest	**16,861**	**18,302**
Investment income	0	0
Other (Gains)/Losses	0	0
Finance costs	0	0
Net administration costs for the financial year	**16,861**	**18,302**
Programme Expenditure		
Gross employee benefits	963	906
Other costs	1,021,095	981,988
Income	(31,820)	(31,896)
Net programme expenditure before interest	**983,380**	**950,998**
Investment income	0	0
Other (Gains)/Losses	0	0
Finance costs	906	935
Net programme expenditure for the financial year	**991,144**	**951,933**

	2012-13 £000	2011-12 £000
Other Comprehensive Net Expenditure		
Impairments and reversals put to the Revaluation Reserve	1,519	1,784
Net (gain) on revaluation of property, plant & equipment	0	(60)
Net (gain) on revaluation of intangibles	0	0
Net (gain) on revaluation of financial assets	0	0
Net (gain)/loss on other reserves	0	0
Net (gain)/loss on available for sale financial assets	0	0
Net (gain) /loss on Assets Held for Sale	0	0
Release of Reserves to Statement of Comprehensive Net Expenditure	0	0
Net actuarial (gain)/loss on pension schemes	0	0
Reclassification Adjustments		
Reclassification adjustment on disposal of available for sale financial assets	0	0
Total comprehensive net expenditure for the year	**1,009,524**	**971,959**

Administration and Programme Costs

The Treasury has set performance targets in respect of non-frontline expenditure (administration expenditure).

PCTs analyse and report revenue income and expenditure by "admin and programme".

For PCTs, the Department has defined "administration and programme" in terms of running costs.

The broad definition of running costs includes any cost incurred that is not a direct payment for the provision of healthcare or healthcare related services.

The statement of Comprehensive Net Expenditure records the costs incurred by South Staffordshire PCT during the year, net of miscellaneous income (which is income other that PCT's main resource allocation from the Department of Health).

It includes cash expenditure on staff and suppliers as well as non-cash expenses such as depreciation. South Staffordshire PCT's resource allocation (Parliamentary funding) is not treated as income, but is credited to general fund on the Statement of Financial Position.

The figures reported above reflect what the commissioning function pays for primary and secondary healthcare from GPs, other NHS bodies and the private sector.

Where the PCT acts as the lead commissioner for the purchase of healthcare, the gross value of the Service Agreement value has been included in these accounts. Miscellaneous income has then been disclosed to reflect contributions from other commissioners locally so that the Comprehensive Net Expenditure statement only reflects that net expenditure for the PCT.

Statement of Financial Position at 31 March 2013

	31 March 2013 £000	31 March 2012 £000
Non-current assets:		
Property, plant and equipment	47,877	58,706
Intangible assets	29	165
investment property	0	0
Other financial assets	0	0
Trade and other receivables	0	0
Total non-current assets	**47,906**	**58,871**
Current assets:		
Inventories	0	0
Trade and other receivables	13,154	10,880
Other financial assets	0	0
Other current assets	0	0
Cash and cash equivalents	4	1
Total current assets	**13,158**	**10,881**
Non-current assets held for sale	87	0
Total current assets	**13,245**	**10,881**
Total assets	**61,151**	**69,752**
Current liabilities		
Trade and other payables	(68,082)	(64,870)
Other liabilities	0	0
Provisions	(2,788)	(2,189)
Borrowings	(1,498)	(1,498)
Other financial liabilities	0	0
Total current liabilities	**(72,368)**	**(68,557)**
Non-current assets plus/less net current assets/liabilities	**(11,217)**	**1,195**
Non-current liabilities		
Trade and other payables	0	0
Other Liabilities	0	0
Provisions	(8,568)	(1,833)
Borrowings	(11,514)	(12,170)
Other financial liabilities	0	0
Total non-current liabilities	**(20,082)**	**(14,003)**
Total Assets Employed:	**(31,299)**	**(12,808)**
Financed by taxpayers' equity:		
General fund	(45,872)	(29,299)
Revaluation reserve	14,573	16,491
Other reserves	0	0
Total taxpayers' equity:	**(31,299)**	**(12,808)**

The Statement of Financial Position provides a snapshot of the PCTs financial condition at a specific moment in time – the end of the financial year. It lists the assets (everything the PCT owns that has a monetary value), liabilities (money owed to external parties) and taxpayers' equity (public funds invested in the PCT). At any given time, assets minus liabilities must equal taxpayers' equity.

Graham Urwin
Chief Executive – Staffordshire Cluster
Date: 07 June 2013

Merger Adjustments

The 2012/13 FReM requires that all combinations of public sector bodies will be accounted for using merger accounting.

The PCT disinvested of its Provider Services as at the 01/04/2012 which has then formed Staffordshire and Stoke-on-Trent Partnership NHS Trust. South Staffordshire Community Hospital Trusts disinvestment transferred to Burton NHS Foundation Trust.

Statement of Changes In Taxpayers Equity for the year ended 31 March 2013

	General fund £000	Revaluation reserve £000	Other reserves £000	Total reserves £000
Balance at 1 April 2012	**(29,299)**	**16,491**	**0**	**(12,808)**
Changes in taxpayers' equity for 2012-13				
Net operating cost for the year	(1,008,005)	0	0	(1,008,005)
Net gain on revaluation of property, plant, equipment	0	0	0	0
Net gain on revaluation of intangible assets	0	0	0	0
Net gain on revaluation of financial assets	0	0	0	0
Net gain on revaluation of assets held for sale	0	0	0	0
Impairments and reversals	0	(1,519)	0	(1,519)
Movements in other reserves	0	0	0	0
Transfers between reserves*	399	(399)	0	0
Release of Reserves to SOCNE	0	0	0	0
Reclassification Adjustments	**0**	0	0	0
Transfers between Revaluation Reserve & General Fund in respect of assets transferred under absorption	0	0	0	0
Net actuarial gain/(loss) on pensions	0	0	0	0
Total recognised income and expense for 2012-13	**(1,007,606)**	**(1,918)**	**0**	**(1,009,524)**
Net Parliamentary funding	991,033	0	0	991,033
Balance at 31 March 2013	**(45,872)**	**14,573**	**0**	**(31,299)**
Balance at 1 April 2011	**(34,629)**	**18,675**	**0**	**(15,954)**
Changes in taxpayers' equity for 2011-12				
Net operating cost for the year	(970,235)	0	0	(970,235)
Net Gain / (loss) on Revaluation of Property, Plant and Equipment	0	60	0	60
Net Gain / (loss) on Revaluation of Intangible Assets	0	0	0	0
Net Gain / (loss) on Revaluation of Financial Assets	0	0	0	0
Net Gain / (loss) on Assets Held for Sale	0	0	0	0
Impairments and Reversals	0	(1,784)	0	(1,784)
Movements in other reserves	0	0	0	0
Transfers between reserves*	460	(460)	0	0
Release of Reserves to Statement of Comprehensive Net Expenditure	0	0	0	0
Reclassification Adjustments	0	0	0	
Transfers to/(from) Other Bodies within the Resource Account Boundary	0	0	0	0
On disposal of available for sale financial assets	0	0	0	0
Net actuarial gain/(loss) on pensions	0	0	0	0
Total recognised income and expense for 2011-12	(969,775)	(2,184)	0	(971,959)
Net Parliamentary funding	975,105	0	0	975,105
Balance at 31 March 2012	**(29,299)**	**16,491**	**0**	**(12,808)**

Statement of cash flows for the year ended 31 March 2013

	2012-13 £000	2011-12 £000
Cash Flows from Operating Activities		
Net Operating Cost Before Interest	(1,007,099)	(969,300)
Depreciation and Amortisation	3,008	3,118
Impairments and Reversals	8,095	3,652
Other Gains / (Losses) on foreign exchange	0	0
Donated Assets received credited to revenue but non-cash	0	0
Government Granted Assets received credited to revenue but non-cash	0	0
Interest Paid	(906)	(935)
Release of PFI/deferred credit	0	0
(Increase)/Decrease in Inventories	0	215
(Increase)/Decrease in Trade and Other Receivables	(2,274)	(3,650)
(Increase)/Decrease in Other Current Assets	0	0
Increase/(Decrease) in Trade and Other Payables	3,923	7,664
(Increase)/Decrease in Other Current Liabilities	0	0
Provisions Utilised	(1,900)	(515)
Increase/(Decrease) in Provisions	9,234	832
Net Cash Outflow from Operating Activities	**(987,919)**	**(958,919)**
Cash flows from investing activities		
Interest Received	0	0
(Payments) for Property, Plant and Equipment	(2,455)	(849)
(Payments) for Intangible Assets	0	(121)
(Payments) for Other Financial Assets	0	0
(Payments) for Financial Assets (LIFT)	0	0
Proceeds of disposal of assets held for sale (PPE)	0	0
Proceeds of disposal of assets held for sale (Intangible)	0	0
Proceeds from Disposal of Other Financial Assets	0	0
Proceeds from the disposal of Financial Assets (LIFT)	0	0
Loans Made in Respect of LIFT	0	0
Loans Repaid in Respect of LIFT	0	0
Rental Revenue	0	0
Net Cash Outflow from Investing Activities	**(2,455)**	**(970)**
Net cash Outflow before financing	**(990,374)**	**(959,889)**
Cash flows from financing activities		
Capital Element of Payments in Respect of Finance Leases and On-SoFP PFI and LIFT	(656)	(15,278)
Net Parliamentary Funding	991,033	975,105
Capital Receipts Surrendered	0	0
Capital grants and other capital receipts	0	0
Cash Transferred (to)/from Other NHS Bodies (free text note required)	0	0
Net Cash Inflow from Financing Activities	**990,377**	**959,827**
Net increase/(decrease) in cash and cash equivalents	**3**	**(62)**
Cash and Cash Equivalents at Beginning of the Period	**1**	**63**
Opening balance adjustment - TCS transactions	0	0
Restated Cash and Cash Equivalents at Beginning of the Period	**1**	**63**
Effect of Exchange Rate Changes in the Balance of Cash Held in Foreign Currencies	0	0
Cash and Cash Equivalents at year end	**4**	**1**

The Cash Flow statement summarises the cash flows for South Staffordshire PCT during the accounting period. These cash flows include those resulting from operating and investment activities, capital transactions and financing. The transactions showing in the Statement of Comprehensive Net Expenditure do not necessarily involve cash flows nor include all cash transactions, so it is not possible to fully understand the cash position from this statement alone. For example, while depreciation is a charge on the Statement of Net Expenditure, it does not involve an outlay of cash. Similarly any capital purchases will involve an upfront outlay of the full purchase price; however the Statement of Net Expenditure will only record the depreciation of the asset spreading the full cost over the life time of the asset.

Cash Limit

The PCT is required to not draw down and spend more than its cash limit for the year. It has achieved its duty for each financial year and therefore has demonstrated its liquidity year on year, having sufficient funds to meet its creditors as its debts become due. The PCT has a Treasury Management Policy which requires the PCT to plan and monitor its cash profile.

Currency Risk

The PCT is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and Sterling based. The PCT has no overseas operations. The PCT therefore has low exposure to currency rate fluctuations.

Interest Rate Risk

PCTs are not permitted to borrow. The PCT therefore has low exposure to interest rate fluctuations.

Credit Risk

Due to the majority of the PCT's income comes from funds provided by Parliament, the PCT has low exposure to credit risk.

Liquidity Risk

The PCT is required to operate within limits set by the Secretary of State for the financial year and draws down funds from the Department of Health as the requirement arises. The PCT is not, therefore, exposed to significant liquidity risks.

Financial Performance Targets

	2012-13 £000	2011-12 £000
Revenue Resource Limit		
The PCTs' performance for the year ended 2012-13 is as follows:		
Total Net Operating Cost for the Financial Year		
Net operating cost plus (gain)/loss on transfers by absorption	1,008,005	970,235
Adjusted for prior period adjustments in respect of errors	0	0
Revenue Resource Limit	1,008,020	970,588
Under spend Against Revenue Resource Limit (RRL)	**15**	**353**

Capital Resource Limit	**2012-13** £000	**2011-12** £000
The PCT is required to keep within its Capital Resource Limit.		
Capital Resource Limit	2,623	2,250
Charge to Capital Resource Limit	1,744	1,628
Underspend Against CRL	**879**	**622**

Provider full cost recovery duty	**2012-13** £000	**2011-12** £000
The PCT is required to recover full costs in relation to its provider functions.		
Provider gross operating costs	0	0
Provider Operating Revenue	0	0
Net Provider Operating Costs	**0**	**0**
Costs Met Within PCTs Own Allocation	0	0
Under/(Over) Recovery of Costs	**0**	**0**

Under/(Over)spend against Cash limit	**2012-13** £000	**2011-12** £000
Total Charge to Cash Limit	991,033	975,105
Cash Limit	991,033	975,105
Under spend Against Cash Limit	**0**	**0**

Reconciliation of Cash Drawings to Parliamentary Funding (current year)	**2012-13** £000
Total cash received from DH (Gross)	864,182
Less: Trade Income from DH	0
Less/(Plus): movement in DH working balances	0
Sub total: net advances	**864,182**
(Less)/plus: transfers (to)/from other resource account bodies (free text note required)	0
Plus: cost of Dentistry Schemes (central charge to cash limits)	18,701
Plus: drugs reimbursement (central charge to cash limits)	108,150
Parliamentary funding credited to General Fund	**991,033**

Better Payment Practice Code

	2012-13 Number	2012-13 £000	2011-12 Number	2011-12 £000
Measure of compliance				
The Better Payment Practice Code requires the PCT to aim to pay all valid invoices by the due date or within 30 days of receipt of a valid invoice, whichever is later.				
Non-NHS Payables				
Total Non-NHS Trade Invoices Paid in the Year	15,320	99,996	20,749	128,157
Total Non-NHS Trade Invoices Paid Within Target	13,716	93,552	16,829	111,253
Percentage of NHS Trade Invoices Paid Within Target	89.53%	93.56%	81.11%	86.81%
NHS Payables				
Total NHS Trade Invoices Paid in the Year	7,945	667,339	5,489	654,845
Total NHS Trade Invoices Paid Within Target	6,435	649,362	4,410	644,581
Percentage of NHS Trade Invoices Paid Within Target	80.99%	97.31%	80.34%	98.43%

The Late Payment of Commercial Debts (Interest) Act 1998	**2012-13** £000	**2011-12** £000
Amounts included in finance costs from claims made under this legislation	0	0
Compensation paid to cover debt recovery costs under this legislation	0	0
Total	**0**	**0**

During 2012/13 South Staffordshire PCT maintained authorised signatory status to the Prompt Payment Code. The code encourages best practice and ensures that signatories have clear payment policies in place to improve performance.

In addition, fees charged in 2012/13 by the PCT for accessing copies of Patients Medical Records have been set in accordance with the guidelines set out by the Data Protection Act, £10 administration fee, followed by a 10p charge per page up to a maximum ceiling of £50.00. The PCT does not make charges for FOI requests.

Running Costs

South Staffordshire PCT measures its Running Costs according to the definitions provided by the Department of Health (DoH).

	Total	Commissioning Services	Public Health
PCT Running Costs 2012-13			
Running costs (£000s)	16,861	14,898	1,963
Weighted population (number in units)*	580,843	580,843	580,843
Running costs per head of population (£ per head)	**29**	**26**	**3**
PCT Running Costs 2011-12			
Running costs (£000s)	18,302	16,679	1,623
Weighted population (number in units)	580,843	580,843	580,843
Running costs per head of population (£ per head)	**32**	**29**	**3**

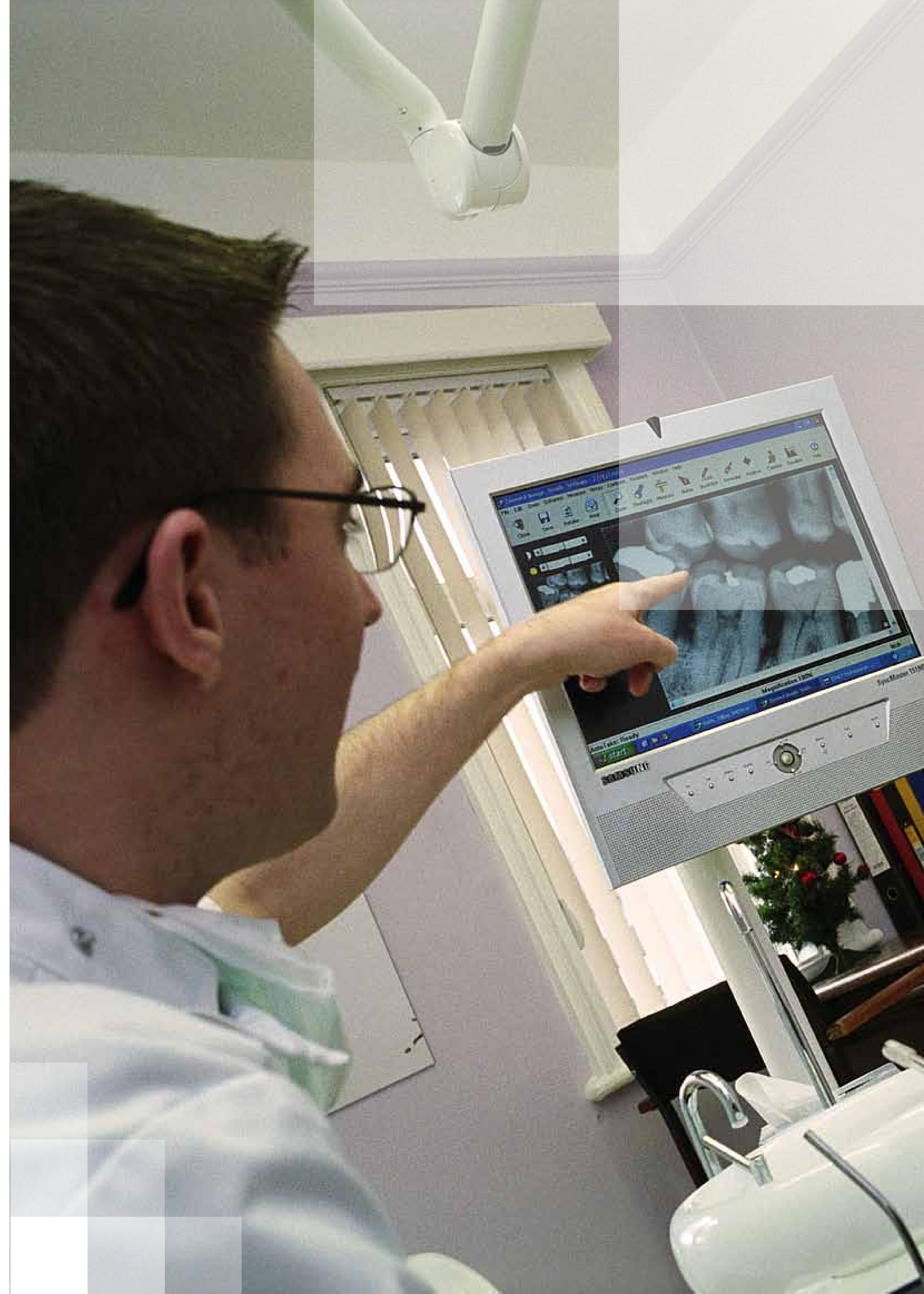
* Weighted population figures are not available for 2012-13 as the weighted capitation formula for PCT allocations was not updated for 2012-13. This was because it was decided to give all PCTs the same percentage growth in their allocations in this transitional year rather than differential growth based on a weighted capitation formula

Therefore, 2011-12 weighted populations have been used when calculated the Running Costs per head of population in 2012-13

In 2012/13 South Staffordshire PCT has continued its drive to improve efficiency. In 2011/12 South Staffordshire PCT restructured and reduced its management costs across all areas in the PCT.

The 2011/12 Operating Framework set out that it would not be possible to retain effective management capacity in all PCTs until their abolition in 2013, presenting unacceptable risks to quality and financial management. In response to this concern the DoH confirmed that PCTs will be retained as statutory organisations but for 2011/12 onwards there would be consolidation of management capacity, with single executive teams each managing a cluster of PCTs.

As a result of the above changes, the Trust Board Executive Directors acted as executives across South Staffordshire PCT, NHS North Staffordshire and NHS Stoke-on-Trent statutory bodies until 31/11/11. From 01/12/12, although the three PCTs remained separate legal entities, the cluster became a common board for all three PCTs as governance arrangements for NHS North Staffordshire, South Staffordshire PCT and NHS Stoke-on-Trent had been amalgamated under the umbrella of the Staffordshire Cluster. The remuneration of Directors is recharged across all three PCTs based on a Weighted Capitation Basis.



