Department of Health

NHS

North Lincolnshire Primary Care Trust

2012-13 Annual Report and Accounts

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North Lincolnshire Primary Care Trust

2012-13 Annual Report

Department of Health

Annual Report 2012/2013 for North Lincolnshire Primary Care Trust

Contents

Welcome to the Annual Report of North Lincolnshire Primary Care Trust for 2012/2013.

Whilst North Lincolnshire Primary Care Trust remained a statutory body, in order to implement the Government's health and service reforms, the four Primary Care Trusts/Care Trust Plus Boards across the Humber region worked under the direction of a joint board arrangement with a single executive team.

The Annual Reports for North East Lincolnshire Care Trust Plus (CTP) as well as Hull and NHS East Riding Primary Care Trusts (PCTs) are available separately.

North Lincolnshire Primary Care Trust is hereafter referred to as 'North Lincolnshire PCT' or 'The PCT'.

Welcome from the Chair and Chief Executive

This year has been one of fast paced and significant change as we have worked towards and completed the handover of full commissioning powers to Clinical Commissioning Groups (CCGs) from April 2013.

The healthcare of around 900,000 people living in Hull, East Riding of Yorkshire, North Lincolnshire and North East Lincolnshire remained the responsibility of the three PCTs and the CTP up until April 2013. The NHS Humber Cluster Board had an overview of the entire area, providing continuity in monitoring performance of local providers and ensuring all four organisations ended the year in financial balance.

In our roles as Chairman and Chief Executive we have been greatly supported by the chairs of the previous PCT and CTP boards including Karen Knapton, Helen Varey and Val Waterhouse. Together with the other non-executive board members their longstanding knowledge and expertise in local health care has been invaluable throughout 2012/2013.

In October 2011 the four CCG committees took the lead for planning and commissioning of £1.1bn health care services for Hull, the East Riding of Yorkshire, North Lincolnshire and North East Lincolnshire. Since then the local CCG committees have been actively listening and engaging with the public and partners to ensure that their residents have access to the best possible services, delivered in the most appropriate setting.

The continued dedication of our workforce has ensured that quality is maintained, necessary savings have been made and important milestones in the transition towards the new system have been met. We would like to thank all staff for these achievements.

As a Cluster we are fortunate to have very good joint working arrangements with our partners in local authorities, the voluntary sector and clinicians and it has been essential that these continued in order for us to deliver the health service reform plans.

Our local CCGs were fully authorised in February 2013 and became fully operational as independent bodies from 1 April 2013.

Christopher Long
NHS Humber Cluster Chief Executive

Kath Lavery
NHS Humber Cluster Joint Board Chairman

Introduction from the Clinical Commissioning Group Chair

The past 18 months has seen huge changes in the NHS landscape and its now really possible to see not only what the new NHS will look like but how it will directly benefit the people of North Lincolnshire.

It's certainly fair to say my GP colleagues in North Lincolnshire have embraced the changes and welcomed the opportunity to take a central position in the commissioning of health services for the residents of this area.

The Clinical Commissioning Group Committee was elected between September 2011 and May 2012 and consists of six GPs with a representative from each of the five localities in North Lincolnshire (Barton & Winterton, Brigg, Isle of Axholme, Scunthorpe North and Scunthorpe South). We have also now formed our Council of Members which will be made up of representatives from the 21 member practices. Its role is to ensure the CCGC board continues to achieve its objectives and represent the voice of local doctors.

Our target is to ensure that both our collective knowledge as GPs and that of our health and social care colleagues is always considered when putting health services in place.

It is vital the needs of our patients are kept firmly in the spotlight when designing and implementing health services. Our aim is to ensure the health services in North Lincolnshire:

- Provide high quality care close to people's homes
- Remove inefficiencies across the whole local health system
- Integrated Health and Social Care services where suitable
- Live within and make best use of our limited financial resources.

We need to ensure that we are not only increasing people's length and quality of life but educating people to take care of themselves and their families while always listening to our local populations needs. Finally I'd like to thank all the local NHS staff who have worked tirelessly over the past 18 months under an uncertain future to help implement these changes. Without their hard work and enthusiasm we couldn't have achieved what we have so far.

Dr Margaret Sanderson
North Lincolnshire Clinical Commissioning Group Chair

Preparing for an Emergency

We work with other agencies to develop robust emergency plans and participate in various multi-agency emergency planning forums across the Humber area.

Typically, an emergency might be an explosion, a major crash or flooding, but we are also required to plan and prepare for slow-building problems such as pandemics and outbreaks of disease.

We have a major incident plan in place which is compliant with the requirements of the NHS Emergency Planning Guidance 2005 and all associated guidance. We meet the requirements laid out in the Civil Contingencies Act (2004) and are up-to-date with all necessary training.

In the event of a major incident, Hull PCT takes on the strategic role for the NHS in the Humber region (Hull, East Riding of Yorkshire, North and North East Lincolnshire) once the initial emergency or 'blue light' phase has passed. Throughout the transition period, the NHS and other statutory organisations have worked together to ensure the ability to respond to a major incident has remained robust.

Key developments this year include:

- Ensuring robust arrangements are in place during the NHS organisational changes. This is in light of the requirement for all PCTs to become commissioning-only organisations and secure alternative providers of community primary care services;
- Undertaking exercises alongside the Port Health Authority and Health Protection Agency to test the response to a virus outbreak;
- Incorporating the use of social media within the Humber Local Resilience Forum communications protocol.

The local risk register currently identifies flooding, a pandemic and industrial fire/explosions as the top risks in our area.

Compliance with Pension Scheme Regulations

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 the deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

Sustainability

As a commissioner of healthcare services and as an employer, we recognise the need to minimise our impact on the environment.

Our Sustainable Development Strategy and Management Plan, aligned to the NHS Carbon Reduction Strategy, demonstrates our commitment to continual improvement, prevention of pollution and compliance with legal requirements. It provides a framework for setting and reviewing sustainability objectives and targets, enabling us to focus on long-term improvements including:

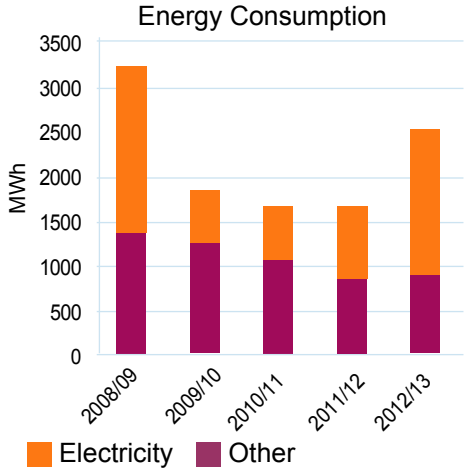
- Better health and reduced inequalities.
- Improved service provision.
- Reduced environmental impact.
- Improved status as a community role model and supporter of the local economy.
- Better value for money.

Over the next 10 years we expect to save£100,000 as a result of these measures. We have a statutory duty to assess the risks posed by climate change and sustainability issues are included in our analysis of risks facing the organisation. Risk assessment, including the quantification and prioritisation of risk, is an important part of managing complex organisations.

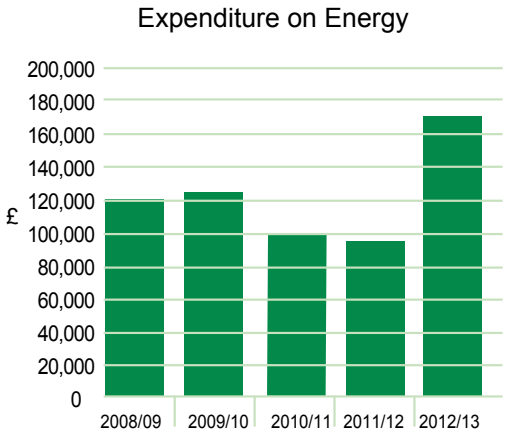
Energy Consumption

The NHS aims to reduce its carbon footprint by 10% between 2009 and 2015. To contribute to this goal, we have continually encouraged a reduction in energy consumption, for example, switching off computers, installing sensor lighting, etc. This year we have installed more efficient boilers and new sustainable lighting.

Our energy costs have increased by 80% in 2012/13, the equivalent of 14 hip operations. Our total energy consumption has risen during the year from 1674 to 2398 MWh. During 2011/12, a large new building was opened and the full year effect of this has been felt in 2012/13. Our relative energy consumption has changed during the year from 0.30 to 0.32 MWh/square metre, which may be due to the colder weather.



We currently do not purchase electricity generated from renewable sources.



We have not yet quantified our plans to reduce carbon emissions and improve our environmental sustainability.

Travel and Transport

We continue to develop a Travel Plan which will encourage the use of 'greener' modes of transport amongst both staff and visitors. This will complement individual travel plans developed for all of our new premises. We encourage our staff to use public transport or car share and continue to promote the 'cycle to work' scheme. We have introduced a monitoring system to understand the impact on carbon emissions from transport utilised by staff. The use of a telephone conferencing facility has been encouraged as a way of reducing the need for individuals to travel to meetings.

During 2012/2013 our total expenditure on business travel was £83,242. We have put plans in place to reduce carbon emissions and improve our environmental sustainability. Over the next 10 years we expect to save £100,000 as a result of these measures.

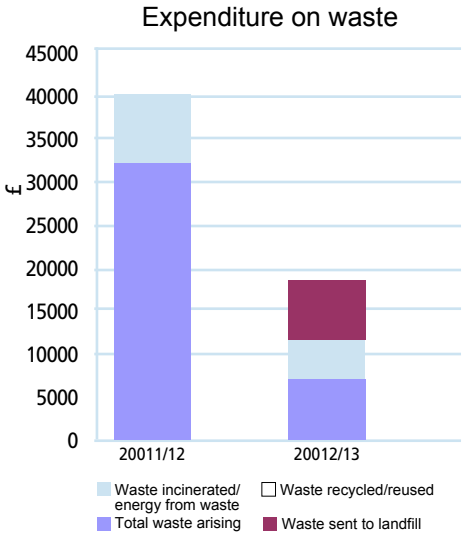
Procurement

We have worked with our procurement partner to increase the number of sustainable supply sources available. We aim to source and buy goods which are local thereby cutting down on the travel distance. We encourage greater use of products manufactured from recycled materials to increase our energy efficiency.

Recycling and Waste Management

Percentage of Waste Recycled

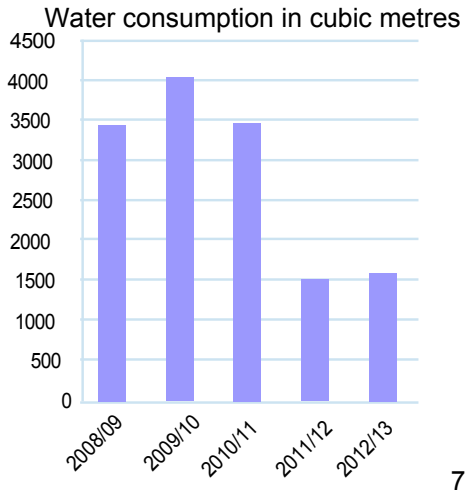
Our expenditure on waste in the last two years was incurred as follows:



We have always encouraged staff to take more responsibility for their own waste management and in doing so we have increased the amount of recycling facilities across our site. Staff are also being encouraged to set printers and photocopiers to automatically print double-sided. We have reduced waste and the amount of waste recycled across our site. We recover or recycle nearly 17 tonnes of waste.

Water Usage

We monitor water usage across our site and can identify how much is used and where, and encourage staff to conserve this precious resource. We have activities in place to reduce water consumption and, in 2012/2013, water consumption increased by 150 cubic meters. In 2012/2013 we spent £9,436 on water.



Sustainable Development

Having an up to date Sustainable Development Management plan is a good way to ensure that an NHS organisation fulfils its commitment to conducting all aspects of its activities with due consideration to sustainability, whilst providing high quality patient care. The NHS Carbon Reduction Strategy asks for the boards of all NHS organisations to approve such a plan.

Our organisation has an up to date Sustainable Development Management Plan and we consider both the potential need to adapt the organisation's activities and buildings and estates as a result of climate change. Adaptation to climate change will pose a challenge to both service delivery and infrastructure in the future. It is therefore appropriate that we consider it when planning how we will best serve patients in the future. NHS organisations have a statutory duty to assess the risks posed by climate change. Risk assessment, including the quantification and prioritisation of risk, is an important part of managing complex organisations and sustainability issues are included in our analysis of risks facing our organisation.

In addition to our focus on carbon, we are also committed to reducing wider environmental and social impacts associated with the procurement of goods and services. This is set out within our policies on sustainable procurement and we plan to start work on calculating the carbon emissions associated with the goods and services we procure, via our successor body the NHS North Lincolnshire Clinical Commissioning Group (North Lincolnshire CCG).

A sustainable NHS can only be delivered through the efforts of all staff and staff awareness campaigns have been shown to deliver cost savings and associated reductions in carbon emissions. Our most recent staff energy awareness campaign was in 2012, and whilst sustainability issues, such as carbon reduction, are not currently included in the job descriptions of all staff, we have identified a 'green champion' to ensure that the organisation continues to develop a culture of sustainability. The culture of sustainability will focus on the delivery of greater energy efficiency in the future and the production of an embedded ethos of "striving towards" a reduced carbon footprint overall for the successor healthcare commissioning body, North Lincolnshire CCG.

The NHS places a substantial burden on the transport infrastructure, whether through patient, clinician or other business activity. This generates an impact on air quality and greenhouse gas emissions. It is therefore important that we consider what steps are appropriate to reduce or change travel patterns. We will work towards developing a Sustainable Transport Plan for the successor healthcare commissioning organisation, North Lincolnshire CCG, in the near future.

A Review of Our Performance

We monitor the performance of our service providers on a regular basis to ensure the services we commission are of a high quality, meet local needs and offer value for money. Services can be monitored in a number of ways including patient satisfaction levels, response times, and the numbers of people using a particular service.

Much of the information we gather is reported publicly through Board Meetings and some goes on to inform external assessments of our performance, such as those undertaken by the Care Quality Commission.

The information below gives a snapshot of our performance and that of our local providers over the past year.

Life Expectancy

LIFE EXPECTANCY WOMEN	
North Lincolnshire *(Provisional)*	England average 2009/11
82.9	82.3 years

LIFE EXPECTANCY MEN	
North Lincolnshire *(Provisional)*	England average 2009/11
78.6	78.2 years

Mixed Sex Accommodation

The 2012/13 NHS Operating Framework stated that all providers of NHS funded care are expected to eliminate mixed-sex accommodation, except where it is in the best interests of the patient. Local breaches of this requirement by NHS providers in the last year are outlined below (Position as at March 2013).

Target number of breaches for 2012/13 (maximum)	Actual number of breaches for 2012/13
0	0

Hospital acquired infections

(Position as at March 2013)

MRSA	
Target number of cases for 2012/13 (maximum)	Actual number of cases 2012/13
4	6

CLOSTRIDIUM DIFFICILE	
Target number of cases for 2012/13 (maximum)	Actual number of cases 2012/13
23	29

Stop Smoking Quit Rates

Numbers of North Lincolnshire residents who have successfully stopped smoking at the 4-week follow-up stage using local NHS services are outlined below (Position at March 2013).

Target number of quitters 2012/13	Actual number of quitters 2012/13	Difference (+/-)
1250	638	612

Seasonal Flu Vaccination Uptake Rate

Seasonal flu vaccinations are offered to those who are most at risk of becoming seriously ill if they catch the virus, including the over 65s and those with ongoing health problems such as asthma, diabetes and heart failure. Carers are also eligible for the vaccination, as are pregnant women for the second year running.

Seasonal Flu Vaccination Uptake Rates 2012/13			
Eligible group	Number of people eligible	Number of people who had the vaccination	Uptake rate
65 and overs	31,727	22,684	71.5%
Under 65s in clinical risk groups	16,155	8313	51.5%
Pregnant women in clinical risk groups	196	103	52.6%
Pregnant women not in clinical risk groups	2429	817	33.6%
Carers	1080	513	47.5%

Source: INPHORM, 2013

Hospital Treatment Within 18 Weeks

Percentage of patients beginning hospital treatment within 18 week of referral by their GP (Target = 90% for inpatients and 95% for outpatients) (Position at March 2013).

INPATIENTS	
Target to be treated within 18 weeks of referral	Actual percentage of patients treated within 18 weeks of referral
90%	96%

OUTPATIENTS	
Target to be treated within 18 weeks of referral	Actual percentage of patients treated within 18 weeks of referral
95%	98%

Information Governance

Information governance is the way by which the NHS handles all organisational information - in particular the personal and sensitive information of patients and employees.

During 2012/2013 there were 0 reported serious incidents in relation to information governance (including data loss or confidentiality).

As a Cluster we have reported a compliance score of 62% against the requirements of the Information Governance Toolkit.

Principles for Remedy

NHS North Lincolnshire works in accordance with the Parliamentary and Health Service Ombudsman's Principles for Remedy, which details how public bodies should put things right when they go wrong. The guidance has been developed to ensure public bodies seek to resolve situations in which groups or individuals have suffered harm or injustice, and is based upon six core principles including openness and accountability, being customer focused and continually seeking improvement. The principles underpin much of our day-to-day work including complaints handling and how we learn from our mistakes.

Access to Information

The table below illustrates the number of Freedom of Information requests processed in 2012/2013 and how many were responded to within the 20 day deadline.

	2012/2013
Number of requests	224
Percentage of requests responded to within the 20 day deadline	100%

Humber Cluster Board

Humber Cluster Board Role	Name	Start/ End dates (where applicable)
Chairman	Karen Knapton**	Until 31 August 2012
Chairman (previously Non-Executive Director)	Kath Lavery**	From 1 September 2012
Chief Executive	Christopher Long	
Director of Finance and Performance	Alan Barton	
Director of Quality and Governance (Nursing)	Kathryn Ireland	
Director of Commissioning Development	Julie Warren	From 30 January 2012
Medical Director	Paul Twomey	
Director of HR	Tina Smallwood	
Non-Executive Director	Catherine Dymond* (3)	Until 31 October 2012
Non-Executive Director	Graham Powell* (1)	
Non-Executive Director	Richard Davies*	
Non-Executive Director	Helen Varey**	
Non-Executive Director	Ursula Vickerton* (2)	December 2012
Non-Executive Director	Val Waterhouse** (4)	
Non-Executive Director	Louise Norton**/* (3)	From 1 September 2012
Non-Executive Director	Mark Webb	Until 28 July 2012
Associate Non-Executive Director Local Authority Nominated Director	Pauline Harness*	
Director of Public Health (East Riding)	Tim Allison	
Director of Public Health (Hull)	Wendy Richardson	
Director of Public Health (North Lincolnshire)	Frances Cunning	
Director of Public Health (North East Lincolnshire)	Geoff Barnes	To 31 October 2012
Director of Public Health (North East Lincolnshire)	Cate Carmichael	From 1 November 2012

* Audit Committee Members (1) Chairman from 12 December 2012 to 31 March 2013 (2) Chairman up to 30 November 2012 (3) Part year members (Catherine Dymond - 1 April to 30 September 2012, Louise Norton - 1 November 2012 to 31 March 2013)

** Remuneration Committee Members (4) Chairman

Note: All staff unless otherwise stated were in post to 31 March 2013

Declarations of Interest: Board Members

Humber Cluster Board

Karen Knapton
Chair (to 31 August 2012)
Ms Knapton is a member of the PCT Network Board, part of NHS Confederation

Kath Lavery
Chair (Vice Chair 1 April to 31 August 2012) Ms Lavery is in receipt of a UNISON pension Ms Lavery's Daughter In Law is employed by Hull & East Yorkshire Hospitals NHS Trust Ms Lavery is Chair of the Warren

Christopher Long
Chief Executive
Mr Long is a trustee of CatZero

Alan Barton
Director of Finance and Performance (half-time from 5 December 2011, NHS Hull Chief Operating Officer for remainder)
Mr Barton is Director of Hull CityCare - NHS Hull nominated Director
Mr Barton' wife was Administrative Support for MIND Chief Executive to 30th June 2011

Kathryn Ireland
Director of Quality and Governance (Nursing)
No declared interest

Julie Warren
Director of Commissioning Development
No declared interest

Dr Paul Twomey
Medical Director
Dr Twomey is a Principal GP, Scartho Medical Centre Apr 12 to Mar 13 PMS

Tina Smallwood
Director of Human Resources
No declared interest

Helen Varey
Vice Chair
No declared interest

Val Waterhouse
Vice Chair North East Lincolnshire
Ms Waterhouse is the Chair of Care Plus Group (North East Lincolnshire) Ltd

Richard Davies
Non-Executive Director
Mr Davies is a Non-Executive Director of Preston Road Enterprises Ltd

Mark Webb
Non-Executive Director
No declared interest

Louise Norton
Non-Executive Director
Ms Norton is a Governor of Humber NHS Foundation Trust from July 2011

Catherine Dymond
Non-Executive Director (1 April to 31 October 2012)
No declared interest

Ursula Vickerton
Non-Executive Director (1 April to 30 November 2012) North Lincolnshire
Ms Vickerton is a volunteer Trust Associate Manager of Rotherham Doncaster And South Humber Mental Health NHS Foundation Trust

Graham Powell
Non-Executive Director (12 December 2012 onwards, NHS Hull only 1 April to 11 December 2012)
Mr Powell's son is employed by Humber NHS Foundation Trust
Mr Powell's daughter-in-law by Hull & East Yorkshire Hospitals NHS Trust

Pauline Harness *Non-Executive Director* No declared interest

Dr Tim Allison
Director of Public Health - East Riding (shared post with Local Authority)
Dr Allison is an Honorary Clinical Senior Lecturer at Hull York Medical School

Dr Wendy Richardson
Director of Public Health - Hull (shared post with Local Authority)
No declared interest

Ms Frances Cunning
Director of Public Health - North Lincolnshire
(shared post with Local Authority)
- Married to Assistant Director at NHS Sheffield

Dr Geoff Barnes
Director of Public Health -North East Lincolnshire (shared post with Local Authority 1 April to 31 October 2012)
No declared interest

Dr Cate Carmichael
Director of Public Health - North East Lincolnshire (shared post with Local Authority 1 November 2012 to 31 March 2013
No declared interest

NHS North Lincolnshire Clinical Commissioning Group Committee

NHS North Lincolnshire Clinical Commissioning Group Committee Roles 2012-13

During 2012/13 the following staff transitioned from their former "PCT" role to their shadow CCG role as follows, before formally taking up their "end of Year" CCG role from 1st April 2013.

