Department
of Health

Barnsley Primary Care Trust

2012-13 Annual Report and Accounts

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Barnsley Primary Care Trust

2012-13 Annual Report

NHS
Barnsley

Annual Report 2012/13

Foreword

Welcome to the Annual Report for NHS Barnsley for the period 1 April 2012 to 31 March 2013 and our last as a PCT. This year has been a transitional year as we work to ensure that the local NHS is ready for new structures that will take place in April 2013 as a result of the Health and Social Care Act 2012. This year has seen us working closely with our local clinical partners to develop a Clinical Commissioning Group, who have worked in shadow form during the year to ensure they are able to take over buying of health services from April 2013.

With the Health and Social Care Bill becoming an Act of Parliament in March 2012, this year has been one of the most challenging years yet for the NHS. In the face of this we must thank our staff for their dedication and hard work they have continued to show during the transition. It is undoubtedly down to them that the people of Barnsley have continued to receive the highest quality care and healthcare services.

With the transition as a back-drop it is extremely pleasing that we can announce we have met our statutory financial obligations. This would not have been possible without outstanding commitment and hard work of our staff and health providers, especially when set against the challenging economic climate we currently face. Although we have experienced a significant period of change we have met our key performance targets and remained committed to delivering our local and national priorities with our Barnsley Clinical Commissioning Group (BCCG) colleagues to improve local services and reduce health inequalities across the borough.

We would like to thank all those staff and board members of the PCT over the years who have helped to ensure that patients of Barnsley received high quality, safe and effective health services and care within ever increasingly tight budgets.

About NHS Barnsley

We are Barnsley's local leader for health, guardian of public health and custodian of the borough's multi-million pound NHS budget.

Our role, alongside the newly emerging Clinical Commissioning Group, is to make sure health services are available to our patients when and where they are needed.

The Trust is responsible for identifying and buying health services for our patients and making sure those services are of high quality and perform well.

About Barnsley's Clinical Commissioning Group

The Health and Social Care Bill proposed the establishment of clinical commissioning groups and set the framework for them. In the summer of 2012, Barnsley's GPs came together to configure an emerging clinical commissioning group in Barnsley. This operated as a sub-committee of the NHS South Yorkshire and Bassetlaw PCT cluster board from autumn 2012 to March 2013.

About NHS South Yorkshire & Bassetlaw

NHS South Yorkshire and Bassetlaw Cluster is made up of NHS Sheffield, NHS Rotherham, NHS Barnsley, NHS Doncaster and NHS Bassetlaw.

The South Yorkshire and Bassetlaw Board has continued to ensure that our primary care trusts continued to meet their legal, financial and performance responsibilities and obligations throughout 2012/13, until Clinical Commissioning Groups assume full responsibility for budgets in April 2013.

Whilst each PCT remained the statutory organisation, the five PCTs shared a Chief Executive and a number of director posts. During this year we continued to operate as a single trust board which meant that the boards of each PCT in a cluster met jointly on a monthly basis.

NHS South Yorkshire and Bassetlaw Cluster Board members are from each of the constituent PCTs and the meetings were held monthly, in public, throughout the year.

As well as ensuring the continuation of statutory responsibilities by each of the constituent PCTs, the cluster has supported the transition to the new commissioning and public health arrangements set out in the Health and Social Care Act 2012.

All five Clinical Commissioning Groups (CCGs) in South Yorkshire and Bassetlaw have been established in shadow form as committees of the Cluster Board during the year. Under a scheme of delegation, the CCGs have managed delegated budgets and functions. The CCGs are accountable to the Cluster Board until 1 April 2013 when that accountability transfers to the NHS Commissioning Board. It is at this stage that CCGs will have to be authorised to function fully.

Eleri De Gilbert
Managing Director Interim, NHS England - South Yorkshire and Bassetlaw Local Area Team

The changing face of the NHS

Different organisations have come into being as a result of the reforms embodied in the Health and Social Care Act 2012. These include clinical commissioning groups, NHS England and Health and Wellbeing Boards, as well as the transition of public health responsibilities to local authorities.

Here you will find a guide to the key elements of these changes:

GP practices have come together into **clinical commissioning groups** (CCGs) and from April 2013 they take over the majority of the commissioning responsibilities which have been carried out by the local PCT (NHS Barnsley). Other health professionals and lay members are included on the boards of the CCGs.

Strategic health authorities (SHAs) were created to manage the local NHS on behalf of the Secretary of State for Health. They were abolished in March 2013.

Primary care trusts (PCTs), including NHS Barnsley, were abolished at the end of March 2013 and the majority of the PCT's public health responsibilities were transferred to Barnsley Metropolitan Borough Council.

Commissioning support units (CSUs): These new NHS organisations provide specialist commissioning support which is available to CCGs if required. The PCT's approach to developing commissioning support has been to work in partnership with our CCGs to understand what they will need and whether they will want to build their own capacity, buy it in or share with other organisations. A key decision has been to develop a CSU across West and South Yorkshire and Bassetlaw.

Local Involvement Networks (LINks) have transformed into **HealthWatch** and aim to ensure that the views and feedback from patients and carers are an integral part of local commissioning across health and social care.

Health and Wellbeing Boards bring together key decision makers to set a clear direction for the commissioning of healthcare, social care and public health, and to drive the integration of services across communities. CCG representatives are members of these boards, and each has already been working in shadow form, building on existing relationships and developing their joint agenda.

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1. Who's Who

The board

Throughout 2012/13 the board of NHS South Yorkshire and Bassetlaw has met in public regularly. Through those meetings, the board has been responsible for taking key strategic decisions about the organisation, how it uses resources and agreeing key priorities and overseeing the delegated functions and budgets to clinical commissioning groups.

Board members of NHS South Yorkshire and Bassetlaw are a mixture of executive directors, who are full-time officers, and non-executive directors, who are local people interested in the work of the NHS and appointed by the national NHS Appointments Commission (now abolished).

During the financial year April 2012 to March 2013, all meetings were recorded as fully quorate, with each meeting attended by at least one third of the board including one non-executive director, one executive director, the chair and the chief executive.

NHS South Yorkshire and Bassetlaw Cluster Board and Senior Officers Register of Interests

Names	Title	Declaration
Alan Tolhurst	Chairman	• Director of ACT Consultancy • Chairman of Robin Hood Airport Consultative Committee

		• Chairman St Leger Homes, Doncaster • Member Rotherham Health and Wellbeing Board • Member of Sheffield Teaching Hospitals FT, Rotherham FT and Nottinghamshire Healthcare FT • Deputy Lieutenant
David Liggins	Non Executive & Vice Chair	• Director and 50% shareholder of S&L Properties, 30-34 Watson Road, Worksop – main tenant is Nottinghamshire Police who sublet to NHS Drugs and Alcohol Team (DAT) • Member of the Steering Group of Rural Bassetlaw Befriending • Independent Chair of Barnsley and Doncaster Community Solutions Ltd (Doncaster and Barnsley LiftCo) • Member of Doncaster Strategic Partnering Board • Volunteer Tutor, Expert Patient Programme, Retford Action Centre • Non-Executive Director and Trustee of Bassetlaw Action Centre • Partner Governor, Nottinghamshire Healthcare Trust • Member of Board of South Yorkshire & Bassetlaw Cluster of PCTs
Tom Sheard	Non Executive & Vice Chair &	• Company Secretary, Barnsley TUC Training Ltd • Non Executive Director of Barnsley Premier Leisure • Trustee of Shawlands Charitable Trust, Barnsley