Directors Remuneration

Lists of senior managers for whom Remuneration Information is required

Table based on weighted capitation proportion for South Staffordshire PCT

	Name	Title	Appointment Details	2012/13 Salary (bands of £5,000) £'000	Bonus payments (bands of £5,000) £'000	Other Remuneration (bands of £5,000) £'000	Compensatory Payments (bands of £5,000) £'000	Benefits in Kind (bands of £100) £'00	South Staffordshire PCT Recharge (based on Weighted Capitation) % of Salary Represented within PCT's Accounts	2011/12 Salary (bands of £5,000) £'000	Other Remuneration (bands of £5,000) £'000	Benefits in Kind (bands of £100) £'00
Trust Board Executive Directors	Graham Urwin	Chief Executive	Cluster Executive 01/04/2012	75-80	0	0	0	0	52%	75-80		2.4-2.5
	Tony Matthews	Director of Finance	Cluster Executive 01/04/2012 until 13/01/2013	45-50	0	0	0	0	52%	55-60		2.0-2.1
	Ros Francké	Director of Finance	N/A	0	0	0	0	0	52%			
	Dawn Wickham	Director of Partnerships and Planning	Cluster Executive 01/04/2012	45-50	0	0	0	0	52%	50-55		
	Sue Price	Director of Primary Care and Specialised Commissioning	Cluster Executive 01/04/2012	50-55	0	0	0	0	52%	50-55		0.1-0.2
	Sultan Mahmud	Director of Primary Care and Specialised Commissioning	Cluster Executive 01/01/2013	10-15	0	0	0	0	52%			
	Jan Warren	Director of Nursing	Cluster Executive 01/04/2012	5-10	0	0	0	0	52%	50-55		
	Brigid Stacey	Director of Nursing	Cluster Executive 07/05/2012	25-30	0	0	0	0	52%			
	Dr Kenneth Deacon	Medical Director	Cluster Executive 01/04/2012	45-50	0	0	0	0	52%	35-40		
	Dr Aliko Ahmed	Director of Public Health for Staffordshire	Cluster Executive 01/04/2012 - NHS North and South Staffordshire	55-60	0	0	0	0	N/A	40-45		
	Wendy Kerr	CFO East staffordshire CCG	Cluster Executive 01/08/2012	40-45	0	0	0	0	52%			
	Andrew Chandler	CFO Stafford & Surround CCG	Cluster Executive 01/04/2012	40-45	0	0	0	0	52%			
	Stuart Hydon	CFO South East Staffordshire CCG	Cluster Executive 01/04/2012	40-45	0	0	0	0	52%			
	Andrew Donald	Accountable officer Stafford and Surrounds and Cannock	Cluster Executive 01/04/2012	50-55	0	0	0	0	52%	65-70		
	Rita Symons	Accountable Officer South East Staffordshire CCG	Cluster Executive 01/11/2012	20-25	0	0	0	0	52%			
	Tony Bruce	Accountable Officer East Staffordshire CCG	Cluster Executive 01/11/2012	65-70	0	0	0	0	52%			
	Dr David Hughes	Accountable Officer North Staffordshire CCG	Cluster Executive 01/04/2012	35-40	0	0	0	0	52%			
	Andrew Bartlam	Accountable Officer Stoke-on-Trent CCG	Cluster Executive 01/04/2012	40-45	0	0	0	0	52%			
	Andrew Lee*	Director of Finance North Staffordshire CCG	Cluster Executive 01/04/2012	60-65	0	0	0	0	52%			
	Tim O'Hanlon*	Director of Performance	Cluster Executive 01/04/2012	130-135	0	0	0	0	52%			
	Sarah Sheppard*	Director of HR	Cluster Executive 01/04/2012	65-70	0	0	0	0	52%	70-75		

	Name	Title	Appointment Details	2012/13 Salary (bands of £5,000) £'000	Bonus payments (bands of £5,000) £'000	Other Remuneration (bands of £5,000) £'000	Compensatory Payments (bands of £5,000) £'000	Benefits in Kind (bands of £100) £'00	South Staffordshire PCT Recharge (based on Weighted Capitation) % of Salary Represented within PCT's Accounts	2011/12 Salary (bands of £5,000) £'000	Other Remuneration (bands of £5,000) £'000	Benefits in Kind (bands of £100) £'00
Trust Board Common Trust Board Executives	Alex Fox	Chair	Cluster Non-Executive 01/04/2012	20-25	0	0	0	0	52%	5-10		
	Andre Burns	Non Executive Director	Cluster Non-Executive 01/04/2012	0-5	0	0	0	0	52%	0-5		
	David Ibbs	Non Executive Director	Cluster Non-Executive 01/04/2012	0-5	0	0	0	0	52%	0-5		
	Lynn Kemp	Non Executive Director	Cluster Non-Executive 01/04/2012	0-5	0	0	0	0	52%	0-5		
	John Howard	Non Executive Director	Cluster Non-Executive 01/04/2012	0-5	0	0	0	0	52%	0-5		
	Barry Machin	Non Executive Director	Cluster Non-Executive 01/04/2012	5-10	0	0	0	0	52%	0-5		
	Lynne Smith	Non Executive Director	Cluster Non-Executive 01/04/2012	0-5	0	0	0	0	52%	0-5		
	Lloyd Cooke	Non Executive Director	Cluster Non-Executive 01/04/2012	0-5	0	0	0	0	52%	0-5		

Notes for Directors Remuneration

* employed on a consultancy/interim basis, the figure represents the cost to the PCT rather than the amount paid to the individual.

Dr Aliko Ahmed – the payment shown above is the South Staffordshire payment – Dr Ahmed's full salary costs are recharged to North Staffordshire PCT and Staffordshire County Council.

The 2011/12 Operating Framework set out that it would not be possible to retain effective management capacity in all PCTs until their abolition in 2013, presenting unacceptable risks to quality and financial management. In response to this concern the Department of Health confirmed that PCTs will be retained as statutory organisations but for 2011/12 onwards there would be consolidation of management capacity, with single executive teams each managing a cluster of PCTs.

As a result of the above changes, the Trust Board Executive Directors acted as executives across South Staffordshire PCT, NHS North Staffordshire and NHS Stoke-on-Trent statutory bodies until 31/11/11, from 01/12/11 although the three PCTs remained separate legal entities, the cluster became a common board for all three PCTs as governance arrangements for NHS North Staffordshire, South Staffordshire PCT and NHS Stoke-on-Trent had been amalgamated under the umbrella of Staffordshire Cluster. The remuneration of Directors is recharged across all three PCTs based on a Weighted Capitation basis (See table below).

Trust Board Non Executive Directors were consolidated into a single cluster common board on 01/12/11, prior to this each PCT retained its own Non Executives on their respective Trust Board.

Weighted Capitation	Population	Recharge Percentage
NHS Stoke-on-Trent	318,218	29%
NHS North Staffordshire	215,211	19%
South Staffordshire PCT	580,843	52%
Total	**1,114,272**	**100%**

Performance related bonuses - Amounts paid to medical consultants under the national clinical excellence reward schemes is disclosed as bonuses.

Directors/Non Executives total pay across Staffordshire Cluster

	Name	Title	Appointment Details	Salary (bands of £5,000)	Bonus payments (bands of £5,000)	Other Remuneration (bands of £5,000)	Compensatory Payments (bands of £5,000)	Benefits in Kind (bands of £100)
Trust Board – Executive Directors	Graham Urwin	Chief Executive	Cluster Executive 01/04/2012	145-150	0	0	0	0
	Tony Matthews	Director of Finance	Cluster Executive 01/04/2012 until 13/01/2013	85-90	0	0	0	0
	Ros Francké	Director of Finance	N/A	0	0	0	0	0
	Dawn Wickham	Director of Partnerships and Planning	Cluster Executive 01/04/2012	95-100	0	0	0	0
	Sue Price	Director of Primary Care and Specialised Commissioning	Cluster Executive 01/04/2012	95-100	0	0	0	0
	Sultan Mahmud	Director of Primary Care and Specialised Commissioning	Cluster Executive 01/01/2013	20-25	0	0	0	0
	Jan Warren	Director of Nursing	Cluster Executive 01/04/2012	15-20	0	0	0	0
	Brigid Stacey	Director of Nursing	Cluster Executive 07/05/2012	45-50	0	0	0	0
	Dr Kenneth Deacon	Medical Director	Cluster Executive 01/04/2012	85-90	0	0	0	0
	Dr Aliko Ahmed	Director of Public Health for Staffordshire	Cluster Executive 01/04/2012 - NHS North and South Staffordshire	115-120	0	0	0	0
	Zafar Iqbal	Acting Director of Public Health for Stoke-on-Trent	Cluster Executive 01/04/2012	115-120	35-40	0	0	0
	Wendy Kerr	CFO East staffordshire CCG	Cluster Executive 01/08/2012	80-85	0	0	0	0
	Andrew Chandler	CFO Stafford & Surround CCG	Cluster Executive 01/04/2012	80-85	0	0	0	0
	Stuart Hydon	CFO South East Staffordshire CCG	Cluster Executive 01/04/2012	80-85	0	0	0	0
	Andrew Donald	Accountable officer Stafford and Surrounds and Cannock	Cluster Executive 01/04/2012	95-100	0	0	0	0
	Rita Symons	Accountable Officer South East Staffordshire CCG	Cluster Executive 01/11/2012	40-45	0	0	0	0
	Tony Bruce	Accountable Officer East Staffordshire CCG	Cluster Executive 01/11/2012	125-130	0	0	0	0
	Dr David Hughes	Accountable Officer North Staffordshire CCG	Cluster Executive 01/04/2012	70-75	0	0	0	0
	Andrew Bartlam	Accountable Officer Stoke-on-Trent CCG	Cluster Executive 01/04/2012	80-85	0	0	0	0
	Andrew Lee*	Director of Finance North Staffordshire CCG	Cluster Executive 01/04/2012	115-120	0	0	0	0
	Tim O'Hanlon*	Director of Performance	Cluster Executive 01/04/2012	250-255	0	0	0	0
	Sarah Sheppard*	Director of HR	Cluster Executive 01/04/2012	125-130	0	0	0	0
Common Trust Board Executives	Alex Fox	Chair	Cluster Non-Executive 01/04/2012	40-45	0	0	0	0
	Andre Burns	Non Executive Director	Cluster Non-Executive 01/04/2012	5-10	0	0	0	0
	David Ibbs	Non Executive Director	Cluster Non-Executive 01/04/2012	5-10	0	0	0	0
	Lynn Kemp	Non Executive Director	Cluster Non-Executive 01/04/2012	5-10	0	0	0	0
	John Howard	Non Executive Director	Cluster Non-Executive 01/04/2012	5-10	0	0	0	0
	Barry Machin	Non Executive Director	Cluster Non-Executive 01/04/2012	10-15	0	0	0	0
	Lynne Smith	Non Executive Director	Cluster Non-Executive 01/04/2012	5-10	0	0	0	0
	Lloyd Cooke	Non Executive Director	Cluster Non-Executive 01/04/2012	5-10	0	0	0	0
	George Dawes	Non Executive Director	Cluster Non-Executive 01/04/2012	0	0	0	0	0

Pension Entitlements of Senior Managers

Name	Title	Real increase in pension at age 60 (bands of £2,500)	Real increase in pension lump sum at age 60 (bands of £2,500)	Total accrued pension at age 60 at 31 March 2013 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2013 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2013	Cash Equivalent Transfer Value at 31 March 2012	Real increase in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension (rounded to nearest £00)	Legal Entity Employing Senior Manager
Graham Urwin	Chief Executive	(0.0)-(2.5)	(2.5)-(5.0)	50-55	160-165	902	853	4	0	Stoke-on-Trent PCT
Tony Matthews	Director of Finance	(0.0)-(2.5)	(0.0)-(2.5)	35-40	105-110	574	536	10	0	Stoke-on-Trent PCT
Ros Francké	Director of Finance	0	0	0	0	0	0	0	0	Commissioning Board
Dawn Wickham	Director of Partnerships and Planning	(0.0)-(2.5)	(0.0)-(2.5)	30-35	95-100	544	509	8	0	Stoke-on-Trent PCT
Sue Price	Director of Primary Care and Specialised Commissioning	(0.0)-(2.5)	(0.0)-(2.5)	35-40	105-110	668	628	8	0	South Staffordshire PCT
Sultan Mahmud	Director of Primary Care and Specialised Commissioning	(0.0)-(2.5)	0	0-5	0	3	6	(1)	0	Stoke-on-Trent PCT
Jan Warren	Director of Nursing	(0.0)-(2.5)	55.0-57.5	35-40	115-120	No CETV shown for members over 60	No CETV shown for members over 60	0	0	Stoke-on-Trent PCT
Brigid Stacey	Director of Nursing	0	0	30-35	95-100	491	454	6	0	Stoke-on-Trent PCT
Dr Kenneth Deacon	Medical Director	0.0-2.5	2.5-5.0	30-35	90-95	424	371	34	0	South Staffordshire PCT
Dr Aliko Ahmed	Director of Public Health for Staffordshire	0.0-2.5	0.0-2.5	10-15	40-45	214	191	13	0	South Staffordshire PCT
Wendy Kerr	CFO East staffordshire CCG	(0.0)-(2.5)	(0.0)-(2.5)	10-15	40-45	285	277	(6)	0	South Staffordshire PCT
Andrew Chandler	CFO Stafford & Surround CCG	0.0-2.5	0.0-2.5	15-20	55-60	280	257	9	0	South Staffordshire PCT
Stuart Hydon	CFO South East Staffordshire CCG	0.0-2.5	(2.5)-(5.0)	15-20	50-55	415	369	27	0	South Staffordshire PCT
Andrew Donald	Accountable officer Stafford and Surrounds and Cannock	(0.0)-(2.5)	(5.0)-(7.5)	35-40	115-120	762	743	(20)	0	BEN and Heart of England both raising recharges for Andy
Rita Symons	Accountable Officer South East Staffordshire CCG	0.0-2.5	0.0-2.5	20-25	60-65	309	280	7	0	South Staffordshire PCT
Tony Bruce	Accountable Officer East Staffordshire CCG	(0.0)-(2.5)	(2.5)-(5.0)	50-55	155-160	958	904	8	0	North Staffordshire PCT
Dr David Hughes	Accountable Officer North Staffordshire CCG	0.0-2.5	2.5-5.0	55-60	170-175	No CETV shown for members over 60	1,251	0	0	North Staffordshire PCT
Andrew Bartlam	Accountable Officer Stoke-on-Trent CCG	0.0-2.5	0.0-2.5	60-65	185-190	1,219	1,111	50	0	Stoke-on-Trent PCT
Andrew Lee*	Director of Finance North Staffordshire CCG	0	0	0	0	0	0	0	0	Interim via North Staffordshire PCT
Tim O'Hanlon*	Director of Performance	0	0	0	0	0	0	0	0	ATOS Consulting via Stoke-on-Trent PCT
Sarah Sheppard*	Director of HR	0	0	0	0	0	0	0	0	Sarah Sheppard Consulting via North Staffordshire PCT

Name	Title	Real increase in pension at age 60 (bands of £2,500)	Real increase in pension lump sum at age 60 (bands of £2,500)	Total accrued pension at age 60 at 31 March 2013 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2013 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2013	Cash Equivalent Transfer Value at 31 March 2012	Real increase in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension (rounded to nearest £00)	Legal Entity Employing Senior Manager
Alex Fox	Chair	0	0	0	0	0	0	0	0	South Staffordshire PCT
Andre Burns	Non Executive Director	0	0	0	0	0	0	0	0	South Staffordshire PCT
David Ibbs	Non Executive Director	0	0	0	0	0	0	0	0	South Staffordshire PCT
Lynn Kemp	Non Executive Director	0	0	0	0	0	0	0	0	Stoke-on-Trent PCT
John Howard	Non Executive Director	0	0	0	0	0	0	0	0	North Staffordshire PCT
Barry Machin	Non Executive Director	0	0	0	0	0	0	0	0	North Staffordshire PCT
Lynne Smith	Non Executive Director	0	0	0	0	0	0	0	0	South Staffordshire PCT
Lloyd Cooke	Non Executive Director	0	0	0	0	0	0	0	0	Stoke-on-Trent PCT
George Dawes	Non Executive Director	0	0	0	0	0	0	0	0	Stoke-on-Trent PCT

Pension Entitlements of Senior Managers

* Employed on a Consultancy/Interim basis only, therefore not applicable.

** Seconded from Birmingham and North PCT.

As Non-Executive members do not receive pensionable remuneration, there are no entries in respect of pensions for Non-Executive members.

Self-employed GPs who are members of the Professional Executive Committee (PEC) and Chairs of CCG have pension entitlements. However, the proportion of those entitlements that relates to their membership of the PEC/CCG is not significant compared to the proportion that relates to their work as practitioners independent of the PCT. It is not, therefore, appropriate to disclose their pension entitlements.

As a result of the above changes, the Trust Board Executive Directors acted as executives across South Staffordshire PCT, NHS North Staffordshire and NHS Stoke-on-Trent statutory bodies until 31/11/11, from 01/12/12 although the three PCTs remained separate legal entities, the cluster become a common board for all three PCTs as governance arrangements for NHS North Staffordshire, South Staffordshire PCT and NHS Stoke-on-Trent had been amalgamated under the umbrella of Staffordshire Cluster. The remuneration of Directors is recharged across all three PCTs based on a Weighted Capitation basis.

The information provided represents the full pensions entitlement of the Cluster Executives representing South Staffordshire PCT, NHS North Staffordshire and NHS Stoke-on-Trent, in recognition of their time commitment being attributable across the cluster their full time salary costs for 2012/13 has been allocated across the three organisations on a weighted capitation basis, however to allocate Pensions earned over a length of service within the NHS between the three PCTs could mislead and therefore the full pensions entitlements for the individuals is shown.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the members' 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 schemes or arrangement when the member leaves a schemes and chooses to transfer the benefit accrued in their former scheme. The pensions 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. No CETV will be shown for members over 60 (1995 Section).

Real Increase in CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pensions due to inflation, contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement).

Exit packages for staff leaving in 2012/13

Exit Packages Agreed During 2012-13

	2012-13			2011-12		
Exit package cost band (including any special payment element)	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band	Number of compulsory redundancies	*Number of other departures agreed	Total number of exit packages by cost band
	Number	Number	Number	Number	Number	Number
Lees than £10,000	0	1	1	0	1	1
£10,001-£25,000	0	1	1	0	2	2
£25,001-£50,000	0	2	2	0	2	2
£50,001-£100,000	0	8	8	0	0	0
£100,001-£150,000	0	0	0	0	0	0
£150,001-£200,000	0	0	0	0	0	0
>£200,000	0	0	0	0	0	0
Total number of exit packages by type (total cost	**0**	**12**	**12**	**0**	**5**	**5**
	£000s	£000s	£000s	£000s	£000s	£000s
Total resource cost	**0**	**730**	**730**	**0**	**85**	**85**

This note provides an analysis of Exit Packages agreed during the year. Redundancy and other departure costs have been paid in accordance with the provisions of the NHS National Redundancy Scheme and the Mutually Agreed Resignation Scheme. Where the PCT has agreed early retirements, the additional costs are met by the PCT and not by the NHS pensions scheme. Ill-health retirement costs are met by the NHS pensions scheme and are not included in the table.

This disclosure reports the number and value of exit packages agreed with staff in the year. Note: The expense associated with these departures may have been recognised in part or in full in a previous period.

The PCT during 2012-13 operated Mutually Agreed Resignation Scheme (MARS), which was a voluntary severance scheme under which an individual employee, in agreement with their employer, chooses to leave employment in return for a severance payment.

The payment rate under the scheme was fixed at 1/2 months salary for each full year of service, up to a cap of 12 months salary, with a minimum payment of 3 months salary for 1-5 years reckonable service.

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Redundancy Scheme and the Mutually Agreed Resignation Scheme. This note provides an analysis of Exit Packages agreed during the year, and these may not be the same as those in respect of the year of departure. Where the PCT has agreed early retirements, the additional costs are met by the PCT and not by the NHS pensions scheme. Ill-health retirement costs are met by the NHS pensions scheme and are not included in the table.

The PCT during 2012/13 offered to all employees a Mutually Agreed Resignation Scheme (MARS), which is a voluntary severance scheme under which an individual employee, in agreement with their employer, chooses to leave employment in return for a severance payment. The payment rate under this scheme is fixed at ½ month's salary for each full year of service, up to a cap of 12 months' salary, with a minimum payment of three months' salary for one to five years reckonable service

Related Party Transactions for Year Ended 31 March 2013

Financial Year 2012/13

During the year the Board Members or members of the key management staff or parties related to them as listed below, have undertaken material transactions with South Staffordshire Primary Care Trust.