	Start of year Chair CCG Committee	**End of year** Chair CCG Committee
Margaret Sanderson		
Allison Cooke	Chief Operating Officer / Senior Officer	Chief Officer
Caroline Briggs	Director of Strategic Commissioning and Development	Senior Officer - Commissioning Support & Service Change.
Therese Paskell	Chief Financial Officer	Chief Finance Officer & Business Support
Karen Rhodes	Director of Engagement and Partnerships (Executive Nurse)	Senior Officer - Quality & Assurance (& Registered Nurse Advisor on the CCG)
Paul Evans	Non Executive Director	Lay Member (Governance)
Ian Reekie	Non Executive Director	Lay Member (Public & Patient Engagement)
Stanley Shreeve	Non Executive Director until June 30 2012.	-
Dr Jagrit Shah	-	Secondary Care Doctor on the CCG-C
Dr Gary Armstrong	GP Member	GP Member until 30/04/2012
Dr Andrew Lee	GP Member	GP Member
Dr Fergus Macmillian	GP Member	GP Member
Dr James Mbugua	GP Member	GP Member from 01/05/2012
Dr Nick Stewart	GP Member	GP Member
Dr Ajay Vora	GP Member - until 14.12.2012.	GP Member - until 14.12.2012.

Declarations of Interest: CCG Members

NHS North Lincolnshire CCG / Shadow CCG Governing Body

Dr M Sanderson
CCG Committee Chair
A partner at Trent View Medical Practice Married to a consultant employed at Northern Lincolnshire & Goole NHS Foundation Trust The Practice is a member of SAGPEC

Mrs Allison Cooke
Chief Officer
No declared interests

Mrs Caroline Briggs
Senior Officer - Commissioning Support & Service Change.
No declared interests

Mrs Therese Paskell
Chief Finance Officer & Business Support Married to the Deputy Director of Finance at Doncaster & Bassetlaw Hospitals NHS Foundation Trust

Mrs Karen Rhodes
Senior Officer, Quality and Assurance (and Board Nurse Advisor)
No declared interests

Mr Ian Reekie
Non Executive Director then CCG Committee Lay Member
A member of Board of Trustees of Voluntary Action North Lincolnshire Wife is employed as a receptionist at the Spire Hull & East Riding Hospital

Mr Paul Evans
CCG Committee Lay Member (from 1 October 2012)
Honorary Treasurer & Trustee of UKELA Membership of Pharmaceutical Industry pensions with Bausch & Lomb, Nelsons, Association of British Pharmaceutical Industry

Dr Jagrit Shah
CCG Committee Secondary Care Doctor Member (from 1 February 2013) Director of Jagrit Shah Ltd a private practice radiology reporting company.
An employee of Nottingham University Hospitals NHS Trust

Dr Gary Armstrong
CCG Committee GP Member (until 30 April 2012)
A partner at South Axholme Practice A partner at The Birches Practice
A Director and Part owner of: Serenity Healthcare (LLP); Serenity Medical Services Ltd; and Serenity -Sequel Healthcare Ltd.
The Practice is a member of SAGPEC

Dr Andrew Lee
CCG Committee GP Member
A partner at West Common Lane Teaching Practice, Scunthorpe
The Practice is a member of SAGPEC

Dr Fergus Macmillan
CCG Committee GP Member
A partner at Central Surgery, Barton upon Humber The Practice is a member of SAGPEC

Dr James Mbugua
CCG Committee GP Member (from May 2012)
A partner at Trent View Medical Practice The Practice is a member of SAGPEC

Dr Nicholas Stewart
CCG Committee GP Member
A partner at Church Lane Medical Centre, Scunthorpe
Married to an employee of Northern Lincolnshire & Goole NHS Foundation Trust
The Practice is a member of SAGPEC

Dr Ajay Vora
CCG Committee GP Member (until 14 December 2012)
Is the Senior Partner at The Medical Centre, Barnetby. The Practice is a member of SAGPEC

Dr Robert Jaggs Fowler
Medical Director
A senior partner at Central Surgery, Barton upon Humber
Director of Barton HealthCare Services Ltd Shareholder in Barton HealthCare Services Ltd Senior volunteer at St John Ambulance
The Practice is a member of SAGPEC

Dr Richard Falk
Chair of the Area Prescribing Committee
A partner at South Axholme Practice
A Director and Part owner of: Serenity Healthcare (LLP); Serenity Medical Services Ltd; and Serenity -Sequel Healthcare Ltd.
Wife and children are shareholders in Serenity Sequel Healthcare Ltd
A member of SAGPEC

Ms Frances Cunning
Director of Public Health (Jointly funded post with North Lincolnshire Council)
Married to Assistant Director at NHS Sheffield. Please note Ms Frances Cunning's disclosure of interests is also shown under the Humber Cluster Board disclosures of interest as she also serves on this body on a rotational basis with the other directors of Public Health within the Humber Cluster.

Salaries and Allowances for Senior Employees

Directors' Statement

All directors confirm that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. They have also taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Remuneration Report 2012/13

The figures to be disclosed here relate to exit packages agreed in the year. The actual date of departure might be in a subsequent period, and the expense in relation to the departure costs may have been accrued in a previous period. The data here cannot therefore be agreed with other staff cost and expenditure notes in the accounts. Additional disclosure is required here where exit packages exceed contractual amounts and are outside the terms of the normal pension scheme provisions. Such payments will require Treasury approval before they are offered.

Off Payroll Payments

As part of the review of Tax Arrangements of Public Sector Appointees published by the Chief Secretary to the Treasury on 23 May 2012 the PCT has to present data:

(1) In relation to off payroll engagements at a cost of over £58,200 per annum that were in place as of January 2012, and,

(2) for all new off payroll engagements between 23 August 2012 and 31 march 2013, for more than £220 per day and more than six months in duration.

North Lincolnshire PCT had no such payments.

Salaries and Allowances for Senior Employees

Humber Cluster		2012/13 Individual Remuneration Totals				2011/12 Individual Remuneration Totals				2012/13 NHS North Lincolnshire Component				2011/12 NHS North Lincolnshire Component			
		Salary (bands of £5,000)	Other Remuneration (bands of £5000)	Bonus Payments (bands of £5,000)	Benefits in Kind (rounded to the nearest £00)	Salary (bands of £5,000)	Other Remuneration (bands of £5000)	Bonus Payments (bands of £5,000)	Benefits in Kind (rounded to the nearest £00)	Salary (bands of £5,000)	Other Remuneration (bands of £5000)	Bonus Payments (bands of £5,000)	Benefits in Kind (rounded to the nearest £00)	Salary (bands of £5,000)	Other Remuneration (bands of £5000)	Bonus Payments (bands of £5,000)	Benefits in Kind (rounded to the nearest £00)
Kath Lavery	Chair (Vice Chair 1 April to 31 August 2012)	36-40				36-40				6-10				0-5			
Karen Knapton	Chair (to 31 August 2012)	16-20				36-40				1-5				1-5			
Chris Long	Chief Executive	146-150			43	136-140		6-10	49	26-30			8	21-25		1-5	9
Alan Barton	Director of Finance and Performance	101-105	206-210		27	96-100			18	16-20	36-40		5	1-5			1
Kathryn Ireland	Director of Quality and Governance (Nursing)	91-95	181-185	1-5		86-90				16-20	31-35	1-5		15-20			
Julie Warren	Director of Commissioning Development	91-95		1-5		11-15			2	16-20				1-5			
Dr Paul Twomey	Medical Director	106-110				51-55				16-20				6-10			
Tina Smallwood	Director of Human Resources	81-85				81-85				11-15				11-15			
Helen Varey	Vice Chair	31-35				31-35				6-10				30-35			
Val Waterhouse	Vice Chair	31-35				31-35				6-10				0-5			
Catherine Dymond	Non-Executive Director (1 April to 31 October 2012)	1-5				6-10				1-5				0-5			
Graham Powell	Non-Executive Director (12 December 2012 onwards, NHS Hull only 1 April to 11 December 2012)	11-15				11-15				1-5				0-5			
Richard Davies	Non-Executive Director	6-10				6-10				1-5				0-5			
Ursula Vickerton	Non-Executive Director (1 April to 30 November 2012)	6-10				11-15				1-5				6-10			
Mark Webb	Non-Executive Director (to 25 July 2012)	1-5				6-10				1-5				0-5			
Louise Norton	Non-Executive Director (1 September 2012 to 31 March 2013)	6-10								1-5							
Pauline Harness	Associate Non-Executive Director	6-10				6-10				1-5				0-5			
Dr Tim Allison	Director of Public Health - East Riding of Yorkshire (shared post with Local Authority)	111-115								0							
Dr Wendy Richardson	Director of Public Health - Hull (shared post with Local Authority)	96-100								0							
Frances Cunning	Director of Public Health - North Lincolnshire (shared post with Local Authority)	81-85			11	81-85			10	41-45			11	41-45			10
Dr Geoff Barnes	Director of Public Health - North East Lincolnshire (shared post with Local Authority 1 April to 31 October 2012)	51-55								0							
Dr Cate Carmichael	Director of Public Health - North East Lincolnshire (shared post with Local Authority 1 November 2012 to 31 March 2013)	41-45								0							
NHS North Lincolnshire																	
Margaret Sanderson	Chair CCG Committee	75-80				31-35				75-80				31-35			
Alison Cooke	Chief Officer	55-60				105-110				55-60				105-110			
Caroline Briggs	Senior Officer - Commissioning Support & Service Change	75-80			29	75-80			32	75-80			29	75-80			32
Therese Paskell	Chief Finance Officer & Business Support	60-65				60-65				60-65				60-65			
Karen Rhodes	Senior Officer - Quality & Assurance (& Registered Nurse Advisor on the CCG-C)	60-65				60-65				60-65				60-65			
Paul Evans	Lay Member (Governance)	1-5								1-5							
Ian Reekie	Lay Member (Public & Patient Engagement)	5-10								5-10							
Stanley Shreeve	Non-Executive Director (until 30 June 2012)	1-5				6-10				1-5				6-10			
Dr Jagrit Shah	Secondary Care Doctor on the CCG-C	1-5								1-5							
Dr Gary Armstrong	GP Member (until 30 April 2012)	1-5				15-20				1-5				15-20			
Dr Andrew Lee	GP Member	40-45				15-20				40-45				15-20			
Dr Fergus N Macmillian	GP Member	35-40				15-20				35-40				15-20			
Dr James Mbugua	GP Member (from 1 May 2012)	30-35								30-35							
Dr Nick Stewart	GP Member	40-45				20-25				40-45				20-25			
Dr Ajay Vora	GP Member (until 14 December 2012)	25-30				15-20				25-30				15-20			

Note to the Salaries and Allowances Table:

(1) The total figures disclosed under Individual remuneration Totals represents the full remuneration received by an individual within the Cluster (i.e within any one of the constituuent PCTs) and not necessarily for work solely in relation to the Cluster Board.

(2) Non Executive Director Remuneration (shown in the Individual totals column) is shared across the four Cluster organisations based on population.

(3) Executive director remuneration (shown in the Individuals total column) is shared across the four cluster organisations on population.

(4) Payments included under the heading 'Other remuneration' relate to exit packages calculated in line with Agenda for change terms and conditions.

(5) Payments included under the heading 'Bonus payments' refer to Performance related pay for 2011/2012 paid in the current year.

This information has been subject to audit.

This information has been subject to audit.

Remuneration Ratios

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.

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.

The banded remuneration of the highest paid director in North Lincolnshire PCT in the financial year 2012/2013 was £75,000-80,000 (2011/2012, 105,000-110,000). This was 3.81 times (2011/2012, 5.37) the median remuneration of the workforce, which was £20,588 (2011/2012 £19,643). Due to a continued secondment to Public Health England, the PCT Chief Operating Officer / Senior Officer was only a 0.50 WTE employee in 2012/13, and consequently was not the organisation's highest paid employee. The Director of Strategic Commissioning & Development was the organisation's highest paid Director in 2012/13.

One member of staff was paid more than the Highest Paid Executive Director, due to a severance package being agreed and paid by 31st March. Three Associate Directors also had total remuneration in excess of the highest paid PCT Director in 2012/13.

	2012/13	2011/12
Band of the Highest Paid Director's Total Remuneration (£000)	**75-80**	**105-110**
Median Total Remuneration (£)	**20,588**	**19,643**
Ratio	**3.81**	**5.37**

The main reasons that largely explain the movement and overall reduction in the Pay ratio figures for 2012/13 compared with 2011/12, are as follows:

(1) The PCT Chief Operating Officer / Senior Officer was on secondment so only 0.5 WTE of her costs related to her North Lincolnshire PCT role. As a result, the Chief Officer was not the organisation's highest paid Director in 2012/13. Therefore, the cost of the highest paid Director was not as high as would normally be the case - where the Chief Officer would be expected to be the organisation's highest paid director.

(2) The median pay cost of the PCT's workforce was higher than expected, given that there was no pay award in 2012/13 for anyone earning more than £21,000 (who received a flat rate £250 pay increase per annum), because with the publication of the Health & Social Care Act in 2012 the PCT incurred pay costs associated with setting up and operating the new shadow "CCG", whilst closing down the PCT.

Pension benefits

		Real increase in pension at age 60 (bands of £2,500)	Real increase in pension lump sum at aged 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 (£000)	Cash Equivalent transfer value at 31 March 2012 (£000)	Real increase in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension
		£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
HUMBER CLUSTER									
Christopher Long	Chief Executive	0.1-2.5	2.6-5.0	36-40	106-110	716	622	35	0
Alan Barton	Director of Finance and Performance	0.1-2.5	5.1-7.5	56-60	166-170	0	0	0	0
Kathryn Ireland	Director of Quality and Governance (Nursing)	(0.1-2.5)	(0.1-2.5)	41-46	126-130	850	793	9	0
Julie Warren	Director of Commissioning Development	0.1-2.5	0.1-2.5	16-20	51-55	261	229	12	0
Paul Twomey	Medical Director	0.1-2.5	5.1-7.5	71-75	216-220	1,349	1,181	60	0
Tina Smallwood	Director of Human Resources	0.1-2.5	0.1-2.5	11-15	36-40	266	238	9	0
Dr Tim Allison	Director of Public Health - East Riding of Yorkshire (shared post with Local Authority)	(0.1-2.5)	0.1-2.5	31-35	96-100	550	509	8	0
Wendy Richardson	Director of Public Health - Hull (shared post with Local Authority)	(0.1-2.5)	(0.1-2.5)	31-35	101-105	702	659	5	0
Frances Cunning	Director of Public Health - North Lincolnshire (shared post with Local Authority)	(0-2.5)	(5.1-7.5)	26-30	76-80	551	555	11	0
Dr Geoff Barnes	Director of Public Health - NE Lincolnshire (shared post with Local Authority 1 April to 31 Oct'12)	0-2.5	0.1-2.5	16-20	46-50	234	212	4	0
Dr Cate Carmichael	Director of Public Health - NE Lincolnshire (shared post with Local Authority 1 Nov'12 to 31 Mar'13)	0-2.5	2.6-5.0	31-35	101-105	723	639	17	0
CCG COMMITTEE MEMBERS									
Margaret Sanderson	Chair CCG Committee								
Allison Cooke	Chief Officer	(- 2.5 - 0)	-2.5 - 5	50-55	160-165	1,153	1,088	11	0
Karen Rhodes	Senior Officer - Quality & Assurance (and Board Nurse Advisor)	(- 2.5 - 0)	-2.5 - 5	30-35	90-95	615	584	3	0
Caroline Briggs	Senior Officer - Commissioning Support & Service Change. Chief	(- 2.5 - 0)	(- 2.5 - 0)	25-30	80-85	436	464	6	0
Therese Paskell	Finance Officer & Business Support	(0 - 2.5)	(0 - 2.5)	15-20	45-50	213	0	223	0
Ian Reekie	Lay Member								
Paul Evans	Lay Member								
Dr James Mbugua	GP Member from 01/05/2012								
Dr Jagrit Shah	GP Member								
Dr Andrew Lee	GP Member								
Dr Gary Armstrong	GP Member until 30/04/2012	(- 2.5 - 0)	(- 2.5 - 0)	10-15	40-45	160	152	0	0
Dr Fergus N Macmillian	GP Member								
Dr Nick Stewart	GP Member								
Dr Ajay Vora	GP Member - until 14.12.2012.								

This information has been subject to audit.