		• Chairman, UNITE Barnsley No 1 Branch; • Elected Member of Barnsley Chamber of Commerce • Elected Member of Barnsley MBC Kingstone Ward (Labour Party)
David Black	Medical Director (From November 2012)	• None
Pat Wade	Non Executive Director	• Parish Councillor of Aston-cum-Aughton • Member of Labour Party • Justice of the Peace, supplemental list at Rotherham Magistrates Court
Les Ranson	Associate Non Executive Director	• Chair of Governors at Wadworth Primary School
Mel Morris	Associate Non Executive Director	• Senior Partner of MAA Associates
Melvyn Lunn	Audit Committee Chair	• Non-Executive Director of Berneslai Homes Ltd and Chair of Audit Committee; • Non-Executive Director/Trustee, Barnsley Community Build; • Director/Trustee of Priory Campus.
Robert Bailey	Non Executive Director.	• Financial Director Emmaus Sheffield Ltd • Director of Muir Wood Properties • Chairman of ACCEA Advisory Committee for Clinical Excellence Awards for Y&H • Panel Member for ACCEA National Review Panel for Platinum Awards
Andy Buck	Chief Executive	• None
Roger	Non Executive	• Chairman of Braithwell and Micklebring

Greenwood	Director	Parish Council
Steve Hackett	Director of Finance	• Public Sector Director Barnsley Community Service Ltd (Barnsley LIFTco) • Public Sector Director Doncaster Community Solutions Ltd (Doncaster LiFTco) • Public Sector Director Community First Sheffield
Phil Foster	Medical Director (to January 2013)	• Shareholder, Retford Health • Medical Director Bassetlaw Hospice • Medical Director, NHS Bassetlaw • Parish Councillor Babworth
Margaret Kitching	Nurse Director	• None
Debbie Hilditch	Director of Human Resource and Governance	• None
John Radford	Director of Public Health, NHS Rotherham	• None
Tony Baxter	Director of Public Health, NHS Doncaster	• Parent Governor and Vice Chair of the Governing Body of the Deaf School.
Jeremy Wight	Director of Public Health, NHS Sheffield	• Trustee for Talbot Trust
Sharon Stoltz	Acting Director of Public Health, NHS Barnsley (from August 2012)	• None
Elizabeth Shassere	Director of Public Health, NHS Barnsley (to July 2012)	• None
Chris Kenny	Director of Public	• None

	Health, NHS Bassetlaw	

2. Audit Committee

As a committee of the NHS South Yorkshire and Bassetlaw Board the committee is responsible for:

- Reviewing the establishment and maintenance of an effective system of governance, risk management and internal control, across the whole of the organisation's activities that supports the achievement of the organisation's objectives.
- Monitoring the implementation of agreed control improvements, largely through the work of external and internal audit, both of which are represented at committee meetings.
- Ensuring there is an effective internal and external audit function.
- Reviewing the accounting policies and the draft annual financial statements prior to submission to the Board. Monitoring compliance with Standing Orders and Standing Financial Instructions

Our audit committee members are:

Mr M Lunn Audit Committee Chairman
Dr L Ranson Associate Non-Executive Director
Mr M Morris Associate Non-Executive Director
Mrs P Wade Non-Executive Director
Mr R Bailey Audit Committee Vice Chairman

3. A strategy for funding health services

How NHS Barnsley makes its decisions

In line with the rest of England, health in Barnsley is improving. To continue these improvements for the future, NHS Barnsley's strategy set out how, along with partner organisations, it continues to support local people to maximise their health and wellbeing. This document is known as the organisation's commissioning strategy.

Key goals in the strategy

- People will control and be empowered to maximise their own health and wellbeing.
- People will have rapid and convenient access to high quality, cost effective responsive services.

- A focus on key programmes which will prevent early death and long term illness.

NHS Barnsley refreshed its commissioning strategy to reflect all changes affecting the organisation. These include the needs of Barnsley's population and national policies, such as the Government's White Papers for health 'Equity and excellence: Liberating the NHS' and public health 'Healthy People: Healthy Lives'.

Some of the priorities in the strategy are:

- Supporting people to manage their health and wellbeing
- People will have rapid access to high quality cost effective services
- Reducing the number of deaths from cancer in under 75 year olds
- Reducing deaths from cardiovascular disease

In order to achieve key goals outlined in the strategy, a number of initiatives were identified.

One important programme of work is that of supporting self-care and self-directed care. NHS Barnsley acknowledges that improved health will not be achieved unless the population of Barnsley wish to make it happen for themselves and their communities. By supporting local people to self-care, they can maximise their own health.

The strategy is supported annually by a 'single integrated plan', which includes details about contracts, activity, the Quality Innovation Productivity and Prevention programme (QIPP) and financial profiles.

4. How we work and do business

NHS Barnsley assesses all pieces of work spanning strategies, policies and services to find out whether they promote equality in relation to age, gender, sexual orientation, disability, ethnicity, religion, pregnancy, maternity, gender reassignment, marriage and civil partnership or belief. We do this to take full account of the needs and experiences of those affected and to achieve better results.

5. Assessing local health needs

Supporting people to improve their health

Barnsley's most recent Joint Strategic Needs Assessment (JSNA) identifies the main health and wellbeing issues associated with people in Barnsley, providing the best available information regarding current and future needs.

Such information is invaluable to a wide range of organisations locally, including NHS Barnsley, where it is used to support advances in service redesign and use of resources.

A snapshot of Barnsley's population…

- 17.4% the estimated percentage of Barnsley's population aged 65+
  Source: ONS Mid Year 2011 population estimates
- 7.2% the projected increase of Barnsley's population between 2011 and 2021
  Source: ONS 2011 Sub national Population Projections
- It is estimated that 25.6% of Barnsley adults (18+) are current smokers
  Source: Integrated Household Survey, ONS (experimental statistics)
- 20.3% of Barnsley adults consume 5 or more portions of fruit and vegetables per day
  Source: 2012 Barnsley Health Profile
- It is estimated that 28.4% of Barnsley adults are obese however rates of childhood obesity are slightly lower than the regional and England averages
  Source: 2012 Barnsley Health Profile and Information Centre for health and social care
- Barnsley's rate of binge drinking is significantly higher than the England average
  Source: Local Alcohol Profiles for England

6. Working together with partners

NHS Barnsley works in partnership with a range of organisations to support local people to improve their health and wellbeing

NHS Barnsley works with a number of organisations to support and improve the lives of local people through One Barnsley; a strategic partnership between public, voluntary and private sector organisations.

In respect of children, young people and families, NHS Barnsley works in partnership with the Children and Young People's Trust, which is led by the local authority. The partnership uses flexibilities to pool budgets, plan and deliver services collaboratively, with the aim to support children and young people in the borough to improve their health and wellbeing.

7. Engaging with the community

All primary care trusts (PCTs) have a duty to consult and report on section 242A (1) of the NHS Act 2006. This is where consultations have informed the commissioning of, or changes to, services. These are 'commissioning decisions' and include decisions about primary care, secondary care and community health services.

Consultations must have the following four elements:

- Take place when a proposal is at a formative stage.
- The proposer must give sufficient reasons for any proposal to permit intelligent consideration and response.
- Adequate time must be given for consideration and response (this may vary, and does not necessarily mean 12 weeks).
- The outcome of the consultation must be conscientiously taken into account in finalising any statutory proposals.