	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£000	£000	£000	£000
Staffordshire University (Dr Zafar Iqbal, Acting Director of Public Health - Stoke-on-Trent)	26	0	0	0
Keele University (Dr Zafar Iqbal, Acting Director of Public Health - Stoke-on-Trent)	32	0	0	0
Staffordshire and Stoke-on-Trent Partnership Trust (Andrew Donald, Director of Commissioning Development)	76,253	5,870	0	1,919
Staffordshire County Council (Dr Aliko Ahmed, Director of Public Health / Tony Mathews, Director of Finance - spouse employed)	27,643	1,676	2	1,486
Colliery Practice (Dr John McMahon, Chair, Cannock Chase CCG - from February 2012)	2,694	1	2	0
Gravel Hill Surgery (Dr Tim Dukes, Chair, Seisdon CCG)	1,115	0	0	0
The Hollies Medical Practice (Dr Adrian Parkes, Chair, South East Staffordshire CCG)	2,385	0	0	0
Weeping Cross Medical Centre (Steve Powell, Chair, Stafford and Surrounds CCG)	2,404	0	1	0
Bridge Surgery (Dr Charles Pidsley, Chair, East Staffs CCG)	1,278	0	0	0
Macmillan Cancer Support (Jan Warren, Director of Nursing)	0	0	0	32
Westgate Practice (Dr John James, Chair, SE Staffs CCG)	2,569	0	0	0

The Department of Health is regarded as a related party. During the year South Staffordshire PCT had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. These entities are listed below:

	Payments to other NHS Bodies	Payments from other NHS Bodies	Amounts owed to other NHS Bodies	Amounts due from other NHS Bodies
	£000	£000	£000	£000
Birmingham Childrens Hospital NHS Trust	3,761	0	305	0
Birmingham East and North Primary Care Trust	74,300	0	0	493
Burton Hospitals NHS Foundation Trust	115,012	1,879	4,941	1,871
Derby Hospitals NHS Foundation Trust	17,897	0	120	0
Heart of England NHS Foundation Trust	39,689	0	534	0
Mid Staffordshire General Hospital NHS Foundation Trust	137,021	0	1,542	0
North Staffordshire Combined Healthcare NHS Trust	1,801	2	0	23
Staffordshire and Stoke on Trent Partnership Trust	73,596	3,475	991	1,979
South Staffordshire and Shropshire Health Care NHS Foundation Trust	59,549		2,000	224
Stoke Primary Care Trust	2,802	3,785	1,077	1,485
The Dudley Group of Hospitals NHS Foundation Trust	10,022	0	183	0
The Royal Wolverhampton Hospital NHS Trust	38,362	0	2,578	0
University Hospital Birmingham NHS Foundation Trust	9,077	0	75	0
University Hospital of North Staffordshire NHS Trust	23,177	0	3,379	6
Walsall Healthcare NHS Trust	14,470	0	1,769	0
West Midlands Ambulance Service NHS Trust	19,087	0	134	0

In addition, the PCT has had a number of material transactions with other Government Departments and other central and local government bodies. Most of these transactions have been with:

- Audit Commission
- Birmingham City Council
- Borough of Telford and Wrekin
- Cambridgeshire County Council
- Cannock Chase District Council
- CSA Lichfield District Council
- Derbyshire Dales District Council
- East Staffordshire Borough Council
- Finance Reporting Council
- HMRC
- Lichfield District Council
- Rugeley Town Council
- Sandwell Metropolitan Borough Council
- Solihull Metropolitan Borough Council
- South Staffordshire District Council
- Stafford Borough Council
- Staffordshire County Council
- Stoke-on-Trent City Council
- Tamworth Borough Council
- Tamworth Council for Voluntary Services
- Valuation Office Agency
- Walsall Metropolitan Borough Council
- Wiltshire Council
- Wirrall Metropolitan Borough Council
- Wolverhampton City Council
- Wombourne Borough Council

Full details for related party transactions can be found in Note 37 of the published annual accounts.

Off-payroll engagements

Treasury published PES(2012)17 Annual Reporting Guidance 2012-13 in December 2012. One new requirement placed on Departments is to disclose information about "off-payroll engagements".

Table 1: For off-payroll engagements at a cost of over £58,200 per annum that were in place as of 31 January 2013

	Main Department	Arms Length Body
No. In place on 31 January 2013	1	0
Of which:		
No. that have since come onto the Organisation's payroll	0	0
Of which:		
No. that have since been re-negotiated/re-engaged to include to include contractual clauses allowing the (department) to seek assurance as to their tax obligations	0	0
No. that have not been successfully re-negotiated, and therefore continue without contractual clauses allowing the (department) to seek assurance as to their tax obligations	0	0
No that have come to an end	1	0
Total	**1**	**0**

Table 2: For all new off-payroll engagements between 23 August 2012 and 31 March 2013, for more than £220 per day and more than 6 months

	Main Department	Arms Length Body
No. of new engagements	0	0
Of which:		
No. of new engagements which include contractual clauses giving the department the right to request assurance in relation to income tax and National Insurance obligations	0	0
Of which:		
No. for whom assurance has been accepted and received	0	0
No. for whom assurance has been accepted and not received	0	0
No. that have been terminated as a result of assurance not being received	0	0
Total	**0**	**0**

Statement of Directors' Responsibilities in respect of the accounts

The Directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the Primary Care Trust and the net operating cost, recognised gains and losses and cash flows for the year. In preparing these accounts, directors are required to:

- Apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury;
- Make judgements and estimates which are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

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

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

Directors have agreed that as far as they are aware, that there is no relevant audit information of which the NHS auditors are unaware. They have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information.

By order of the board.

Graham Urwin
Chief Executive
Date: 07 June 2013

Ros Francke
Finance Director
Date: 07 June 2013

Statement of the Chief Executives Responsibilities as the Accountable Officer of the Primary Care Trust

The Chief Executive of the NHS has designated that the Chief Executive should be the Accountable Officer to the Primary Care Trust. The relevant responsibilities of Accountable Officers are set out in the Accountable Officers 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 Primary Care Trust;
- the expenditure and income of the Primary Care Trust has been applied to the purposes intended by Parliament and conform to the authorities which govern them;
- effective and sound financial management systems are in place; and
- Annual statutory accounts are prepared in a format directed by the Secretary of State 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 net operating cost, 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.

Graham Urwin
Chief Executive – Staffordshire Cluster
Date:

Independent auditors' statement to the Directors of the Board of South Staffordshire Primary Care Trust

[available in June]

This document is also available in other languages, large print and audio format upon request.

ይህ ጽሁፍ በሌሎች ቋንቋዎችም ይገኛል: እንዲሁም በታላቅ ቀለሞችና እንዲሁም በሬድዮ ካሴት ቅርጽ ለመስማት ይቻላል::

هذه الوثيقة متاحة أيضا بلغات أخرى والأحرف الطباعية الكبيرة وبطريقة سمعية عند الطلب.

এই ডকুমেন্ট অন্য ভাষায়, বড় প্রিন্ট আকারে এবং অডিও টেপ আকারেও অনুরোধে পাওয়া যায়।

Tento dokument je na vyžádání k dispozici také v jiných jazycích, ve velkém tištěném formátu a zvukovém formátu.

این مدرک همچنین بنا به درخواست به زبانهای دیگر، در چاپ درشت و در فرمت صوتی موجود است.

Ce document est également disponible dans d'autres langues, en gros caractères et en cassette audio sur simple demande.

આ દસ્તાવેજ વિનંતી કરવાથી બીજી ભાષાઓ, મોટા છાપેલા અક્ષરો અથવા ઓડિઓ રચનામાં પણ મળી રહેશે.

ئەم بەڵگەیە هەروەها بە زمانەکانی کە، بە چاپی درشت و بە شریتی تەسجیل دەس دەکەویت

本文件也可应要求，制作成其它语文或特大字体版本，也可制作成录音带。

Dokument ten jest na życzenie udostępniany także w innych wersjach językowych, w dużym druku lub w formacie audio.

ਇਹ ਦਸਤਾਵੇਜ਼ ਹੋਰ ਭਾਸ਼ਾਵਾਂ ਵਿਚ, ਵੱਡੇ ਅੱਖਰਾਂ ਵਿਚ ਅਤੇ ਆਡੀਓ ਟੇਪ 'ਤੇ ਰਿਕਰਾਡ ਹੋਇਆ ਵੀ ਮੰਗ ਕੇ ਲਿਆ ਜਾ ਸਕਦਾ ਹੈ।

Waxaa kale oo lagu heli karaa dokumentigaan luqado kale, daabacaad ballaaran, iyo cajal duuban haddii la soo waydiisto.

Hati hii vile vile inapatikana katika lugha nyingine, kwa maandishi makubwa na katika sauti kwa maombi.

நீங்கள் கேட்டுக்கொண்டால், இந்த ஆவணம் வேறு மொழிகளிலும், பெரிய எழுத்து அச்சிலும் அல்லது ஒலிநாடா வடிவிலும் அளிக்கப்படும்.

እዚ ጽሑፍ'ዚ ብኻልእ ቋንቋታት እውን ይርከብ ኢዩ: ወይ ኣዕቢዩ ዝተጻሕፈ ማሕተም ወይ ድማ ብዝስማዕ (ድምጺ) እንተሓቲኩም::

درخواست پر یہ دستاویز دیگر زبانوں میں، بڑے حروف کی چھپائی اور سننے والے ذرائع پر بھی میسر ہے۔

Shropshire and Staffordshire Area Team of NHS England,
Anglesey House, Units 107 – 111 Anglesey Court, Towers Plaza,
Wheelhouse Road, Rugeley, Staffordshire, WS15 1UL

Tel: 0300 790 233 **Website: www.southstaffordshirepct.nhs.uk**

Shropshire and Staffordshire Area Team
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Department
of Health

South Staffordshire Primary Care Trust

2012-13 Accounts

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South Staffordshire Primary Care Trust

2012-13 Accounts

2012-13 Annual Accounts of South Staffordshire Primary Care Trust (non-London)

STATEMENT OF THE RESPONSIBILITIES OF THE SIGNING OFFICER OF THE PRIMARY CARE TRUST

The Department of Health's Accounting Officer designates the Signing Officer of the accounts of PCTs in England, an officer of the Department of Health, to discharge the following responsibilities for the Department, to ensure that for the year ended 31 March 2013:

- there were effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance;
- value for money was achieved from the resources available to the primary care trust;
- the expenditure and income of the primary care trust had been applied to the purposes intended by Parliament and conform to the authorities which govern them;
- effective and sound financial management systems were in place; and
- 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 net operating cost, recognised gains and losses and cash flows for the year.

To the best of my knowledge and belief, I have properly discharged the above responsibilities, as designated Signing Officer and through experience in my role as Accountable Officer until 31 March 2013.

Signed...Designated Signing Officer

Name: Graham Urwin

Date 7 June 2013

2012-13 Annual Accounts of South Staffordshire Primary Care Trust (non-London)

STATEMENT OF RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Primary Care Trusts as NHS bodies are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the primary care trust and the net operating cost, recognised gains and losses and cash flows for the year. From 1 April 2013 responsibility for finalising the accounts falls to the Secretary of State. Formal accountability lies with the Department of Health's Accounting Officer, and her letter of 28 March 2013 designated the Signing Officer and Finance Signing Officer, to discharge the following responsibilities for the Department in preparing the accounts:

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury;

- make judgements and estimates which are reasonable and prudent;

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

- ensure that the PCT kept proper accounting records which disclosed with reasonable accuracy at any time the financial position of the primary care trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State.

- have taken reasonable steps for the prevention and detection of fraud and other irregularities.

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

By order of the Permanent Secretary.

7 June 2013 Date..Signing Officer

7 June 2013 Date..Finance Signing Officer

Organisation: SOUTH STAFFORDSHIRE PRIMARY CARE TRUST Organisation Code: 5PK	

Scope of responsibility

South Staffordshire Primary Care Trust (PCT) is one of the largest PCTs in the country serving a population of approximately 615,000 has a budget of £1008 million.

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Primary Care Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the Primary Care Trust (PCT) is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the *NHS Corporate Governance Code*. My responsibilities, as set out in the Accountable Officer Memorandum, are contained within the PCTs Standing Orders and Standing Financial Instructions and make me accountable to Parliament for the stewardship and propriety of the PCT.

The governance framework of the organisation

A Common Board has previously been established for all three PCTs in Staffordshire i.e. North Staffordshire, Stoke-on-Trent and South Staffordshire.

A single Chair and a single set of Non-Executive Directors continued to meet with the single Executive Team as a Common Board to discharge the statutory duties functions of the constituent three PCT Boards

Across each of the PCTs there are effective Clinical Commissioning Groups (CCGs) in place working in the early part of the year as Sub Committees of the Common Board.

Constructive and effective working arrangements are in place with both Local Authorities (Staffordshire County Council and Stoke on Trent City Council) for the transfer of Public Health responsibilities.

The following sub committees continued to meet and each had at least one Non-Executive Director as part of the membership and report to the Board:

- Audit Committee
- Remuneration and Terms of Service Committee
- Primary Care Committee
- Quality Committee
- Patient Engagement Committee
- QIPP, Finance and Performance Committee
- Clinical Commissioning Group Board Committees
- Primary Care Quality Group

A highlight report and the minutes of the sub committees are submitted to the Board on a monthly basis.

The highlight reports from the Audit Committee have covered the following issues:

- The internal audit reports finalised to date were providing a positive assurance overview.
- The involvement of CCGs in Information Governance.
- The integration of CCGs in the Business Cycle of the Audit Committee.
- The progress of CCGs through the accreditation process.
- Monitoring and delivery of the 2012/13 accounts timetable.

The Primary Care Committee focuses on the implementation and development of the primary care strategy for all independent primary care contractors i.e. GPs, Dental, Pharmacy and

Optometry.

The Quality Committee focuses on:

- Patient Experience
- External and Internal Reviews
- Eliminating Mixed Sex Accommodation
- Patient Safety
- Infection Prevention and Control
- Serious Incidents

This work stream relates to all Provider Trusts within the Cluster PCT area

The Patient and Public Engagement Committee has developed a Patient and Public Assurance Framework which links to the Assurance Frameworks for CCGs, Public Health etc. to assure itself that robust systems and processes are in place.

The QIPP, Finance and Performance Committee monitors the process to gain assurance on the delivery of QIPP and System Plan requirements as well as the delivery of the Key Financial targets.

All sub committees are attended by a mixture of Non-Executive and Executive Directors as well as other key personnel from the relevant Directorates.

The Chairs of the South Staffordshire CCGs were attending the Cluster Board meetings until October 2012. As the CCGs moved through the authorisation process and held their own Board meetings in public, the need for their attendance at the Common Board was superseded. The Shadow CCG committees were being disbanded and the setting up of new governance arrangements was underway.

The scheme of delegation from the Common Board was therefore amended to recognise that the CCG Governing Bodies became formal sub committees of the Common Board until March 2013 with responsibility and accountability for the delegated powers.

During 2012/13 the CCGs have continued their role discharging the responsibilities of the clinical executive. with oversight from the Clinical Senate that, with two Clinical Directors, ensured continued compliance with governance requirements.
The Common Board considers that it is compliant with the Corporate Governance Code and has met formally on eight occasions up until 30 March 2013 and has been quorate on each occasion that it has met.

Authorisation domains

The authorisation process was built around six domains, agreed with emerging CCGs and patient and professional organisations. Assessing CCGs through these six domains provided assurance that CCGs could safely discharge their statutory responsibilities for commissioning healthcare services being clinically led and driven by clinical added value.

The domains are:

Domain one: a strong clinical and multi-professional focus which brings real added value.
Domain two: meaningful engagement with patients, carers and their communities.
Domain three: clear and credible plans which continue to deliver the QIPP challenge within financial resources, in line with national requirements (including outcomes) and local joint health and wellbeing strategies.
Domain four: proper constitutional and governance arrangements, with the capacity and capability to deliver all their duties and responsibilities, including financial control, as well as effectively commission all the services for which they are responsible.
Domain five: collaborative arrangements for commissioning with other CCGs, local authorities and the NHS CB as well as the appropriate external commissioning support.

Domain six: great leaders who individually and collectively can make a real difference.

Within the South Staffordshire PCT area, four CCG's were assessed via the authorisation proces Stafford & Surrounds CCG were part of the 3rd wave with Cannock Chase CCG; East Staffordshi and South-East Staffordshire & Seisdon Peninsular CCGs were included in the 4th wave. All received conditional authorisation without directions.

Risk assessment

Risk management is led through the implementation of the PCT's Risk Management Strategy & Policy, which highlights organisational and individual responsibilities for the management of risk. Risk work streams in the latter half of 2012/13 focussed on the transition of key risks to the appropriate receiver organisation and the building of an assurance framework for the new emerging Clinical Commissioning Groups.

Risks are identified from a variety of sources including:

- Complaints, claims and incidents
- Internal investigations/clinical reviews/Coroner's Reports
- Internal/external audit reports
- Directorate/Team meetings
- Information Governance Toolkit self-assessment and risk issues identified and managed by the Information Governance Steering Group
- Risk Assessments
- Clinical Quality Review Meetings (CQRMs)
- Quality Strategy (implementation and the link to CQRMs)
- CCG Governing Body meetings
- SCSU Operational Board

As part of the identification of risks from various sources, the following risks were added to the corporate risk register in 2012/13:

- Mid Staffordshire Hospitals FT (MSFT) – insufficient staffing to provide continuity of care in A&E
- Financial - Achievement of the 2012/13 control total subject to delivery of QIPP
- Alignment of integrated IT infrastructure to ensure that staff can access aligned network systems
- Health economy - sustainability across Staffordshire in light of significant financial pressures and therefore radical service redesign needed
- Commissioning Support services (CSU) – impact of competitors entering the market
- CSU – keeping business as usual whilst developing CSU processes
- Safeguarding Children – lack of a designated doctor in post
- MSFT – recruitment and retention of permanent senior experienced staff to deliver high quality leadership across the Trust
- MSFT – unstable financial and clinical systems
- Health economy- sustainability across Staffordshire in light of significant financial pressures and therefore radical service redesign needed

The risks as identified above are evaluated by a nominated lead officer in the first instance, and reviewed by the Risk Manager for consistency and completeness. Any new risk with an initial rating of 15 or more is reported to the weekly Executive Management Team meeting before adding to the corporate risk register. Once included, they are monitored on the corporate risk register by the PCT Cluster Quality Committee (clinical risks) and Common Audit Committee (non-clinical risks) on a regular basis.

To promote risk identification and monitoring across the various directorates and staff groups, a Strategic Risk Group with terms of reference was set up and included representation from both Cluster, CSU and CCGs. This was designed to aid the consistency of application of the risk scoring matrix across the organisations.

Control measures are in place to ensure that risks to data security are identified, managed and controlled. The PCT has put an information risk management process in place led by the SIRO (senior information risk owner). Information asset owners and administrators have been identified to cover the Trust's main systems and records stores, along with information held at team level. All Trust laptops and memory sticks are encrypted. The Information Governance Toolkit self-assessment across the PCT has indicated a level 2 or above on all standards.

There have been no significant control issues involving data losses reported at level 3 or above.

The risk & control framework

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 on-going process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of South Staffordshire Primary Care Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The Chief Executive remains accountable, but delegates executive responsibility to the Executive Directors for the delivery of the organisational objectives, while ensuring that there is a high standard of public accountability, probity and performance management. The Assurance Framework reflects the strategic objectives assigned to the Executive Directors and is reviewed by the Audit Committee on a regular basis.

Risk management is embedded in the activity of the organisation through the above measures and also through assessments of specific risks e.g. information governance and equality impact assessment.

There is a clear process for the reporting, management, investigation and learning from incidents. There is a Senior Information Risk Owner through Cluster arrangements to support the arrangements for managing and controlling risks relating to information / data security, with Information Asset Owners nominated and trained across functions

The Local Counter Fraud Service reports to each Audit Committee. The report aims to appraise the Audit Committee of the proactive and reactive activity carried out by the Local Counter Fraud Specialist (LCFS), and submits a schedule of activity on individual cases that would be of interest to the Committee.

Public Health funding allocations were agreed – the allocations have been driven by advice from the Advisory Committee on Resource Allocation with funding being targeted, for the first time, at those areas with the worst health outcomes. The Director of Public Health had produced and published his annual report which has been underpinned by the opportunities to improve health and wellbeing with the establishment of the Staffordshire Health and Wellbeing Board. The Report is structured on the 'Asset-Based' approach top Health & Wellbeing and uses local insight and national evidence to help identify what contributes to wellbeing in Staffordshire and to subsequently improve health outcomes.

A process to refresh the Joint Strategic Needs Assessment has also been agreed to take forward key issues.

Clinical Commissioning Groups report regularly to the Common Board. QIPP Confirm & Challenge meetings and Contract Confirm & Challenge meetings have also been held.

The development of the Staffordshire Commissioning Support Unit (CSU) continued at pace with successful progress through the checkpoints. . A product matrix and SLAs have been agreed and signed with CCGs across the CSU footprint, supported by job matching or recruitment to structures to ensure delivery and performance, along with an approved robust

business plan. Further plans are in place to enhance the quality agenda and related services offered by the CSU.

With specific regard to Mid Staffordshire Hospitals, the PCT has worked collaboratively with the Trust, the Strategic Health Authority and regulators including Monitor and the Care Quality Commission to continue the programme of work to address identified inefficiencies. Robust and challenging Clinical Quality Review Meetings continue to take place monthly with all key providers and the learning from the Mid Staffordshire investigation has influenced the agendas for these meetings throughout the year. The Francis Inquiry concluded its investigations and the report was published in February 2013. All recommendations are being considered by the commissioners.

As part of the preparation for the transfer of functions in April 2013, a Transition/Closedown Plan was considered and reviewed by the Board at its informal meetings. The work was supported by a project group made up of representatives from the main project areas together with a representative from Internal Audit. This enabled completion of required work in order to meet timelines for national work streams, and the close monitoring of risks or concerns to take steps to mitigate those risks. Regular returns were submitted to the Strategic Health Authority/Department of Health regarding instructions for the formulation of Transfer Schemes/Orders, which were signed off by the PCTs. Arrangements were also made for the preparation of papers for the formal handover at the final meeting of the PCT Cluster Board in March, to ensure legal transfer took place appropriately. This was further supported by the preparation of papers for the first meeting of the receiver organisations to ensure appropriate acceptance of responsibilities.

In addition to the formal transfer outlined above, a Transitional Handover/Legacy Document was also produced, with particular attention on Quality and shared with receiver organisations. This captured the key risks within the PCT area, captured organisational memory accumulated through managerial and clinical interactions over the years, and informed the handover process to maintain the continuity of services and to maintain and improve the quality of care provided. Board level and face to face meetings were held with the Strategic Health Authority following the regular review and sign off by the PCT Board.

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 system of internal control has been in place in the Primary Care Trust for the year ended 31 March 2013, and up to the date of approval of the Annual Report and accounts.

Review of the effectiveness of risk management and internal control

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 the internal audit work. Based on the work undertaken in 2012/13, significant assurance has been given by the Head of Internal Audit that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently. However, some weaknesses in the design and inconsistent application of controls put the achievement of particular Trust strategic priorities (objectives) at risk.