Statement of Designated Signing Officer's Responsibilities

The North Lincolnshire Primary Care Trust annual accounts have been prepared by the Designated Signing Officer in compliance with the requirements detailed in the Government Financial Reporting Manual. In particular, attention has been paid in:

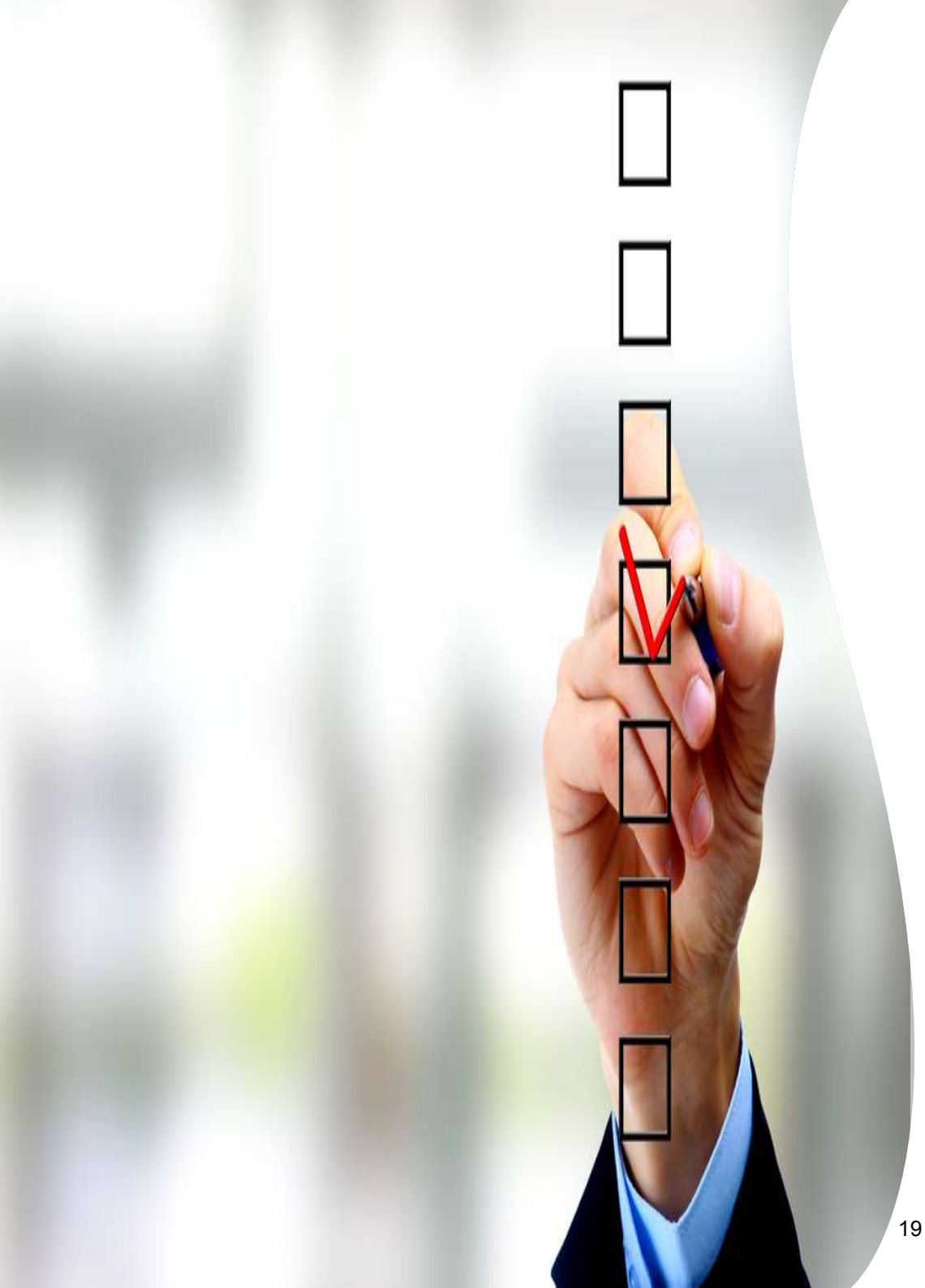
Observing the Accounts Directions issued by the Department of Health, ensuring that relevant accounting and disclosure requirements are made, whilst applying suitable accounting policies on a consistent basis.

Making judgements and estimates on a reasonable basis.

Ensuring applicable accounting standards as detailed in the Government Financial Reporting Manual have been followed.

Governance Statement

The Board is accountable for governance and internal control. The Chief Executive has responsibility for maintaining a sound system of governance and internal control that supports the achievement of our policies, aims and objectives, and for reviewing its effectiveness. A full copy of our Governance Statement is contained within our Annual Accounts.



Cash Equivalent Transfer Values (CETV)

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real Increase in CETV

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

Financial Review

Financial year 2012/2013

During the last year, North Lincolnshire PCT was set the challenge of a surplus of £2m, a target which has been achieved along with challenging efficiency savings and running costs, whilst still ensuring that key performance targets have been delivered and access to services improved.

This surplus will be used during the next two years to fund new investment and help manage the impact of receiving lower levels of financial growth monies.

The next few years promise to be challenging as the demand for services increases, technologies develop and inflationary pressures continue to bite, whilst the level of new money reduces and major structural reform is implemented. Nevertheless, the successor Clinical Commissioning Group enters this period of transition in a strong position, able to meet its on-going commitments from its yearly allocation, a position which will be maintained if the health community achieves the efficiency programme it has set for itself.

The increasing clinical engagement in both GP and hospital care in the Sustainable Services Review and supported by the new Health and Social Care Bill, is already leading to greater awareness, ownership and prioritisation of the resources clinicians command. This will ensure continuous improvement in the quality of services, for the benefit of residents in North Lincolnshire throughout the coming years.

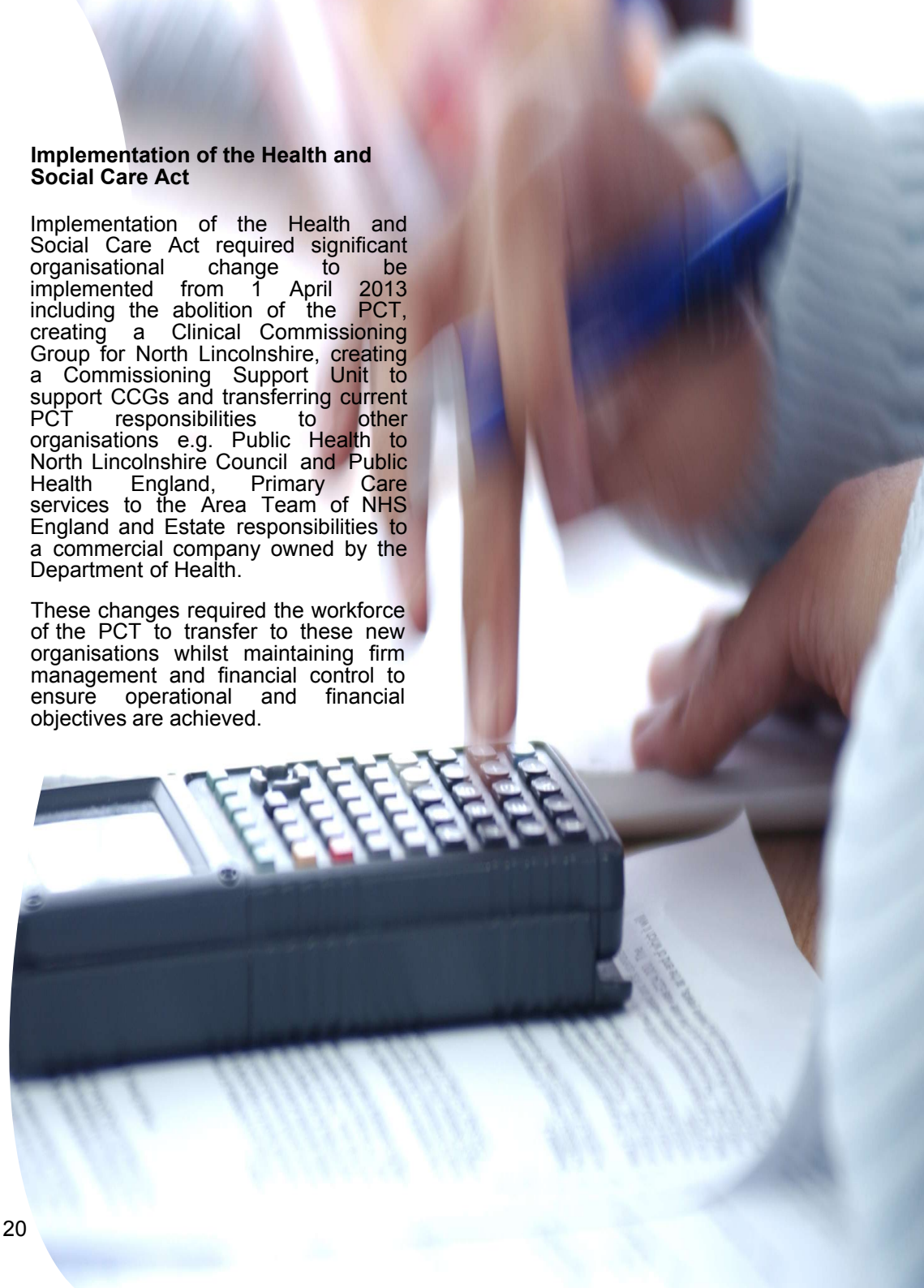
Through our contracts with our main healthcare service providers we have faced a number of challenging performance targets this year, including for example: Waiting times for A&E (4 hours), Cancer waiting times, the Stroke admission target, the 8 minute ambulance response time for serious cases, and the number of hospital acquired infections (known as MRSA and Clostridium Difficile). We maintained good performance and achievement of a number of key targets, such as: 18 week waiting times, Mental health early intervention diagnosis, and the 100% single sex accomodation in all inpatient settings. The PCT also improved performance against dental access targets, and in screening projects.

Further performance information can be found on page 8

Implementation of the Health and Social Care Act

Implementation of the Health and Social Care Act required significant organisational change to be implemented from 1 April 2013 including the abolition of the PCT, creating a Clinical Commissioning Group for North Lincolnshire, creating a Commissioning Support Unit to support CCGs and transferring current PCT responsibilities to other organisations e.g. Public Health to North Lincolnshire Council and Public Health England, Primary Care services to the Area Team of NHS England and Estate responsibilities to a commercial company owned by the Department of Health.

These changes required the workforce of the PCT to transfer to these new organisations whilst maintaining firm management and financial control to ensure operational and financial objectives are achieved.



Financial Performance

Performance Against Financial Duties

The PCT uses a range of measures to assess financial performance during the year including those duties reported upon in the Annual Accounts. These duties fall into one of two categories, statutory or administrative, and whilst we strive to achieve all targets it is the former that is of most concern, as the PCT should operate within its legal framework.

Statutory Duties

Capital and Revenue Resource Limits

A resource, or funding limit, is set annually for the NHS by Parliament and each NHS organisation receives a share of that total to spend on delivering its responsibilities. It is expected that those funds are spent in full, but they must not be exceeded.

I am pleased to report that the PCT managed to operate within both revenue and capital resource limits achieving a surplus of £2,000,000 against its revenue resource limit of £276,799,000 as planned and containing capital expenditure within its capital resource limit of £346,000.

Capital and Revenue Cash Limits

PCTs are also given cash limits which in general terms match the resource limits as described above. Again I am pleased to be able to report that the PCT operated within its limits drawing down £276,618,000 against its combined cash limits.

Audit Costs

Our external auditor is KPMG LLP, 21 The Embankment, Neville Street, Leeds, LS1 4DW.

Auditors' remuneration in relation to April 2012 to March 2013 totalled £63,223 for statutory audit services and £21,000 for PBR audit (excluding VAT).

This covered audit services required under the Audit Commission's Code of Audit Practice (giving opinion on the Annual Accounts and work to examine our use of resources and financial aspects of corporate governance).

The external auditor is required to comply with the Audit Commission's requirement in respect of independence and objectivity and with International Auditing Standard (UK & Ireland) 260: "The auditor's communication with those charged with governance".

Our Audit and Integrated Governance Committee receives our external auditor's Annual Audit Letter and other external audit reports.

Better Payment Practice Code

The NHS as a whole is signed up to the Confederation of British Industry (CBI) Better Payment Practice Code, which aims to promote good payment practice in the UK. The NHS target is to pay all non-NHS trade creditors within 30 days of receipt of goods or invoice (whichever is the latter) unless other payment terms have been agreed with the supplier.

When measured in terms of invoice value, non NHS payment performance fell from 93.12% last year to 92.33%. The number of bills paid in compliance with this policy fell from 96.15% last year to 88.45%.

We are an approved signatory to the Prompt Payments Code.

Pension Liabilities

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. As a consequence it is not possible for the Primary Care Trust to identify its share of the underlying scheme assets and liabilities. Therefore the Scheme is accounted for as a defined contribution scheme and the cost of the Scheme is equal to the contributions payable to the Scheme for the accounting period.

Better Payment Practice Code - Measure of Compliance:

Non-NHS Payables	2012/2013 Number	2012/2013 £000	2011/2012 Number	2011/2012 £000
Total Non-NHS trade invoices paid in the	**8458**	**39,679**	**9513**	**44,828**
Total Non-NHS trade invoices paid within target	**7485**	**36636**	**9147**	**41742**
Percentage of non-NHS trade invoices paid within target year	**88.45%**	**92.33%**	**96.15%**	**93.12%**
NHS Payables				
Total NHS Trade invoices paid in the	**2864**	**200,441**	**2693**	**174,314**
Total NHS trade invoices paid within	**2739**	**199,409**	**2211**	**172,163**
target Percentage of NHS trade invoices paid within target year	**95.64%**	**99.49%**	**82.10%**	**98.77%**

Staff Sickness Absence

Staff Sickness Absence for 2012/2013

Average of 12 Months (2012 Calendar Year)	Average FTE 2012	FTE-Days Available	FTE-Days Lost to Sickness Absence	Average Sick Days per FTE
3.4%	**105**	**23,712**	**799**	**7.6**

Sickness data provided are calendar year figures. FTE - Full Time Equivalent

The full accounts for North Lincolnshire Primary Care Trust are provided as an appendix to this report.

Statement in Respect of Disabled Employees

North Lincolnshire PCT has been awarded the “Two Ticks” symbol - Positive about Disabled People.

In achieving this North Lincolnshire PCT has demonstrated its commitment to interviewing job applicants with disabilities where they meet the minimum criteria for the job, ensuring that staff with disabilities have the opportunity to discuss their development through North Lincolnshire PCT's Personal Development Review process, and making every effort to retain staff if they become disabled through the Managing Sickness Absence policy.

Equality Statement

Equality, fair treatment and social inclusion lie at the heart of the Government’s plans to modernise the health service. North Lincolnshire PCT is committed to these principles, in particular:

- to recruit, develop and retain a workforce that is able to deliver high quality services that are accessible, responsive and appropriate to meet the diverse needs of different groups and individuals;
- to be a fair employer achieving equality of opportunity of outcomes in the workplace;
- to use its influence and resources as an employer to make a difference to the life opportunities and health of its local community.

North Lincolnshire PCT has an approved Equality Plan which sets out the vision for the PCT to take equality and diversity forward. The document sets out how the PCT will advance the social and economic wellbeing of the community to ensure equal health and employment outcomes for the whole of the diverse population it serves.

Department of Health

NHS

North Lincolnshire Primary Care Trust

2012-13 Accounts

Published to gov.uk, in PDF format only.

www.gov.uk/dh

North Lincolnshire Primary Care Trust

2012-13 Accounts

2012-13 Annual Accounts of North Lincolnshire Primary Care Trust

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.

Note – If the regularity opinion has been qualified because of a breach of a resource limit, insert at this point.
* except for capital/revenue expenditure in excess of resource limits which was not intended by Parliament and did not conform to the authorities which govern them.

nb: sign and date in any colour ink except black

Signed.....Designated Signing Officer

Name: A Lowry

Date.....5/6/13.....

2012-13 Annual Accounts of North Lincolnshire Primary Care Trust

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.

nb: sign and date in any colour ink except black

5/6/13 .....Date..... .....Signing Officer

5/6/13 .....Date ....Finance Signing Officer

Organisation name:	**North Lincolnshire Primary Care Trust**
Organisation Code:	**5EF**

Governance Statement

Scope of responsibility

The Accountable Officer is responsible for maintaining a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives. In addition to this, they are personally responsible for safeguarding the public funds and the organisation's assets, as set out in the Accountable Officer Memorandum. During 2012/13 the fulfilment of duties as Accountable Officer was subject to scrutiny of both internal and external auditors to North Lincolnshire PCT, as well as appropriate performance management arrangements with Yorkshire and Humber Strategic Health Authority throughout the year.

The governance framework of the organisation

In September 2011, North Lincolnshire PCT Board agreed a new working arrangement with the establishment of the Humber Cluster Board and approved the future governance arrangements of the new Board and its Committees. The Humber Cluster acts as a common membership framework covering the formal statutory Boards for the organisations listed below with each constituent body working under a common board arrangement known as the NHS Humber Cluster Board:

- North East Lincolnshire Care Trust Plus
- North Lincolnshire PCT
- East Riding of Yorkshire PCT
- Hull PCT

The North Lincolnshire PCT through the Humber Cluster Board arrangement is responsible for:

- Endorsing corporate objectives relating to risk management,
- Reviewing the effectiveness of systems of internal control and, through these controls, managing affairs efficiently and effectively.

The Board receives and discusses regular performance reports with regard to the agreed risk management systems and processes including those that support the developing Clinical Commissioning Groups (CCGs) through a national authorisation process.

The Humber Cluster Board governance structure includes an Audit Committee, Remuneration & Terms of Service Committee, four CCG Committees (covering East Riding, Hull, North Lincolnshire and North East Lincolnshire) and the range of joint Committees previously approved by the respective PCT Boards (as outlined in the

Scheme of Delegation). The Terms of Reference for the Audit Committee ensure that all statutory duties of an Audit Committee are fulfilled and have been developed in line with good practice from the Audit Committee Handbook. Written and verbal reports and draft minutes are provided to the next Humber Cluster Board Meeting. Each CCG Committee had in place its support structures to adopt an integrated governance approach and a requirement of representation from the North Lincolnshire CCG is included within the Audit Committee Terms of Reference.

The Remuneration & Terms of Service Committee determines appropriate remuneration and terms of service for the Chief Executive, other Executive Directors, senior managers under the VSM contract and others on local pay and conditions.

In addition sub-committees were in place as joint committees with other NHS organisations, these being the Specialised Commissioning Group, NEYHCOM, as well as the Cluster Committee.

The North Lincolnshire PCT Board through the Humber Cluster has reviewed its way of working, agreeing an etiquette between members and at the March 2012 workshop reviewed its effectiveness, concentrating on what was working well, what could work better, prior to agreeing working arrangements for the further transitional year of 2012/13.

The North Lincolnshire Clinical Commissioning Group as a formal committee of the Board was granted delegated powers to include budget responsibility. In delegating the range of duties and budgets to the North Lincolnshire CCG Committee assurance continued to be required that appropriate supporting arrangements were in place to secure good governance.

The Terms of Reference for North Lincolnshire CCG Committee has been developed in line with the requirements of good governance practice and localised by the developing CCG.

A single set of Standing Orders, Scheme of Delegation and Standing Financial Instructions (SOs, SoD and SFIs) has been in place throughout the year for the four PCTs/CTP.

The Accountable Officer leads the executive team and has overall responsibility for governance, statutory functions, quality and performance for all four constituent PCTs/CTP. This includes ensuring the implementation of an effective risk management system, development of the corporate governance framework, meeting all statutory requirements and ensuring that appropriate accountability statements for risk management and governance are in each Director's job profiles, as well as ensuring all Directors have appropriate arrangements in place to address any shortfalls identified from the risk profile. The Accountable Officer chairs the Executive Management Team, which includes Directors and relevant Senior Managers who carry specific risk management responsibilities.

The North Lincolnshire PCT Board membership also includes Non-Executive Directors. Non-Executive Directors are lay people, appointed by the independent Appointments Commission and approved by the Secretary of State for Health. They bring a diverse range of skill and experience to the Board and ensure that the best interests of local residents are reflected in the work of the Humber Cluster.

The North Lincolnshire CCG, Chief Operating Officer/Chief Officer (Designate) has had responsibility for maintaining all internal controls in North Lincolnshire PCT on behalf of the Accountable Officer. In addition the Director of Quality and Governance led on clinical governance and risk management, including infection control and decontamination. The Medical Director has discharged the Board role for information governance, Caldicott Guardian and Freedom of Information. The Director of Finance and Performance was the Senior Information Risk Owner and has ensured the delivery of statutory financial duties including counter fraud. These roles contributed to assuring the Board that North Lincolnshire PCT meets all statutory requirements.

All senior managers and managers of services are required to bring to the attention of the Cluster Executive Management Team, via their Chief Operating Officer/Chief Officer (Designate) or Directors, issues of major or significant risk, which have been identified and where the existing control measures are considered to be potentially inadequate. All managers are responsible for supporting and encouraging staff to report adverse incidents and near misses. All staff are responsible for the effective identification, reporting and management of risks within their area of responsibility. These specific responsibilities are identified in the North Lincolnshire PCT Reporting and Management of Adverse Incidents Policy, which also includes detailed guidance and instructions for all staff.