The reporting period is the financial year 1 April 2012 to 31 March 2013. This is the last year of a legal duty placed on Primary Care Trusts (PCTs) to report annually on consultations with patients and the public that have an impact on commissioning decisions.

Completed Consultations

- Closure of branch surgery for Huddersfield Road Practice.

This consultation took place throughout March and into April 2013. The Galtee More Medical Centre branch surgery on Doncaster Road is proposed to close and

offer its full range of service to patients from the main branch on Huddersfield Road or its other branch surgery in Barugh Green.

NHS Barnsley sought the views of patients, carers and local residents on this proposal. An advert was placed in the local newspaper, letters were sent out to patients who attended the branch surgery and feedback forms were available in the practices for patients to submit their thoughts. An online survey was also available for anyone with an interest in this consultation.

The full results were not available at time of print but can be accessed on www.barnsleyccg.nhs.uk website, once published.

The Duty requires the PCT to be responsible for reporting on consultations undertaken by **NHS trusts** or **NHS foundation trusts** that are independent of the PCT, but the outcome will influence the commissioning decisions of the PCT.

- Barnsley Hospital Foundation Trust has not undertaken any formal consultations although they have done a wide range of engagement and patient experience activities over the year. For all the latest details of how the use feedback visit www.barnsleyhospital.nhs.uk

- SWYPFT has undertaken no formal consultations on this period although did continue to engage service users in improving patient experience. For all their related activity visit http://www.southwestyorkshire.nhs.uk/

Other more regular engagement activities with patients, service users and public undertaken by the joint commissioning arrangement with the local authority include:

- Expert partnerships – bi monthly meetings
    - Mental health
    - Learning disability
    - Physical disability and sensory impairment
    - Older people
    - Carers

- Healthwatch:
    - Planning group meetings
    - Community consultation

- Quality Improvement Framework – service users undertake the evaluation of the service user perspective

- Carers Extra Partnership:
  - Developed the Carers and Friends Forum
  - Carers week activity
  - Carers rights day activity
  - Carers grant panel
  - Carers strategy workshop and refresh
  - Sensory awareness training

- Mental health forum meets monthly
- Eating disorders pathway consultation workshops
- Older people:
  - People in Control Board – re-engineering Assessment and Care Management – consulted with service users and carers
  - Influence on residential care placements.

8. The Equality Delivery System

NHS Barnsley is committed to equality and diversity ensuring that it meets the general and specific duties under the Equality Act 2010 across all commissioning decisions, contracting and workforce.

NHS Barnsley has used the NHS Equality Delivery System (EDS) to deliver our public sector duties and identify our equality objectives which are linked to the four goals of the EDS.

The four equality objectives are:

- Make effective use of equality data within the commissioning cycle to prioritise commissioning of services to embed equality with provider contracts.
- Ensure appropriate and accessible targeted communication with local communities to facilitate improved access and patient experience.
- Develop consistency of equality approach across the cluster PCTs in respect of equality leadership, staff empowerment and access to development opportunities.
- Demonstrate leadership in advancing the equality agemda internally and partners and providers to ensure inequalities are addressed within a

partnership approach to ensure equality of access, experience and outcomes for patients.

9. More Choice for Patients - any qualified provider

In order to improve services for patients, and providing more choice, the Department of Health asked each region to select a list of health services/ treatments that could be provided by more than one organisation from September 2012 onwards.

A cluster-wide consultation ran from 30 Sep 2011 to 14 Oct 2011. Following this consultation Barnsley, Bassetlaw, Doncaster, Rotherham and Sheffield chose the following services to be delivered locally in this way:

- Organisations providing Cardiac Diagnostics, (Ambulatory ECG), closer to home
- Organisations providing Carpal Tunnel assessment and treatment closer to home
- Organisations providing Direct Access Endoscopy service, (Flexible Sigmoidoscopy), closer to home

10. Doctors, Dentists, Pharmacists and Opticians

How NHS Barnsley helped to improve these health services for local people

During 2012/13 Barnsley PCT worked very closely with the PCTs in Sheffield, Doncaster, Rotherham and Bassetlaw in readiness for the restructuring of the NHS under the umbrella of NHS England from April 2013.

GPs

The start of 2012 saw the introduction of the requirement for practices to agree an “outer practice boundary area”. This recognised the needs of patients who move home a relatively short distance away and who, under the current arrangements, have to re-register with a new practice when they would prefer to stay with their existing practice with which they may have a well-established relationship. Over 80% of practices have established an outer boundary area.

The continuation of the ‘patient participation enhanced service’ continued to give individuals the opportunity to be involved in decisions about the range and quality

of services provided. To be involved contact your GP practice and ask for details of their patient participation group.

July 2012 saw the closure of Dr Bells practice Wombwell due to retirement. In October 2012 the Pertussis enhanced service for pregnant women was established with GP practices to prevent cases of the disease and deaths in infants.

The Penistone Group Practice opened their new branch surgery in Thurgoland in November 2012.

Dental

In dental commissioning this joint working focussed on:

- Ensuring greater use of the NHS Choices website by practices and patients to enable people wanting to access an NHS dentist to be able to find details easily.
- Benchmarking practice performance across the five PCTs in South Yorkshire & Bassetlaw and identifying good practice.
- Ensuring appropriate use of NHS funding.

Additional funding was made available on a short term basis within Barnsley PCT to provide NHS dental services through high street dentists:

- General dental care for an additional 1,000 patients.
- Sedation services for 90 patients.
- Orthodontic care for 98 children.
- Oral surgery care for 900 patients.

Darton dental surgery changed hands in December 2012 and is now run by Dr Kahn who has four other practices in Barnsley. The premises have been renovated and additional staff have been recruited.

Hoyland Dental surgery relocated into larger premises, providing more room and better access for patients in that area.

Opticians

A new opticians opened in February 2013 in Hope Street Barnsley and two additional contracts were awarded to optical companies providing NHS eye checks to people in their own homes.

11. Secondary care and community services

NHS Barnsley commissions secondary care services from a number of providers, including: Barnsley NHS Foundation Trust, Sheffield Teaching Hospitals, Sheffield Children's Hospital, Doncaster and Bassetlaw, Rotherham Foundation Trust, Mid Yorkshire Hospitals and Leeds Teaching Hospitals.

NHS Barnsley also commissions community, mental health and learning disability services from South West Yorkshire Partnership Foundation Trust and other neighbouring community service providers.

For some, where there are significant activity levels, a formal contract exists between NHS Barnsley and the provider. The largest contract value is Barnsley NHS Foundation Trust (BHNFT), reflecting the fact that the majority of Barnsley patients are treated at their local hospital.

12. Improving health

How we've supported local people to improve their health and wellbeing

Innovative behaviour-change training rolled out

The NHS and social care workforce are supporting people to achieve the health outcomes they want for themselves, their families and friends.

We all know that some of the behaviours we have such as smoking, being overweight, and drinking too much alcohol will affect our health and lives. The majority of us would like to stop or reduce these behaviours. However even if we know what to do something stops us from being in control and taking the action that is needed.

Some of us will have conditions that require treatment at home and would like to manage our own care but lack the confidence to take the action that is needed.

Thanks to an innovative training programme that is being rolled out to health and social care workers in Barnsley, our staff are becoming skilled in a behaviour change method called Motivational Interviewing. They are then able support the people of Barnsley to think about how they could take the action that would work for them.