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 that manage the risks to the organisation achieving its principal objectives have been reviewed. My review is also informed by:

- A number of individual internal audit reports relating to the PCT's Quality Monitoring Framework; Quality of Providers; Ledger & Budgetary Reporting and Financial Controls; Quality Outcomes Framework and Assurance Framework.
- External Audit via their Annual Audit Letter which provides a high level summary of audit work carried out.
- Regular Executive Team meetings
- Reports to Audit Committee by the Local Counter Fraud Specialists
- Information Governance Toolkit submission
- Review of the corporate risk register by the Cluster Quality Committee (clinical risks) and Common Audit Committee (non-clinical risks)
- Scrutiny of the Assurance Framework by the Common Audit Committee
- Performance Management of Independent Contractors
- Regular reports to Board from Clinical Commissioning Groups
- Regular Clinical Quality Review Meetings with all main providers

Significant Issues

The Head of Internal Audit Opinion on the system of internal control has not revealed any significant internal control weaknesses; however, following reviews, the areas below were highlighted as having the potential to affect the achievement of the PCT's strategic goals. Governance – ensuring committees receive information to complete the cycle of business; Data Warehouse Audit – design and application of controls to be strengthened , Quality Outcomes Framework and Enhanced Schemes – application of control framework regarding completion of action plans and sign off, Budgetary Control in relation to Provider Contracts - whilst robust contract management arrangements have been established towards the year end, forecasting and contract management arrangements across the individual Clinical Commissioning Groups and arrangements with the Commissioning Support Unit were not as robust during the earlier part of the financial year and forecasting has been particularly weak and had contributed to the financial pressures for the PCT.

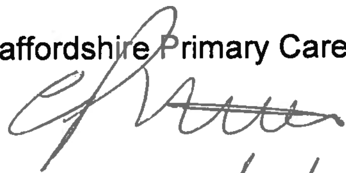
Whilst not resulting in an overall negative opinion there were a number of identified control weaknesses that required action in the year and that some of the control weaknesses will also require continued action in the successor organisations

The Assurance Framework receives a regular review at the Common Audit Committee and two risk areas were noted to have moderate gaps/assurance levels. These relate to the significant deficit or financial pressures at Burton Hospitals NHS Foundation Trust and Mid Staffordshire Hospitals NHS Foundation Trust

Accountable Officer (name): Graham Urwin

Organisation: South Staffordshire Primary Care Trust

Signature:



Date: 7/6/13.

Independent Auditors' Report to the officer responsible for preparing the accounts of South Staffordshire Primary Care Trust

We have audited the financial statements of South Staffordshire Primary Care Trust ("the PCT") for the year ended 31 March 2013 which comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is the accounting policies directed by the Secretary of State for Health with the consent of the Treasury as relevant to the National Health Service in England set out therein.

Respective responsibilities of the officer responsible for preparing the accounts and auditors

As explained more fully in the Statement of Responsibilities of the Signing Officer, the officer responsible for preparing the accounts is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view in accordance with accounting policies directed by the Secretary of State, with the consent of the Treasury, as being relevant to the National Health Service in England. Our responsibility is to audit and express an opinion on the financial statements in accordance with Part II of the Audit Commission Act 1998, the Code of Audit Practice 2010 for local NHS bodies issued by the Audit Commission and International Standards on Auditing (ISAs) (UK and Ireland).Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the officer responsible for preparing the accounts of South Staffordshire Primary Care Trust in accordance with Part II of the Audit Commission Act 1998 as set out in paragraph 45 of the Statement of Responsibilities of Auditors and of Audited Bodies (Local NHS Bodies) published by the Audit Commission in March 2010 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the PCT's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the PCT; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report and Accounts to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the PCT's affairs as at 31 March 2013 and of its net operating costs for the year then ended; and
- have been properly prepared in accordance with the accounting policies directed by the Secretary of State with the consent of the Treasury as being relevant to the National Health Service in England.

Opinion on other matters prescribed by the Code of Audit Practice
In our opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the requirements directed by the Secretary of State with the consent of the Treasury as being relevant to the National Health Service in England;

- in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them; and

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Code of Audit Practice issued by the Audit Commission requires us to report to you if:

- in our opinion, the Governance Statement does not comply with the Department of Health's requirements set out in "2012/13 Governance Statements – Guidance " issued on 31 January 2013 or is misleading or inconsistent with information of which we are aware from our audit; or

- we refer a matter to the Secretary of State under section 19 of the Audit Commission Act 1998 because the PCT, or an officer of the PCT, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency; or

- we issue a report in the public interest under section 8 of the Audit Commission Act 1998.

Conclusion on the PCT's arrangements for securing economy, efficiency and effectiveness in the use of resources

Respective responsibilities of the PCT and auditors
The PCT is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

We are required under Section 5 of the Audit Commission Act 1998 to satisfy ourselves that the PCT has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires us to report to you our conclusion relating to proper arrangements, having regard to relevant criteria specified by the Audit Commission.

We report if significant matters have come to our attention which prevent us from concluding that the PCT has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the PCT's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Scope of the review of the arrangements for securing economy, efficiency and effectiveness in the use of resources
We are required under Section 5 of the Audit Commission Act 1998 to satisfy ourselves that the PCT has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires us to report any matters that prevent us being satisfied that the audited body has put in place such arrangements.

We have undertaken our audit in accordance with the Code of Audit Practice, having regard to the guidance issued by the Audit Commission on 1 November 2012. We have considered the results of the following:

- our review of the Annual Governance Statement;
- the work of other relevant regulatory bodies or inspectorates, to the extent that the results of this work impact on our responsibilities at the PCT; and
- our locally determined risk-based work on the following key areas;
    - the management of transition as the PCT moved towards its demise;
    - the calculation of the continuing healthcare provision;
    - achievement of QIPP plans to deliver financial balance;
    - management of the overall cluster financial position;
    - any quality concerns regarding local healthcare providers;
    - any significant breaches in internal control (including financial controls and information governance);
    - the transfer of assets to successor bodies; and
    - the merger of the North and South Staffordshire IT support services.

As a result, we have concluded that there are no matters to report.

Certificate
We certify that we have completed the audit of the financial statements of South Staffordshire PCT in accordance with the requirements of Part II of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.

Mark Jones, Engagement Lead
For and on behalf of PricewaterhouseCoopers LLP
Appointed Auditors
Cornwall Court,
19 Cornwall St,
Birmingham
B3 2DT

10 June 2013

Notes:

(a) The maintenance and integrity of the South Staffordshire PCT website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

(b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

FOREWORD TO THE ACCOUNTS

South Staffordshire PCT

These Accounts for the year ended 31 March 2013 have been prepared by South Staffordshire PCT
under section 98 (2) of the National Health Service Act 1977
in the form which the Secretary of
State has, with the approval of the Treasury, directed.

Statement of Comprehensive Net Expenditure for year ended 31 March 2013

	NOTE	2012-13 £000	2011-12 £000
Administration Costs and Programme Expenditure			
Gross employee benefits	7.1	**10,578**	9,772
Other costs	5.1	**1,030,953**	992,027
Income	4	**(34,432)**	(32,499)
Net operating costs before interest		**1,007,099**	969,300
Investment income	9	**0**	0
Other (Gains)/Losses	10	**0**	0
Finance costs	11	**906**	935
Net operating costs for the financial year		**1,008,005**	970,235
Transfers by absorption -(gains)		**0**	0
Transfers by absorption - losses		**0**	0
Net (gain)/loss on transfers by absorption		**0**	0
Net Operating Costs for the Financial Year including absorption transfers		**1,008,005**	**970,235**
Of which:			
Administration Costs			
Gross employee benefits	7.1	**9,615**	8,866
Other costs	5.1	**9,858**	10,039
Income	4	**(2,612)**	(603)
Net administration costs before interest		**16,861**	**18,302**
Investment income	9	**0**	0
Other (Gains)/Losses	10	**0**	0
Finance costs	11	**0**	0
Net administration costs for the financial year		**16,861**	**18,302**
Programme Expenditure			
Gross employee benefits	7.1	**963**	906
Other costs	5.1	**1,021,095**	981,988
Income	4	**(31,820)**	(31,896)
Net programme expenditure before interest		**990,238**	**950,998**
Investment income	9	**0**	0
Other (Gains)/Losses	10	**0**	0
Finance costs	11	**906**	935
Net programme expenditure for the financial year		**991,144**	**951,933**

Other Comprehensive Net Expenditure	2012-13 £000	2011-12 £000
Impairments and reversals put to the Revaluation Reserve	**1,519**	1,784
Net (gain) on revaluation of property, plant & equipment	**0**	(60)
Net (gain) on revaluation of intangibles	**0**	0
Net (gain) on revaluation of financial assets	**0**	0
Net (gain)/loss on other reserves	**0**	0
Net (gain)/loss on available for sale financial assets	**0**	0
Net (gain) /loss on Assets Held for Sale	**0**	0
Release of Reserves to Statement of Comprehensive Net Expenditure	**0**	0
Net actuarial (gain)/loss on pension schemes	**0**	0
Reclassification Adjustments		
Reclassification adjustment on disposal of available for sale financial assets	**0**	0
Total comprehensive net expenditure for the year*	**1,009,524**	**971,959**

*This is the sum of the rows above plus net operating costs for the financial year after absorption accounting adjustments.
The notes on pages 6 to 47 form part of this account.

Statement of Financial Position at 31 March 2013

	NOTE	31 March 2013 £000	31 March 2012 £000
Non-current assets:			
Property, plant and equipment	12	**47,877**	58,706
Intangible assets	13	**29**	165
investment property	15	**0**	0
Other financial assets	21	**0**	0
Trade and other receivables	19	**0**	0
Total non-current assets		**47,906**	58,871
Current assets:			
Inventories	18	**0**	0
Trade and other receivables	19	**13,154**	10,880
Other financial assets	36	**0**	0
Other current assets	22	**0**	0
Cash and cash equivalents	23	**4**	1
Total current assets		**13,158**	10,881
Non-current assets held for sale	24	**87**	0
Total current assets		**13,245**	10,881
Total assets		**61,151**	69,752
Current liabilities			
Trade and other payables	25	**(68,082)**	(64,870)
Other liabilities	26,28	**0**	0
Provisions	32	**(2,788)**	(2,189)
Borrowings	27	**(1,498)**	(1,498)
Other financial liabilities	36.2	**0**	0
Total current liabilities		**(72,368)**	(68,557)
Non-current assets plus/less net current assets/liabilities		**(11,217)**	1,195
Non-current liabilities			
Trade and other payables	25	**0**	0
Other Liabilities	28	**0**	0
Provisions	32	**(8,568)**	(1,833)
Borrowings	27	**(11,514)**	(12,170)
Other financial liabilities	36.2	**0**	0
Total non-current liabilities		**(20,082)**	(14,003)
Total Assets Employed:		**(31,299)**	(12,808)
Financed by taxpayers' equity:			
General fund		**(45,872)**	(29,299)
Revaluation reserve		**14,573**	16,491
Other reserves		**0**	0
Total taxpayers' equity:		**(31,299)**	(12,808)

The notes on pages 6 to 47 form part of this account.

The financial statements on pages 2 to 5 were approved by the Board on 5th June 2013 and signed on its behalf by

Chief Executive: Date: 7/6/13

Statement of Changes In Taxpayers Equity for the year ended 31 March 2013

	General fund	Revaluation reserve	Other reserves	Total reserves
	£000	£000	£000	£000
Balance at 1 April 2012	**(29,299)**	**16,491**	**0**	**(12,808)**
Changes in taxpayers' equity for 2012-13				
Net operating cost for the year	(1,008,005)	0	0	**(1,008,005)**
Net gain on revaluation of property, plant, equipment	0	0	0	**0**
Net gain on revaluation of intangible assets	0	0	0	**0**
Net gain on revaluation of financial assets	0	0	0	**0**
Net gain on revaluation of assets held for sale	0	0	0	**0**
Impairments and reversals	0	(1,519)	0	**(1,519)**
Movements in other reserves	0	0	0	**0**
Transfers between reserves	399	(399)	0	**0**
Release of Reserves to SOCNE	0	0	0	**0**
Reclassification Adjustments	0	0	0	**0**
Transfers between Revaluation Reserve & General Fund in respect of assets transferred under absorption	0	0	0	**0**
Net actuarial gain/(loss) on pensions	0	0	0	**0**
Total recognised income and expense for 2012-13	**(1,007,606)**	**(1,918)**	**0**	**(1,009,524)**
Net Parliamentary funding	991,033	0	0	**991,033**
Balance at 31 March 2013	**(45,872)**	**14,573**	**0**	**(31,299)**

	General fund	Revaluation reserve	Other reserves	Total reserves
Balance at 1 April 2011	**(34,629)**	**18,675**	**0**	**(15,954)**
Changes in taxpayers' equity for 2011-12				
Net operating cost for the year	(970,235)	0	0	(970,235)
Net Gain on Revaluation of Property, Plant and Equipment	0	60	0	60
Net Gain on Revaluation of Intangible Assets	0	0	0	0
Net Gain on Revaluation of Financial Assets	0	0	0	0
Net Gain on Assets Held for Sale	0	0	0	0
Impairments and Reversals	0	(1,784)	0	(1,784)
Movements in other reserves	0	0	0	0
Transfers between reserves	460	(460)	0	0
Release of Reserves to Statement of Comprehensive Net Expenditure	0	0	0	0
Reclassification Adjustments	0	0	0	0
Transfers to/(from) Other Bodies within the Resource Account Boundary	0	0	0	0
On disposal of available for sale financial assets	0	0	0	0
Net actuarial gain/(loss) on pensions	0	0	0	0
Total recognised income and expense for 2011-12	(969,775)	(2,184)	0	(971,959)
Net Parliamentary funding	975,105	0	0	975,105
Balance at 31 March 2012	**(29,299)**	**16,491**	**0**	**(12,808)**

Statement of cash flows for the year ended 31 March 2013

	NOTE	2012-13 £000	2011-12 £000
Cash Flows from Operating Activities			
Net Operating Cost Before Interest		**(1,007,099)**	(969,300)
Depreciation and Amortisation	12&13	**3,008**	3,118
Impairments and Reversals	14	**8,095**	3,652
Other Gains / (Losses) on foreign exchange		**0**	0
Donated Assets received credited to revenue but non-cash		**0**	0
Government Granted Assets received credited to revenue but non-cash		**0**	0
Interest Paid	11	**(906)**	(935)
Release of PFI/deferred credit		**0**	0
(Increase)/Decrease in Inventories	18	**0**	215
(Increase)/Decrease in Trade and Other Receivables		**(2,274)**	(3,650)
(Increase)/Decrease in Other Current Assets		**0**	0
Increase/(Decrease) in Trade and Other Payables		**3,923**	7,664
(Increase)/Decrease in Other Current Liabilities		**0**	0
Provisions Utilised	32	**(1,900)**	(515)
Increase/(Decrease) in Provisions		**9,234**	832
Net Cash Outflow from Operating Activities		**(987,919)**	**(958,919)**
Cash flows from investing activities			
Interest Received		**0**	0
(Payments) for Property, Plant and Equipment		**(2,455)**	(849)
(Payments) for Intangible Assets	13	**0**	(121)
(Payments) for Other Financial Assets		**0**	0
(Payments) for Financial Assets (LIFT)		**0**	0
Proceeds of disposal of assets held for sale (PPE)		**0**	0
Proceeds of disposal of assets held for sale (Intangible)		**0**	0
Proceeds from Disposal of Other Financial Assets		**0**	0
Proceeds from the disposal of Financial Assets (LIFT)		**0**	0
Loans Made in Respect of LIFT		**0**	0
Loans Repaid in Respect of LIFT		**0**	0
Rental Revenue		**0**	0
Net Cash Outflow from Investing Activities		**(2,455)**	**(970)**
Net cash Outflow before financing		**(990,374)**	**(959,889)**
Cash flows from financing activities			
Capital Element of Payments in Respect of Finance Leases and On-SoFP PFI and LIFT		**(656)**	(15,278)
Net Parliamentary Funding	**3**	**991,033**	975,105
Capital Receipts Surrendered		**0**	0
Capital grants and other capital receipts		**0**	0
Cash Transferred (to)/from Other NHS Bodies (free text note required)		**0**	0
Net Cash Inflow from Financing Activities		**990,377**	**959,827**
Net increase/(decrease) in cash and cash equivalents		3	**(62)**
Cash and Cash Equivalents at Beginning of the Period	**23**	1	**63**
Opening balance adjustment - TCS transactions		0	0
Restated Cash and Cash Equivalents at Beginning of the Period	**23**	1	63
Effect of Exchange Rate Changes in the Balance of Cash Held in Foreign Currencies		0	0
Cash and Cash Equivalents at year end		4	1

1. Accounting policies

The Secretary of State for Health has directed that the financial statements of PCTs shall meet the accounting requirements of the PCT Manual for Accounts, which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the 2012-13 PCTs Manual for Accounts issued by the Department of Health. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the PCT Manual for Accounts permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the PCT for the purpose of giving a true and fair view has been selected. The particular policies adopted by the PCT are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

The PCT is within the Government Resource Accounting Boundary and therefore has only consolidated interests in other entities where the other entity is also within the resource accounting boundary and the PCT exercises in-year budgetary control over the other entity.

In accordance with the directed accounting policy from the Secretary of State, the PCT does not consolidate the NHS charitable funds for which it is the corporate trustee.

1.1 Accounting Conventions

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

As a result of the Health and Social Care Act 2012, PCTs ceased to exist on 31 March 2013.

The PCT's functions will be transferred to other public sector bodies. As a result, in accordance with the interpretation of going concern set out in the NHS manual for accounts, the accounts are prepared on a going concern basis because the services will continue to be provided by government.

Transforming Community Services (TCS) transactions

Under the TCS initiative, services historically provided by PCTs have transferred to other providers - notably NHS Trusts and NHS Foundation Trusts. Such transfers fall to be accounted for by use of absorption accounting in line with the Treasury FReM. The FReM does not require retrospective adoption, so prior year transactions (which have been accounted for under merger accounting) have not been restated. Absorption accounting requires that entities account for their transactions in the period in which they took place, with no restatement of performance required when functions transfer within the public sector. Where assets and liabilities transfer, the gain or loss resulting is recognised in the SOCNE, and is disclosed separately from operating costs.

Acquisitions and Discontinued Operations

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

Critical accounting judgements and key sources of estimation uncertainty

In the application of the PCT's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors, that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The PCT has not applied critical judgements with regard to its accounting policies, apart from the following key areas which are considered to be significant in value and involve estimation techniques.

The PCT also considers the classification of premises payments made to GPs as operating leases to fall under the remit of IFRIC 4 - Determining whether an arrangement contains a lease, IAS 17:Leases and SIC 27:Evaluations the substance of transactions involving the legal form of a lease.

Key sources of estimation uncertainty

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

The PCT has used estimation techniques in evaluating and presenting the following financial information:

Property, Plant and Equipment - Property, plant and equipment assets are depreciated over their estimated useful lives. The lives of the assets are assessed annually and may vary depending on a number of factors such as technology innovation and maintenance programmes. See Note 1.7 for further details.

From 2009/10 onwards the PCT has made a decision to undertake a revaluation of its non current assets, in accordance with the requirements of IAS16, on an annual basis, supplemented by appropriate indices as required. Therefore book values will more closely relate to market values and this estimation uncertainty will, to a large extent, be eliminated.

Provision Balances - The PCT has accounted for various provisions within Note 32. The outcome of the current pending claims cannot be predicted with certainty, therefore any decision regarding outcomes for both legal or other claims above that are included within the 2012/13 financial accounts could result in the PCT incurring additional charges to its operational activities and cash flow.

1. Accounting policies (continued)

1.2 Revenue and Funding

The main source of funding for the Primary Care Trust is allocations (Parliamentary Funding) from the Department of Health within an approved cash limit, which is credited to the General Fund of the Primary Care Trust. Parliamentary funding is recognised in the financial period in which the cash is received.

Miscellaneous revenue is income which relates directly to the operating activities of the Primary Care Trust. It principally comprises fees and charges for services provided on a full cost basis to external customers, as well as public repayment work. It includes both income appropriated-in-aid of the Vote and income to the Consolidated Fund which HM Treasury has agreed should be treated as operating income.

Revenue in respect of services provided is recognised when, and to the extent that, performance occurs, and is measured at the fair value of the consideration receivable.

Where revenue has been received for a specific activity to be delivered in the following financial year, that income will be deferred.

1.3 Pooled budgets

The PCT has entered into a pooled budget with Staffordshire County Council. Under the arrangement funds are pooled under S75 of the NHS Act 2006 for two activities. A memorandum of account will be produced by Staffordshire County Council as part of their year end accounts process and will be available following their external audit.

1. Drug and Alcohol Action Team (DAAT)

The PCT receives the allocation for the DAAT from the Department of Health central funds. This funding is then transferred to Staffordshire County Council under a pooled budget arrangement who host/manage the funds on behalf of the public bodies in Staffordshire who participate in the scheme. The DAAT is a Jointly Controlled service by some 20 partners who have equal voting rights.

2. Joint Commissioning Unit (JCU)

The Joint Commissioning Unit is an arrangement between North Staffordshire PCT, the PCT and the Local Authority (Staffordshire County Council). Funding for the unit is made up of proportional splits for Strategic Commissioning, Transactional Procurement and Contracting, Social Care and Health functions, hosted by the JCU and support services and infrastructure provided by the host. The PCT contribution is split, the PCT two thirds and North Staffordshire PCT one third.

Both pools are hosted by Staffordshire County Council. As a commissioner of healthcare services the PCT makes contributions to the pool, which are then used to purchase healthcare services. The PCT accounts for its share of assets, liabilities, income and expenditure of the pool as determined by the pooled budget agreement.

1.4 Taxation

The PCT is not liable to pay corporation tax. Expenditure is shown net of recoverable VAT. Irrecoverable VAT is charged to the most appropriate expenditure heading or capitalised if it relates to an asset.