North Lincolnshire PCT engages and works with its key partners and stakeholders through established structures. This includes working closely with the Yorkshire and Humber Strategic Health Authority and is an active member of Wellbeing & Health Partnership (WHIP), Executive Strategic Commissioning Board and Safer Neighbourhood Partnership with North Lincolnshire Council. There is a considerable amount of joint work involving the LSP including specific work on all cause mortality, obesity, smoking cessation and alcohol.

The PCT works in collaboration with a wide range of local NHS partners and clinical networks to commission service improvement priorities from a range of potential NHS, voluntary, private and independent sector service providers. In addition, many other formal partnership arrangements are in place, including the Health & Social Care Executive, North Lincolnshire Safeguarding Children Board, Safeguarding Adult Board, Community Safety Partnership, Local Resilience Forum, Yorkshire & Humber Specialised Commissioning Group, North & East Yorkshire & Humberside Commissioning Consortia and Equality & Diversity Partnership Board.

External to the management structure, Internal Audit has an important role in the

Risk Management Strategy by assisting us to achieve corporate governance requirements, providing independent assessment and opinion to the Audit Committee, Board and individual Directors. An annual work plan is agreed between the Head of Internal Audit and the Chief Financial Officer, based on identified risks. A Service Level Agreement is in place with the East Coast Audit Consortium. Progress reports are presented to each meeting of the Audit Committee, including monitoring of all recommendations.

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 to the Scheme are all in accordance with Scheme rules and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

A Transition and Closedown report was submitted to the Humber Cluster March Board meeting. Providing a high level summary of transition and closedown activities, the report provided the Board with assurance over the governance of the programme. This included bringing to the Board for approval the Corporate Handover Document, incorporating the Quality Handover Document, which had been completed in conjunction with PCT/ CTP officers, and undergone both local and SHA triangulation, draft property transfer schemes, draft people transfer schemes and people tracker, statutory function destinations, Board Assurance Framework and Risk Register, and an update on future Department of Health legacy management. All current risks have been assessed and either identified for closure at 31 March 2013, or as needing to be transferred to other organisations, in which case details will be passed on to receivers.

A governance framework for the accounts completion, scrutiny and sign off has been established in line with the letter setting out the roles for the financial closedown of the PCTs. The accounts for North Lincolnshire PCT will be subject to scrutiny by the Audit Committee and signed off by the NHS England Area Team Director of Finance.

Risk Assessment

The PCT has maintained its comprehensive risk management framework through the implementation of its Risk Management and associated policies. Top rated risks for North Lincolnshire Locality (Locality Risk register) and corporate risk registers are maintained. Directors have responsibility to review and update risks within their areas of responsibility.

Reports are produced for the Corporate Risk Meeting and the Board. Separate Corporate Registers were produced, one identifying the risk profile of the Clinical Commissioning Group (CCG) reported to the CCG and one identifying the risk profile of the other non CCG related functions reported to the Cluster Executive

Management Team.

The North Lincolnshire PCT Locality Risk Register (identifying the highest rated risks) is presented to each meeting of the Humber Cluster Audit Committee along with an associated report highlighting key actions to mitigate the risks to give additional assurance.

Risk and Control Framework

The Board Assurance Framework (BAF) provides an overview of the controls and assurances in place to ensure that the organisation is able to achieve its Strategic Objectives and manage the principle risks identified. North Lincolnshire PCT is required to ensure that appropriate action is taken to mitigate all identified risks in accordance with statutory requirements and organisational policy. These risks feed into a Cluster wide BAF that identifies positive assurances and areas where there are gaps in controls and/or assurances.

The BAF:

- Provides an effective means to identify and treat any risks including the national core standards and priorities relating to the organisation's objectives.
- Is a process to support the identification of areas for development.
- Demonstrates strategic and operational risks and any other source of information that identifies any possible risk that could be considered a threat to patients, staff, visitors, environmental safety or the organisation's well-being.

The BAF is an active tool for tracking positive assurance by North Lincolnshire PCT during the year, recording the actions taken to address any control and assurance gaps and it is underpinned by the local risk strategy. Effective risk management is embedded into the culture and practice of North Lincolnshire PCT through the successful implementation of its Risk Management Strategy and associated policies.

The risk register has been developed to include all high level risks identified by North Lincolnshire PCT and it offers a means to quantify, prioritise and manage risks at a Cluster level.

Progress reports on the BAF are regularly reviewed by the Audit Committee and presented quarterly to the Board and responsibility for its routine management has been delegated to the Director of Quality & Governance (Nursing).

Risks are analysed to determine their cause, their impact on business and achievement of objectives. Standardised systems are used to ensure that risk assessments are undertaken in a consistent format using agreed definitions and evaluation criteria. The system enables all risks to be graded in the same consistent manner against the same generic criteria. This allows for comparisons to be made between different types of risk and for judgements and decisions about resource

allocation to be made on that basis.

Reviews of risk ratings and associated gaps in controls and assurances are the responsibility of Executive Directors, to manage, as part of the regular reporting on controls and risk. An Internal Audit review undertaken during March 2013 provided significant assurance that the BAF was fit for purpose.

The development of the BAF during 2012/13 has provided a robust evidence based process to demonstrate an effective Assurance Framework is in place with the necessary information for good governance, thus supporting the Annual Governance Statement.

In-year work has progressed to reduce gaps in controls and to secure positive assurances on achievement towards corporate objectives.

Review of the effectiveness of risk management and internal control

The Accountable Officer has responsibility for reviewing the effectiveness of the system of internal control. Their review is informed in a number of ways:

- The Head of Internal Audit submits an opinion on the overall arrangements for gaining assurance through the Assurance Framework and on the controls reviewed as part of internal audit's work.
- Executive managers within the organisation who have responsibility for the development and maintenance of the system of internal control provide assurance.
- The Assurance Framework itself provides evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed.
- The review is also informed by the programme of Internal and External audits that have been on-going throughout the year and regular reporting of risk and performance issues.

Significant Issues

North Lincolnshire PCT has reviewed the local BAF during the year.

There have been no significant financial issues reported during the year.

Performance

North Lincolnshire PCT achieved a high level of performance across the operating framework requirements. However in a few areas performance fell below the target level. Specific actions are in place to ensure delivery.

- **Standardised Mortality rates at NLaG**

  The latest SHMI report (January 2013) shows a deteriorating position for NLaG with a score of 1.1821 and it remains in band 1 indicating a higher than

expected mortality ratio.

A community wide mortality action plan is in place that has identified a comprehensive range of actions to improve performance. Progress is being monitored and challenged by commissioners on a regular basis. NLaG also have an established Task Group to promote a range of improvements in mortality performance based on specific clinical areas. A range of CQUINS and KPI's are also in place to improve performance.

- **HCAIs**

  MRSA - The 2012/13 objective was 4, actual as at end of year was 6. A full Root Cause Analysis is conducted on each incident and learning identified and disseminated. Acute contracts for 2013/2014 are based on a zero tolerance indicator.

  C. Diff – The 2012/13 objective was 23, actual as at end of year was 29.

  Both areas are monitored through the Quality Working Group and via an action plan based on a review of each individual case within overarching provider and commissioner action plans. A Northern Lincolnshire C. Diff joint commissioner/provider clinical review group is being established to further enhance learning and disseminate best practice.

- **Ambulance Response Times**

  Category A (Red 1) 8 minutes – The 2012/13 target was 75%, YTD actual as at 28/2/2013 is 71.4%.

  Category A (Red 2) 8 minutes – The 2012/13 target was 75%, YTD actual as at 28/02/2013 is 73.9%.

  Performance above reflects Trust (EMAS) position. For information purposes the North Lincolnshire PCT position is 73.1% (Red 1) and 79.2% (Red2). Further details & recovery actions are being obtained through the lead Commissioner & Trust. EMAS are currently on daily performance review with Commissioners & AT/SHA.

  Category A (Red 2) 19 minutes – The 2012/13 target was 95%, YTD actual as at 28/02/2013 is 93.3%.

  North Lincolnshire PCT's achievement for this target is measured for the whole of the EMAS area. Performance for the North Lincolnshire PCT area has hovered throughout the year around the 95% level and was 93.8% for the year to date to 5 November. The lead Commissioner has agreed with EMAS a package of non-recurrent in year support which will enable EMAS to put in place funded actions to fully achieve the A19 target by 31 March 2013. EMAS are currently on daily performance review with Commissioners & AT/SHA.

- **Cancer Waits**

Percentage of patients seen within two weeks of an urgent referral for breast symptoms where cancer is not initially suspected – the 2012/13 Target was 93%, YTD actual as at 31/1/2013 is 92.5%.

The Commissioning lead is reviewing actions with the provider Trust to improve performance.

Percentage of patients receiving first definitive treatment for cancer within 62-days of a consultant decision to upgrade their priority status – the 2012/13 Target was 90%, YTD actual as at 31/1/2013 is 86.7%.

There was one patient that breached this target in April 2012 and one in June 2012. The number of patients that are upgraded are very low and therefore a single breach will result a significant under-achievement of the target. Northern Lincolnshire and Goole Hospitals FT have not reported any breaches of this target in the year to date.

- **A&E Waiting Times**

  Total time spent in A&E department - 95th centile – The 2012/13 target was 240 minutes, YTD actual as at 28/2/2013 is 291 minutes.

  % Achievement against 4 Hour Wait – The 2012/13 target was 95%, YTD actual at the year end for NLaG was 95.3%. Although the standard is a Trust wide performance measure and this was achieved, the local position at Scunthorpe General Hospital was 93.7%.

  Action plans are in place for both NLaG A&E departments and are supported by weekly progress meetings attended by commissioners.

- **Smoking Quitters**

  Number of 4 week smoking quitters – The 2012/13 target 1250 YTD, actual as at 31/1/2013 is 503.

  Due to the transfer of Public Health functions to the Local Authority commissioning of this service will move to the Local Authority. Negotiations have continued with the Smoking Cessation Service Contract to drive up performance and the CCG will continue to have input in this service on transfer.

- **Access to NHS dentistry**

  Current 24 Month Measure (UDAs) – The 2012/13 target was 85485, the 12 month rolling actual as at 28/2/13 was 84587.

  North Lincolnshire PCT has invested money into a local dental practice to enable the practice to become accredited as a training practice and this should provide further capacity in 2013/14 to treat approximately 1000 patients.

- **Prevalence of breastfeeding**

  At 6-8 weeks after birth – The 2012/13 target was 38%, YTD actual 34.4%.

  Actions to improve performance include working towards stage 2 of UNICEF Baby Friendly Standard, running breastfeeding management courses, supporting breast feeding cafes in the community and Breastfeeding Peer Supporters providing information to antenatal woman with postnatal follow up.

- **% women who have seen a midwife**

  By 12 weeks and 6 days of pregnancy – the 2012/13 target was 90%, YTD actual is 88.6%.

  A number of actions are taking place to secure improvements including the implementation of a refreshed Early Access Action Plan and reviewing data quality/reporting.

- **Health Checks**

  % people ages 40-74 who have received a health check – The 2012/13 target was 14%, YTD actual is 4.3%.

  % people ages 40-74 who have been offered a health check – the 2012/13 target was 20%, YTD actual is 8.5%.

  NHS Health Checks continue to be offered in the 14 practices signed up to the LES, and through the opportunistic outreach Health Checks service in community venues, which are actively promoted by the community public health improvement facilitators.

Limited assurance audit reviews

The following three internal audit reports received limited assurance and agreed actions are in place to address identified concerns and these will be monitored on a regular basis to ensure compliance:

- **Mental Health pooled Budgets**

  The objective of the review was to provide assurance that governance and financial controls currently operating over pooled Mental Health budgets between the two organisations are robust. In light of the significant organisational change, partnership arrangements (including the partnership agreement) need to be reviewed to ensure they fully meet future governance requirements. The review also highlighted that the Health & Social Care Partnership Finance Manual is in need of review to reflect revised governance and accountability arrangements and specific concerns were identified relating to budget setting and budget variation processes.

- **IT Transition Risk Management**

  An assessment of IT risk management arrangements during the transition to new commissioning and commissioning support arrangements was

undertaken which identified that there was no clear risk management framework in existence for IM&T, with limited senior management oversight and evaluation of all departmental risks. High risks were being discussed at the Informatics Transitional Programme Management Group, and are now a standing agenda item at the CSU IM&T Management Group.

- **Off Payroll Payments**

  In response to the HMT review, the NHS Chief Executive released a letter *'implementing the recommendations of the HMT review of tax arrangements.'* An initial review of potential *'off-payroll'* payments was performed to establish the extent of *'off-payroll'* payments within the four Humber Cluster organisations. It was clear that there are significant differences of opinion across the Cluster as to what qualify as *'off-payroll'* payments, and in addition organisations must ensure they are in a position to establish the employment status of such workers and be able to obtain evidence of their tax and NICs obligations should they wish to do so.

Information Governance

The PCT confirms that robust arrangements have been in place during 2012/13 for the management of information governance. The PCT expects to receive significant assurance on its compliance with Information Governance toolkit requirements for 2012/2013.

Significant Issues

The Health and Social Care Act 2012 has resulted in new commissioners, including Clinical Commissioning Groups (CCG), having no legal basis to access patient confidential data (PCD) without patient consent or a section 251 Data Protection Act exemption. This will have a significant impact in the ability of the CCG as the successor organisation of the PCT to effectively close down 2012/13 PCT work. We are awaiting formal communication, although we understand national section 251 exemption has been has granted for a three month period to allow 2013/14 Secondary Use Service (SUS) data to continue to flow. In addition we believe a Secretary of State directive is being drafted which will allow all 2012/13 PCD to be used in the closedown of PCT activities. We are planning to manage all PCD activities through enhanced governance arrangements to ensure we have a full understanding all activities using PCD and ensure there is a clear legal basis for processing.

Conclusion

With the exception of the internal control issues that I have outlined in this statement, my review confirms that North Lincolnshire PCT overall has a sound system of internal controls that supports the achievement of its policies, aims and objectives

and that those control issues have been or are being addressed.
Designated Signing Officer : **Christopher Long** **Organisation:** **North Lincolnshire Primary Care Trust** **Signature** **Date** 5/6/19

INDEPENDENT AUDITORS' REPORT TO THE SIGNING OFFICERS OF NORTH LINCOLNSHIRE PRIMARY CARE TRUST.

We have audited the financial statements of North Lincolnshire Primary Care Trust for the year ended 31 March 2013 on pages 2 to 47. The financial reporting framework that has been applied in their preparation is applicable law and the accounting policies directed by the Secretary of State with the consent of the Treasury as relevant to the National Health Service in England. We have also audited the information in the Remuneration Report that is subject to audit.

This report is made solely to the signing officers of North Lincolnshire Primary Care Trust in accordance with Part II of the Audit Commission Act 1998. Our audit work has been undertaken so that we might state to the signing officers of the PCT those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the signing officers of the PCT for our audit work, for this report or for the opinions we have formed.

Respective responsibilities of Signing Officer and auditor

As explained more fully in the Statement of responsibilities of the signing officer of the Primary Care Trust, the Signing Officer is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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 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 financial position of North Lincolnshire Primary Care Trust as at 31 March 2013 and of its expenditure and income for the year then ended; and

- have been prepared properly in accordance with the accounting policies directed by the Secretary of State with the consent of the Treasury as relevant to the National Health Service in England.

Opinion on regularity prescribed by the Code of Audit Practice 2010 for local NHS bodies

In our opinion, 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.

Opinion on other matters prescribed by the Code of Audit Practice 2010 for local NHS bodies

In our opinion:

- the part of the Remuneration Report subject to audit has been properly prepared in accordance with the accounting policies directed by the Secretary of State with the consent of the Treasury as relevant to the National Health Service in England; and
- the information given in the signing officer's 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 2010 for local NHS bodies requires us to report to you if:

- in our opinion, the Annual Governance Statement does not reflect compliance with the Department of Health's requirements;
- any referrals to the Secretary of State have been made under section 19 of the Audit Commission Act 1998; or
- any matters have been reported in the public interest under the Audit Commission Act 1998 in the course of, or at the end of, the audit.

Conclusion on the PCT's 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 2010 for local NHS bodies, having regard to the guidance issued by the Audit Commission in 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 a more detailed risk assessment of the demise of the PCT.

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

Certificate

We certify that we have completed the audit of the accounts of North Lincolnshire Primary Care Trust in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice 2010 for local NHS bodies issued by the Audit Commission.

Paul Lundy for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
1 The Embankment
Neville Street
Leeds
LS1 4DW

7 June 2013

FOREWORD TO THE ACCOUNTS

NORTH LINCOLNSHIRE PRIMARY CARE TRUST

These accounts for the year ended 31 March 2013 have been prepared by the North Lincolnshire Primary Care Trust under section 232 (schedule 15,3(1)) of the National Health Service Act 2006 in the form which the Secretary of State has, within 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	**5,088**	5,269
Other costs	5.1	**276,243**	275,721
Income	4	**(6,766)**	(6,189)
Net operating costs before interest		**274,565**	274,801
Investment income	9	**0**	(4)
Other (Gains)/Losses	10	**0**	(10)
Finance costs	11	**0**	16
Net operating costs for the financial year		**274,565**	274,803
Transfers by absorption -(gains)		**0**	
Transfers by absorption - losses		**234**	
Net (gain)/loss on transfers by absorption		**234**	
Net Operating Costs for the Financial Year including absorption transfers		**274,799**	**274,803**
Of which:			
Administration Costs			
Gross employee benefits	7.1	**2,811**	2,928
Other costs	5.1	**2,092**	1,447
Income	4	**(675)**	(258)
Net administration costs before interest		**4,228**	**4,117**
Investment income	9	**0**	(4)
Other (Gains)/Losses	10	**0**	(10)
Finance costs	11	**0**	16
Net administration costs for the financial year		**4,228**	**4,119**
Programme Expenditure			
Gross employee benefits	7.1	**2,277**	2,341
Other costs	5.1	**274,151**	274,274
Income	4	**(6,091)**	(5,931)
Net programme expenditure before interest		**270,337**	**270,684**
Investment income	9	**0**	0
Other (Gains)/Losses	10	**0**	0
Finance costs	11	**0**	0
Net programme expenditure for the financial year		**270,337**	**270,684**

Other Comprehensive Net Expenditure	2012-13 £000	2011-12 £000
Impairments and reversals put to the Revaluation Reserve	**0**	13
Net (gain) on revaluation of property, plant & equipment	**0**	(71)
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**	
Release of Reserves to Statement of Comprehensive Net Expenditure	**0**	
Net actuarial (gain)/loss on pension schemes	**0**	16
Reclassification Adjustments		
Reclassification adjustment on disposal of available for sale financial assets	**0**	0
Total comprehensive net expenditure for the year*	**274,799**	**274,761**

*This is the sum of the rows above plus net operating costs for the financial year after absorption accounting adjustments.

The notes on pages 5 to 45 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	**11,613**	12,207
Intangible assets	13	**77**	47
investment property	15	**0**	0
Other financial assets	21	**0**	0
Trade and other receivables	19	**0**	0
Total non-current assets		**11,690**	12,254
Current assets:			
Inventories	18	**1**	2
Trade and other receivables	19	**2,044**	3,311
Other financial assets	36	**0**	0
Other current assets	22	**0**	0
Cash and cash equivalents	23	**2**	2
Total current assets		**2,047**	3,315
Non-current assets held for sale	24	**120**	120
Total current assets		**2,167**	3,435
Total assets		**13,857**	15,689
Current liabilities			
Trade and other payables	25	**(15,723)**	(26,211)
Other liabilities	26,28	**0**	0
Provisions	32	**(9,728)**	(2,125)
Borrowings	27	**0**	0
Other financial liabilities	36.2	**0**	0
Total current liabilities		**(25,451)**	(28,336)
Non-current assets plus/less net current assets/liabilities		**(11,594)**	(12,647)
Non-current liabilities			
Trade and other payables	25	0	0
Other Liabilities	28	0	0
Provisions	32	0	(766)
Borrowings	27	0	0
Other financial liabilities	36.2	0	0
Total non-current liabilities		**0**	(766)
Total Assets Employed:		**(11,594)**	(13,413)
Financed by taxpayers' equity:			
General fund		(12,524)	(14,343)
Revaluation reserve		930	930
Other reserves		0	0
Total taxpayers' equity:		**(11,594)**	(13,413)

The notes on pages 5 to 45 form part of this account.