Motivational Interviewing explores a person's reasons to change their behaviours, encouraging them to explain their reasons for change and finding their own solutions to take action to change. Support is provided where required but staff are encouraged not to automatically provide the answers.

Barnsley's 'winter health' campaign

Increasing flu vaccinations, keeping people warm and targeting patients who choose health services that are inappropriate for their needs

For the third successive year NHS Barnsley ran a campaign to encourage more people to choose the most appropriate health service when they or a family member feels unwell.

The campaign, known as 'Choose Well', is run nationally within the NHS and has shown some success in reducing the number of people using local accident and emergency services when they may not need to.

For 2012 the campaign complimented two other core pieces of work. These were promoting the benefits of having a seasonal flu jab (if considered at risk) and staying well through keeping warm.

Winter survival kits given to vulnerable adults

In November 2012, the joint Barnsley Council and NHS Barnsley Public Health Directorate led a successful bid for £206,000 from the Department of Health's Warm Homes Healthy People fund. The project involved partners from across the council, NHS and voluntary sector coming together to agree practical steps that could be taken to keep Barnsley's most vulnerable elderly people and young families warm throughout winter. As a result, Voluntary Action Barnsley led the delivery of 4000 'Winter Survival Kits' to people in need during the cold weather. The survival kits included items such as a hat, 'snuggie' blanket, gloves, dried soup, a torch and porridge oats as well as literature about keeping well during the winter months.

Recipients were also able to benefit from local charity Groundwork's, Home Energy Efficiency scheme, which offers free energy efficiency checks and minor improvements aimed at keeping the occupant warm in their own home. The Home Energy Efficiency programme has seen improvements to over 170 properties and is to continue until May 2013.

Most of the content for the kits was bought locally and a tremendous volunteering effort from local charities including Mencap, meant the bags were packed and ready for distribution in a very short time. Project evaluation is currently underway and public health will be working with its local partners to explore whether a similar scheme might be possible in the future.

Barnsley Services Awarded Stage 3: Baby Friendly Accreditation

A team of dedicated people worked extremely hard in 2012 to achieve the UNICEF UK Baby Friendly Initiative Accreditation.

Barnsley Hospital NHS Foundation Trust, South West Yorkshire NHS Partnership Foundation Trust and Children's Centres across Barnsley have all been externally assessed across three stages in order to achieve full Baby Friendly accreditation (October 2012). Assessment is a rigorous procedure ensuring best practice standards are adopted. The Baby Friendly Initiative ensures a high level of care for pregnant women, mothers, babies and families in relation to infant feeding.

Barnsley's maternity and community services will be presented with their official joint Baby Friendly award in May 2013, at Barnsley Town Hall. Councillors Jenny Platts and Margaret Morgan, Acting Director of Public Health Sharon Stoltz, health professionals and families from across the borough will all be in attendance, celebrating this achievement.

13. Workforce profile

In October 2012, 226 staff were employed by NHS Barnsley (201.95 – full time equivalent), this includes Yorkshire & Humber Specialised Commissioning Group and public health staff.

Staff absence records

	(April 2012 – March 2013)	*2011-12*
Overall absence rate	**3.49%**	*2.74%*
Total Calendar Days lost	**2,039**	*14,943*
Total Staff Years	**218**	*1665*
Average Calendar Days Lost	**9.35**	*8.97*

14. Reducing our carbon footprint

Sustainability Activity in Brief

In the last year as preparation for transfer of responsibilities, NHS Barnsley have worked with providers notably South West Yorkshire NHS Partnerships FT who occupy much of the PCT estate and deliver services from these buildings. Notable achievements have been:

- Increase in waste recycling to 38%.
- Contributing to the achievement of Carbon Trust certification for the PCT Estate.
- Reduction in Energy consumption across the provider estate.

On-going schemes to help reduce carbon emissions:

- Capital spend to improve insulation on many trust buildings.
- Purchase of energy efficient boiler plant.
- Investing in Low energy LED lighting at major sites.

NHS Barnsley continues to operate its sustainability plan. The NHS Carbon Reduction Strategy asks for the boards of all NHS organisations to approve such a plan. Sustainability issues are included in our analysis of risks facing our organisation.

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. 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.

15. Compliments and Complaints

The NHS complaints process involves just two stages and fully integrates health and social care complaints. The first stage of the process involves investigation by the relevant Trust or Local Authority involved and if the complainant remains dissatisfied with their response, they can ask the Parliamentary and Health Service Ombudsman to consider their case.

Complainants have been able to choose to have a written response within an agreed timescale or to have a meeting followed by a written response within an agreed timescale.

There were a total of 23 formal written complaints received by the PCT during the period 1 April 2012 to 31 March 2013. An additional 2 complaints were received verbally.

It should be noted that there is no statutory obligation for Primary Care Practitioners (doctors, dentists, opticians and pharmacists) to share the management of complaints they receive directly and which they are able to resolve locally. Therefore, it is only those complaints which came directly to NHS Barnsley or where local resolution has failed and NHS Barnsley has been approached by the complainants that are recorded in this report. All complaints about Primary Care Practitioners were, where appropriate, directed back to independent practitioners for local resolution.

The following table shows a breakdown of these complaints.

Complaints about PCT staff and services	1
Complaints about Primary Care Practitioners	
Medical	21
Dental	3
Pharmaceutical	0
Optical	0

All the complaints were acknowledged within three working days of receipt. All complainants received a written response to their complaints. All the agreed timescales were met.

Those complainants, who remain dissatisfied with the response they received, are advised that they may request an Independent Review of their complaint by submitting their unresolved concerns to the Parliamentary Health Service Ombudsman.

Three complaints were not resolved through local resolution and subsequently made a request for independent review during the year.

Principles for remedy

NHS Barnsley continues to be guided by the principles for remedy in consideration of complaints handling.

For more information on these principles, visit: www.ombudsman.org.uk

Good practice with regard to remedies means:
1. Getting it right
2. Being customer focused
3. Being open and accountable
4. Acting fairly and proportionately
5. Putting things right
6. Seeking continuous improvement

16. Managing Risk

NHS boards are responsible for ensuring that potential risks affecting the achievement of the organisation's objectives are effectively managed. This is done through the Risk Management Strategy, which has been implemented across the organisation.

NHS Barnsley works to assure that risk is effectively managed placing great emphasis on patient and staff confidentiality. Due to the sensitivity of personal records held within the NHS, there is a risk that confidentiality may be breached. This would be in conflict with the data protection act and human rights act. NHS Barnsley is responsible for identifying, reporting and investigating all incidents involving personal data.

Serious incidents are considered anything presenting serious harm to patients, staff or the organisation. They are performance managed by the quality team. This ensures that where changes in practice have taken place, lessons are learnt and shared. NHS Barnsley encourages all its providers to use the National Patient Safety Agency guidance on 'Being Open'. Quality is monitored by regular quality review meetings with commissioned services, using a quality schedule/framework. This is agreed and negotiated with each provider and assurance is gained on the quality of

care and services. During 2012/13 there was one serious incident involving personal data recorded and five never-events were reported.

17. Financial Overview

It is with great pleasure that I present the 2012/13 summary financial overview for NHS Barnsley. Full copies of the Annual Accounts are available upon request.

As the Health and Social Care Bill became an Act of Parliament in March 2012, these Annual Accounts will be the last ones Produced for NHS Barnsley, as Primary Care Trusts will no longer exist beyond 31 March 2013.