1.5 Administration and Programme Costs

Treasury has set performance targets in respect of non-frontline expenditure (administration expenditure).
From 2011-12, PCTs therefore analyse and report revenue income and expenditure by "admin and programme"
For PCTs, the Department has defined "admin and programme" in terms of running costs.

The broad definition of running costs includes any cost incurred that is not a direct payment for the provision of healthcare or healthcare related services.
Expense incurred under NHS transition redundancy programmes is however classed as "programme" under Treasury budgetary control arrangements and so is recorded as such in the financial statements.

1.6 Capital Charges

A Revenue Resource Limit adjustment has been made reflecting the cost of capital utilised by the PCT. The capital charge is 3.5% (2011-12 3.5%) of the net average assets less liabilities except for donated assets and cash balances with the Government Banking Services (GBS) which are excluded from the calculation.

1. Accounting policies (continued)

1.7 Property, Plant & Equipment

Recognition

Property, plant and equipment is capitalised if:
- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the PCT;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has cost of at least £5,000; or
- Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

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

Valuation

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

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

- Land and non-specialised buildings – market value for existing use, valuations were carried out in accordance with the Royal Institute of Chartered Surveyors RICS) Appraisal and Valuation Manual insofar as these terms are consistent with the agreed requirements of the Department of Health and HM Treasury.
- Specialised buildings – depreciated replacement cost on a Modern Equivalent Asset basis

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

For 2012/13 the PCT only undertook a full revaluation of a property where the expenditure incurred during the year on an individual property was greater than £250,000. The revaluation was conducted by David Cooney MA MRICS for and on behalf of GVA Grimley Limited, the PCT's independent qualified valuer. The PCT undertook full valuations of Greenhill & Rising Brook Health Centre during 2012/13 . All but one of the properties over which the PCT held a legal charge have been impaired during 2012/13. The PCT holds seven finance leases, which were all valued in April 2012. The impact of these three transactions is an overall impairment value of £8,095k shown in the SOCNE. The PCT received funding from the SHA equal to this impairment Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

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

Until 31 March 2008, fixtures and equipment were carried at replacement cost, as assessed by indexation and depreciation of historic cost. From 1 April 2008 indexation has ceased. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure. Gains and losses recognised in the revaluation reserve are reported as other comprehensive net expenditure in the Statement of Comprehensive Net Expenditure

Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses.

1. Accounting policies (continued)

1.8 Intangible Assets

Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the PCT's business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the PCT; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example 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, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use
- the intention to complete the intangible asset and use it
- the ability to sell or use the intangible asset
- how the intangible asset will generate probable future economic benefits or service potential
- the availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it
- the ability to measure reliably the expenditure attributable to the intangible asset during its development

Measurement

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. Internally-developed software is held at amortised historic cost to reflect the opposing effects of increases in development costs and technological advances.

Purchased computer software licenses are capitalised as intangible non-current assets where expenditure of at least £5,000 is incurred. They are amortised over the shorter of the term of the license and their useful economic lives. Where software licenses purchases are used specifically in conjunction with its host tangible asset the whole cost has been capitalised as a tangible asset.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

1.9 Depreciation, amortisation and impairments

Freehold land, properties under construction and assets held for sale are not depreciated.

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

Depreciation is charged on a straightline basis on each main class of non-current asset as follows:

- Freehold land carries an infinite useful economic life and as such is not depreciated.
- Buildings as per assessment of useful economic life.
- Furniture and Fittings @ 10 years.
- IT Equipment @ 8 years (maximum).
- Plant and Machinery @ 5-15 years.
- Leaseholds are depreciated over the primary lease term.
- Freehold land and buildings surplus to requirements are not depreciated
- Assets held for sale are separately presented on the statement of financial position and depreciation ceases at the point the assets are classified as held for sale.

At each reporting period end, the PCT checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited to expenditure to the extent of the decrease previously charged there and thereafter to the revaluation reserve.

Impairments are analysed between Departmental Expenditure Limits (DEL) and Annually Managed Expenditure (AME) from 2011-12. This is necessary to comply with Treasury's budgeting guidance. DEL limits are set in the Spending Review and Departments may not exceed the limits that they have been set.
AME budgets are set by the Treasury and may be reviewed with departments in the run-up to the Budget. Departments need to monitor AME closely and inform Treasury if they expect AME spending to rise above forecast. Whilst Treasury accepts that in some areas of AME inherent volatility may mean departments do not have the ability to manage the spending within budgets in that financial year, any expected increases in AME require Treasury approval.

1. Accounting policies (continued)

1.10 Donated assets

Donated non-current assets are capitalised at their fair value on receipt, with a matching credit to Income. They are valued, depreciated and impaired as described above for purchased assets. Gains and losses on revaluations, impairments and sales are as described above for purchased assets. Donated income is deferred only where conditions attached to the donation have not been met.

1.11 Government grants

The value of assets received by means of a government grant are credited directly to income. Government Grant income is deferred only where conditions attached to the grant have not been met.

1.12 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the Statement of Comprehensive Net Expenditure. On disposal, the balance for the asset in the revaluation reserve is transferred to the general fund.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead, it is retained as an operational asset and its economic life is adjusted. The asset is de-recognised when it is scrapped or demolished.

1.13 Inventories

Inventories are valued at the lower of cost and net realisable value.

1.14 Cash and cash equivalents

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

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the PCT's cash management.

1.15 Losses and Special Payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

Losses and special payments are charged to the relevant functional headings including losses which would have been made good through insurance cover had PCTs not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

Losses and special payments are compiled on an accrual basis excluding any provisions in relation to such payments.

1.16 Clinical Negligence Costs

From 1 April 2000, the NHS Litigation Authority (NHSLA) took over the full financial responsibility for all Existing Liabilities Scheme (ELS) cases unsettled at that date and from 1 April 2002 all Clinical Negligence Scheme for Trusts (CNST) cases. Provisions for these are included in the accounts of the NHSLA. Although the NHSLA is administratively responsible for all cases from 1 April 2000, the legal liability remains with the PCTs.

The NHSLA operates a risk pooling scheme under which the PCT pays an annual contribution to the NHSLA which in return settles all clinical negligence claims. The contribution is charged to expenditure in the year that it is due. The total value of clinical negligence provisions carried by the NHSLA on behalf of the PCT is disclosed at Note 32.

The provisions for clinical negligence claims are included in the accounts of the NHSLA, they are not included in the accounts of the PCT.

Under TCS arrangements the PCT will continue to be legally liable for any claim submitted prior to the establishment of the newly formed Staffordshire and Stoke on Trent Partnership Trust or transfer of services to Burton Hospitals NHS Foundation Trust. Any new claims submitted following establishment will be the legal responsibility of the new organisation regardless of the date of occurrence of event.

1. Accounting policies (continued)

1.17 Employee benefits

Short-term employee benefits

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

Retirement benefit costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the PCT commits itself to the retirement, regardless of the method of payment.

1.18 Research and Development

Research and development expenditure is charged against income in the year in which it is incurred, except insofar as development expenditure relates to a clearly defined project and the benefits of it can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the Statement of Comprehensive Net Expenditure on a systematic basis over the period expected to benefit from the project. It should be revalued on the basis of current cost. The amortisation is calculated on the same basis as depreciation, on a quarterly basis.

1.19 Other expenses

Other operating expenses are recognised when, and to the extent that, the goods or services have been received. They are measured at the fair value of the consideration payable.

1.20 Grant making

Under section 256 of the National Health Service Act 2006, the PCT has the power to make grants to local authorities, voluntary bodies and registered social landlords to finance capital or revenue schemes. A liability in respect of these grants is recognised when the PCT has a present legal or constructive obligation which occurs when all of the conditions attached to the payment have been met.

1.21 EU Emissions Trading Scheme

EU Emission Trading Scheme allowances are accounted for as government grant funded intangible assets if they are not expected to be realised within twelve months, and otherwise as other current assets. They are valued at open market value. As the NHS body makes emissions, a provision is recognised with an offsetting transfer from deferred income. The provision is settled on surrender of the allowances. The asset, provision and deferred income are valued at fair value at the end of the reporting period.

1.22 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the PCT, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the trust. A contingent asset is disclosed where an inflow of economic benefits is probable.

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

1. Accounting policies (continued)

1.23 Directors/Non Executive Costs incorporated within the PCT's operating costs.

The 2011/12 Operating Framework set out that it would not be possible to retain effective management capacity in all PCTs until their abolition in 2013, presenting unacceptable risks to quality and financial management. In response to this concern the DoH confirmed that PCTs will be retained as statutory organisations but for 2011/12 onwards there would be consolidation of management capacity, with single executive teams each managing a cluster of PCT's.

As a result of the above changes, the Trust Board Executive Directors acted as executives across NHS South Staffordshire PCT, NHS North Staffordshire PCT and NHS Stoke on Trent PCT statutory bodies until 31 November 2011, from 1 December 2011 although the 3 PCT's remained separate legal entities, the cluster became a common board for all 3 PCTs as governance arrangements for NHS North Staffordshire PCT, NHS South Staffordshire PCT and NHS Stoke on Trent PCT had been amalgamated under the umbrella of Staffordshire Cluster. The remuneration of Directors is recharged across all three PCT's based on a Weighted Capitation basis (See table below).

Trust Board Non Executive Directors were consolidated into a single cluster common board on 1 December 2011, prior to this each PCT retained its own Non Executives on their respective Trust Board.

Weighted Capitation	Population	Recharge Percentage
NHS Stoke on Trent	318,218	29%
NHS North Staffordshire	215,211	19%
South Staffordshire PCT	580,843	52%
Total	**1,114,272**	**100%**

Analysis of Operating Costs shows under Chair, Non executive Directors and PEC remuneration, only those costs that have been directly generated from those individuals directly employed by NHS South Staffordshire PCT. The costs recharged relating to the other Board members who are employed by either North Staffordshire PCT or Stoke on Trent PCT, those costs are included within the Goods and Services from other PCTs non healthcare.

1. Accounting policies (continued)

1.24 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

The PCT as lessee

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate on interest on the remaining balance of the liability. Finance charges are recognised in calculating the PCT's net operating cost.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Where a lease is for land and buildings, the land and building components are separated and individually assessed as to whether they are operating or finance leases.

The PCT as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the PCT's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the PCT's net investment outstanding in respect of the leases.

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

1.25 Foreign exchange

Transactions which are denominated in a foreign currency are translated into sterling at the exchange rate ruling on the date of each transaction, except where rates do not fluctuate significantly, in which case an average rate for a period is used. Resulting exchange gains and losses are taken to the Statement of Comprehensive Net Expenditure.

1.26 Provisions

Provisions are recognised when the PCT has a present legal or constructive obligation as a result of a past event, it is probable that the PCT will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using HM Treasury's discount rate of 2.2% (2.8% in respect of early staff departures) in real terms.

Clinical Negligence Costs

NHSLA is administratively responsible for all clinical negligence cases, the legal liability remains with the PCT.

Since financial responsibility for clinical negligence cases transferred to the NHS Litigation Authority at 1 April 2002, the only charge to operating expenditure in relation to clinical negligence in 2011-12 relates to the PCT's contribution to the Clinical Negligence Scheme for Trusts.

Non Clinical Risk Pooling

The Primary Care Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Primary Care Trust pays an annual contribution to the NHS Litigation Authority and in return receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses as and when they become due.

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

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the PCT has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the PCT has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arsing from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1. Accounting policies (continued)

1.27 Financial Instruments

Financial assets

Financial assets are recognised when the PCT becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

Financial assets are initially recognised at fair value.

The PCT has only one class of financial asset at 31 March 2013: Loans and receivables

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the initial fair value of the financial asset.

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

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Net Expenditure and the carrying amount of the asset is reduced directly, or through a provision for impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the Statement of Comprehensive Net Expenditure to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities

Financial liabilities are recognised on the Statement of Financial Position when the PCT becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are derecognised when the liability has been discharged, that is, the liability has been paid or has expired.

Financial liabilities are initially recognised at fair value.

Financial liabilities are classified as either financial liabilities 'at fair value through profit and loss' or other financial liabilities.

The PCT has only one class of financial liabilities at 31 March 2013: Other financial liabilities

Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

1. Accounting policies (continued)

1.28 Going Concern

As a consequence of the Health and Social Care Act 2012, The PCT was dissolved on 31st March 2013.
It's functions will be transferred to various new or existing public sector entities.
The Secretary of State has directed that where Parliamentary funding continues to be voted to permit the relevant services to be carried out elsewhere in the public sector, this is normally sufficient evidence of going concern.
As a result, the Board of South Staffodshire PCT have prepared these financial statements on a going concern basis.

1.29 PCT Closure 31 March 2013

Under the provisions of *The Health and Social Care Act 2012 (Commencement No.4. Transitional, Savings and Transitory Provisions) Order 2013, South Staffordshire* PCT was dissolved on 1st April 2013. The PCT's functions, assets and liabilities transferred to other public sector entities as outlined in Note 41 *Events after the end of the Reporting Period*. Where reconfigurations of this nature take place within the public sector, Government accounting requires that the activities concerned are to be considered as continuing operations, and so the closing entity prepares accounts on a "going concern" basis.

The SOFP has therefore been drawn up at 31 March 2013 on the same basis as in previous years, reporting balances on the same basis as would a continuing entity. In particular, there has been no general revaluation of assets or liabilities.

See Note 1.7 regarding revaluation and impairments of the PCT's properties during 2012/13.

1.30 Accounting Standards that have been issued but have not yet been adopted

The Treasury FReM does not require the following Standards and Interpretations to be applied in 2012-13. The application of the Standards as revised would not have a material impact on the accounts for 2012-13, were they applied in that year:

IAS 27 Separate Financial Statements - subject to consultation
IAS 28 Investments in Associates and Joint Ventures - subject to consultation
IFRS 9 Financial Instruments - subject to consultation - subject to consultation
IFRS 10 Consolidated Financial Statements - subject to consultation
IFRS 11 Joint Arrangements - subject to consultation
IFRS 12 Disclosure of Interests in Other Entities - subject to consultation
IFRS 13 Fair Value Measurement - subject to consultation
IPSAS 32 - Service Concession Arrangement - subject to consultation

2 Operating segments

The PCT has no operating segments since its Provider Services functions split from the Commissioning functions during 2011/12. The Provider functions transferred to Staffordshire and Stoke-on-Trent Partnership NHS Trust and Burton Hospitals NHS Foundation Trust, under merger accounting principles the financial results for the whole of 2011/12 are recorded in the new NHS Trust's Accounts.

This resulted in the transfer of £85.820m of revenue resources and £49.733m of Non Current and Net Current Assets to the new NHS Trust in 2011/12.

3. Financial Performance Targets

3.1 Revenue Resource Limit

	2012-13 £000	2011-12 £000
The PCTs' performance for the year ended 2012-13 is as follows:		
Total Net Operating Cost for the Financial Year	**1,008,005**	970,235
Adjusted for prior period adjustments in respect of errors	**0**	0
Revenue Resource Limit	**1,008,020**	970,588
Under spend Against Revenue Resource Limit (RRL)	15	353

3.2 Capital Resource Limit

The PCT is required to keep within its Capital Resource Limit.

	2012-13 £000	2011-12 £000
Capital Resource Limit	**2,623**	2,250
Charge to Capital Resource Limit	**1,744**	1,628
Underspend Against CRL	879	**622**

3.3 Provider full cost recovery duty

	2012-13 £000	2011-12 £000
The PCT is required to recover full costs in relation to its provider functions.		
Provider gross operating costs	**0**	0
Provider Operating Revenue	**0**	0
Net Provider Operating Costs	**0**	0
Costs Met Within PCTs Own Allocation	**0**	0
Under/(Over) Recovery of Costs	0	0

3.4 Under/(Over)spend against Cash limit

	2012-13 £000	2011-12 £000
Total Charge to Cash Limit	**991,033**	975,105
Cash Limit	**991,033**	975,105
Under spend Against Cash Limit	**0**	**0**

3.5 Reconciliation of Cash Drawings to Parliamentary Funding (current year)

	2012-13 £000
Total cash received from DH (Gross)	864,182
Less: Trade Income from DH	0
Less/(Plus): movement in DH working balances	0
Sub total: net advances	**864,182**
(Less)/plus: transfers (to)/from other resource account bodies (free text note required)	0
Plus: cost of Dentistry Schemes (central charge to cash limits)	18,701
Plus: drugs reimbursement (central charge to cash limits)	108,150
Parliamentary funding credited to General Fund	**991,033**

4 Miscellaneous Revenue

	2012-13 Total	2012-13 Admin	2012-13 Programme	2011-12
	£000	£000	£000	£000
Fees and Charges	**0**	0	0	0
Dental Charge income from Contractor-Led GDS & PDS	**8,491**	0	8,491	8,389
Dental Charge income from Trust-Led GDS & PDS	**0**	0	0	0
Prescription Charge income	**5,528**	0	5,528	5,120
Strategic Health Authorities	**0**	0	0	0
NHS Trusts	**3,478**	1,490	1,988	3,189
NHS Foundation Trusts	**1,879**	0	1,879	1,737
Primary Care Trusts Contributions to DATs	**0**	0	0	0
Primary Care Trusts - Other	**6,427**	397	6,030	4,291
Primary Care Trusts - Lead Commissioning	**2,602**	0	2,602	4,068
English RAB Special Health Authorities	**10**	10	0	0
NDPBs and Others (CGA)	**34**	34	0	0
Department of Health - SMPTB	**0**	0	0	0
Department of Health - Other	**0**	0	0	41
Recoveries in respect of employee benefits	**117**	117	0	0
Local Authorities	**894**	136	758	1,054
Patient Transport Services	**0**	0	0	0
Education, Training and Research	**4,568**	213	4,355	4,055
Non-NHS: Private Patients	**0**	0	0	0
Non-NHS: Overseas Patients (Non-Reciprocal)	**0**	0	0	0
NHS Injury Costs Recovery	**0**	0	0	0
Other Non-NHS Patient Care Services	**66**	0	66	189
Charitable and Other Contributions to Expenditure	**0**	0	0	0
Receipt of donated assets	**0**	0	0	0
Receipt of Government granted assets	**0**	0	0	0
Rental revenue from finance leases	**0**	0	0	0
Rental revenue from operating leases	**0**	0	0	0
Other revenue	**338**	215	123	366
Total miscellaneous revenue	**34,432**	**2,612**	**31,820**	**32,499**

	2012-13 Total	2012-13 Admin	2012-13 Programme	2011-12
Of rental income from finance leases above:				
Contingent rent	**0**	0	0	0
Other	**0**	0	0	0
Rental income from finance leases	**0**	0	0	0
Of rental income from operating leases above:				
Rental revenue	**0**	0	0	0
Contingent rent	**0**	0	0	0
Rental income from operating leases	**0**	0	0	0
Of other revenue above:				
Other Cash revenue	**338**	215	123	366
Other Non Cash Revenue	**0**	0	0	0
Income from other revenue	**338**	215	123	366

5. Operating Costs

5.1 Analysis of operating costs:

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000	2011-12 Total £000
Goods and Services from Other PCTs				
Healthcare	**75,722**	0	75,722	75,962
Non-Healthcare	**3,616**	2,800	816	1,808
Total	**79,338**	**2,800**	**76,538**	**77,770**
Goods and Services from Other NHS Bodies other than FTs				
Goods and services from NHS Trusts	**180,638**	198	180,440	164,019
Goods and services (other, excl Trusts, FT and PCT))	**5**	0	5	521
Total	**180,643**	**198**	**180,445**	**164,540**
Goods and Services from Foundation Trusts	**405,731**	636	405,095	401,528
Purchase of Healthcare from Non-NHS bodies	**99,904**	0	99,904	90,546
Social Care from Independent Providers	**0**	0	0	0
Expenditure on Drugs Action Teams	**5,349**	0	5,349	3,683
Non-GMS Services from GPs	**853**	0	853	569
Contractor Led GDS & PDS (excluding employee benefits)	**27,030**	0	27,030	26,262
Salaried Trust-Led PDS & PCT DS (excluding employee benefits)	**0**	0	0	0
Chair, Non-executive Directors & PEC remuneration	**118**	118	0	79
Executive committee members costs	**28**	28	0	176
Consultancy Services	**334**	334	0	15
Prescribing Costs	**94,732**	0	94,732	95,502
G/PMS, APMS and PCTMS (excluding employee benefits)	**80,683**	0	80,683	79,302
Pharmaceutical Services	**1,655**	0	1,655	1,713
Local Pharmaceutical Services Pilots	**0**	0	0	0
New Pharmacy Contract	**25,839**	0	25,839	25,511
General Ophthalmic Services	**5,768**	0	5,768	6,054
Supplies and Services - Clinical	**1,308**	43	1,265	1,009
Supplies and Services - General	**34**	34	0	34
Establishment	**528**	458	70	751
Transport	**0**	0	0	0
Premises	**1,686**	1,571	115	1,464
Impairments & Reversals of Property, plant and equipment	**8,095**	0	8,095	3,652
Impairments and Reversals of non-current assets held for sale	**0**	0	0	0
Depreciation	**2,872**	800	2,072	2,993
Amortisation	**136**	0	136	125
Impairment & Reversals Intangible non-current assets	**0**	0	0	0
Impairment and Reversals of Financial Assets	**0**	0	0	0
Impairment of Receivables	**867**	0	867	120
Inventory write offs	**0**	0	0	0
Research and Development Expenditure	**0**	0	0	0
Audit Fees	**129**	129	0	216
Other Auditors Remuneration	**213**	213	0	100
Clinical Negligence Costs	**0**	0	0	0
Education and Training	**3,105**	31	3,074	3,026
Grants for capital purposes	**387**	0	387	425
Grants for revenue purposes	**0**	0	0	0
Impairments and reversals for investment properties	**0**	0	0	0
Other	**3,588**	2,465	1,123	4,862
Total Operating costs charged to Statement of Comprehensive Net Expenditure	**1,030,953**	**9,858**	**1,021,095**	**992,027**
Employee Benefits (excluding capitalised costs)				
Employee Benefits associated with PCTMS	**0**	0	0	0
Trust led PDS and PCT DS	**0**	0	0	0
PCT Officer Board Members	**701**	701	0	214
Other Employee Benefits	**9,877**	8,914	963	9,558
Total Employee Benefits charged to SOCNE	**10,578**	**9,615**	**963**	**9,772**
Total Operating Costs	**1,041,531**	**19,473**	**1,022,058**	**1,001,799**

For Cost of Capital for 2011/12 and 2012/13 a resource limit adjustment has been made reflecting the Cost of Capital utilised by the PCT.