The financial statements on pages1 to 4 were approved by the Humber Cluster Audit Sub-Committee (a sub-committee of the Department of Health's Audit and Risk Committee) on *5th June 2013* and signed on its behalf by

Designated Signing Officer:  Date: **5th June 2013**

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	**(14,343)**	**930**	**0**	**(13,413)**
Changes in taxpayers' equity for 2012-13				
Net operating cost for the year	(274,799)			**(274,799)**
Net gain on revaluation of property, plant, equipment		0		**0**
Net gain on revaluation of intangible assets		0		**0**
Net gain on revaluation of financial assets		0		**0**
Net gain on revaluation of assets held for sale		0		**0**
Impairments and reversals		0		**0**
Movements in other reserves			0	**0**
Transfers between reserves*	0	0		**0**
Release of Reserves to SOCNE		0		**0**
Reclassification Adjustments				
Transfers between Revaluation Reserve & General Fund in respect of assets transferred under absorption	0	0		**0**
Net actuarial gain/(loss) on pensions	0		0	**0**
Total recognised income and expense for 2012-13	**(274,799)**	**0**	**0**	**(274,799)**
Net Parliamentary funding	276,618			**276,618**
Balance at 31 March 2013	**(12,524)**	**930**	**0**	**(11,594)**
Balance at 1 April 2011	**(8,207)**	**872**	**0**	**(7,335)**
Changes in taxpayers' equity for 2011-12				
Net operating cost for the year	(274,803)			(274,803)
Net Gain / (loss) on Revaluation of Property, Plant and Equipment		71		71
Net Gain / (loss) on Revaluation of Intangible Assets		0		0
Net Gain / (loss) on Revaluation of Financial Assets		0		0
Net Gain / (loss) on Assets Held for Sale		0		0
Impairments and Reversals		(13)		(13)
Movements in other reserves			0	0
Transfers between reserves*	0	0		0
Release of Reserves to Statement of Comprehensive Net Expenditure		0		0
Reclassification Adjustments				
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	16		0	16
Total recognised income and expense for 2011-12	(274,787)	58	0	(274,729)
Net Parliamentary funding	268,651			268,651
Balance at 31 March 2012	**(14,343)**	**930**	**0**	**(13,413)**

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	**(274,565)**	(274,801)
Depreciation and Amortisation	**673**	548
Impairments and Reversals	**0**	4,297
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	**0**	0
Release of PFI/deferred credit	**0**	0
(Increase)/Decrease in Inventories	**1**	201
(Increase)/Decrease in Trade and Other Receivables	**1,267**	(1,640)
(Increase)/Decrease in Other Current Assets	**0**	0
Increase/(Decrease) in Trade and Other Payables	**(9,813)**	4,585
(Increase)/Decrease in Other Current Liabilities	**0**	0
Provisions Utilised	**(1,231)**	(639)
Increase/(Decrease) in Provisions	**8,068**	1,018
Net Cash Inflow/(Outflow) from Operating Activities	**(275,600)**	**(266,431)**
Cash flows from investing activities		
Interest Received	**0**	4
(Payments) for Property, Plant and Equipment	**(988)**	(2,452)
(Payments) for Intangible Assets	**(30)**	(67)
(Payments) for Other Financial Assets	**0**	0
(Payments) for Financial Assets (LIFT)	**0**	0
Proceeds of disposal of assets held for sale (PPE)	**0**	295
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 Inflow/(Outflow) from Investing Activities	**(1,018)**	**(2,220)**
Net cash inflow/(outflow) before financing	**(276,618)**	**(268,651)**
Cash flows from financing activities		
Capital Element of Payments in Respect of Finance Leases and On-SoFP PFI and LIFT	**0**	0
Net Parliamentary Funding	**276,618**	268,651
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/(Outflow) from Financing Activities	**276,618**	**268,651**
Net increase/(decrease) in cash and cash equivalents	**0**	**0**
Cash and Cash Equivalents (and Bank Overdraft) at Beginning of the Period	**2**	**2**
Effect of Exchange Rate Changes in the Balance of Cash Held in Foreign Currencies	**0**	0
Cash and Cash Equivalents (and Bank Overdraft) at year end	**2**	**2**

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.

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 are to be accounted for by use of ***absorption accounting in line with the Treasury Financial Reporting Manual (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 Statement of Comprehensive Net Expenditure (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.

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

1. Useful economic lives of Property Plant and Equipment

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the operating cost statement.

Historically, changes in useful lives and residual values have not resulted in material changes to the depreciation charge.

2. Impairment Analysis

Impairment reviews are carried out either when a change in circumstances is identified that indicates an asset might be impaired. An impairment review involves calculating either or both of the fair value or the value in use of an asset or group of assets and comparing with the carrying value in the balance sheet.

3. Secondary Care Activity

Counting and coding of secondary care is not finalised until after the completion of the audited annual accounts process in June. Assumptions have been made around the liabilities of this for the PCT with a range of secondary care providers based on a number of factors including historical activity performance and known changes in activity, as well as non Payment by Results (PBR) tariffed contract arrangements. The actual cost of activity will be different to the carrying amounts held in the Statement of Financial Performance and any variance will need to be managed in the Statement of Comprehensive Net Expenditure (SOCNE) in the subsequent year. There is unlikely to be a significant change to the carrying value of assets and liabilities once activity is validated based on previous years outturn verses actual.

1. Accounting policies (continued)

4. Continuing Care Cases

Continuing Care Cases - Excluding Retrospective Cases.

The PCT has an obligation to provide NHS care to the registered population of North Lincolnshire for Continuing Care, Funded Nurse Care, and Other Care packages, for eligible clients. Liabilities in respect of these obligations have been established for four main categories of patient assessment namely: unassessed clients on the Broadcare patient database, un-invoiced assessed / committed clients, prior year accruals moved to provisions re assessed clients, and a prior year provision on un-assessed clients.

Upon review at the end of the year, these liabilities have been assessed and measured based on the number of claims received and using the professional judgment of the NHS Continuing Healthcare senior staff in order to arrive at the best estimate of the cost of care packages required for the four categories of client claims mentioned above, taking into account all risks and uncertainties surrounding the claims.

It is important to note that the overwhelming majority of the estimated liabilities for these Continuing Care cases are of uncertain timing and or amount, and as a result they have all been classified within Provisions this year. No accruals have been maintained in 2012-13 for any Continuing Care accruals made in 2011-12, as by definition, any outstanding liabilities in respect of these clients must be of uncertain timing and / or amount. In addition, there is also currently a backlog in making assessments until staff are recruited and this has increased the level of uncertainty and difficulty in terms of analysing the outstanding Continuing Care liabilities compared with previous years.

As the accounts represent a snapshot of Continuing Care liabilities at a moment in time (i.e. as at 31st March 2012) whilst the status of Continuing Care claims may change over time, it is acknowledged that a small element of the Continuing Care provision could be classified as an accrual (i.e. at least an element of the continuing care liability does become certain in terms of timing and amount as time progresses). However, based on a high level assessment of the value concerned, the element of the Continuing Care provision which could be potentially reclassified as an "accrual" is not deemed significant enough to merit this change being made.

Continuing Care Cases - Retrospective Cases

In March 2012 the DoH announced its intention (with a timetable) to introduce a specific close down for any new Continuing Care (CC) cases, that had not already received a CC assessment from 1st April 2004 through to 31st March 2012), followed by a national advertising campaign to alert members of the public to apply by the stipulated

The SHA Continuing Healthcare Leads Group (SHA-CHL Group) has issued guidance to PCTs to deal with such requests, and NHS North Lincolnshire has used this to recognise the probable expenditure needed to settle the estimated obligation at the balance sheet date, via the creation of a specific provision for these Retrospective claims. The value of the provision has been based on: the number of claims submitted by an appropriate eligible claimant, a desktop review of the claim records, and use of the SHA-CHL's standardised template for estimating such costs (which in turn has been populated using the professional judgement of Continuing Healthcare professionals along with historic information relating to previous Retrospective claims, and estimated package costs based on those of existing "normal" in year Continuing Care claims). The final provision value has also been subjected to peer review with other PCTs in Yorkshire and Humber, and board level internal challenge.

1. Accounting policies (continued)

5. Quality Outcomes Framework (QOF)
An assessment of the achievement of QOF points made for independent contractors, however there is no risk of a material difference to the carrying value of this balance in the accounts based on previous years outturn versus actual.

6. Accruals
There are a number of estimated figures within the accounts. The main areas where estimates are included are:
• Prescribing - The full year figure is estimated on the spend for the first 10 months of the year,
• Pharmacy Costs - The full year figure is estimated on the actual spend for the last six months of the year.
• Ophthalmic Costs - The full year figure is estimated on the actual spend for the first 11 months of the year
• Purchase of Healthcare - The full year figure is estimated on the month 11 actual information as agreed between the provider and commissioner.
• Continuing Care - This is based upon the client data base of occupancy at the financial year end.

7. Provisions
A number of key assumptions have been included within the accounts concerning the future.
a) Bad Debt Provision
b) Continuing Care Provision
c) Other provisions see per note 32.

Under the provisions of The Health and Social Care Act 2012 (Commencement No.4. Transitional, Savings and Transitory Provisions) Order 2013, Hull Teaching PCT was dissolved on 1st April 2013. The PCT's functions, assets and liabilities transferred to other public sector entities as outlined in Note 39 Events after 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, and no disclosures have been made under IFRS 5 Non-current Assets Held for Sale and Discontinued Operation. The revaluations and impairments that have been recognised in this accounting period (see Notes 12 and 14) relate to the assessments made by the District Valuer that form part of the routine within the annual cycle of activity.

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 Care Trust Designation

North Lincolnshire PCT is not a designated Care Trust.

1.4 Pooled budgets

North Lincolnshire PCT has entered into a pooled budget with North Lincolnshire Council. Under the arrangement funds are pooled under S75 of the National Health Service Act 2006 for Mental Health and Learning Disability activities and a memorandum note to the accounts provides details of the joint income and expenditure.

Mental Health Pool
The pool is hosted by NHS North Lincolnshire. 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 the assets, liabilities, income and expenditure of the pool as determined by the pooled budget agreement."

Learning Disability Pool
"The pool is hosted by North Lincolnshire Council. As a commissioner of healthcare services the PCT makes contributions to the pool, which are then used to purchase healthcare services. The Primary Care Trust accounts for its share of the assets, liabilities, income and expenditure of the pool as determined by the pooled budget agreement."

1.5 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.

1.6 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. 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 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
- Specialised buildings – depreciated replacement cost

Until 31 March 2008, the depreciated replacement cost of specialised buildings has been estimated for an exact replacement of the asset in its present location. 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.

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 amortized historic cost to reflect the opposing effects of increases in development costs and technological advances.

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 their estimated useful lives.

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

Following the accounting policy change outlined in the Treasury FREM for 2011-12, a donated asset reserve is no longer maintained. 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. Deferred income is recognised only where conditions attached to the donation preclude immediate recognition of the gain.

This accounting policy change has been applied retrospectively and consequently the 2010-11 results have been restated.

1.11 Government grants

Following the accounting policy change outlined in the Treasury FREM for 2011-12, a government grant reserve is no longer maintained. The value of assets received by means of a government grant are credited directly to income. Deferred income is recognised only where conditions attached to the grant preclude immediate recognition of the gain.

This accounting policy change has been applied retrospectively and consequently the 2010-11 results have been restated.

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 retained earnings.

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 using the first-in first-out cost formula. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

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.

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).

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.

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

The PCT does not currently partake in the EU Emissions Trading Scheme due to its current level of CO2 emissions not being at a high enough level for the organisation to qualify.

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 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.

1.24 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.

1.25 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.

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 on-going activities of the entity.

1. Accounting policies (continued)

1.26 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.

Financial assets are classified into the following categories: financial assets 'at fair value through profit and loss'; 'held to maturity investments'; 'available for sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets at fair value through profit and loss

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the Statement of Comprehensive Net Expenditure. The net gain or loss incorporates any interest earned on the financial asset.

Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to the Statement of Comprehensive Net Expenditure on de-recognition.

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.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques

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.

Financial liabilities at fair value through profit and loss

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the Statement of Comprehensive Net Expenditure. The net gain or loss incorporates any interest earned on the financial asset.

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)

1.27 Private Finance Initiative (PFI) and NHS LIFT transactions

North Lincolnshire PCT does not have any PFI or LIFT properties

1.28 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

Segmental information is presented in accordance with the PCT's main areas of activity. During 2012-13 the PCT regularly reported its performance to a shadow Clinical Commissioning Group (CCG) Governing Body, known as the "CCG Committee", based on an assessment of which budgets would transfer to new organisations as indicated by the Health & Social Care Act 2012. The allocation and apportionment of all Budgets was based on a baseline Budget allocation exercise performed for the SHA which was used to inform the process of establishing new baseline funding allocations for Health bodies in 2013-14. In brief, the "shadow" CCG was responsible for all the PCT's Net expenditure, with the exception of: Primary Care expenditure on GP, Dental, and Optical services etc., all Specialist Group Commissioning of Acute Services, Estates costs, and Public Health services (including Drug and Alcohol prevention and treatment services). Therefore, there are no material asymmetric allocation or apportionments of cost and revenue shown in the table below. Formerly, the PCT's segmental reporting used to distinguish between Community Provider Services and Commissioned services, but this reporting distinction ended with the transfer of Community provider services to Northern Lincolnshire & Goole NHS Foundation Trust at the end of the 2010-11 financial year. This presentation is consistent with the way in which information is regularly reported to the PCT board.

Note 42 indicates the expected recipient of balances carried forward into 2013-14 by "receiving organisation" as stipulated by the Health & Social Care Act 2012

	"Shadow" CCG		**All Other Services**		**PCT Total**	
	2012-13	2011-12	**2012-13**	2011-12	**2012-13**	2011-12
	£000	£000	**£000**	£000	**£000**	£000
Expenditure*	**215,291**	209,524	**59,508**	65,279	**274,799**	274,803
Surplus/(Deficit) **						
Segment surplus/(deficit)	**1,836**	1,988	**164**	0	**2,000**	1,988
Common costs	**0**	0	**0**	0	**0**	0
Surplus/(deficit) before interest	**1,836**	**1,988**	**164**	**0**	**2,000**	1,988

* The Expenditure shown here is Gross Expenditure (Net of Direct Income) which represents the PCT's operating Cost for each financial year disclosed in Note 3.1. to these accounts.

** The Surplus figures shown here relate to those disclosed in Note 3.1. to these accounts (i.e. The PCT's Revenue Resource Limit less Net Operating Costs for each financial year).

Expenditure included in the PCT’s surplus/deficit from external customers for each service or group of similar services and activities, is disclosed in Note 2 Page 2 overleaf:

Expenditure from transactions with one organisation amounts to 10% or more of total expenditure, and this entity is disclosed below:

Northern Lincolnshire & Goole Hospital Trust. 2012-13	109,121 39.7%	See Section A - Secondary and Tertiary Care 2012-13, Line 1 and Commissioning Budgets plus Line 17 on Note 2, Page 2.
Northern Lincolnshire & Goole Hospital Trust. 2011-12	103,737 37.8%	See Section A - Secondary and Tertiary Care 2011-12, Line 1 and Commissioning Budgets plus Line 17 on Note 2, Page 2

BREAKDOWN OF NET EXPENDITURE - WITHIN THE PCT'S SURPLUS BY SERVICE / SIMILAR ACTIVITIES

ALL CLINICAL COMMISSIONING GROUP AREAS OF INDICATIVE BUDGET RESPONSIBILITY	2012-13 SPEND £000	2011-12 SPEND £000
1) PRACTICE AREAS OF BUDGET RESPONSIBILITY		
A) SECONDARY & TERTIARY CARE		
Northern Lincolnshire & Goole Hospitals NHS FT	97,587	91,510
Hull & East Yorkshire NHS Trust	13,059	14,170
Doncaster & Bassetlaw NHS FT	3,143	3,013
Sheffield Teaching Hospitals NHS FT	1,574	1,670
Sheffield Childrens Hospital NHS FT	1,170	1,319
United Lincolnshire Hospitals NHS Trust	1,431	1,635
Sub Total : Main PBR Based Care Costs	**117,964**	**113,316**
PPA Drugs & Home Oxygen Costs (Practice Specific Costs - Only)	27,569	28,491
SUB TOTAL : CORE PRACTICE AREAS OF BUDGET RESPONSIBILITY	**145,534**	**141,806**
Budget Adjustment - For High Cost PBR Spells in Excess of £ 10K.	0	0
TOTAL : CORE PRACTICE AREAS OF BUDGET RESPONSIBILITY	**145,534**	**141,806**
Exclusions - Non Contract Activity	1,450	2,516
TOTAL : CORE PRACTICE AREAS OF BUDGET RESPONSIBILITY	**146,983**	**144,322**
OTHER COMMISSIONING BUDGETS		
East Midlands Ambulance Trust	4,778	4,597
All Other Secondary & Tertiary Care Services	3,990	3,690
Main Mental Health Contract - RDASH	13,796	12,618
NHS North Lincolnshire Community Provider Services	11,534	12,228
Other Community Based Services	1,977	1,598
Private & Voluntary Sector Services (Including : Continuing & Funded Care etc)	18,331	18,406
Pooled Mental Health Services	360	159
Pooled Learning Disability Services	470	594
Pharmacy Contract & Non Practice Specific PPA Costs.	940	991
All Other Commissioned Services	3,461	4,445
OTHER COMMISSIONING BUDGETS	**59,638**	**59,326**
TOTAL : PRACTICE AREAS OF BUDGET RESPONSIBILITY	**206,621**	**203,648**
CCG AREAS OF BUDGET RESPONSIBILITY		
CLINICAL BUDGETS		
Enhanced Primary Care Services	325	309
Out of Hours Services	2,871	2,522
Local Safeguarding of Adults & Children	159	180
Exclusions - Contract Based & Mental Health	769	410
Remaining Budget Reserve - For High Cost PBR Spells in Excess of £ 10K.	0	0
CENTRAL BUDGETS (INCLUDING CSS CENTRAL BUDGETS)		
Organisational Services	6,222	5,459
Technical & Provision Costs	(1,454)	(2,399)
Contingency	(222)	(603)
Depreciation & Capital Charges	0	0
Planned Surplus	0	0
TOTAL : CCG AREAS OF BUDGET RESPONSIBILITY	**8,670**	**5,876**
TOTAL : PRACTICE & CCG AREAS OF BUDGET RESPONSIBILITY	**215,291**	**209,524**
MEMO ITEM: OTHER AREAS OF BUDGET RESPONSIBILITY		
Estates (Prop Co)	870	6,096
Commissioning Board (SCG & Primary Care)	52,785	54,083
Public Health	5,854	5,100
TOTAL : OTHER AREAS OF BUDGET RESPONSIBILITY	**59,508**	**65,279**
MEMO TOTAL : WHOLE NHS NORTH LINCOLNSHIRE POSITION	**274,799**	**274,803**

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		274,803
Net operating cost plus (gain)/loss on transfers by absorption	**274,799**	
Adjusted for prior period adjustments in respect of errors	**0**	0
Revenue Resource Limit	**276,799**	276,801
Under/(Over)spend Against Revenue Resource Limit (RRL)	**2,000**	1,998

2011-12 performance data has not been adjusted in respect of restated items and remains as shown in the 2011-12 published accounts. This reflects the way in which PCT performance is recorded by the Department.

In line with the operating framework, the Strategic Health Authority has maintained a strategic investment fund for transfers to/from Primary Care Trusts. North Lincolnshire PCT has deposited £500k into this fund in 2012/13.

3.2 Capital Resource Limit

	2012-13 £000	2011-12 £000
The PCT is required to keep within its Capital Resource Limit.		
Capital Resource Limit	**346**	2,985
Charge to Capital Resource Limit	**343**	2,985
(Over)/Underspend Against CRL	**3**	**0**

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

On 1st April 2011, Provider services were transferred to Northern Lincolnshire and Goole Hospitals NHS Foundation Trust.