With effect from 1 April 2013 the new NHS infrastructure of NHS England, Public Health England and Clinical Commissioning Groups will take on the commissioning responsibilities that Primary Care Trusts had. In addition, some responsibilities for Public Health have transferred to Local Authorities.

This financial overview therefore shows the final close down position for NHS Barnsley.

Key Financial Achievements in 2011/2012

The following Statutory Financial targets were achieved in 2012/2013.

Statutory Duty	2012/2013 Performance	Achievement
Revenue Resource Limit (contain expenditure within limits set)	£3.5 million surplus	√
Capital Expenditure (contain expenditure within limits set)	£65k surplus	√
Cash Limit (cash utilised within limits set)	£4.9million undershoot	√
Provider Services (all costs recovered)	£0.0 million surplus	√
Better Payments Policy (invoices paid within 30 days – 95% target)	Trade Creditors 99.1% by value 98.8% by volume	√
	NHS Creditors 99.9% by value 99.3% by volume	√

Total Gross Expenditure for 2012 -2013

The resources allocated to the PCT have been used effectively throughout the financial year, the table below describes the key areas of expenditure in the year.

Expenditure Type	**£000s**	**2012/13**
Primary Care Trusts	4,177	0.3%
Foundation Trusts	621,277	48.9%
Primary Care Contracts	68,438	5.4%
Prescribing	43,294	3.4%
Partnership in Action	7,017	0.6%
Staff Costs	11,561	0.9%
Other Non Pay	22,086	1.7%
Healthcare from Non-NHS Bodies	105,083	8.3%
NHS Bodies Excluding Foundation Trusts	386,647	30.5%
Total Gross Expenditure	**1,269,580**	

18. Independent Auditor's Report

INDEPENDENT AUDITORS' REPORT TO THE SIGNING OFFICERS OF BARNSLEY PRIMARY CARE TRUST

We have audited the financial statements of Barnsley Primary Care Trust for the year ended 31 March 2013 on pages 1 to 52. 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 Barnsley 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 Barnsley 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 Barnsley 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.

Damian Murray, for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
1 The Embankment
Neville Street
Leeds
LS1 4DW

6 June 2013

19. Financial Performance

The PCT is required to achieve the following key targets:

Target	Performance 2012/2013
To achieve financial balance	Surplus £3,496k
To keep within its Capital Resource Limit	Underspend of £65k

The PCTs auditors are KPMG. The audit fees for the statutory accounts for 2012/2013 were £108k. In addition the external auditors carried further work out on organisational development totalling £4.8k and £1.9k, NHS Barnsley's share of the "Go-Live Readiness" review carried out on behalf of the South Yorkshire and Bassetlaw NHS Cluster.

A full set of accounts, on which these financial statements are based is available without charge from:

Ms Cheryl Hobson Chief Finance Officer
Barnsley Clinical Commissioning Group
49/51 Hillder House
Gawber Road
Barnsley
S75 2PY

Better payment practice code

The NHS Executive requires that PCTs pay their NHS and Non NHS trade creditors in accordance with the CBI prompt payment code. The target is to pay these creditors within 30 calendar days of the receipt of goods or a valid invoice (whichever is the later), unless other payment terms have been agreed.

Measure of compliance

	2012/13		2011/12	
Non - NHS Creditors	Number	£000s	Number	£000s
Total bills paid this year	9,078	130,005	11,238	121,482
Total bills paid	8,970	128,855	10,910	120,667
Percentage of bills paid within target	98.81%	99.12%	97.08%	99.33%

	2012/13		2011/12	
NHS Creditors	Number	£000s	Number	£000s
Total bills paid this year	4,984	806,134	4,732	909,206
Total bills paid	4,951	805,995	4,679	908,685
Percentage of bills paid within target	99.34%	99.98%	98.88%	99.94%

The Late Payment of Commercial Debts (Interest) Act 1998

The Late Payment of Commercial Debts (Interest) Act 1998	2012/13 £	2011/12 £
Amounts included within Interest Payable (Note 8.2) arising from claims made by businesses under this legislation	0	0
Compensation paid to cover debt recovery costs under this legislation	0	0

Running Costs

Barnsley Primary Care Trust – Running Costs 2012-13	Commissioning services	Public Health	Total
PCT running costs 2012-2013			
Running costs (£000s)	9,140	1,768	10,908
Weighted population (number in units)	284,373	284,373	284,373
Running costs per head of population (£per head)	32.14	6.22	38.36
PCT running costs 2011-2012			
Running costs (£000s)	9,793	1,745	11,538
Weighted population (number in units)	284,373	284,373	284,373
Running costs per head of population (£per head)	34.44	6.14	40.57
* Running costs for 2012-2013 for Commissioning services include costs of all commissioning services including both those that from April 2013 will be the responsibility of the NHS Commissioning Board and those that will fall under the responsibility of the Clinical commissioning Groups (either directly or indirectly).			

20. Remuneration Report for 2012-2013

The Remuneration Committee of the NHS South Yorkshire and Bassetlaw Board Terms of Reference are that the committee is responsible for advising about the appropriate remuneration and terms of service for the Chief Executive, executive directors and other senior managers, as well as monitoring and evaluating their performance.

For the purpose of this report senior managers are defined as:
'those persons in senior positions having authority or responsibility for directing or controlling the major activities of the Trust. This means those who influence the decisions of the organisation as a whole rather than the decisions of individual directorates or departments.'

The salaries and relevant pension details of the most senior managers, and the Non-Executive members of the Board, who had control over the major activities of the Primary Care Trust in 20012/13 can be found in the Summary Financial Statement. There were no early termination issues for senior officers to report in the year.
The committee members consist of:

Mr Alan Tolhurst *Chairman*
Mr Andy Buck *Chief Executive*
Mr Roger Greenwood *Non-Executive Director, Vice Chair & Locality Chair*
Mr Steve Hackett *Director of Finance*
Mrs Debbie Hilditch *Director of Human Resources & Governance*
Mr David Liggins *Non-Executive Director, Vice Chair & Locality Chair*
Mr Tom Sheard *Non-Executive Director, Vice Chair & Locality Chair*

The report following details the salaries and relevant pension details of the most senior managers and the Non-Executive members of the Board as detailed above in the Terms of Reference of the Remuneration Committee.