The Audit fee relates entirely to the External audit of the PCT.

Other Auditors Remuneration includes; £21,000 (2011/12: £36,000) for work carried out and fees paid directly to the audit commission relating to PBR audits, £22,000 (2011/12: £7,000) due diligence work for TCS. This is categorised as category 9 - Services relating to corporate finance transactions entered into by the PCT.

The remaining elements of this expenditure line (£170,000) relate to internal audits and as such is categorised under category 5 - Internal Audit Services

For details relating to Board costs/Non Executive costs see Note 1.23

5. Operating Costs

5.1 Analysis of operating costs (continued)

Analysis of grants reported in total operating costs	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000	2011-12 Total £000
For capital purposes				
Grants to fund Capital Projects - GMS	**0**	0	0	0
Grants to Local Authorities to Fund Capital Projects	**0**	0	0	0
Grants to Private Sector to Fund Capital Projects	**387**	0	387	425
Grants to Fund Capital Projects - Dental	**0**	0	0	0
Grants to Fund Capital Projects - Other	**0**	0	0	0
Total Capital Grants	**387**	**0**	**387**	**425**
Grants to fund revenue expenditure				
To Local Authorities	**0**	0	0	0
To Private Sector	**0**	0	0	0
To Other	**0**	0	0	0
Total Revenue Grants	**0**	**0**	**0**	**0**
Total Grants	**387**	**0**	**387**	**425**

	Total	Commissioning Services	Public Health
PCT Running Costs 2012-13			
Running costs (£000s)	**16,861**	14,898	1,963
Weighted population (number in units)*	**580,843**	580,843	580,843
Running costs per head of population (£ per head)	**29**	**26**	**3**
PCT Running Costs 2011-12			
Running costs (£000s)	**18,302**	16,679	1,623
Weighted population (number in units)	**580,843**	580,843	580,843
Running costs per head of population (£ per head)	**32**	**29**	**3**

* Weighted population figures are not available for 2012-13 as the weighted capitation formula for PCT allocations was not updated for 2012-13. This was because it was decided to give all PCTs the same percentage growth in their allocations in this transitional year rather than differential growth based on a weighted capitation formula

Therefore, 2011-12 weighted populations have been used when calculated the Running Costs per head of population in 2012-13

5.2 Analysis of operating expenditure by expenditure classification

	2012-13 £000	2011-12 £000
Purchase of Primary Health Care		
GMS / PMS/ APMS / PCTMS	79,596	79,302
Prescribing costs	94,732	95,502
Contractor led GDS & PDS	27,030	26,262
Trust led GDS & PDS	0	0
General Ophthalmic Services	5,768	6,054
Department of Health Initiative Funding	0	0
Pharmaceutical services	1,655	1,713
Local Pharmaceutical Services Pilots	0	0
New Pharmacy Contract	25,839	25,511
Non-GMS Services from GPs	853	569
Other	0	0
Total Primary Healthcare purchased	**235,473**	234,913
Purchase of Secondary Healthcare		
Learning Difficulties	16,238	15,420
Mental Illness	113,429	106,059
Maternity	32,760	31,071
General and Acute	458,833	448,967
Accident and emergency	21,699	20,960
Community Health Services	73,926	71,665
Other Contractual	37,032	35,194
Total Secondary Healthcare Purchased	**753,917**	729,336
Grant Funding		
Grants for capital purposes	387	425
Grants for revenue purposes	0	0
Total Healthcare Purchased by PCT	**989,777**	**964,674**
PCT self-provided secondary healthcare included above	0	0
Social Care from Independent Providers	0	0
Healthcare from NHS FTs included above	394,326	400,074

This note analyses the PCT's total expenditure on patient treatment for its own patients. The note provides details of both primary and secondary healthcare purchased and provided by the PCT for its patients. All of the items included in this note are recorded under various lines on Note 5.1 but the total expenditure on this note will be less than the total expenditure on Note 5.1 as Note 5.1 includes non healthcare purchases.

6. Operating Leases

Leased Buildings have been assessed to substantiate whether all risks and rewards of ownership are borne by the Primary Care Trust. Where such risks and rewards remain with the Lessor it has been treated as an operating lease. The main terms of the leased buildings are:-

Anglesey House - 10 year lease with break in year 5. Reverts to landlord at end of lease. Increase in running costs borne by lessee. Restricted to use as offices, with an option to sublet the offices if space is not utilised. The 5 year break point was activated in 2011/12 and the building will revert back to the landlord.

Beecroft Court, Block C & D - Lease commenced 2002 and was a 10 year lease, reverting back to landlord at the end of the lease. Increase in running costs borne by lessee. Restricted to use as offices, with an option to sublet the offices if space not utilised. Although the lease term finished during 2012 it has been extended on a rolling contract basis.

Edwin House - Lease commenced in 2002 and was a 10 year lease, reverting back to landlord at the end of the lease. Increase in running costs borne by lessee. Restricted to use as offices, with an option to sublet the offices if space not utilised. Although the lease term finished during 2012 it has been extended on a rolling contract basis.

Hill Street - Lease commenced in 2007 and is a 20 year lease with no break clause. Reverts back to landlord at the end of the lease. Increase in running costs borne by lessee. Restricted to NHS/Health centre use or offices compatible with residential area. Option to sublet as offices is space is not utilised.

All motor vehicles are contracted for a period of three years that can be renewed at the end of the contract hire for further periods at the same monthly hire charge. As the PCT does not enjoy the major economic life of these vehicles they are classified as operating leases. Under the terms of the Master Hire Agreement the PCT cannot sub-lease, sell, assign, mortgage, pledge or part with possession of the vehicle.

6.1 PCT as lessee

	Land	Buildings	Other	2012-13 Total	2011-12
	£000	£000	£000	£000	£000
Payments recognised as an expense					
Minimum lease payments	78	422	52	552	596
Contingent rents				0	0
Sub-lease payments				0	0
Total	78	422	52	552	596
Payable:					
No later than one year	61	310	67	438	377
Between one and five years	81	795	63	939	646
After five years	0	283	0	283	396
Total	142	1,388	130	1,660	1,419
Total future sublease payments expected to be received				0	0

6.2 PCT as lessor

The PCT did not act as lessor in either 2012/13 nor 2011/12.

	2012-13	2011-12
	£000	£000
Recognised as income		
Rental Revenue	0	0
Contingent rents	0	0
Total	0	0
Receivable:		
No later than one year	0	0
Between one and five years	0	0
After five years	0	0
Total	0	0

7. Employee benefits and staff numbers

7.1 Employee benefits

	2012-13			Permanently employed			Other			2011-12		
	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000	Total £000	Permanently employed £000	Other £000
Employee Benefits - Gross Expenditure												
Salaries and wages	**7,380**	6,705	675	**7,210**	6,560	650	**170**	145	25	8,042	7,836	206
Social security costs	**1,359**	1,237	122	**1,359**	1,237	122	**0**	0	0	687	687	0
Employer Contributions to NHS BSA - Pensions Division	**1,839**	1,673	166	**1,839**	1,673	166	**0**	0	0	1,043	1,043	0
Other pension costs	**0**	0	0	**0**	0	0	**0**	0	0	0	0	0
Other post-employment benefits	**0**	0	0	**0**	0	0	**0**	0	0	0	0	0
Other employment benefits	**0**	0	0	**0**	0	0	**0**	0	0	0	0	0
Termination benefits	**0**	0	0	**0**	0	0	**0**	0	0	0	0	0
Total employee benefits	**10,578**	**9,615**	**963**	**10,408**	**9,470**	**938**	**170**	**145**	**25**	9,772	9,566	206
Less recoveries in respect of employee benefits (table below)	**(117)**	(117)	0	**(117)**	**(117)**	**0**	**0**	**0**	**0**	0	0	0
Total - Net Employee Benefits including capitalised costs	**10,461**	**9,498**	**963**	**10,291**	**9,353**	**938**	**170**	**145**	**25**	9,772	9,566	206
Employee costs capitalised	**0**	0	0	**0**	0	0	**0**	0	0	0	0	0
Gross Employee Benefits excluding capitalised costs	**10,578**	**9,615**	**963**	**10,408**	**9,470**	**938**	**170**	**145**	**25**	9,772	9,566	206
Recognised as:												
Commissioning employee benefits	**10,578**			**10,408**			**170**			9,772	9,566	206
Provider employee benefits	**0**			**0**			**0**			0	-	-
Gross Employee Benefits excluding capitalised costs	**10,578**			**10,408**			**170**			9,772	9,566	206

The cost of bank staff are included within the "Permanently Employed" costs above

	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000	Total £000	Permanently employed £000	Other £000
Employee Benefits - Revenue												
Salaries and wages	**0**	0	0	**0**	0	0	0	0	0	0	0	0
Social Security costs	**0**	0	0	**0**	0	0	0	0	0	0	0	0
Employer Contributions to NHS BSA - Pensions Division	**0**	0	0	**0**	0	0	0	0	0	0	0	0
Other pension costs	**0**	0	0	**0**	0	0	0	0	0	0	0	0
Other Post Employment Benefits	**0**	0	0	**0**	0	0	0	0	0	0	0	0
Other Employment Benefits	**117**	117	0	**117**	117	0	0	0	0	0	0	0
Termination Benefits	**0**	0	0	**0**	0	0	0	0	0	0	0	0
TOTAL excluding capitalised costs	**117**	**117**	**0**	**117**	**117**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

	2012-13			2011-2012		
	Total £000	Permanently employed £000	Other £000	Total £000	Permanently employed £000	Other £000
Employee Benefits Gross Expenditure						
Salaries and wages	**7,380**	7,210	170	8,042	7,836	206
Social security costs	**1,359**	1,359	0	687	687	0
Employer Contributions to NHS BSA - Pensions Division	**1,839**	1,839	0	1,043	1,043	0
Other pension costs	**0**	0	0	0	0	0
Other post-employment benefits	**0**	0	0	0	0	0
Other employment benefits	**0**	0	0	0	0	0
Termination benefits	**0**	0	0	0	0	0
Total gross employee benefits	**10,578**	**10,408**	**170**	9,772	9,566	206
Less recoveries in respect of employee benefits	**(117)**	(117)	0	0	0	0
Total - Net Employee Benefits including capitalised costs	**10,461**	**10,291**	**170**	9,772	9,566	206
Employee costs capitalised	**0**	0	0	0	0	0
Gross Employee Benefits excluding capitalised costs	**10,578**	**10,408**	**170**	9,772	9,566	206
Recognised as:						
Commissioning employee benefits	**10,578**			9,772		
Provider employee benefits	**0**			0		
Gross Employee Benefits excluding capitalised costs	**10,578**			9,772		

7. Employee benefits and staff numbers

7.2 Staff Numbers

	2012-13 Total Number	2012-13 Permanently employed Number	2012-13 Other Number	2011-12 Total Number	2011-12 Permanently employed Number	2011-12 Other Number
Average Staff Numbers						
Medical and dental	5.8	5.4	0.4	5.4	5.0	0.4
Ambulance staff	0.0	0.0	0.0	0.0	0.0	0.0
Administration and estates	168.0	161.7	6.3	171.9	161.9	10.0
Healthcare assistants and other support staff	0.0	0.0	0.0	0.0	0.0	0.0
Nursing, midwifery and health visiting staff	17.5	17.5	0.0	16.5	16.5	0.0
Nursing, midwifery and health visiting learners	0.0	0.0	0.0	0.0	0.0	0.0
Scientific, therapeutic and technical staff	11.7	11.6	0.1	11.5	11.3	0.2
Social Care Staff	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.1	0.0	0.1	0.0	0.0	0.0
TOTAL	203.1	196.2	6.9	205.3	194.7	10.6
Of the above - staff engaged on capital projects	0.0	0.0	0.0	0.0	0.0	0.0

7.3 Staff Sickness absence and ill health retirements

	2012-13 Number	2011-12 Number
Total Days Lost	1,405	15,115
Total Staff Years	433	1,810
Average working Days Lost	3.24	8.35

Information for Staff Sickness absence for 2012-13 is base on data covering the period January to December 2012 which includes 3 month data for Provider staff. The information for 2011-12 is base on data covering the period January to December 2012 which includes 12 months data for both Commissioning and Provider staff.

	2012-13	2011-12
	Number	Number
Number of persons retired early on ill health grounds	1	1
	£000s	£000s
Total additional pensions liabilities accrued in the year	60	125

7.4 Exit Packages agreed during 2012-13

Exit package cost band (including any special payment element)	2012-13 Number of compulsory redundancies	2012-13 Number of other departures agreed	2012-13 Total number of exit packages by cost band	2011-12 Number of compulsory redundancies	2011-12 Number of other departures agreed	2011-12 Total number of exit packages by cost band
	Number	Number	Number	Number	Number	Number
Less than £10,000	0	1	1	0	1	1
£10,001-£25,000	0	1	1	0	2	2
£25,001-£50,000	0	2	2	0	2	2
£50,001-£100,000	0	8	8	0	0	0
£100,001 - £150,000	0	0	0	0	0	0
£150,001 - £200,000	0	0	0	0	0	0
>£200,000	0	0	0	0	0	0
Total number of exit packages by type (total cost	0	12	12	0	5	5
	£000s	£000s	£000s	£000s	£000s	£000s
Total resource cost	0	730	730	0	85	85

This note provides an analysis of Exit Packages agreed during the year. Redundancy and other departure costs have been paid in accordance with the provisions of the NHS National Redundancy Scheme and the Mutually Agreed Resignation Scheme. Where the PCT has agreed early retirements, the additional costs are met by the PCT and not by the NHS pensions scheme. Ill-health retirement costs are met by the NHS pensions scheme and are not included in the table.

This disclosure reports the number and value of exit packages agreed with staff in the year. Note: The expense associated with these departures may have been recognised in part or in full in a previous period.

The PCT during 2012-13 operated Mutually Agreed Resignation Scheme (MARS), which was a voluntary severance scheme under which an individual employee, in agreement with their employer, chooses to leave employment in return for a severance payment.

The payment rate under the scheme was fixed at 1/2 months salary for each full year of service, up to a cap of 12 months salary, with a minimum payment of 3 months salary for 1-5 years reckonable service.

7.5 Pension costs

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

The scheme is subject to a full actuarial valuation every four years (until 2004, every five years) and an accounting valuation every year. An outline of these follows:

a) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience), and to recommend the contribution rates to be paid by employers and scheme members. The last such valuation, which determined current contribution rates was undertaken as at 31 March 2004 and covered the period from 1 April 1999 to that date. The conclusion from the 2004 valuation was that the scheme had accumulated a notional deficit of £3.3 billion against the notional assets as at 31 March 2004.

In order to defray the costs of benefits, employers pay contributions at 14% of pensionable pay and most employees had up to April 2008 paid 6%, with manual staff paying 5%.

Following the full actuarial review by the Government Actuary undertaken as at 31 March 2004, and after consideration of changes to the NHS Pension Scheme taking effect from 1 April 2008, his Valuation report recommended that employer contributions could continue at the existing rate of 14% of pensionable pay, from 1 April 2008, following the introduction of employee contributions on a tiered scale from 5% up to 8.5% of their pensionable pay depending on total earnings.

On advice from the scheme actuary, scheme contributions may be varied from time to time to reflect changes in the scheme's liabilities.

b) Accounting valuation

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period by updating the results of the full actuarial valuation.

Between the full actuarial valuations at a two-year midpoint, a full and detailed member data-set is provided to the scheme actuary. At this point the assumptions regarding the composition of the scheme membership are updated to allow the scheme liability to be valued.

The valuation of the scheme liability as at 31 March 2011, is based on detailed membership data as at 31 March 2008 (the latest midpoint) updated to 31 March 2011 with summary global member and accounting data.

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

c) Scheme provisions

The NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the Scheme or the specific conditions that must be met before these benefits can be obtained:

The Scheme is a "final salary" scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as "pension commutation".

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year.

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the statement of comprehensive income at the time the PCT commits itself to the retirement, regardless of the method of payment.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC's run by the Scheme's approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

8. Better Payment Practice Code

8.1 Measure of compliance

	2012-13 Number	2012-13 £000	2011-12 Number	2011-12 £000
Non-NHS Payables				
Total Non-NHS Trade Invoices Paid in the Year	**15,320**	**99,996**	20,749	128,157
Total Non-NHS Trade Invoices Paid Within Target	**13,716**	**93,552**	16,829	111,253
Percentage of NHS Trade Invoices Paid Within Target	89.53%	93.56%	81.11%	86.81%
NHS Payables				
Total NHS Trade Invoices Paid in the Year	**7,945**	**667,339**	5,489	654,845
Total NHS Trade Invoices Paid Within Target	**6,435**	**649,362**	4,410	644,581
Percentage of NHS Trade Invoices Paid Within Target	80.99%	97.31%	80.34%	98.43%

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

8.2 The Late Payment of Commercial Debts (Interest) Act 1998

	2012-13 £000	2011-12 £000
Amounts included in finance costs from claims made under this legislation	**0**	0
Compensation paid to cover debt recovery costs under this legislation	**0**	0
Total	**0**	0

9. Investment Income

The PCT had no investment income in 2012/13 (2011/12: nil)

10. Other Gains and Losses

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000	2011-12 £000
Gain/(Loss) on disposal of assets other than by sale (PPE)	0	0	0	0
Gain/(Loss) on disposal of assets other than by sale (intangibles)	0	0	0	0
Gain/(Loss) on disposal of Financial Assets - other than held for sale	0	0	0	0
Gain (Loss) on disposal of assets held for sale	0	0	0	0
Gain/(loss) on foreign exchange	0	0	0	0
Change in fair value of financial assets carried at fair value through the SoCNE	0	0	0	0
Change in fair value of financial liabilities carried at fair value through the SoCNE	0	0	0	0
Change in fair value of investment property	0	0	0	0
Recycling of gain/(loss) from equity on disposal of financial assets held for sale	0	0	0	0
Total	0	0	0	0

11. Finance Costs

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000	2011-12 £000
Interest				
Interest on obligations under finance leases	906	0	906	935
Interest on obligations under PFI contracts:				
- main finance cost	0	0	0	0
- contingent finance cost	0	0	0	0
Interest on obligations under LIFT contracts:				
- main finance cost	0	0	0	0
- contingent finance cost	0	0	0	0
Interest on late payment of commercial debt	0	0	0	0
Other interest expense	0	0	0	0
Total interest expense	906	0	906	935
Other finance costs	0	0	0	0
Provisions - unwinding of discount	0		0	
Total	906	0	906	935

12.1 Property, plant and equipment

2012-13	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation:									
At 1 April 2012	**12,379**	**50,316**	**0**	**889**	**6,019**	**0**	**3,489**	**220**	**73,312**
Additions of Assets Under Construction	0	0	0	1,744	0	0	0	0	**1,744**
Additions Purchased	0	0	0	0	0	0	0	0	**0**
Additions Donated	0	0	0	0	0	0	0	0	**0**
Additions Government Granted	0	0	0	0	0	0	0	0	**0**
Additions Leased	0	0	0	0	0	0	0	0	**0**
Reclassifications	0	2,013	0	(2,359)	16	0	330	0	**0**
Reclassifications as Held for Sale	(65)	(79)	0	0	0	0	0	0	**(144)**
Disposals other than for sale	0	0	0	0	0	0	0	0	**0**
Upward revaluation/positive indexation	0	0	0	0	0	0	0	0	**0**
Impairments/negative indexation	(138)	(1,381)	0	0	0	0	0	0	**(1,519)**
Reversal of Impairments	0	0	0	0	0	0	0	0	**0**
Transfers (to)/from Other Public Sector Bodies	0	0	0	0	0	0	0	0	**0**
At 31 March 2013	**12,176**	**50,869**	**0**	**274**	**6,035**	**0**	**3,819**	**220**	**73,393**
Depreciation									
At 1 April 2012	**240**	**5,729**	**0**	**0**	**5,806**	**0**	**2,737**	**94**	**14,606**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Reclassifications as Held for Sale	0	(57)	0	0	0	0	0	0	**(57)**
Disposals other than for sale	0	0	0	0	0	0	0	0	**0**
Upward revaluation/positive indexation	0	0	0	0	0	0	0	0	**0**
Impairments	552	7,543	0	0	0	0	0	0	**8,095**
Reversal of Impairments	0	0	0	0	0	0	0	0	**0**
Charged During the Year	0	2,087	0	0	112	0	603	70	**2,872**
Transfers (to)/from Other Public Sector Bodies	0	0	0	0	0	0	0	0	**0**
At 31 March 2013	**792**	**15,302**	**0**	**0**	**5,918**	**0**	**3,340**	**164**	**25,516**
Net Book Value at 31 March 2013	**11,384**	**35,567**	**0**	**274**	**117**	**0**	**479**	**56**	**47,877**
Purchased	11,384	35,447	0	274	117	0	479	56	**47,757**
Donated	0	120	0	0	0	0	0	0	**120**
Government Granted	0	0	0	0	0	0	0	0	**0**
Total at 31 March 2013	**11,384**	**35,567**	**0**	**274**	**117**	**0**	**479**	**56**	**47,877**
Asset financing:									
Owned	11,384	31,404	0	274	117	0	479	56	**43,714**
Held on finance lease	0	4,163	0	0	0	0	0	0	**4,163**
On-SOFP PFI contracts	0	0	0	0	0	0	0	0	**0**
PFI residual: interests	0	0	0	0	0	0	0	0	**0**
Total at 31 March 2013	**11,384**	**35,567**	**0**	**274**	**117**	**0**	**479**	**56**	**47,877**

Revaluation Reserve Balance for Property, Plant & Equipment

	Land	Buildings	Dwellings	Assets under construction & payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
At 1 April 2012	**10,740**	**5,735**	**0**	**0**	**10**	**0**	**0**	**6**	**16,491**
Revaluation	0	205	0	0	0	0	0	0	**205**
Impairment	(137)	(1,588)	0	0	0	0	0	0	**(1,725)**
Transfer Between Reserves	0	(395)	0	0	(3)	0	0	0	**(398)**
At 31 March 2013	**10,603**	**3,957**	**0**	**0**	**7**	**0**	**0**	**6**	**14,573**

Additions to Assets Under Construction in 2012-13

	£000
Land	0
Buildings excl Dwellings	1,398
Dwellings	330
Plant & Machinery	16
Balance as at YTD	1,744

The HM Treasury accounting rules adopted by DH via the NHS FREM state that all machinery of government changes are accounted for through merger accounting.