3.4 Under/(Over)spend against cash limit

	2012-13 £000	2011-12 £000
Total Charge to Cash Limit	**276,618**	268,651
Cash Limit	**276,618**	268,651
Under/(Over)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)	242,933
Less: Trade Income from DH	0
Less/(Plus): movement in DH working balances	0
Sub total: net advances	**242,933**
(Less)/plus: transfers (to)/from other resource account bodies (free text note required)	0
Plus: cost of Dentistry Schemes (central charge to cash limits)	5,322
Plus: drugs reimbursement (central charge to cash limits)	28,363
Parliamentary funding credited to General Fund	**276,618**

4 Miscellaneous Revenue

	2012-13 Total	2012-13 Admin	2012-13 Programme	2011-12 Total
	£000	£000	£000	£000
Fees and Charges	**0**	0	0	45
Dental Charge income from Contractor-Led GDS & PDS	**1,798**		1,798	1,740
Dental Charge income from Trust-Led GDS & PDS	**0**		0	0
Prescription Charge income	**1,683**		1,683	1,720
Strategic Health Authorities	**1,044**	0	1,044	995
NHS Trusts	**5**	4	1	5
NHS Foundation Trusts	**26**	0	26	90
Primary Care Trusts Contributions to DATs	**0**		0	0
Primary Care Trusts - Other	**79**	62	17	32
Primary Care Trusts - Lead Commissioning	**0**	0	0	0
English RAB Special Health Authorities	**0**	0	0	0
NDPBs and Others (CGA)	**0**	0	0	0
Department of Health - SMPTB	**0**	0	0	0
Department of Health - Other	**0**	0	0	0
Recoveries in respect of employee benefits	**464**	456	8	183
Local Authorities	**157**	14	143	179
Patient Transport Services	**0**		0	0
Education, Training and Research	**0**	0	0	5
Non-NHS: Private Patients	**0**		0	0
Non-NHS: Overseas Patients (Non-Reciprocal)	**0**		0	0
NHS Injury Costs Recovery	**0**		0	0
Other Non-NHS Patient Care Services	**777**	39	738	895
Charitable and Other Contributions to Expenditure	**0**		0	0
Receipt of donated assets	**0**		0	0
Receipt of Government granted assets	**0**		0	0
Rental revenue from finance leases	**0**	0	0	0
Rental revenue from operating leases	**279**	0	279	106
Other revenue	**454**	100	354	194
Total miscellaneous revenue	**6,766**	**675**	**6,091**	**6,189**

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	**19,652**		19,652	19,589
Non-Healthcare	**1,517**	1,423	94	862
Total	**21,169**	**1,423**	**19,746**	**20,451**
Goods and Services from Other NHS Bodies other than FTs				
Goods and services from NHS Trusts	**22,666**	0	22,666	23,419
Goods and services (other, excl Trusts, FT and PCT))	**0**	0	0	144
Total	**22,666**	**0**	**22,666**	**23,563**
Goods and Services from Foundation Trusts	**127,809**	0	127,809	126,341
Purchase of Healthcare from Non-NHS bodies	**24,147**		24,147	21,708
Social Care from Independent Providers	**0**		0	0
Expenditure on Drugs Action Teams	**2,577**		2,577	2,486
Non-GMS Services from GPs	**148**	0	148	195
Contractor Led GDS & PDS (excluding employee benefits)	**7,025**		7,025	7,078
Salaried Trust-Led PDS & PCT DS (excluding employee benefits)	**0**		0	0
Chair, Non-executive Directors & PEC remuneration	**155**	155	0	143
Executive committee members costs	**0**	0	0	21
Consultancy Services	**300**	255	45	104
Prescribing Costs	**28,598**		28,598	29,591
G/PMS, APMS and PCTMS (excluding employee benefits)	**23,656**	0	23,656	23,489
Pharmaceutical Services	**1,646**		1,646	1,592
Local Pharmaceutical Services Pilots	**0**		0	0
New Pharmacy Contract	**6,860**		6,860	6,836
General Ophthalmic Services	**1,591**		1,591	1,641
Supplies and Services - Clinical	**75**	0	75	81
Supplies and Services - General	**21**	8	13	32
Establishment	**259**	91	168	258
Transport	**11**	3	8	44
Premises	**1,147**	0	1,147	977
Impairments & Reversals of Property, plant and equipment	**0**	0	0	4,297
Impairments and Reversals of non-current assets held for sale	**0**	0	0	0
Depreciation	**673**	73	600	495
Amortisation	**0**	0	0	53
Impairment & Reversals Intangible non-current assets	**0**	0	0	0
Impairment and Reversals of Financial Assets	**0**	0	0	0
Impairment of Receivables	**199**	0	199	21
Inventory write offs	**0**	0	0	0
Research and Development Expenditure	**0**	0	0	0
Audit Fees	**55**	20	35	176
Other Auditors Remuneration	**50**	28	22	0
Clinical Negligence Costs	**20**	0	20	19
Education and Training	**1,145**	36	1,109	1,017
Grants for capital purposes	**100**	0	100	0
Grants for revenue purposes	**3,128**	0	3,128	2,460
Impairments and reversals for investment properties	**0**	0	0	0
Other	**1,013**	0	1,013	552
Total Operating costs charged to Statement of Comprehensive Net Expenditure	**276,243**	**2,092**	**274,151**	**275,721**
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	**626**	610	16	479
Other Employee Benefits	**4,462**	2,095	2,367	4,790
Total Employee Benefits charged to SOCNE	**5,088**	**2,705**	**2,383**	**5,269**
Total Operating Costs	**281,331**	**4,797**	**276,534**	**280,990**
Analysis of grants reported in total operating costs				
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	**100**	0	100	0
Grants to Fund Capital Projects - Dental	**0**	0	0	0
Grants to Fund Capital Projects - Other	**0**	0	0	0
Total Capital Grants	**100**	**0**	**100**	**0**
Grants to fund revenue expenditure				
To Local Authorities	**3,128**	0	3,128	2,460
To Private Sector	**0**	0	0	0
To Other	**0**	0	0	0
Total Revenue Grants	**3,128**	**0**	**3,128**	**2,460**
Total Grants	**3,228**	**0**	**3,228**	**2,460**

Revenue grants to Local Authorities relates to social care funding of £3,128k transferred to North Lincolnshire Council under section S256 arrangement (31 March 2012: £2,460k)

Other expenditure includes costs for public health promotion campaigns £226k, HMRC complience costs £207k and local safeguarding children board costs £38k

	Total	Commissioning Services	Public Health
PCT Running Costs 2012-13			
Running costs (£000s)	**4,122**	3,859	263
Weighted population (number in units)*	**163,799**	163,799	163,799
Running costs per head of population (£ per head)	**25**	**23**	**2**
PCT Running Costs 2011-12			
Running costs (£000s)	**4,119**	3,727	392
Weighted population (number in units)	**163,799**	163,799	163,799
Running costs per head of population (£ per head)	**25**	**23**	**2**

* 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	23,656	23,489
Prescribing costs	28,598	29,591
Contractor led GDS & PDS	7,025	7,078
Trust led GDS & PDS	0	0
General Ophthalmic Services	1,616	1,641
Department of Health Initiative Funding	0	0
Pharmaceutical services	1,646	1,592
Local Pharmaceutical Services Pilots	0	0
New Pharmacy Contract	6,860	6,836
Non-GMS Services from GPs	148	195
Other	622	782
Total Primary Healthcare purchased	**70,171**	71,204
Purchase of Secondary Healthcare		
Learning Difficulties	3,531	3,693
Mental Illness	25,116	24,070
Maternity	8,556	8,110
General and Acute	126,128	120,014
Accident and emergency	5,539	4,861
Community Health Services	15,101	17,351
Other Contractual	9,150	9,538
Total Secondary Healthcare Purchased	**193,121**	187,637
Grant Funding		
Grants for capital purposes	100	0
Grants for revenue purposes	3,128	2,460
Total Healthcare Purchased by PCT	**266,520**	**261,301**
PCT self-provided secondary healthcare included above	0	0
Social Care from Independent Providers	0	0
Healthcare from NHS FTs included above	127,809	126,288

2011-12 Other Primary Care Health care has been adjusted for the S256 grant to North Lincolnshire Council of £2,460k

6. Operating Leases

6.1 PCT as lessee

	Land £000	Buildings £000	Other £000	2012-13 Total £000	2011-12 £000
Payments recognised as an expense					
Minimum lease payments				**1,421**	615
Contingent rents				**0**	0
Sub-lease payments				**0**	0
Total				**1,421**	**615**
Payable:					
No later than one year	**0**	**63**	**5**	**68**	118
Between one and five years	**0**	**228**	**0**	**228**	249
After five years	**0**	**667**	**0**	**667**	718
Total	**0**	**958**	**5**	**963**	**1,085**
Total future sublease payments expected to be received				0	0

Buildings
The PCT has operating leases for the following buildings:
- Duchess House (which was taken over by Northern Lincolnshire and Goole Hospitals Foundation Trust on 1.4.13)
- Monarch House (which was taken over by Northern Lincolnshire and Goole Hospitals Foundation Trust on 1.4.13)
- Haldenby House (which was taken over by NHS Property Services on 1.4.13)
- Ashby Clinic (which was taken over by NHS Property Services on 1.4.13)

In line with the requirement of IAS 17, the future minimum lease payments have been detailed in the figures above.

GMS Leases
North Lincolnshire PCT has entered into certain financial arrangements involving the use of GP premises under:
- IAS 17 Leases
- SIC 27 Evaluating the substance of transactions involving the legal form of a lease.
- IFRIC 4 Determining whether an arrangement contains a lease.

The PCT has determined that operating leases must be recognised for 16 GMS Contracts (6 of which changed from PMS to GMS on 1.1.13),
4 PMS Contracts and 1 APMS Contract.
However, as there is no defined term in the arrangements entered into, it is not possible to analyse the arrangements payable over
future financial years. The payments made during 2012-13 and 2011-12 are included in the minimum lease payments above.
In previous years, PMS premises costs were included as part of the baseline, so no costs were included as minimum lease payments above.
During 2012-13 these costs have been removed from the baselines, actual costs have been paid and included in the minimum lease payments figure above.
The 2011-12 comparative figure has been restated to include the PMS values.
These leases do not involve the legal form of a lease.
These leases will be transferred to NHS England (formerly NHS Commissioning Board) from 1.4.13

Other
The figures included above in the 'other' category relate to lease car contracts.

Legal charges
On application of the lease determination test IAS 17, all PCT legal charges were reclassified as operating leases in 11-12 accounts.
Whilst these involve the legal form of a lease they have a zero charge.
The exceptions are Learning Disability properties and Brumby Hospital (now known as Brumby Resource Centre) which are disclosed as contingent assets (note 33 refers).
All legal charges became the property of NHS Property Services on 1.4.13

6.2 PCT as lessor

	2012-13 £000	2011-12 £000
Recognised as income		
Rental Revenue	**279**	106
Contingent rents	**0**	0
Total	**279**	106
Receivable:		
No later than one year	**240**	243
Between one and five years	**657**	744
After five years	**2,285**	2,434
Total	**3,182**	3,421

During 2011-12, North Lincolnshire PCT became a lessor for the Ironstone Centre.
The leases have been classified as Operating Leases under IAS 17.
There are currently 10 tenants who have leases for varying rental values (based on floor space occupied), and different
lease terms (ranging from 1 year up to 25 years).
The Ironstone Centre became the property of NHS Property Services as of 1.4.13

The operating leases are with the following tenants:
Serenity-Sequel Healthcare Ltd
WRVS
Danum
Cedar Medical Practice
Weldricks Pharmacy
Rotherham Doncaster and South Humber Mental Health NHS Foundation Trust
Assura East Riding LLP
North Lincolnshire Council
Coast
The Birches

7. Employee benefits and staff numbers

7.1 Employee benefits

	2012-13								
				Permanently employed			Other		
	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000
Employee Benefits - Gross Expenditure									
Salaries and wages	**4,095**	2,308	1,787	**3,829**	2,250	1,579	**266**	58	208
Social security costs	**364**	209	155	**364**	209	155	**0**	0	0
Employer Contributions to NHS BSA - Pensions Division	**515**	294	221	**515**	294	221	**0**	0	0
Other pension costs	**0**	0	0	**0**	0	0	**0**	0	0
Other post-employment benefits	**0**	0	0	**0**	0	0	**0**	0	0
Other employment benefits	**0**	0	0	**0**	0	0	**0**	0	0
Termination benefits	**114**	0	114	**114**	0	114	**0**	0	0
Total employee benefits	**5,088**	**2,811**	**2,277**	**4,822**	**2,753**	**2,069**	**266**	**58**	**208**
Less recoveries in respect of employee benefits (table below)	**(464)**	(456)	(8)	**(464)**	**(456)**	**(8)**	**0**	**0**	**0**
Total - Net Employee Benefits including capitalised costs	**4,624**	**2,355**	**2,269**	**4,358**	**2,297**	**2,061**	**266**	**58**	**208**
Employee costs capitalised	**0**	0	0	**0**	0	0	**0**	0	0
Gross Employee Benefits excluding capitalised costs	**5,088**	**2,811**	**2,277**	**4,822**	**2,753**	**2,069**	**266**	**58**	**208**
Recognised as:									
Commissioning employee benefits	**5,088**			**4,822**			**266**		
Provider employee benefits	**0**			**0**			**0**		
Gross Employee Benefits excluding capitalised costs	**5,088**			**4,822**			**266**		

	2012-13								
				Permanently employed			Other		
	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000
Employee Benefits - Revenue									
Salaries and wages	**464**	456	8	**464**	456	8	**0**	0	0
Social Security costs	**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
Other pension costs	**0**	0	0	**0**	0	0	**0**	0	0
Other Post Employment Benefits	**0**	0	0	**0**	0	0	**0**	0	0
Other Employment Benefits	**0**	0	0	**0**	0	0	**0**	0	0
Termination Benefits	**0**	0	0	**0**	0	0	**0**	0	0
TOTAL excluding capitalised costs	**464**	**456**	**8**	**464**	**456**	**8**	**0**	**0**	**0**

Employee Benefits - Prior- year

	Total £000	Permanently employed £000	Other £000
Employee Benefits - Gross Expenditure - 2011/12			
Salaries and wages	**3,822**	3,634	188
Social security costs	**353**	353	0
Employer Contributions to NHS BSA - Pensions Division	**517**	517	0
Other pension costs	**0**	0	0
Other post-employment benefits	**0**	0	0
Other employment benefits	**0**	0	0
Termination benefits	**577**	577	0
Total gross employee benefits	**5,269**	**5,081**	**188**
Less recoveries in respect of employee benefits	**(183)**	(183)	0
Total - Net Employee Benefits including capitalised costs	**5,086**	**4,898**	**188**
Employee costs capitalised	**0**	0	0
Gross Employee Benefits excluding capitalised costs	**5,269**	**5,081**	**188**
Recognised as:			
Commissioning employee benefits	**5,269**		
Provider employee benefits	**0**		
Gross Employee Benefits excluding capitalised costs	**5,269**		

7.2 Staff Numbers

	2012-13			2011-12		
	Total Number	Permanently employed Number	Other Number	Total Number	Permanently employed Number	Other Number
Average Staff Numbers						
Medical and dental	**4**	3	1	**3**	2	1
Ambulance staff	**0**	0	0	**0**	0	0
Administration and estates	**87**	87	0	**96**	95	1
Healthcare assistants and other support staff	**4**	4	0	**3**	3	0
Nursing, midwifery and health visiting staff	**6**	6	0	**6**	6	0
Nursing, midwifery and health visiting learners	**0**	0	0	**0**	0	0
Scientific, therapeutic and technical staff	**0**	0	0	**0**	0	0
Social Care Staff	**0**	0	0	**0**	0	0
Other	**0**	0	0	**0**	0	0
TOTAL	**100**	**100**	**1**	**107**	**105**	**2**
Of the above - staff engaged on capital projects	**0**	0	0	**0**	0	0

7.3 Staff Sickness absence and ill health retirements

	2012-13 Number	2011-12 Number
Total Days Lost	**799**	**3,760**
Total Staff Years	**105**	**380**
Average working Days Lost	7.58	9.89

	2012-13 Number	2011-12 Number
Number of persons retired early on ill health grounds	**1**	0
	£000s	£000s
Total additional pensions liabilities accrued in the year	113	0

7.4 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**	**0**	**0**	0	2	**2**
£10,001-£25,000	**1**	**0**	**1**	0	3	**3**
£25,001-£50,000	**1**	**0**	**1**	0	2	**2**
£50,001-£100,000	**1**	**0**	**1**	0	4	**4**
£100,001 - £150,000	**0**	**0**	**0**	0	1	**1**
£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	**3**	**0**	**3**	**0**	**12**	**12**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Total resource cost	114	0	**114**	0	577	**577**

3 compulsory redundancies under NHS Redundancy Agreement (Agenda for Change) scheme, 1 of which was paid before 5 April, the others to be paid by end of April (partial).

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.

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

a) Accounting valuation

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period. Actuarial assessments are undertaken in intervening years between formal valuations using updated membership data and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2013, is based on the valuation data as 31 March 2012, updated to 31 March 2013 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2004. Consequently, a formal actuarial valuation would have been due for the year ending 31 March 2008. However, formal actuarial valuations for unfunded public service schemes were suspended by HM Treasury on value for money grounds while consideration is given to recent changes to public service pensions, and while future scheme terms are developed as part of the reforms to public service pension provision due in 2015.

The Scheme Regulations were changed to allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

The next formal valuation to be used for funding purposes will be carried out at as at March 2012 and will be used to inform the contribution rates to be used from 1 April 2015.

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. From 2011-12 the Consumer Price Index (CPI) will be used to replace the Retail Prices Index (RPI).

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 employer.