Salary and Pension Entitlements of Senior Managers For the South Yorkshire and Bassetlaw Cluster

	2012-13				2011-12			
	Total Salary (bands of £5k) £000	**Organisation share** (bands of £5k) £000	**Other remuneration** (bands of £5k) £000	**Benefits in kind** (bands of £100 £00	Total Salary (bands of £5k) £000	Organisation share (bands of £5k) £000	Other remuneration (bands of £5k) £000	Benefits in kind (bands of £100 £00
Directors Remunerations for South Yorkshire and Bassetlaw Cluster								
Name and title								
A Buck Chief Executive South Yorkshire and Bassetlaw Cluster	145 - 150	25-30	0	22 - 23	145 - 150	25 - 30	0	21 - 22
P. Foster (to Jan' 13) Medical Director South Yorkshire and Bassetlaw Cluster	75 - 80	15 - 20	0	0	20 - 25	0 - 5	0	0
D Black (Commenced Nov' 12) Medical Director South Yorkshire and Bassetlaw Cluster	50 - 55	10 - 15	0	0	N/A	N/A	N/A	N/A
S.Hackett (to Apr' 11) Director of Finance, Contracting and Performance Barnsley Primary Care Trust	0	0	0	0	5 - 10	5 - 10	0	0
S.Hackett (Commenced May' 11) Director of Finance South Yorkshire and Bassetlaw Cluster	110 - 115	20 - 25	0	0	100 - 105	20 - 25	0	0
M.Kitching (to Sept ' 11) Director of Quality and Clinical Standards Barnsley Primary Care Trust	0	0	0	0	40 - 45	40 - 45	0	0
M.Kitching (Commenced Oct ' 11) Nurse Director South Yorkshire and Bassetlaw Cluster	95 - 100	15 - 20	0	0	45 - 50	5 - 10	0	0
D Hilditch (Commenced May' 11) Director of Human Resources and Governance South Yorkshire and Bassetlaw Cluster	85 - 90	15 - 20	0	0	40 - 45	5-10	0	0
E.Shassere (to Sept' 11) Director of Public Health for Barnsley Primary Care Trust	0	0	0	0	45 - 50	45 - 50	0	0
E.Shassere (Commenced Oct' 11, Left July' 12) Director of Public Health (Barnsley Primary Care Trust) South Yorkshire and Bassetlaw Cluster	30 - 35	30 - 35	0	0	45 - 50	45 - 50	0	0
S.Stoltz (Commenced Aug' 12) Director of Public Health (Barnsley Primary Care Trust) South Yorkshire and Bassetlaw Cluster	55 - 60	55 - 60	0	0	N/A	N/A	N/A	N/A
A Tolhurst (Commenced Jan' 12) Chairman for South Yorkshire and Bassetlaw Cluster	40 - 45	5 - 10	0	0	10 - 15	0 - 5	0	0
A Tolhurst (Commenced Oct'11 - Dec' 11) Non Executive for South Yorkshire and Bassetlaw Cluster	0	0	0	0	5 - 10	0 - 5	0	0
R. Greenwood (Commenced Oct' 11) Non Executive & Vice Chair for South Yorkshire and Bassetlaw Cluster	35 - 40	5 - 10	0	0	15 - 20	0 - 5	0	0
P. Wade (Commenced Oct' 11) Non Executive for South Yorkshire and Bassetlaw Cluster	5 - 10	0 - 5	0	0	0 - 5	0 - 5	0	0
R.Bailey (Commenced Oct' 11) Non Executive for South Yorkshire and Bassetlaw Cluster	10 - 15	0 - 5	0	0	5 - 10	0 - 5	0	0
Dr. L Ranson (Commenced Oct' 11) Associate Non Executive for South Yorkshire and Bassetlaw Cluster	5 - 10	0 - 5	0	0	0 - 5	0 - 5	0	0
M Morris (Commenced Oct' 11) Associate Non Executive for South Yorkshire and Bassetlaw Cluster	5 - 10	0 - 5	0	0	0 - 5	0 - 5	0	0
D Liggins (Commenced Oct' 11) Non Executive for South Yorkshire and Bassetlaw Cluster	30 - 35	5 - 10	0	0	5 - 10	0 - 5	0	0
T.Sheard (to Sept' 11) Chairman for Barnsley Primary Care Trust	0	0	0	0	15 - 20	15 - 20	0	0
T.Sheard (Commenced Oct ' 11) Non Executive & Vice Chair for South Yorkshire and Bassetlaw Cluster	30 - 35	5 - 10	0	0	15 - 20	0 - 5	0	0
M.Lunn (to Sept' 11) Non Executive Director for Barnsley Primary Care Trust	0	0	0	0	5 - 10	5 - 10	0	0
M.Lunn (Commenced Oct' 11) Non Executive Director for South Yorkshire and Bassetlaw Cluster	10 - 15	0 - 5	0	0	5 - 10	0 - 5	0	0

* Consent Witheld
'- Information Not Provided

Pay Multiples

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

The banded remuneration of the highest paid director in Barnsley Primary Care Trust in the financial year 2012-13 was £82,500 (2011-12, £97,500). This was

2.4 times (2011-12, 2.9 times) the median remuneration of the workforce, which was £34,189.

In 2012-13, 8 employees received remuneration in excess of the highest-paid director. Remuneration ranged from £13,136 to £93,014.
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.

Pension Entitlements of Senior Managers For the South Yorkshire and Bassetlaw Cluster

Pension entitlements Name and title	Real increase in pension at age 60 (bands of £2,500) £000	Real increase in pension lump sum at aged 60 (bands of £2,500) £000	Total accrued pension at age 60 at 31 March 2013 (bands of £5,000) £000	Lump sum at age 60 related to accrued pension at 31 March 2013 (bands of £5,000) £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 £000	Employer's contributio to stakehold pension (rounded to nearest £00 £'00
A Buck Chief Executive South Yorkshire and Bassetlaw Cluster	0 - 2.5	0 - 2.5	50 - 55	155 - 160	1,051	969	32	0
S Hackett Director of Finance South Yorkshire and Bassetlaw Cluster	5 - 7.5	17.5 - 20	30 - 35	95 - 100	448	415	129	0
P. Foster (to Jan' 13) Medical Director South Yorkshire and Bassetlaw Cluster	0	0	0	0	0	0	0	0
D Black (Commenced Nov' 12) Medical Director South Yorkshire and Bassetlaw Cluster	0 - 2.5	0 - 2.5	40 - 45	120 - 125	694	641	8	0
M.Kitching Nurse Director South Yorkshire and Bassetlaw Cluster	12.5 - 15	42.5 - 45	35 - 40	105 - 110	751	645	322	0
D Hilditch Director of Human Resources and Governance South Yorkshire and Bassetlaw Cluster	0 - 2.5	0 - 2.5	30 - 35	100 - 105	612	560	22	0
E.Shassere (Left July'12) Director of Public Health (Barnsley Primary Care Trust) South Yorkshire and Bassetlaw Cluster	0 - 2.5	2.5 - 5	10 - 15	40 - 45	194	167	28	0
S Stoltz (Commenced Aug' 12) Acting Director of Public Health (Barnsley Primary Care Trust) South Yorkshire and Bassetlaw Cluster	0 - 2.5	5 - 7.5	25 - 30	85 - 90	567	462	54	0

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

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the members' accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefit 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 figure, 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 period.

Exit packages agreed during 2012-13

Note 7.4 Exit Packages agreed during 2012-13

Exit package cost band (including any special payment element)	2012-13 Number of compulsory Number	2012-13 Number of other Number	2012-13 Total number of exit packages by Number	2011-12 Number of Number	2011-12 Number of other departures Number	2011-12 Total number of exit packages by Number
Lees than £10,000	**3**	**1**	**4**	0	2	2
£10,001-£25,000	**0**	**1**	**1**	0	9	9
£25,001-£50,000	**0**	**1**	**1**	0	7	7
£50,001-£100,000	**1**	**4**	**5**	0	4	4
£100,001 - £150,000	**0**	**2**	**2**	0	1	1
£150,001 - £200,000	**0**	**2**	**2**	0	0	0
>£200,000	**0**	**0**	**0**	0	2	2
Total number of exit packages by type	**4**	**11**	**15**	0	25	25
	£	**£**	**£**	£	£	£
Total resource cost	**70,389**	**917,297**	**987,686**	0	1,353,000	1,353,000

No special payments are included in the values above.