The movements in year against the revaluation reserve are due to the revaluation of a number of assets in year.

12.2 Property, plant and equipment

2011-12	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	**£000**
Cost or valuation:									
At 1 April 2011	**14,507**	**60,199**	**0**	**567**	**5,641**	**0**	**3,447**	**220**	**84,581**
Additions - purchased	0	0	0	987	292	0	228	0	**1,507**
Additions - donated	0	0	0	0	0	0	0	0	**0**
Additions - government granted	0	0	0	0	0	0	0	0	**0**
Reclassifications	0	552	0	(665)	86	0	14	0	**(13)**
Reclassified as held for sale	0	0	0	0	0	0	0	0	**0**
Disposals other than by sale	0	0	0	0	0	0	(200)	0	**(200)**
Revaluation & indexation gains	0	0	0	0	0	0	0	0	**0**
Impairments	(2,128)	(1,784)	0	0	0	0	0	0	**(3,912)**
Reversals of impairments	0	2,188	0	0	0	0	0	0	**2,188**
In-year transfers to/from NHS bodies	0	0	0	0	0	0	0	0	**0**
Cumulative dep netted off cost following revaluatic	0	(10,839)	0	0	0	0	0	0	**(10,839)**
At 31 March 2012	**12,379**	**50,316**	**0**	**889**	**6,019**	**0**	**3,489**	**220**	**73,312**
Depreciation									
At 1 April 2011	**0**	**10,767**	**0**	**0**	**5,729**	**0**	**2,435**	**69**	**19,000**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Reclassifications as Held for Sale	0	0	0	0	0	0	0	0	**0**
Disposals other than for sale	0	0	0	0	0	0	(200)	0	**(200)**
Upward revaluation/positive indexation	0	0	0	0	0	0	0	0	**0**
Impairments	240	5,196	0	0	0	0	0	0	**5,436**
Reversal of Impairments	0	(1,784)	0	0	0	0	0	0	**(1,784)**
Charged During the Year	0	2,389	0	0	77	0	502	25	**2,993**
In-year transfers to/from NHS bodies	0	0	0	0	0	0	0	0	**0**
Cumulative dep netted off cost following revaluatic	0	(10,839)	0	0	0	0	0	0	**(10,839)**
At 31 March 2012	**240**	**5,729**	**0**	**0**	**5,806**	**0**	**2,737**	**94**	**14,606**
Net Book Value at 31 March 2012	**12,139**	**44,587**	**0**	**889**	**213**	**0**	**752**	**126**	**58,706**
Purchased	12,139	44,464	0	889	213	0	752	126	**58,583**
Donated	0	123	0	0	0	0	0	0	**123**
Government Granted	0	0	0	0	0	0	0	0	**0**
At 31 March 2012	**12,139**	**44,587**	**0**	**889**	**213**	**0**	**752**	**126**	**58,706**
Asset financing:									
Owned	12,139	32,926	0	889	213	0	752	126	**47,045**
Held on finance lease	0	11,661	0	0	0	0	0	0	**11,661**
On-SOFP PFI contracts	0	0	0	0	0	0	0	0	**0**
PFI residual: interests	0	0	0	0	0	0	0	0	**0**
At 31 March 2012	**12,139**	**44,587**	**0**	**889**	**213**	**0**	**752**	**126**	**58,706**

12.3 Property, plant and equipment

There is one Health Centre classified as held for sale as at 31st March 2013. This is Hillsprings in Rugeley.

The PCT had no new assets donated in the financial year 2012/13 or 2011/12.

The gross carrying amount of the following fully depreciated assets is:

	£'000
Buildings	161
Plant and machinery	25
Furniture and Fittings	1,889
Information technology	

The PCT on the 1st April 2011 transferred £3,333,000 of equipment assets to SSOTPT £1,532,000 and BHFT £1,801,000 under TCS arrangements. These transfers are accounted for within the 2011/12 merger adjustment.

2011/12 VALUATION
The PCT completed a full revaluation of land and buildings under IFRS in October 2011. The exercise was carried out by the Chartered Surveyor (Grimleys). All of the PCT's assets are classed as specialised assets and were therefore assessed using Depreciated Replacement Cost on a Modern Equivalent Asset basis. Land was valued using market value on an existing use basis.

Indexation has not been applied to building or land as professionally provided valuation information indicates there has been no material change in value between date of revaluation and 31 March 2013.

Plant and machinery, IT equipment and furniture and fittings have not been revalued but are held at historic depreciated cost.
The details of asset lives for each class of asset are shown in note 1.7 within the Accounting Policies. Asset lives of buildings were reviewed by the Chartered Surveyor as part of the revaluation in October 2011.

FINANCE LEASE PROPERTIES
The PCT has the following premises held under finance leases;

Branston Health Centre
Sandy Lane Health Centre
Norton Canes Health Centre
Merlin House
Langton Medical Practice
Hednesford Valley Health Centre
Springfield Health & Wellbeing Centre

INDEPENDENT SECTOR TREATMENT CENTRE

No impact for 2012/13. The net book value of the ISTC was fully impaired in 2010/11 for £11.735m.

LEGAL CHARGES
The PCT has a number of legal charges on premises where grants have been awarded to non NHS organisations to enable them to purchase or refurbish these

13.1 Intangible non-current assets

2012-13	Software internally generated £000	Software purchased £000	Licences & trademarks £000	Patents £000	Development expenditure £000	Total £000
At 1 April 2012	**0**	**417**	**0**	**0**	**0**	**417**
Additions - purchased	0	0	0	0	0	**0**
Additions - internally generated	0	0	0	0	0	**0**
Additions - donated	0	0	0	0	0	**0**
Additions - government granted	0	0	0	0	0	**0**
Additions Leased	0	0	0	0	0	**0**
Reclassifications	0	0	0	0	0	**0**
Reclassified as held for sale	0	0	0	0	0	**0**
Disposals other than by sale	0	0	0	0	0	**0**
Revaluation & indexation gains	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	**0**
In-year transfers to/from NHS bodies	0	0	0	0	0	**0**
At 31 March 2013	**0**	**417**	**0**	**0**	**0**	**417**
Amortisation						
At 1 April 2012	**0**	**252**	**0**	**0**	**0**	**252**
Reclassifications	0	0	0	0	0	**0**
Reclassified as held for sale	0	0	0	0	0	**0**
Disposals other than by sale	0	0	0	0	0	**0**
Revaluation or indexation gains	0	0	0	0	0	**0**
Impairments charged to operating expenses	0	0	0	0	0	**0**
Reversal of impairments charged to operating expense:	0	0	0	0	0	**0**
Charged during the year	0	136	0	0	0	**136**
In-year transfers to NHS bodies	0	0	0	0	0	**0**
At 31 March 2013	**0**	**388**	**0**	**0**	**0**	**388**
Net Book Value at 31 March 2013	**0**	**29**	**0**	**0**	**0**	**29**
Net Book Value at 31 March 2013 comprises						
Purchased	0	29	0	0	0	**29**
Donated	0	0	0	0	0	**0**
Government Granted	0	0	0	0	0	**0**
Total at 31 March 2013	**0**	**29**	**0**	**0**	**0**	**29**

Revaluation reserve balance for intangible non-current assets

	Software internally generated £000's	Software purchased £000's	Licences & trademarks £000's	Patents £000's	Development expenditure £000's	Total £000's
At 1 April 2012	**0**	**0**	**0**	**0**	**0**	**0**
Movements	0	0	0	0	0	**0**
At 31 March 2013	**0**	**0**	**0**	**0**	**0**	**0**

13.2 Intangible non-current assets

2011-12	Software internally generated £000	Software purchased £000	Licences & trademarks £000	Patents £000	Development expenditure £000	Total £000
At 1 April 2011	0	442	0	0	0	**442**
Additions - purchased	0	121	0	0	0	**121**
Additions - internally generated	0	0	0	0	0	**0**
Additions - donated	0	0	0	0	0	**0**
Additions - government granted	0	0	0	0	0	**0**
Reclassifications	0	13	0	0	0	**13**
Reclassified as held for sale	0	0	0	0	0	**0**
Disposals other than by sale	0	(159)	0	0	0	**(159)**
Revaluation & indexation gains	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	**0**
In-year transfers to/from NHS bodies	0	0	0	0	0	**0**
Cumulative dep netted off cost following revaluation	0	0	0	0	0	**0**
At 31 March 2012	0	417	0	0	0	417
Amortisation						
At 1 April 2011	**0**	**286**	**0**	**0**	**0**	**286**
Reclassifications	0	0	0	0	0	**0**
Reclassified as held for sale	0	0	0	0	0	**0**
Disposals other than by sale	0	(159)	0	0	0	**(159)**
Revaluation or indexation gains	0	0	0	0	0	**0**
Impairments charged to operating expenses	0	0	0	0	0	**0**
Reversal of impairments charged to operating expenses	0	0	0	0	0	**0**
Charged during the year	0	125	0	0	0	**125**
In-year transfers to NHS bodies	0	0	0	0	0	**0**
Less cumulative dep written down on revaluation	0	0	0	0	0	**0**
At 31 March 2012	**0**	**252**	**0**	**0**	**0**	**252**
Net Book Value at 31 March 2012	**0**	**165**	**0**	**0**	**0**	**165**
Net Book Value at 31 March 2012 comprises						
Purchased	0	165	0	0	0	**165**
Donated	0	0	0	0	0	**0**
Government Granted	0	0	0	0	0	**0**
Total at 31 March 2012	**0**	**165**	**0**	**0**	**0**	**165**

13.3 Intangible non-current assets

Following initial recognition and due to the value of intangible assets held, because there is no active market for Software Licenses, they are carried at historical cost amortised over the estimated life of the asset on a straight line basis. Intangible assets are not subject to revaluation.

The carrying value of intangible assets is reviewed for impairment at the end of the first full year following acquisition and in other periods if events or changes in circumstances indicate the carrying value may not be recoverable.

The gross carrying cost of Information Technology Intangible assets still in use is £177,000 as at 31 March 2013 (£416,000 2011/12)

Economic Lives of Non-Current Assets

	Min Life Years	Max Life Years
Intangible Assets		
Software Licences	4	4
Licences and Trademarks	0	0
Patents	0	0
Development Expenditure	0	0
Property, Plant and Equipment		
Buildings excl. Dwellings	2	54
Dwellings	0	0
Plant & Machinery	5	6
Transport Equipment	0	0
Information Technology	0	5
Furniture and Fittings	1	4

14. Analysis of impairments and reversals recognised in 2012-13

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000
Property, Plant and Equipment impairments and reversals taken to SoCNE			
Loss or damage resulting from normal operations	0	0	0
Over-specification of assets	0	0	0
Abandonment of assets in the course of construction	0	0	0
Total charged to Departmental Expenditure Limit	**0**	**0**	**0**
Unforeseen obsolescence	0	0	0
Loss as a result of catastrophe	0	0	0
Other	0	0	0
Changes in market price	8,095	0	8,095
Total charged to Annually Managed Expenditure	**8,095**	**0**	**8,095**
Property, Plant and Equipment impairments and reversals charged to the revaluation reserve			
Loss or damage resulting from normal operations	0	0	0
Over Specification of Assets	0	0	0
Abandonment of assets in the course of construction	0	0	0
Unforeseen obsolescence	0	0	0
Loss as a result of catastrophe	0	0	0
Other	1,519	0	1,519
Changes in market price	0	0	0
Total impairments for PPE charged to reserves	**1,519**	0	1,519
Total Impairments of Property, Plant and Equipment	**9,614**	**0**	**9,614**
Intangible assets impairments and reversals charged to SoCNE			
Loss or damage resulting from normal operations	0	0	0
Over-specification of assets	0	0	0
Abandonment of assets in the course of construction	0	0	0
Total charged to Departmental Expenditure Limit	**0**	**0**	**0**
Unforeseen obsolescence	0	0	0
Loss as a result of catastrophe	0	0	0
Other	0	0	0
Changes in market price	0	0	0
Total charged to Annually Managed Expenditure	**0**	0	**0**
Intangible Assets impairments and reversals charged to the Revaluation Reserve			
Loss or damage resulting from normal operations	0	0	0
Over-specification of assets	0	0	0
Abandonment of assets in the course of construction	0	0	0
Unforeseen obsolescence	0	0	0
Loss as a result of catastrophe	0	0	0
Other	0	0	0
Changes in market price	0	0	0
Total impairments for Intangible Assets charged to Reserves	**0**	0	0
Total Impairments of Intangibles	**0**	**0**	**0**

The impairment in 2012/13 was the consequence of a full revaluation of two health centres (Greenhill and Rising Brook) which resulted in an impairment of £275k, the re-valuation of the finance leases which resulted in an impairment of £6,234k and the disposal of all but one of the legal charge properties, resulting in an impairment of £1,586k.

14. Analysis of impairments and reversals recognised in 2012-13

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000
Financial Assets charged to SoCNE			
Loss or damage resulting from normal operations	0	0	0
Total charged to Departmental Expenditure Limit	**0**	**0**	**0**
Loss as a result of catastrophe	0	0	0
Other	0	0	0
Total charged to Annually Managed Expenditure	**0**		**0**
Financial Assets impairments and reversals charged to the Revaluation Reserve			
Loss or damage resulting from normal operations	0	0	0
Loss as a result of catastrophe	0	0	0
Other	0	0	0
TOTAL Impairments for Financial Assets charged to reserves	**0**	**0**	**0**
Total Impairments of Financial Assets	**0**	**0**	**0**
Non-current assets held for sale - impairments and reversals charged to SoCNE.			
Loss or damage resulting from normal operations	0	0	0
Abandonment of assets in the course of construction	0	0	0
Total charged to Departmental Expenditure Limit	**0**	**0**	**0**
Unforeseen obsolescence	0	0	0
Loss as a result of catastrophe	0	0	0
Other	0	0	0
Changes in market price	0	0	0
Total charged to Annually Managed Expenditure	**0**	**0**	**0**
Total impairments of non-current assets held for sale	**0**	**0**	**0**
Inventories - impairments and reversals charged to SoCNE			
Loss or Damage Resulting from Normal Operations	0	0	0
Total charged to Departmental Expenditure Limit	**0**	**0**	**0**
Unforeseen Obsolescence	0	0	0
Loss as a Result of a Catastrophe	0	0	0
Other (Free text note required)*	0	0	0
Changes in Market Price	0	0	0
Total charged to Annually Managed Expenditure	**0**	**0**	**0**
Total impairments of Inventories	**0**	**0**	**0**
Investment Property impairments charged to SoCNE			
Loss or Damage Resulting from Normal Operations	0	0	0
Total charged to Departmental Expenditure Limit	**0**	**0**	**0**
Unforeseen Obsolescence	0	0	0
Loss as a Result of a Catastrophe	0	0	0
Other (Free text note required)*	0	0	0
Changes in Market Price	0	0	0
Total charged to Annually Managed Expenditure	**0**	**0**	**0**
Total Investment Property Impairments charged to SoCNE	**0**	**0**	**0**
Investment Property impairments and reversals charged to the Revaluation Reserve			
Loss or Damage Resulting from Normal Operations	0	0	0
Over Specification of Assets	0	0	0
Abandonment of Assets in the Course of Construction	0	0	0
Unforeseen Obsolescence	0	0	0
Loss as a Result of a Catastrophe	0	0	0
Other (Free text note required)*	0	0	0
Changes in Market Price	0	0	0
TOTAL impairments for Investment Property charged to Reserves	0	0	0
Total Investment Property Impairments	**0**	**0**	**0**
Total Impairments charged to Revaluation Reserve	1,519	0	1,519
Total Impairments charged to SoCNE - DEL	0	0	0
Total Impairments charged to SoCNE - AME	8,095	0	8,095
Overall Total Impairments	**9,614**	**0**	**9,614**
Of which:			
Impairment on revaluation to "modern equivalent asset" basis	**0**	0	0
Donated and Gov Granted Assets, included above -			
PPE - Donated and Government Granted Asset Impairments: amount charged to SoCNE - DEL*	0	0	0
Intangibles - Donated and Government Granted Asset Impairments: amount charged to SoCNE -AME*	0	0	0

15 Investment property

The PCT has no investment property (2011/12: nil).

16 Commitments

16.1 Capital commitments

Contracted capital commitments at 31 March not otherwise included in these financial statements:

	31 March 2013	31 March 2012
	£000	£000
Property, plant and equipment	**0**	337
Intangible assets	**0**	0
Total	**0**	337

Due to the demise of the PCT on the 31st March 2013, the PCT was not contractually committed to any capital schemes. All schemes undertaken during the financial year were finished prior to 31st March 2013.

16.2 Other financial commitments

The trust has entered into no non-cancellable contracts (which are not leases or PFI contracts or other service concession arrangements) (2011/12: none).

17 Intra-Government and other balances

	Current receivables £000s	**Non-current receivables £000s**	**Current payables £000s**	**Non-current payables £000s**
Balances with other Central Government Bodies	3,802	0	1,635	0
Balances with Local Authorities	1,441	0	302	0
Balances with NHS bodies outside the Departmental Group	0	0	0	0
Balances with NHS Trusts and Foundation Trusts	6,496	0	22,019	0
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with bodies external to government	1,415	0	44,126	0
At 31 March 2013	**13,154**	**0**	**68,082**	**0**
prior period:				
Balances with other Central Government Bodies	643	0	1,809	0
Balances with Local Authorities	723	0	319	0
Balances with NHS Trusts and Foundation Trusts	6,016	0	18,547	0
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with bodies external to government	3,498	0	44,195	0
At 31 March 2012	**10,880**	**0**	**64,870**	**0**

18 Inventories

	Drugs £000	Consumables £000	Energy £000	Work in progress £000	Loan Equipment £000	Other £000	Total £000
Balance at 1 April 2012	0	0	0	0	0	0	0
Additions	0	0	0	0	0	0	0
Inventories recognised as an expense in the period	0	0	0	0	0	0	0
Write-down of inventories (including losses)	0	0	0	0	0	0	0
Reversal of write-down previously taken to SoCNE	0	0	0	0	0	0	0
Transfers (to)/from other public sector bodies	0	0	0	0	0	0	0
Balance at 31 March 2013	0	0	0	0	0	0	0

19.1 Trade and other receivables

	Current		Non-current	
	31 March 2013 £000	31 March 2012 £000	31 March 2013 £000	31 March 2012 £000
NHS receivables - revenue	10,298	6,659	0	0
NHS receivables - capital	0	0	0	0
NHS prepayments and accrued income	0	0	0	0
Non-NHS receivables - revenue	2,672	2,107	0	0
Non-NHS receivables - capital	0	0	0	0
Non-NHS prepayments and accrued income	1,088	2,063	0	0
Provision for the impairment of receivables	(987)	(120)	0	0
VAT	83	171	0	0
Current/non-current part of PFI and other PPP arrangements prepayments and accrued income	0	0	0	0
Interest receivables	0	0	0	0
Finance lease receivables	0	0	0	0
Operating lease receivables	0	0	0	0
Other receivables	0	0	0	0
Total	13,164	10,880	0	0
Total current and non current	13,164	10,880		
Included above:				
Prepaid pensions contributions	0	0		

The great majority of trade is with other NHS bodies, including other Primary Care Trusts as commissioners for NHS patient care services. As Primary Care Trusts are funded by Government to buy NHS patient care services, no credit scoring of them is considered necessary.

19.2 Receivables past their due date but not impaired

	31 March 2013 £000	31 March 2012 £000
By up to three months	362	466
By three to six months	76	147
By more than six months	200	478
Total	638	1,091

The PCT does not hold collateral against any receivables.

19.3 Provision for impairment of receivables

	2012-13 £000	2011-12 £000
Balance at 1 April 2012	(120)	0
Amount written off during the year	0	0
Amount recovered during the year	0	0
(Increase) in receivables impaired	(867)	(120)
Balance at 31 March 2013	(987)	(120)

20 NHS LIFT investments

The PCT has no LIFT investments.