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	**8,458**	**39,679**	9,513	44,828
Total Non-NHS Trade Invoices Paid Within Target	**7,485**	**36,636**	9,147	41,742
Percentage of NHS Trade Invoices Paid Within Target	88.50%	92.33%	96.15%	93.12%
NHS Payables				
Total NHS Trade Invoices Paid in the Year	**2,864**	**200,441**	2,693	174,314
Total NHS Trade Invoices Paid Within Target	**2,739**	**199,409**	2,211	172,163
Percentage of NHS Trade Invoices Paid Within Target	95.64%	99.49%	82.10%	98.77%

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

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000	2011-12 £000
Rental Income				
PFI finance lease revenue (planned)	**0**	**0**	**0**	0
PFI finance lease revenue (contingent)	**0**	**0**	**0**	0
Other finance lease revenue	**0**	**0**	**0**	0
Subtotal	**0**	**0**	**0**	0
Interest Income				
LIFT: equity dividends receivable	**0**	**0**	**0**	0
LIFT: loan interest receivable	**0**	**0**	**0**	0
Bank interest	**0**	**0**	**0**	0
Other loans and receivables	**0**	**0**	**0**	4
Impaired financial assets	**0**	**0**	**0**	0
Other financial assets	**0**	**0**	**0**	0
Subtotal	**0**	**0**	**0**	4
Total investment income	**0**	**0**	**0**	4

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**	10
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**	10

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	**0**	**0**	**0**	0
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	**0**	**0**	**0**	**0**
Other finance costs	**0**	**0**	**0**	0
Provisions - unwinding of discount	**0**		**0**	16
Total	**0**	**0**	**0**	**16**

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	**1,371**	**14,214**	**0**	**0**	**0**	**0**	**1,798**	**1,735**	**19,118**
Additions of Assets Under Construction				0					**0**
Additions Purchased	0	103	0		0	0	210	0	**313**
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**
Reclassifications	0	0	0	0	0	0	111	(111)	**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	(424)	(953)	**(1,377)**
Upward revaluation/positive indexation	0	0	0	0	0	0	0	0	**0**
Impairments/negative indexation	0	0	0	0	0	0	0	0	**0**
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	(351)	**(351)**
At 31 March 2013	**1,371**	**14,317**	**0**	**0**	**0**	**0**	**1,695**	**320**	**17,703**
Depreciation									
At 1 April 2012	**100**	**4,635**	**0**	**0**	**0**	**0**	**1,146**	**1,030**	**6,911**
Reclassifications		0	0		0	0	0	0	**0**
Reclassifications as Held for Sale	0	0	0		0	0	0	0	**0**
Disposals other than for sale	0	0	0		0	0	(424)	(953)	**(1,377)**
Upward revaluation/positive indexation	0	0	0		0	0	0	0	**0**
Impairments	0	0	0	0	0	0	0	0	**0**
Reversal of Impairments	0	0	0	0	0	0	0	0	**0**
Charged During the Year	0	215	0		0	0	266	192	**673**
Transfers (to)/from Other Public Sector Bodies	0	0	0	0	0	0	0	(117)	**(117)**
At 31 March 2013	**100**	**4,850**	**0**	**0**	**0**	**0**	**988**	**152**	**6,090**
Net Book Value at 31 March 2013	**1,271**	**9,467**	**0**	**0**	**0**	**0**	**707**	**168**	**11,613**
Purchased	1,271	9,467	0	0	0	0	707	168	**11,613**
Donated	0	0	0	0	0	0	0	0	**0**
Government Granted	0	0	0	0	0	0	0	0	**0**
Total at 31 March 2013	**1,271**	**9,467**	**0**	**0**	**0**	**0**	**707**	**168**	**11,613**
Asset financing:									
Owned	1,271	9,467	0	0	0	0	707	168	**11,613**
Held on finance lease	0	0	0	0	0	0	0	0	**0**
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	**1,271**	**9,467**	**0**	**0**	**0**	**0**	**707**	**168**	**11,613**

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	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2012	**531**	**367**	**0**	**0**	**0**	**0**	**0**	**32**	**930**
Movements	0	0	0	0	0	0	0	0	**0**
At 31 March 2013	**531**	**367**	**0**	**0**	**0**	**0**	**0**	**32**	**930**

Additions to Assets Under Construction in 2012-13

	£000
Land	0
Buildings excl Dwellings	0
Dwellings	0
Plant & Machinery	0
Balance as at YTD	**0**

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	**1,416**	**1,127**	**0**	**7,938**	**0**	**0**	**1,333**	**1,010**	**12,824**
Additions - purchased	0	213	0	5,417	0	0	465	426	**6,521**
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	8,859	0	(9,158)	0	0	0	299	**0**
Reclassified as held for sale	(32)	(253)	0	0	0	0	0	0	**(285)**
Disposals other than by sale	0	0	0	0	0	0	0	0	**0**
Revaluation & indexation gains	0	71	0	0	0	0	0	0	**71**
Impairments	(13)	0	0	0	0	0	0	0	**(13)**
Reversals of impairments	0	0	0	0	0	0	0	0	**0**
In-year transfers to/from NHS bodies	0	0	0	0	0	0	0	0	**0**
Cumulative dep netted off cost following revaluation	0	0	0	0	0	0	0	0	**0**
At 31 March 2012	**1,371**	**10,017**	**0**	**4,197**	**0**	**0**	**1,798**	**1,735**	**19,118**
Depreciation									
At 1 April 2011	**0**	**277**	**0**		**0**	**0**	**856**	**986**	**2,119**
Reclassifications		0	0		0	0	0	0	**0**
Reclassifications as Held for Sale	0	0	0		0	0	0	0	**0**
Disposals other than for sale	0	0	0		0	0	0	0	**0**
Upward revaluation/positive indexation	0	0	0		0	0	0	0	**0**
Impairments	100	0	0	4,197	0	0	0	0	**4,297**
Reversal of Impairments	0	0	0	0	0	0	0	0	**0**
Charged During the Year	0	161	0		0	0	290	44	**495**
In-year transfers to/from NHS bodies	0	0	0	0	0	0	0	0	**0**
Cumulative dep netted off cost following revaluation	0	0	0	0	0	0	0	0	**0**
At 31 March 2012	**100**	**438**	**0**	**4,197**	**0**	**0**	**1,146**	**1,030**	**6,911**
Net Book Value at 31 March 2012	**1,271**	**9,579**	**0**	**0**	**0**	**0**	**652**	**705**	**12,207**
Purchased	1,271	9,579	0	0	0	0	652	705	**12,207**
Donated	0	0	0	0	0	0	0	0	**0**
Government Granted	0	0	0	0	0	0	0	0	**0**
At 31 March 2012	**1,271**	**9,579**	**0**	**0**	**0**	**0**	**652**	**705**	**12,207**
Asset financing:									
Owned	1,271	9,579	0	0	0	0	652	705	**12,207**
Held on finance lease	0	0	0	0	0	0	0	0	**0**
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	**1,271**	**9,579**	**0**	**0**	**0**	**0**	**652**	**705**	**12,207**

12.3 Property, plant and equipment

The valuations have been carried out primarily on the basis of Modern Equivalent Asset for specialised operational property and Existing Use Value for non-specialised operational property. The value of land for existing use purposes is assessed at Existing Use Value. In respect of non-operational properties, including surplus land, the valuations have been carried out at Open Market Value.
Gains made from indexation and revaluations are taken to the revaluation reserve. Losses arising from revaluations are recognised as impairments and are charged to the revaluation reserve to the extent that a balance exists in relation to the revalued asset. Losses in excess of that amount are charged to the current year's Statement of Comprehensive Net Expenditure (SoCNE). Falls in value when newly constructed assets are brought into use are charged in full to the SoCNE. These falls in value result from the adoption of ideal conditions as the basis for depreciated replacement cost valuations.

Land and buildings held under finance leases are capitalised at inception at the fair value of the asset but may be subsequently revalued by the District Valuer. The valuations do not include notional directly attributable acquisition costs nor have selling costs been deducted, since they are regarded as not material.

All adjustments arising from indexation and five-yearly revaluations are taken to the Revaluation Reserve. All impairments resulting from price changes are charged to the Statement of Recognised Losses.

The land and buildings held by North Lincolnshire PCT was revalued by a MRICS Valuer from the District Valuers Office as at the 31st March 2012, excluding the Ironstone Centre , which was revalued prior to opening in October 2011. The properties were valued in accordance with HM Treasury guidance, International Valuation Standards and the requirements of the Royal Institution of Chartered Surveyors (RICS) Valuation Standards 7th Edition at either Fair Value including Depreciated Replacement Costs for operational properties and the Market Value for non operational properties.

Economic Lives of Non-Current Assets	**Min Life Years**	**Max Life Years**
Property, Plant and Equipment		
Buildings exc Dwellings	15	70
Dwellings	15	25
Plant & Machinery	5	10
Transport Equipment	3	10
Information Technology	2	5
Furniture and Fittings	2	10

Open Market Value of Assets at balance sheet date

As detailed above PCT assets valuations are based on Existing Use Values for operational properties.
The open market values are shown in note 13.5.

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	**44**	**47**	**0**	**0**	**184**	**275**
Additions - purchased	0	30	0	0	0	**30**
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	(44)	0	0	0	(95)	**(139)**
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**	**77**	**0**	**0**	**89**	**166**
Amortisation						
At 1 April 2012	**44**	**0**	**0**	**0**	**184**	**228**
Reclassifications	0	0	0	0	0	**0**
Reclassified as held for sale	0	0	0	0	0	**0**
Disposals other than by sale	(44)	0	0	0	(95)	**(139)**
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	0	0	0	0	**0**
In-year transfers to NHS bodies	0	0	0	0	0	**0**
At 31 March 2013	**0**	**0**	**0**	**0**	**89**	**89**
Net Book Value at 31 March 2013	**0**	**77**	**0**	**0**	**0**	**77**
Net Book Value at 31 March 2013 comprises						
Purchased	0	77	0	0	0	**77**
Donated	0	0	0	0	0	**0**
Government Granted	0	0	0	0	0	**0**
Total at 31 March 2013	**0**	**77**	**0**	**0**	**0**	**77**

Revaluation reserve balance for intangible non-current assets

	Software internally generated £000	Software purchased £000	Licences & trademarks £000	Patents £000	Development expenditure £000	Total £000
At 1 April 2012	**0**	**47**	**0**	**0**	**0**	**47**
Movements	0	30	0	0	0	**30**
At 31 March 2013	**0**	**77**	**0**	**0**	**0**	**77**

13.2 Intangible non-current assets

2011-12	Software internally generated	Software purchased	Licences & trademarks	Patents	Development expenditure	Total
	£000	£000	£000	£000	£000	£000
At 1 April 2011	**44**	**0**	**0**	**0**	**184**	**228**
Additions - purchased	0	47	0	0	0	**47**
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	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**
Cumulative dep netted off cost following revaluation	0	0	0	0	0	**0**
At 31 March 2012	**44**	**47**	**0**	**0**	**184**	**275**
Amortisation						
At 1 April 2011	**44**	**0**	**0**	**0**	**131**	**175**
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 expenses	0	0	0	0	0	**0**
Charged during the year	0	0	0	0	53	**53**
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	**44**	**0**	**0**	**0**	**184**	**228**
Net Book Value at 31 March 2012	**0**	**47**	**0**	**0**	**0**	**47**
Net Book Value at 31 March 2012 comprises						
Purchased	0	47	0	0	0	**47**
Donated	0	0	0	0	0	**0**
Government Granted	0	0	0	0	0	**0**
Total at 31 March 2012	**0**	**47**	**0**	**0**	**0**	**47**

13.3 Intangible non-current assets

Intangible fixed assets held for operational use are valued at historical cost and are amortised over the estimated life of the asset on a straight line basis, except capitalised Research and Development which is valued using appropriate index figures and depreciated over the estimated life of the asset on a straight line basis. 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.

13.4 Economic Lives of Intangible Non-Current Assets

	Min Life Years	Max Life Years
Intangible Assets		
Software Licences	4	10
Licences and Trademarks	4	10
Patents	4	10
Development Expenditure	15	25

13.5 Open Market Value of Assets at balance sheet date

	Land	Buildings excl. dwellings	Dwellings	Total
	£000	£000	£000	£000
Open Market Value at 31 March 2013	1,271	9,467	0	10,738
Open Market Value at 31 March 2012	1,271	9,579	0	10,850

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
Loss as a result of catastrophe	0		0
Other	0		0
Changes in market price	0		0
Total charged to Annually Managed Expenditure	**0**		**0**
Property, Plant and Equipment impairments and reversals charged to the revaluation reserve			
Loss or damage resulting from normal operations	0		
Over Specification of Assets	0		
Abandonment of assets in the course of construction	0		
Unforeseen obsolescence	0		
Loss as a result of catastrophe	0		
Other	0		
Changes in market price	0		
Total impairments for PPE charged to reserves	**0**		
Total Impairments of Property, Plant and Equipment	**0**	**0**	**0**
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
Loss as a result of catastrophe	0		0
Other	0		0
Changes in market price	0		0
Total charged to Annually Managed Expenditure	**0**		**0**
Intangible Assets impairments and reversals charged to the Revaluation Reserve			
Loss or damage resulting from normal operations	0		
Over-specification of assets	0		
Abandonment of assets in the course of construction	0		
Unforeseen obsolescence	0		
Loss as a result of catastrophe	0		
Other	0		
Changes in market price	0		
Total impairments for Intangible Assets charged to Reserves	**0**		
Total Impairments of Intangibles	**0**	**0**	**0**
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
Other	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		
Loss as a result of catastrophe	0		
Other	0		
TOTAL impairments for Financial Assets charged to reserves	**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
Loss as a result of catastrophe	0		0
Other	0		0
Changes in market price	0		0
Total charged to Annually Managed Expenditure	**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
Loss as a Result of a Catastrophe	0		0
Other (Free text note required)*	0		0
Changes in Market Price	0		0
Total charged to Annually Managed Expenditure	**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
Loss as a Result of a Catastrophe	0		0
Other (Free text note required)*	0		0
Changes in Market Price	0		0
Total charged to Annually Managed Expenditure	**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		
Over Specification of Assets	0		
Abandonment of Assets in the Course of Construction	0		
Unforeseen Obsolescence	0		
Loss as a Result of a Catastrophe	0		
Other (Free text note required)*	0		
Changes in Market Price	0		
TOTAL impairments for Investment Property charged to Reserves	**0**		
Total Investment Property Impairments	**0**	**0**	**0**
Total Impairments charged to Revaluation Reserve	0		
Total Impairments charged to SoCNE - DEL	0	0	0
Total Impairments charged to SoCNE - AME	0		0
Overall Total Impairments	**0**	**0**	**0**
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

	31 March 2013	31 March 2012
	£000	£000
At fair value		
Balance at 1 April 2012	**0**	0
Additions Through Subsequent Expenditure	**0**	0
Other Acquisitions	**0**	0
Disposals	**0**	0
Property Reclassified as Held for Sale	**0**	0
Loss from Fair Value Adjustments - Impairments	**0**	0
Gain from Fair Value Adjustments - Reversal of Impairments	**0**	
Gain from Fair Value Adjustments	**0**	0
Transfers (to)/from Other Public Sector Bodies	**0**	
Other Changes	**0**	0
Balance at 31 March 2013	**0**	0
Investment property capital transactions in 2012-13		
Capital expenditure	**0**	0
Capital income	**0**	0
	0	0

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**	0
Intangible assets	**0**	0
Total	**0**	0

16.2 Other financial commitments

North Lincolnshire PCT does not have any non-cancellable contracts (which are not leases or PFI contracts or other service concession arrangements)

	31 March 2013	31 March 2012
	£000	£000
Not later than one year	**0**	0
Later than one year and not later than five year	**0**	0
Later than five years	**0**	0
Total	**0**	0

17 Intra-Government and other balances

	Current receivables	**Non-current receivables**	**Current payables**	**Non-current payables**
	£000	**£000**	**£000**	**£000**
Balances with other Central Government Bodies	202	0	495	0
Balances with Local Authorities	437	0	1,086	0
Balances with NHS bodies outside the Departmental Group	0	0	0	0
Balances with NHS Trusts and Foundation Trusts	529	0	1,641	0
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with bodies external to government	876	0	12,501	0
At 31 March 2013	**2,044**	**0**	**15,723**	**0**
prior period:				
Balances with other Central Government Bodies	193	0	1,216	0
Balances with Local Authorities	780	0	1,074	0
Balances with NHS Trusts and Foundation Trusts	828	0	3,476	0
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with bodies external to government	1,510	0	20,445	0
At 31 March 2012	**3,311**	**0**	**26,211**	**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**	**2**	**2**
Additions	0	0	0	0	0	0	**0**
Inventories recognised as an expense in the period	0	0	0	0	0	(1)	**(1)**
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**	**1**	**1**

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	**685**	989	**0**	0
NHS receivables - capital	**0**	0	**0**	0
NHS prepayments and accrued income	**0**	0	**0**	0
Non-NHS receivables - revenue	**754**	898	**0**	0
Non-NHS receivables - capital	**0**	0	**0**	0
Non-NHS prepayments and accrued income	**809**	1,416	**0**	0
Provision for the impairment of receivables	**(199)**	(24)	**0**	0
VAT	**(5)**	32	**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	**2,044**	3,311	**0**	0
Total current and non current	**2,044**	3,311		
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	**1,045**	275
By three to six months	**240**	187
By more than six months	**111**	0
Total	**1,396**	462

The majority of the receivables held are due from other NHS bodies

19.3 Provision for impairment of receivables

	2012-13 £000	2011-12 £000
Balance at 1 April 2012	**(24)**	(26)
Amount written off during the year	**24**	23
Amount recovered during the year	**0**	0
(Increase)/decrease in receivables impaired	**(199)**	(21)
Balance at 31 March 2013	**(199)**	(24)

Amounts relate to non-NHS debts with a low chance of recovery greater than 3 months old

20 NHS LIFT investments

North Lincolnshire PCT does not currently have any LIFT schemes

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
Total Other Financial Assets - Non Current	**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

NHS North Lincolnshire does not participate in the EU Emissions Trading Scheme.

23 Cash and Cash Equivalents

	31 March 2013 £000	31 March 2012 £000
Opening balance	**2**	2
Net change in year	**0**	0
Closing balance	**2**	2
Made up of		
Cash with Government Banking Service	**2**	2
Commercial banks	**0**	0
Cash in hand	**0**	0
Current investments	**0**	0
Cash and cash equivalents as in statement of financial position	**2**	2
Bank overdraft - Government Banking Service	**0**	0
Bank overdraft - Commercial banks	**0**	0
Cash and cash equivalents as in statement of cash flows	**2**	2
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	48	72	0	0	0	0	0	0	0	**120**
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**
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	**48**	**72**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**120**
Liabilities associated with assets held for sale at 31 March 2013	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
										0
Balance at 1 April 2011	48	72	0	0	0	0	0	0	0	**120**
Plus assets classified as held for sale in the year	32	253	0	0	0	0	0	0	0	**285**
Less assets sold in the year	(32)	(253)	0	0	0	0	0	0	0	**(285)**
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	**48**	**72**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**120**
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 House on Auckland Road has been actively marketed by the PCT this year with a number of offers received.
Its sale has been agreed and is likely to go through by the end of May
From 1.4.13 all properties are managed by NHS Property Services

25 Trade and other payables

	Current		Non-current	
	31 March 2013 £000	31 March 2012 £000	**31 March 2013 £000**	31 March 2012 £000
Interest payable	**0**	0		
NHS payables - revenue	**1,989**	4,071	**0**	0
NHS payables - capital	**80**	354	**0**	0
NHS accruals and deferred income	**0**	0	**0**	0
Family Health Services (FHS) payables	**850**	1,708		
Non-NHS payables - revenue	**9,847**	9,461	**0**	0
Non-NHS payables - capital	**224**	417	**0**	0
Non-NHS accruals and deferred income	**2,463**	9,950	**0**	0
Social security costs	**54**	60		
VAT	**0**	0	**0**	0
Tax	**81**	101		
Payments received on account	**0**	0	**0**	0
Other	135	89	0	0
Total	**15,723**	26,211	**0**	0
Total payables (current and non-current)	**15,723**	**26,211**		

Other payables include £68,000 in respect of outstanding pensions contributions at 31 March 2013 (31 March 2012: £72,000).

26 Other liabilities

North Lincolnshire PCT does not have any other liabilities.

27 Borrowings

North Lincolnshire PCT does not have any borrowings.

28 Other financial liabilities

North Lincolnshire PCT does not have any other financial liabilities.

29 Deferred income

North Lincolnshire PCT does not have any deferred income.

30 Finance lease obligations

North Lincolnshire PCT holds one finance lease for the Car Park at the Ironstone Centre

31 Finance lease receivables as lessor

North Lincolnshire PCT does not currently hold any finance leases.

32 Provisions

Comprising:

	Total £000	Pensions to Former Directors £000	Pensions Relating to Other Staff £000	Legal Claims £000	Restructuring £000	Continuing Care £000	Equal Pay £000	Agenda for Change £000	Other £000	Redundancy £000
Balance at 1 April 2012	**2,891**	35	768	92	0	1,233	0	0	502	261
Arising During the Year	**8,506**	0	0	21	0	7,622	0	0	820	43
Utilised During the Year	**(1,231)**	(35)	(768)	(6)	0	(31)	0	0	(130)	(261)
Reversed Unused	**(438)**	0	0	(66)	0	0	0	0	(372)	0
Unwinding of Discount	**0**	0	0	0	0	0	0	0	0	0
Change in Discount Rate	**0**	0	0	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	**9,728**	**0**	**0**	**41**	**0**	**8,824**	**0**	**0**	**820**	**43**
Expected Timing of Cash Flows:										
No Later than One Year	**9,728**	**0**	**0**	**41**	**0**	**8,824**	**0**	**0**	**820**	**43**
Later than One Year and not later than Five Years	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Later than Five Years	**0**	**0**	**0**	**0**	**0**	**0**	**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	432

Pensions

Pensions under back to back arrangements from previous re-organisations have been bought out this year

Legal Claims

Legal claims remain relating to Royal Hull and East Yorkshire (£15k) NHSLA as the PCTs notified contribution (£11k) and boundary dispute (£14.5k) which is expected to be paid in 13-14

Continuing Care

Continuing Care provision includes two elements:

a) backlog in assessing current claims of £5.9m of which £1.1m accrued in previous year but unlikely to be paid in the first 3 months of 2013-14

b) retrospective claims under recent NHS guidance estimated at circa £3.0m to be assessed within 2 years.