This note provides an analysis of Exit Packages agreed during the year. Redundancy and other departures costs have been paid in accordance with the provision of the NHS scheme. Where the Trust has agreed early retirements , the additional costs are met by the Trust and not by the NHS pension scheme. Ill-health retirement costs are met by the NHS pensions scheme and are not included in the table.

Designated Signing Officer:

Signature:

Date:

21. Annual Governance Statement

Annual Governance Statement 2012/13

NHS Barnsley - 5JE

Scope of Responsibility

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

As Accountable Officer I lead the PCT's Risk Management processes. A number of individuals have lead responsibilities for supporting me in this role as detailed in section 2 below.

The governance framework of the organisation

Overview

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

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

2012/13 has been a continuation of the transition towards the new NHS architecture as set out in the government's vision. This Annual Governance

Statement therefore reflects the changing assurance processes during the year.

NHS Barnsley (legally known as Barnsley Primary Care Trust) has remained as the statutory body throughout the period and will remain so until its planned dissolution on 31 March 2013. Primary Care Trusts (PCT's) "clustered" in line with government guidance. NHS South Yorkshire & Bassetlaw was formed as a Cluster of 5 constituent PCT's:

- NHS Barnsley
- NHS Bassetlaw
- NHS Doncaster
- NHS Rotherham
- NHS Sheffield

All constituent PCT's shared an Accountable Officer (Chief Executive), Director of Finance and team of Executive Directors and Non Executive Directors. The Directors of Public Health for each PCT also remained individual members of the Trust Board

The emerging Clinical Commissioning Groups were established as Sub Committees of the Trust Board under a Scheme of Delegation and managerial letter of delegation to Chief Operating Officers. In Barnsley this role was fulfilled from April 2012 to September 2012 by Barnsley Interim Commissioning Advisory Committee and by NHS Barnsley Clinical Commissioning Group (CCG) from 1 October 2012 to March 2013. Formal delegation of responsibilities to NHS Barnsley CCG by the Board related to the future work of Clinical Commissioning Groups such as Acute, Mental Health and Community healthcare commissioning (whilst accountability was retained by the Trust Board).

The system of internal control has been in place through the above mechanisms in Barnsley for the year ended 31st March 2013. The remainder of this document will reflect the internal systems of control within the three areas detailed below:

- NHS South Yorkshire & Bassetlaw April 2012 - March 2013
- Barnsley Interim Commissioning Advisory - Committee April 2012 – September 2012
- NHS Barnsley Clinical Commissioning Group - October 2012 – March 2013

Structure, performance and highlights of corporate governance
Overview

Handover and Closedown: The NHS South Yorkshire & Bassetlaw Board, the Barnsley Interim Commissioning Advisory Committee and the NHS Barnsley CCG have prepared for transition to the new NHS architecture in line with Department of Health guidelines for closedown of PCTs. A Transfer Scheme was developed by the Board for both Assets and Liabilities and for Staffing and this was in place by 31st March when the formal transfer took place. In addition,

a Quality Legacy Handover Document with the "softer" intelligence regarding quality and performance was developed by the PCT and passed to receiving organisations. A Handover Assembly was held on 12th March between the PCT as sender and all local receiving organisations including the Clinical Commissioning Group to ensure an effective legacy handover to receiving organisations.

Annual Accounts: In terms of annual accounts, a clear process has been identified which mirrors arrangements in 2011/12 and which will ensure that PCT accounts are effectively closed down and accounts produced. Accounts scrutiny and sign-off is planned via the Cluster Audit Committee (which will remain for a short period to June 2013), with the accounts having first been reviewed in detail by the Clinical Commissioning Group's Audit Committee to which much of the corporate memory on the accounts will have transferred.

Discharge of statutory duties: Arrangements were in place to ensure effective discharge of statutory duties and this is documented through routine reporting arrangements,

Corporate Governance Code: The Boards of NHS Barnsley, NHS South Yorkshire & Bassetlaw and the Governing Body of the NHS Barnsley Clinical Commissioning Group have complied at all times with the UK Corporate Governance Code in respect of:

Leadership: Headed by an effective Board/Governing body comprised of Executive and Non Executive Directors/Lay Members with a clear division of responsibilities, a clear process for decision-making and a Chair responsible for leadership of the Board/Governing Body. In addition the Board/Governing Body ensured that there were proper processes in place to meet the organisation's objectives and secure delivery of outcomes. The Board/Governing Body can demonstrate that it has done its reasonable best to achieve its objectives and outcomes, including maintenance of a sound and effective system of internal control.
Effectiveness: Comprised of individuals with a range of skills, experience and knowledge. A formal process for appointments was in place and adhered to. They have been provided with a range of strategic information covering quality, finance, performance, strategy, policy and risk which is subject to annual evaluation via the Annual Governance Statement. In addition the organisation learns and improves its performance through continuous monitoring and review of the systems and processes in place for meeting its objectives and delivering appropriate outcomes.
Accountability: There were clear accountability arrangements in place throughout the organisation. There were processes in place for effective management of conflicts of interest and a robust process for risk management and internal control through regular reporting and interaction with Internal and External Audit. The Board/ Governing Body ensured that there were proper and independent assurances given on the soundness and effectiveness of the systems and processes in place for meeting its objectives and delivering appropriate outcomes.
Remuneration: These were set by the Remuneration and Terms of Service

Committees.

Relations with Shareholders: The Board/Governing Body identifies the needs of its stakeholders on an ongoing basis and determines a set of key objectives and outcomes for meeting these needs, including how it meets its duty of quality. Effective partnership arrangements are in place and sharing of information via an Annual Report. The CCG as a membership organisation has established both a Membership Council and Patient Council in order to work collaboratively with its members and the wider borough community. The CCG has also established forums at Governing Body/ Board level to develop partnership arrangements with the main provider organisations.

NHS South Yorkshire & Bassetlaw

Structure: NHS South Yorkshire & Bassetlaw had a Trust Board in place throughout 2012-13 which was quorate at each meeting. The Board considered a range of governance documents, strategies and quality / financial / performance assurance reports. The Board also received both the public and private minutes of the formal NHS Barnsley CCG Committee to which responsibility for commissioning the majority of local healthcare was delegated (whilst accountability was retained by the Board). The Board was supported in its assurance responsibilities by a formal sub-structure of meetings including an Audit Committee, Quality and Patient Safety Committee and Reference Committee. The high-level governance meeting structure is shown on page 5.