21.1 Other financial assets - Current

	31 March 2013 £000	31 March 2012 £000
Opening balance 1 April	0	0
Transfers (to)/from Other Public Sector Bodies in year	0	0
Other Movements	0	0
Closing balance 31 March	0	0

21.2 Other Financial Assets - Non Current

	31 March 2013 £000	31 March 2012 £000
Opening balance 1 April	0	0
Additions	0	0
Revaluation	0	0
Impairments	0	0
Impairment Reversals	0	0
Transferred to current financial assets	0	0
Disposals	0	0
Transfers (to)/from Other Public Sector Bodies in year	0	0
Closing balance 31 March	0	0

21.3 Other Financial Assets - Capital Analysis

	31 March 2013 £000	31 March 2012 £000
Capital Expenditure	0	0
Capital Income	0	0

22 Other current assets

	31 March 2013 £000	31 March 2012 £000
EU Emissions Trading Scheme Allowance	0	0
Other Assets	0	0
Total	0	0

23 Cash and Cash Equivalents

	31 March 2013 £000	31 March 2012 £000
Opening balance	1	63
Net change in year	3	(62)
Closing balance	4	1
Made up of		
Cash with Government Banking Service	4	1
Commercial banks	0	0
Cash in hand	0	0
Current investments	0	0
Cash and cash equivalents as in statement of financial position	4	1
Bank overdraft - Government Banking Service	0	0
Bank overdraft - Commercial banks	0	0
Cash and cash equivalents as in statement of cash flows	4	1
Patients' money held by the PCT, not included above	0	0

24 Non-current assets held for sale

	Land	Buildings, excl. dwellings	Dwellings	Asset Under Construction and Payments on Account	Plant and Machinery	Transport and Equipment	Information Technology	Furniture and Fittings	Intangible Assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Balance at 1 April 2012	0	0	0	0	0	0	0	0	0	**0**
Plus assets classified as held for sale in the year	65	22	0	0	0	0	0	0	0	**87**
Less assets sold in the year	0	0	0	0	0	0	0	0	0	**0**
Less impairment of assets held for sale	0	0	0	0	0	0	0	0	0	**0**
Plus reversal of impairment of assets held for sale	0	0	0	0	0	0	0	0	0	**0**
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	0	0	0	0	**0**
Transfers (to)/from other public sector bodies	0	0	0	0	0	0	0	0	0	**0**
Revaluation	0	0	0	0	0	0	0	0	0	**0**
Balance at 31 March 2013	**65**	**22**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**87**
Liabilities associated with assets held for sale at 31 March 2013	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Balance at 1 April 2011	0	0	0	0	0	0	0	0	0	**0**
Plus assets classified as held for sale in the year	0	0	0	0	0	0	0	0	0	**0**
Less assets sold in the year	0	0	0	0	0	0	0	0	0	**0**
Less impairment of assets held for sale	0	0	0	0	0	0	0	0	0	**0**
Plus reversal of impairment of assets held for sale	0	0	0	0	0	0	0	0	0	**0**
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	0	0	0	0	**0**
Balance at 31 March 2012	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Liabilities associated with assets held for sale at 31 March 2012	0	0	0	0	0	0	0	0	0	**0**

Revaluation reserve balances in respect of non-current assets held for sale were:

At 31 March 2012	0
At 31 March 2013	0

The asset held for sale relates to Hill Springs Health Centre in Rugeley. This building has been unoccupied for several years, since a new health centre was built next door. The building is being actively marketed and is anticipated to be sold within the next year.

The net book value is circa £87k and indications show that the sale will net approxiately this amount. Hence no gain or loss on reclassification has been recognised.

25 Trade and other payables

	Current		Non-current	
	31 March 2013	31 March 2012	**31 March 2013**	31 March 2012
	£000	£000	**£000**	£000
Interest payable	**0**	0	**0**	0
NHS payables - revenue	**23,644**	20,356	**0**	0
NHS payables - capital	**10**	0	**0**	0
NHS accruals and deferred income	**0**	0	**0**	0
Family Health Services (FHS) payables	**22,588**	23,472	0	0
Non-NHS payables - revenue	**5,946**	4,982	**0**	0
Non-NHS payables - capital	**142**	863	**0**	0
Non_NHS accruals and deferred income	**15,319**	14,843	**0**	0
Social security costs	**271**	220	**0**	0
VAT	**13**	5	**0**	0
Tax	**148**	129	**0**	0
Payments received on account	**0**	0	**0**	0
Other	1	0	0	0
Total	**68,082**	64,870	**0**	0
Total payables (current and non-current)	**68,082**	**64,870**		

26 Other liabilities

There are no Other Liabilities as per 31 March 2013 (2011/12: nil)

27 Borrowings

	Current		Non-current	
	31 March 2013	31 March 2012	**31 March 2013**	31 March 2012
	£000	£000	**£000**	£000
Bank overdraft - Government Banking Service	**0**	0	**0**	0
Bank overdraft - commercial banks	**0**	0	**0**	0
PFI liabilities:				
Main liability	**0**	0	**0**	0
Lifecycle replacement received in advance	**0**	0	**0**	0
LIFT liabilities:				
Main liability	**0**	0	**0**	0
Lifecycle replacement received in advance	**0**	0	**0**	0
Finance lease liabilities	**1,498**	1,498	**11,514**	12,170
Other (describe)	**0**	0	**0**	0
Total	**1,498**	**1,498**	**11,514**	**12,170**
Total other liabilities (current and non-current)	13,012	13,668		

Borrowings/Loans - Payment of Principal Falling Due in:

	DH	Other	Total
	£000s	£000s	£000s
0 - 1 Years	0	1,498	**1,498**
1 - 2 Years	0	1,497	**1,497**
2 - 5 Years	0	3,370	**3,370**
Over 5 Years	0	6,647	**6,647**
TOTAL	0	13,012	13,012

28 Other financial liabilities

The PCT has no other financial liabilities as of 31 March 2013 (2011/12: nil)

29 Deferred income

	Current		Non-current	
	31 March 2013 £000	31 March 2012 £000	**31 March 2013 £000**	31 March 2012 £000
Opening balance at1 April 2012	**0**	145	**0**	0
Deferred income addition	**0**	0	**0**	0
Transfer of deferred income	**0**	(145)	**0**	0
Current deferred Income at 31 March 2013	**0**	0	**0**	0
Total other liabilities (current and non-current)	**0**	0		

30 Finance lease obligations

Branston Health Centre - Lease commenced in 2006 for the duration of 20 years.

Sandy Lane Health Centre - Lease commenced in 2007 for the duration of 20 years.

Merlin House - Lease commenced in 2004 for the duration of 10 years.

Norton Canes Health Centre - Lease commenced in 2007 for the duration of 20 years.

Langton Medical Practice - Lease Commenced in 2006 for the duration of 25 years.

Hednesford Valley Health Centre - Lease commenced in 2005 for the duration of 25 years.

Springfield Health and Wellbeing Centre - Lease commenced in 2008 for the duration of 20 years.

All of the above finance leases were transferred to NHS Property Services as of the 1st April 2013. Merlin House is the only building that is restricted to office related activities. The other specialised buildings are restricted to the delivery of healthcare services.

There are no contingent rents to be recognised as an expense with also no purchase options or break options included in any of the lease agreements.

In April 2012 the finance leased properties underwent a full revaluation in line with IFRS. All buildings and Land were revalued by the Chartered Surveyor, Grimleys.

From 1 April 2013, the finance leases have been transferred to the successor bodies stated in Note 41.

Amounts payable under finance leases (Buildings)	**Minimum lease payments**		**Present value of minimum lease payments**	
	31 March 2013 £000	31 March 2012 £000	**31 March 2013 £000**	31 March 2012 £000
Within one year	**1,562**	1,562	**1,498**	1,498
Between one and five years	**5,621**	5,979	**4,867**	5,031
After five years	**13,957**	16,723	**6,647**	7,139
Less future finance charges	**(8,128)**	(10,596)		
Present value of minimum lease payments	**13,012**	13,668	**13,012**	13,668
Included in:				
Current borrowings			**1,498**	1,498
Non-current borrowings			**11,514**	12,170
			13,012	13,668

Amounts payable under finance leases (Other)	**Minimum lease payments**		**Present value of minimum lease**	
	31 March 2013 £000	31 March 2012 £000	**31 March 2013 £000**	31 March 2012 £000
Within one year	**0**	0	**0**	0
Between one and five years	**0**	0	**0**	0
After five years	**0**	0	**0**	0
Less future finance charges	**0**	0		
Present value of minimum lease payments	**0**	0	**0**	0
Included in:				
Current borrowings			**0**	0
Non-current borrowings			**0**	0
			0	0

Finance leases as lessee	**31 March 2013 £000**	31 March 2012 £000
Future Sublease Payments Expected to be received	**0**	0
Contingent Rents Recognised as an Expense	**0**	0

31 Finance lease receivables as lessor

The PCT does not have any finance leases where it acts as a lessor.

32 Provisions

Comprising:

	Total £000s	Pensions to Former Directors £000s	Pensions Relating to Other Staff £000s	Legal Claims £000s	Restructuring £000s	Continuing Care £000s	Equal Pay £000s	Agenda for Change £000s	Other £000s	Redundancy £000s
Balance at 1 April 2012	**4,022**	0	1,947	735	123	1,217	0	0	0	0
Arising During the Year	**9,199**	0	87	190	0	8,922	0	0	0	0
Utilised During the Year	**(1,900)**	0	(242)	(619)	0	(1,039)	0	0	0	0
Reversed Unused	**0**	0	0	0	0	0	0	0	0	0
Unwinding of Discount	**0**	0	0	0	0	0	0	0	0	0
Change in Discount Rate	**35**	0	35	0	0	0	0	0	0	0
Transferred (to)/from other Public Sector bodies	**0**	0	0	0	0	0	0	0	0	0
Balance at 31 March 2013	**11,356**	**0**	**1,827**	**306**	**123**	**9,100**	**0**	**0**	**0**	**0**
Expected Timing of Cash Flows:										
No Later than One Year	**2,788**	**0**	**232**	**306**	**8**	**2,242**	**0**	**0**	**0**	**0**
Later than One Year and not later than Five Years	**852**	**0**	**820**	**0**	**32**	**0**	**0**	**0**	**0**	**0**
Later than Five Years	**7,716**	**0**	**775**	**0**	**83**	**6,858**	**0**	**0**	**0**	**0**

Amount Included in the Provisions of the NHS Litigation Authority in Respect of Clinical Negligence Liabilities:	
As at 31 March 2013	0
As at 31 March 2012	0

Pension Provision

This provision covers both early retirement (other than those due to ill health) and injury benefits (payable to former employees forced to retire due to injury suffered in the workplace) and is in respect of future payments, payable to the NHS Pensions Agency. The calculation is based on the outstanding gross pension for each individual less the estimated number of living years remaining (life expectancy factor based on current age).

Continuing Healthcare Provision

The Continuing Healthcare provision relates to 412 claims for retrospective continuing healthcare funding. These claims were received prior to the 31 March 2013 submission deadline imposed by the Department of Health. The carrying value of the provision for these claims is subject to the following underlying assumptions and estimates:

- Average claim length
- Weekly cost of providing care
- Probability of success

Assumptions are based upon a combination of historical claim performance and management estimates.

33 Contingencies

	31 March 2013 £000	31 March 2012 £000
Contingent liabilities		
Equal Pay	**0**	0
Other	**0**	0
Amounts Recoverable Against Contingent Liabilities	**0**	0
Net Value of Contingent Liabilities	**0**	0
Contingent Assets		
Contingent Assets	**0**	0
Net Value of Contingent Assets	**0**	0

During 2012/13 the Department of Health gave notification to introduce a deadline for any new NHS Continuing Healthcare funded cases, which required assessment of eligibility prior to 31 March 2013.

The PCT received a significant number of these claims and has provided a provision in the accounts. This has been a difficult provision to estimate, as the PCT was in the early stages of the process; any additional costs will create a financial pressure and will be a contingent liability for the CCGs moving forward.

34 PFI and LIFT - additional information

The PCT does not have any PFI or LIFT schemes

35 Impact of IFRS treatment - 2012-13

	Total £000	Admin £000	Programme £000
Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g LIFT/PFI)			
Depreciation charges	0	0	0
Interest Expense	0	0	0
Impairment charge - AME	0	0	0
Impairment charge - DEL	0	0	0
Other Expenditure	0	0	0
Revenue Receivable from subleasing	0	0	0
Total IFRS Expenditure (IFRIC12)	**0**	**0**	**0**
Revenue consequences of LIFT/PFI schemes under UK GAAP / ESA95 (net of any sublease income)	0	0	0
Net IFRS change (IFRIC12)	**0**	**0**	**0**
Capital Consequences of IFRS : LIFT/PFI and other items under IFRIC12			
Capital expenditure 2012-13	0		
UK GAAP capital expenditure 2012-13 (Reversionary Interest)	0		

There has been no impact of IFRS treatment in 2012-13

36 Financial Instruments

Financial risk management
Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. As the cash requirements of the PCT are met through Parliamentary Funding, financial instruments play a more limited role in creating risk that would apply to a non-public sector body of a similar size. The majority of financial Instruments relate to contracts for non-financial items in line with the PCT's expected purchase and usage requirements and the PCT is therefore exposed to little credit, liquidity or market list.

Currency risk

The PCT is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and Sterling based. The PCT has no overseas operations. The PCT therefore has low exposure to currency rate fluctuations.

Interest rate risk
PCTs are not permitted to borrow. The PCT therefore has low exposure to interest-rate fluctuations

Credit Risk

Because the majority of the PCT's income comes from funds voted by Parliament the PCT has low exposure to credit risk.

Liquidity Risk
The PCT is required to operate within limits set by the Secretary of State for the financial year and draws down funds from the Department of Health as the requirement arises. The PCT is not, therefore, exposed to significant liquidity risks.

36.1 Financial Assets	At 'fair value through profit and loss' £000	Loans and receivables £000	Available for sale £000	Total £000
Embedded derivatives	0	0	0	**0**
Receivables - NHS	0	10,298	0	**10,298**
Receivables - non-NHS	0	2,672	0	**2,672**
Cash at bank and in hand	0	4	0	**4**
Other financial assets	0	0	0	**0**
Total at 31 March 2013	**0**	**12,974**	**0**	**12,974**
Embedded derivatives	0	0	0	0
Receivables - NHS	0	6,659	0	6,659
Receivables - non-NHS	0	2,107	0	2,107
Cash at bank and in hand	0	1	0	1
Other financial assets	0	0	0	0
Total at 31 March 2012	0	8,767	0	8,767

36.2 Financial Liabilities	At 'fair value through profit and loss' £000	Other £000	Total £000
Embedded derivatives	0	0	**0**
NHS payables	0	23,699	**23,699**
Non-NHS payables	0	43,951	**43,951**
Other borrowings	0	0	**0**
PFI & finance lease obligations	0	13,012	**13,012**
Other financial liabilities	0	100	**100**
Total at 31 March 2013	**0**	**80,762**	**80,762**
Embedded derivatives	0	0	0
NHS payables	0	20,360	20,360
Non-NHS payables	0	44,157	44,157
Other borrowings	0	0	0
PFI & finance lease obligations	0	13,668	13,668
Other financial liabilities	0	735	735
Total at 31 March 2012	**0**	78,920	78,920

The maturity profile of financial lease liabilities is contained within Note 25, all other financial liabilities are payable within one year.

The carrying value of financial assets and liabilities is equivalent to the fair value.

37 Related party transactions

During the year the Board Members or members of the key management staff or parties related to them as listed below, have undertaken material transactions with the PCT.

	Payments to related party	Receipts from related party	Amounts owed to related party	Amounts due from related party
	£000	£000	£000	£000
Staffordshire University (Dr Zafar Iqbal, Acting Director of Public Health - Stoke-on-Trent)	26	0	0	0
Keele University (Dr Zafar Iqbal, Acting Director of Public Health - Stoke-on-Trent)	32	0	0	0
Staffordshire and Stoke-on-Trent Partnership Trust (Andrew Donald, Director of Commissioning Development)	76,253	5,870	0	1,919
Staffordshire County Council (Dr Aliko Ahmed, Director of Public Health / Tony Mathews, Director of Finance - spouse employed)	27,643	1,676	2	1,486
Colliery Practice (Dr John McMahon, Chair, Cannock Chase CCG - from February 2012)	2,694	1	2	0
Gravel Hill Surgery (Dr Tim Dukes, Chair, Seisdon CCG)	1,115	0	0	0
The Hollies Medical Practice (Dr Adrian Parkes, Chair, South East Staffordshire CCG)	2,385	0	0	0
Weeping Cross Medical Centre (Steve Powell, Chair, Stafford and Surrounds CCG)	2,404	0	1	0
Bridge Surgery (Dr Charles Pidsley, Chair, East Staffs CCG)	1,278	0	0	0
Macmillan Cancer Support (Jan Warren, Director of Nursing)	0	0	0	32
Westgate Practice (Dr John James, Chair, SE Staffs CCG)	2,569	0	0	0

The Department of Health is regarded as a related party. During the year the PCT had a significant number of material transactions with the Department and with other entities for which the Department is regarded as the parent Department. These include :

	Payments to other NHS Bodies	Payments from other NHS Bodies	Amounts owed to other NHS Bodies	Amounts due from other NHS Bodies
	£000	£000	£000	£000
Birmingham Childrens Hospital NHS Trust	3,761	0	305	0
Birmingham East and North Primary Care Trust	74,300	0	0	493
Burton Hospitals NHS Foundation Trust	115,012	1,879	4,941	1,871
Derby Hospitals NHS Foundation Trust	17,897	0	120	0
Heart of England NHS Foundation Trust	39,689	0	534	0
Mid Staffordshire General Hospital NHS Foundation Trust	137,021	0	1,542	0
North Staffordshire Combined Healthcare NHS Trust	1,801	2	0	23
Staffordshire and Stoke on Trent Partnership Trust	73,596	3,475	991	1,979
South Staffordshire and Shropshire Health Care NHS Foundation Trust	59,549		2,000	224
Stoke Primary Care Trust	2,802	3,785	1,077	1,485
The Dudley Group of Hospitals NHS Foundation Trust	10,022	0	183	0
The Royal Wolverhampton Hospital NHS Trust	38,362	0	2,578	0
University Hospital Birmingham NHS Foundation Trust	9,077	0	75	0
University Hospital of North Staffordshire NHS Trust	23,177	0	3,379	6
Walsall Healthcare NHS Trust	14,470	0	1,769	0
West Midlands Ambulance Service NHS Trust	19,087	0	134	0

In addition the PCT had a significant number of material transactions with other Government Departments and other central and local government bodies. Most of these transactions have been with;

Audit Commission
Birmingham City Council
Borough of Telford and Wrekin
Cambridgeshire County Council
Cannock Chase District Council
CSA Lichfield District Council
Derbyshire Dales District Council
East Staffordshire Borough Council
Finance Reporting Council
HMRC
Lichfield District Council.
Rugeley Town Council
Sandwell Metropolitan Borough Council
Shropshire County Council
Solihull Metropolitan Borough Council
South Staffordshire District Council
Stafford Borough Council
Staffordshire County Council
Stoke on Trent City Council
Tamworth Borough Council
Tamworth Council for Voluntary Services
Valuation Office Agency
Walsall Metropolitan Borough Council
Wiltshire Council
Wirrall Metropolitan Borough Council
Wolverhampton City Council
Wombourne Borough Council

Full details for related party transactions can be found on Page 40 of the published annual accounts.

38 Losses and special payments

The total number of losses cases in 2012-13 and their total value was as follows:

	Total Value of Cases £s	Total Number of Cases
Losses - PCT management costs	0	0
Special payments - PCT management costs	0	0
Losses in respect of the provision of family practitioner services	2,656	1
Special payments in respect of the provision of family practitioner services	0	0
Total losses	2,656	1
Total special payments	0	0
Total losses and special payments	2,656	1

The total number of losses cases in 2011-12 and their total value was as follows:

	Total Value of Cases £s	Total Number of Cases
Losses - PCT management costs	10,507	111
Special payments - PCT management costs	0	0
Losses in respect of the provision of family practitioner services	0	0
Special payments in respect of he provision of family practitioner services	24,256	3
Total losses	10,507	111
Total special payments	24,256	3
Total losses and special payments	34,763	114

There are no cases individually over £250,000 in 2012/13 or 2011/12.

39 Third party assets

The PCT held no third party assets at the 31st March 2013.

40 Cash flows relating to exceptional items

The PCT has no exceptional cash flow items in 2012/13 (£0 2011/12).

41 Events after the end of the reporting period

The main functions carried out by South Staffordshire PCT in 2012-13 are to be carried out in 2013-14 by the following public sector bodies:

	2012-13 Baseline Estimate £'000	2013-14 Revenue Allocation £'000
- Cannock Chase CCG	145,826	149,180
- South East Staffordshire & Seisdon Peninsular CCG	214,687	219,625
- East Staffordshire CCG	131,955	134,990
- Stafford and Surrounds CCG	150,804	154,272
- NHS Commissioning Board, containing the Commissioning Support Unit and Local Area Team	277,307	278,571
- Staffordshire County Council	22,658	23,247
- Public Health England	1,933	1,983
	945,170	961,868

There is currently work being undertaken to establish the detail of assets and liabilities being transferred to the above successor bodies.

Certain assets and liabilities have been transferred to NHS Property Services and others to NHS Trust bodies on 1st April 2013 at the 31st March 2013 SoFP values. It is for the successor body to consider whether, in 2013-14, it is necessary to subject these assets (and liabilities) to any revaluation.