No reimbursements are expected to fund this anticipated cost. Claims may be higher if sent to the wrong PCT

A second deadline for these claims of 1 April may produce further claims but these are not expected to be material (see contingent liability note 33)

Other provisions include:

1) £250k - Exit fees relating to mobilisation of Urgent care specification tendered in 2012 for emergency and out of hours providers, with new service expected to be in place by September
2) £132k relating to potential income tax/ superannuation issues following off payroll guidance relating to employed GP and other practice based staff for to 12-13 only, put right for 13-14.
3) £100k for a potential claim relating to a disputed invoice/service with a private provider
4) £84k for a boundary wall. The obligation exists due to a boundary dispute at Health Place. The costs are based on quotes with regards to planning and constructing a secure boundary.
5) £75k estimated impact following a VAT audit by HMRC
6) £50k estimated Employment Tribunal and associated costs if successful.
7) £43k relating to 2 partial redundancies for 2 named individuals, one due to be paid in April and the other by September (see note 7.4). Funding was received for 1 case in March through a risk pool with North Yorkshire and Humber.
8) £39k disputed GP Practice rent reviews
9) £30k dilapidation of buildings being taken over by NHS Property Services on 1 April 12- For Riddings

Provision for impairment of receivables is shown in note 19.3

The likely destination in terms of which successor body is inheriting these provisions is summarised in note 42.2

33 Contingencies

	31 March 2013 £000	31 March 2012 £000
Contingent liabilities		
Equal Pay	**0**	0
Other - NHSLA & Continuing Care	**(18)**	(37)
Amounts Recoverable Against Contingent Liabilities	**0**	0
Net Value of Contingent Liabilities	**(18)**	(37)
Contingent Assets		
Contingent Assets	**2,101**	2,101
Net Value of Contingent Assets	**2,101**	2,101

Contingent Assets

These relate to Learning Disability (LD) properties and Brumby Hospital under which a legal charge is held. These properties are owned by a third party but with an obligation that if the property is sold or not used to provide the service stated within the legal charge, then the third party will pay North Lincolnshire PCT the market price of the property less any legal fees. The asset is probable, but reliant on the actions of the third party and therefore not within the control of the PCT and so has been classified as Contingent Assets in line with IAS 37. The legal charges passed to NHS Property Services as of 1.4.13.

	indexed NBV (£000)
Brumby Hospital (now Brumby Resource Centre)	450
93/95 Western Road, Goole	236
6 Queens View, Scunthorpe	236
8 Queens View, Scunthorpe	236
22 Millcroft, Scunthorpe	236
55/57 Dryden Road, Scunthorpe	179
4a Collum Gardens	128
The Hollies, Normanby Rd	400
	2,101

The Provisions for Continuing Care in note 32 do not include retrospective claims received relating to the 2nd national deadline of 1.4.13.
13 claims have been received by the second deadline and need to be validated which is a contingent liability but with an unestimated value.
The payment of these claims if successful to be made within 2 years.

34 PFI and LIFT - additional information

North Lincolnshire PCT has no PFI or LIFT schemes in 2012-13

35 Impact of IFRS treatment - 2012-13

North Lincolnshire PCT has no PFI or LIFT schemes 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 risk.

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**
Receivables - NHS		693		**693**
Receivables - non-NHS		511		**511**
Cash at bank and in hand		1		**1**
Other financial assets	0	0	0	**0**
Total at 31 March 2013	**0**	**1,205**	**0**	**1,205**
Embedded derivatives	0			0
Receivables - NHS		989		989
Receivables - non-NHS		873		873
Cash at bank and in hand		2		2
Other financial assets	0	0	0	0
Total at 31 March 2012	0	1,864	0	1,864

36.2 Financial Liabilities	**At 'fair value through profit and loss' £000**	**Other £000**	**Total £000**
Embedded derivatives	0		**0**
NHS payables		2,030	**2,030**
Non-NHS payables		13,386	**13,386**
Other borrowings		0	**0**
PFI & finance lease obligations		0	**0**
Other financial liabilities	0	0	**0**
Total at 31 March 2013	**0**	**15,416**	**15,416**
Embedded derivatives	0		0
NHS payables		4,425	4,425
Non-NHS payables		21,536	21,536
Other borrowings		0	0
PFI & finance lease obligations		0	0
Other financial liabilities	0	0	0
Total at 31 March 2012	**0**	25,961	25,961

37 Related Party Transactions 2012-13

The Parent

The Department of Health is regarded as a related party. During the year North Lincolnshire PCT (otherwise known as NHS North Lincolnshire or NHS NL for short) has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department.

NHS Bodies

North East Lincolnshire Care Trust Plus (otherwise known as NHS NEL)
Hull Teaching PCT (otherwise known as NHS Hull)
East Riding of Yorkshire PCT (NHS ERY)
Barnsley PCT (who Host Yorkshire & Humber Specialist Commissioning Group)
Northern Lincolnshire & Goole Hospitals NHS Foundation Trust
Hull and East Yorkshire Hospitals NHS Trust
Doncaster & Bassetlaw Hospitals NHS Foundation Trust
Sheffield Children's Hospitals NHS Foundation Trust
Sheffield Teaching Hospitals NHS Foundation Trust
United Lincolnshire Hospitals NHS Trust
Leeds Teaching Hospital NHS Trust
Rotherham Doncaster & South Humber Mental Health NHS Foundation Trust
East Midlands Ambulance Service NHS Trust
Yorkshire & Humber Strategic Health Authority
NHS Pensions Scheme

Other Government Departments

North Lincolnshire Council
HM Revenue and Customs
National Insurance Fund

Key Management Personnel

Humber Cluster Board Members:

Karen Knapton, Chair (to 31 August 2012)
Kath Lavery, Chair (Vice Chair 1 April to 31 August 2012)
Helen Varey, Vice Chair
Val Waterhouse, Vice Chair
Richard Davies, Non-Executive Director
Mark Webb, Non-Executive Director
Louise Norton, Associate Non-Executive Director
Catherine Dymond,Non-Executive Director (1 April to 31 October 2012)
Ursula Vickerton, Non-Executive Director (1 April to 30 November 2012)
Graham Powell, Non-Executive Director (12 December 2012 onwards, NHS Hull only 1 April to 11 December 2012)
Pauline Harness, Associate Non-Executive Director
Chris Long, Chief Executive
Alan Barton, Director of Finance and Performance (half-time from 5 December 2011, NHS Hull Chief Operating Officer for remainder)
Kathryn Ireland, Director of Quality and Governance (Nursing)
Julie Warren, Director of Commissioning Development
Dr Paul Twomey, Medical Director
Tina Smallwood, Director of Human Resources
Dr Tim Allison, Director of Public Health - East Riding (shared post with Local Authority)
Dr Wendy Richardson, Director of Public Health - Hull (shared post with Local Authority)
Mrs Frances Cunning Director of Public Health - North Lincolnshire (shared post with Local Authority)
Dr Geoff Barnes, Director of Public Health -North East Lincolnshire (shared post with Local Authority 1 April to 31 October 2012)
Dr Cate Carmichael, Director of Public Health - North East Lincolnshire (shared post with Local Authority 1 November 2012 to 31 March 2013)

The compensation paid to cluster officers is disclosed in Note 7, "Employee Benefits" within the Annual Accounts and within the Remuneration Report which is published as part of the Annual Report.

NHS North Lincolnshire Shadow CCG Governing Body "CCG Committee Members" and Other Senior Staff:

Margaret Sanderson - GP Member / CCG Committee Chair
Allison Cooke - Chief Officer
Karen Rhodes - CCG Nurse Member and Senior Officer Quality & Assurance
Therese Paskell - Chief Finance Officer and Business Support
Paul Evans - CCG Lay Member (from 1.10.12)
Ian Reekie - CCG Lay Member
Dr James Mbugua - GP Member (from 1.5.12)
Dr Jagrit Shah - Secondary Care Doctor Member (from 1.2.13)
Dr Andrew Lee - GP Member
Dr Gary Armstrong - GP Member (left 30.4.12)
Dr Fergus N Macmillian - GP Member
Dr Nick Stewart - GP Member
Dr Ajay Vora - GP Member (Left CCG Committee role on 14.12.12)

Dr Robert Jaggs Fowler- Medical Director
Caroline Briggs - Senior Officer Commissioning Support and Service Change
Frances Cunning - Director of Public Health *

* Note - Frances Cunning is NHS North Lincolnshire's & North Lincolnshire Council's Joint Director of Public Health. She, and all the other Directors of Public Health listed above from the other three entities which comprise the Humber Cluster, attend the Humber Cluster Board (known as the Cluster Committee) on a rotational basis.

37 Related Party Transactions 2012-13 - Continued.

The compensation paid to CCG Representatives is disclosed in Note 7, "Employee Benefits" within the Annual Accounts and within the Remuneration Report which is published as part of the Annual Report.

The list of related party transactions with individuals is finished below. Please note, that none of the individuals listed below will be involved in decision making in relation to a service where they have a related party interest.

Humber Cluster Board Members:	Payments to Related party £'000	Receipts from Related party £'000	Amounts Owed to Related Party £'000	Amounts Due From Related Party £'000
Karen Knapton, Chair (to 31 August 2012)				
Ms Knapton is a member of the PCT Network Board, part of NHS Confederation	3	0	0	0
Chris Long, Chief Executive				
CatZero				
Mr Long is a trustee of CatZero	0	0	0	0
Kath Lavery, Chair (Vice Chair 1 April to 31 August 2012) North East Lincolnshire				
Ms Lavery is in receipt of a UNISON pension				
UNISON	8	0	0	0
The Warren	0	0	0	0
Hull & East Yorkshire Hospitals	13,061	0	109	102
Ms Lavery's Daughter In Law is employed by Hull & East Yorkshire Hospitals NHS Trust				
Helen Varey,Vice Chair	0	0	0	0
Val Waterhouse, Vice Chair North East Lincolnshire				
Ms Waterhouse is the Chair of Care Plus Group (NE Lincs) Ltd	144	1	0	0
Richard Davies, Non-Executive Director				
Mr Davies is a Non-Executive Director Of Preston Road Enterprises Ltd	0	0	0	0
Mark Webb, Non-Executive Director	0	0	0	0
Louise Norton, Associate Non-Executive Director				
Ms Norton is a Governor of Humber NHS Foundation Trust from July 2011	138	0	65	0
Catherine Dymond,Non-Executive Director (1 April to 31 October 2012)	0	0	0	0
Ursula Vickerton, Non-Executive Director (1 April to 30 November 2012) North Lincolnshire				
Ms Vickerton is a volunteer Trust Associate Manager of				
Rotherham Doncaster And South Humber Mental Health NHS Foundation Trust	15,685	0	133	103
Graham Powell, Non-Executive Director (12 December 2012 onwards, NHS Hull only 1 April to 11 December 2012)				
Mr Powell's son is employed by Humber NHS Foundation Trust	138	0	65	63
Mr Powell's daughter-in-law by Hull & East Yorkshire Hospitals NHS Trust	13,061	0	109	102
Pauline Harness, Associate Non-Executive Director	0	0	0	0
Alan Barton, Director of Finance and Performance (half-time from 5 December 2011, NHS Hull Chief Operating Officer for remainder)				
Mr Barton is Director of Hull CityCare - NHS Hull nominated Director	0	0	0	0
Mr Barton' wife was Administrative Support for MIND Chief Executive to to 30th June 2011	0	0	0	0
Kathryn Ireland, Director of Quality and Governance (Nursing)	0	0	0	0
Julie Warren, Director of Commissioning Development	0	0	0	0
Dr Paul Twomey, Medical Director				
Dr Twomey is a Principal GP, Scartho Medical Centre Apr 12 to Mar 13 PMS	0	0	0	0
Tina Smallwood, Director of Human Resources	0	0	0	0
Dr Tim Allison, Director of Public Health - East Riding (shared post with Local Authority)				
Dr Allison is an Honorary Clinical Senior Lecturer at Hull York Medical School	0	0	0	0
Dr Allison is Director of Public Health, East Riding of Yorkshire Council	0	0	0	0
Dr Wendy Richardson, Director of Public Health - Hull (shared post with Local Authority)				
Dr Richardson is Director of Public Health, Hull	0	0	0	0
Ms Frances Cunning Director of Public Health - North Lincolnshire (shared post with Local Authority)				
Cluster Member Ms F Cunning is the jointly funded Director of Public Health with North Lincolnshire Council	9,144	169	146	153
- Married to Assistant Director at NHS Sheffield	0	0	0	0
Dr Geoff Barnes, Director of Public Health -North East Lincolnshire (shared post with Local Authority 1 April to 31 October 2012)	0	0	0	0
Dr Cate Carmichael, Director of Public Health - North East Lincolnshire (shared post with Local Authority 1 November 2012 to 31 March 2013)	0	0	0	0

37 Related Party Transactions 2012-13 - Continued.

	Payments to Related party £'000	Receipts from Related party £'000	Amounts Owed to Related Party £'000	Amounts Due From Related Party £'000
CCG Committee / Shadow CCG Governing Body Members				
CCG Member (from 1.5.12) Dr J Mbugua is:				
- A partner at Trent View Medical Practice	21	0	0	0
- Works at Northern Lincolnshire & Goole NHS Foundation Trust (in the Dermatology Department)	101,380	278	689	387
- The Practice is a member of SAGPEC	798	0	2	0
CCG Secondary Care Doctor Member (since 1.2.13) Dr J Shah is Director of Jagrit Shah Ltd a private practice radiology reporting company and is:	0	0	0	0
- An employee of Nottingham University Hospitals NHS Trust	418	0	80	0
CCG Member Dr F Macmillan is:				
- A partner at Central Surgery, Barton upon Humber	3	0	3	2
- The Practice is a member of SAGPEC	798	0	2	0
CCG Member Mrs T Paskell is married to the Deputy Director of Finance at Doncaster & Bassetlaw Hospitals NHS Foundation Trust:	3,344	0	78	0
CCG Member Dr M Sanderson is:				
- A partner at Trent View Medical Practice	19	0	0	0
- Married to a consultant employed at Northern Lincolnshire & Goole NHS Foundation Trust	101,380	278	689	387
- The Practice is a member of SAGPEC	798	0	2	0
CCG Member Dr N Stewart is:				
- A partner at Church Lane Medical Centre, Scunthorpe	0	0	0	0
- Married to an employee of Northern Lincolnshire & Goole NHS Foundation Trust	101,380	278	689	387
- The Practice is a member of SAGPEC	798	0	2	0
CCG Member Dr A Lee is a partner at West Common Lane Teaching Practice, Scunthorpe	34	0	2	0
- The Practice is a member of SAGPEC	798	0	2	0
CCG Member Dr A Vora (left CCG committee role on 14-12-12) is the Senior Partner at The Medical Centre, Barnetby.	0	0	0	0
- The Practice is a member of SAGPEC	798	0	2	0
CCG Member (Left CCG Committee role 30.4.12) Dr G Armstrong is:				
- A partner at South Axholme Practice	3		0	0
- A partner at The Birches Practice	454	13	0	0
- A Director and Part owner of: Serenity Healthcare (LLP); Serenity Medical Services Ltd; and Serenity - Sequel Healthcare Ltd.	272	7	43	0
- The Practice is a member of SAGPEC	798	0	2	0
CCG Member A Cooke is the Chief Officer of North Lincolnshire CCG	0	0	0	0
CCG Member K Rhodes is the Senior Officer, Quality and Assurance at North Lincolnshire CCG	0	0	0	0
CCG Member C Briggs is the Senior Officer, Commissioning Support and Service Change at North Lincolnshire CCG	0	0	0	0
CCG Member I Reekie at North Lincolnshire CCG				
- A member of Board of Trustees of Voluntary Action North Lincolnshire	34	0	0	0
- Wife is employed as a receptionist at the Spire Hull & East Riding Hospital	445	0	0	0
CCG Lay Member (from 1.10.12) P Evans at North Lincolnshire CCG				
- Honorary Treasurer & trustee of UKELA	0	0	0	0
- Membership of Pharmaceutical Industry pensions with Bausch & Lomb, Nelsons, Assoc of British Pharmaceutical Industry	0	0	0	0
CCG Member Dr R Jaggs Fowler medical Director at North Lincolnshire CCG				
- A senior partner at Central Surgery, Barton upon Humber	43	0	3	2
- Director of Barton HealthCare Services Ltd	0	0	0	0
- Shareholder in Barton HealthCare Services Ltd	0	0	0	0
- Senior volunteer at St John Ambulance	0	0	0	0
- The Practice is a member of SAGPEC	798	0	2	0

The PCT has not received nor made any payments to a charitable organisation during the financial year.

Other Senior CCG staff associated with Related Party Transactions.

CCG Member Dr R. Falk - Chair of the Area Prescribing Committee is:				
- A Senior Partner at South Axholme Practice	3		0	0
- A Director and Part owner of: Serenity Healthcare (LLP); Serenity Medical Services Ltd; and Serenity - Sequel Healthcare Ltd.	272	7	43	0
- Wife and children are shareholders in Serenity Sequel Healthcare Ltd	249	7	0	0
- A member of SAGPEC	798	0	2	0
CCG Member Ms F Cunning is the jointly funded Director of Public Health, with North Lincolnshire Council	9,144	262	276	437
- Married to Assistant Director at NHS Sheffield.	0	0	0	0

Ms F Cunning is also shown under the Humber Cluster Board related party disclosures as she also serves on this body on a rotational basis with the other directors of Public Health within the Humber Cluster.

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	1,416	19
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	0	0
Total losses	1,416	19
Total special payments	0	0
Total losses and special payments	1,416	19

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	90	2
Special payments - PCT management costs	66535	3
Losses in respect of the provision of family practitioner services	0	0
Special payments in respect of he provision of family practitioner services	0	0
Total losses	90	2
Total special payments	66,535	3
Total losses and special payments	66,625	5

Details of cases individually over £250,000

North Lincolnshire PCT has no cases to disclose over £250,000

39 Third party assets

North Lincolnshire PCT held £NIL cash and cash equivalents at 31 March 2013 on behalf of patients (NIL at 31 March 2012).

40 Pooled budget

North Lincolnshire PCT has a pooled budget arrangement with North Lincolnshire Council for Adult Mental Health Services.
This is hosted by North Lincolnshire PCT. The memorandum account for the pooled budget is:

Memorandum Account for the Adult Mental Health Pooled Budget for the period 1 April 2012 to 31 March 2013

	£000
Gross Funding	
North Lincolnshire PCT	**12,666**
North Lincolnshire Council	**2,417**
	15,083
Expenditure	
Rotherham, Doncaster and South Humber Mental Health NHS Foundation Trust	**12,382**
South London and Maudsley NHS Foundation Trust	**0**
North Lincolnshire Council Adult Mental Health Services	**2,431**
Contribution to North Lincolnshire Council Social Care Services (Sandfield)	**119**
Challenge Fund	**83**
Independent Advocacy	**36**
MIND	**74**
	15,125
Total Expenditure	
Net Underspend/(Overspend)	**(42)**

The Adult Mental Health Pooled Budget has been established under Section 75 (NHS Act 2006) partnership arrangements for the commissioning of integrated services. North Lincolnshire PCT is the lead for the Mental Health Services pooled budget.

Learning Disability pooled budget

North Lincolnshire PCT is a partner in the Learning Disability Pooled Budget arrangements hosted by North Lincolnshire Council.

The PCT contributed £294,284 in 2012-13 to the Learning Disability pool (£388,041 in 2011-12). The main differences being the recovery of a prior year over contribution of £135,678 and £44,650 funding for a Community Team Learning Disability Manager.

41 Cashflows relating to exceptional items

North Lincolnshire PCT has no cashflow relating to exceptional items in 2012-13

42.1 Events after the end of the reporting period

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

Department of Health
North Lincolnshire CCG
NHS England
NHS Property Services
Public Health England
North Lincolnshire Council
Northern Lincolnshire and Goole Hospitals NHS Foundation Trust

The Department of Health will pay all short term outstanding balances left from the PCT over a period of 3 mths.
The remainder of balances will transfer as follows:
All properties, and leases not transferred under TCS, as well as legal charges are transferred to NHS Property Services as of 1 April.
All Continuing Healthcare and other contract provisions, as well as relevant staff/tax related Provisions will transfer to North Lincolnshire CCG.
Primary Care and Specialised services will transfer to NHS England.
Public Health budgets have transferred to NHS England, Public Health England and the Local Authority.