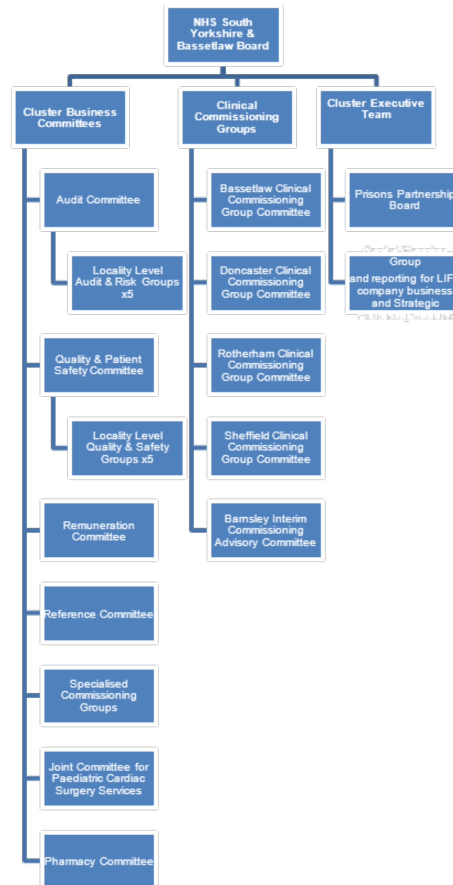
Effectiveness: The effectiveness of the Board was last reviewed at a Timeout session on 22nd February 2012 which concluded that the Board was functioning effectively and focusing on the right issues. Due to the abolition of the Board from 31st March 2013, its effectiveness has not been reviewed during 2012/13. A Governance paper was received and approved by the first Trust Board meeting in October 2011 in which:

- The Board was advised on the governance structure to support the Single Trust Board of NHS Barnsley, NHS Bassetlaw, NHS Doncaster, NHS Rotherham and NHS Sheffield.
- Approval was given for the terms of reference for the committees of the Trust Board which covered Audit, Quality and Patient Safety, Remuneration, Maintaining High Professional Standards, Pharmacy applications and Clinical Commissioning Groups. These reflected the movement to a single Trust Board.
- Revised Standing Orders / Standing Financial Instructions and Scheme of Delegation were agreed.
- It was identified where the Chief Executive and Director of Finance sought to delegate further functions to the Chief Officer and Chief Finance Officer. These were then covered in Letters of Delegation to each CCG.
- The Board membership (including Directors) and the accountability arrangements at Board level were noted.

Risk Management: A Board Assurance Framework and Risk Register have been maintained throughout the period, coordinated by the Governance Leads

of the constituent PCTs. The Assurance Framework was received by the Board in January 2012 and by the Cluster Audit Committee as a closing position in March 2013. The Risk Register was received by the Board in January 2012 and updated outside of the Board thereafter. The Information Governance Strategy was last received in February 2012. Monthly reports were received on Finance, Quality and Performance.

The high-level governance structure is shown below



NHS Barnsley Interim Commissioning Advisory Committee

Prior to the Clinical Commissioning Group receiving delegated authority from 1 October 2012 NHS Barnsley had in place a quorate Interim Commissioning Advisory Committee which continued to meet during the period April to September 2012. The Board/Governing Body of the Clinical Commissioning Group its associated governance and risk management formal subcommittee and groups have been well attended by members throughout 2012/13. For April 2012 – September 2012 it should be noted that NHS Barnsley hosted Specialised Commissioning Group who adhered to the systems and governance processes within NHS Barnsley. From 1 October 2012 to 31 March 2013 the accountability for the Specialised Commissioning Group moved to the South

Yorkshire and Bassetlaw Cluster Board.

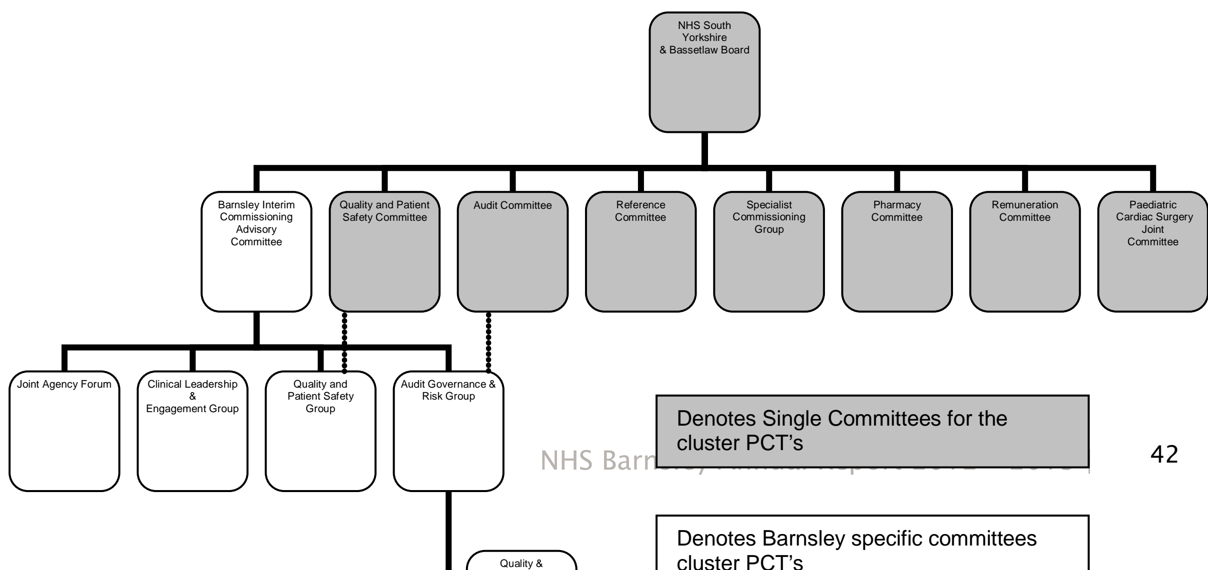
The Board/Governing Body considered a range of strategies, policies and quality/financial/performance assurance reports and risk/governance reports. In addition between April 2012 and September 2012, the Interim Commissioning Advisory Committee monitored performance on a monthly basis against the key performance indicators, which included the headline and supporting measures identified in the Operating Framework, as part of the Integrated Performance report. For those indicators assessed as being below target, reasons for current performance was identified and included in the report along with any remedial actions to improve performance.

NHS Barnsley had in place systems and processes to assure the Board that risk was being managed locally and there are reporting structures in place to do this. To support the Board there were governance arrangements and associated committee structures in place for the PCT throughout 2012/13.

Governance Arrangements April – September 2012

Barnsley Interim Commissioning Advisory Committee

The NHS South Yorkshire & Bassetlaw Board oversaw the work of the Interim Commissioning Advisory Committee between April 2012 and September 2012. The Governance Risk and Audit Group oversaw the integrated governance agenda for the PCT, and ensured that systems of internal control existed and were functioning effectively. This provided the Chief Executive and the Board with the assurance regarding the Governance Statement. The Governance, Risk and Audit Group was supported in its scope of work by the Quality and Patient Safety Group. As part of the system for ensuring the risks to the organisation were managed, the Governance Risk and Audit Group had a key role in reviewing the establishment and maintenance of an effective system of integrated governance, risk management and internal control across the whole of the organisation's activities to support the achievement of its objectives.
The Governance, Risk and Audit Group reported to the NHS South Yorkshire & Bassetlaw Audit Committee. The Audit Committee had a particular role in evaluating governance in the organisation



The Barnsley Interim Commissioning Advisory Committee was authorised to take oversight of the commissioning of health services for the NHS Barnsley population. The Committee did not have responsibility for the development of Clinical Commissioning group arrangements; this was managed through the Cluster Executive team. The Committee did not have responsibility for Primary Care Contracting and Public Health. The Committee had a Chief Operating Officer, a Chief Finance Officer, a Medical Director, a Quality/Patient Safety lead and four lay members. It was supported in the discharge of its functions by an underpinning management, governance and Committee structure as demonstrated above. Formal delegation of responsibilities to the Barnsley Interim Commissioning Advisory Committee was given by the Cluster Board from October 2011. The delegation of budgetary management and decision making was to the Chief Operating Officer and Chief Finance Officer who reported to the Interim Barnsley Commissioning Advisory Committee. The Committee also had the responsibility for Acute, Mental Health and Community healthcare commissioning and oversaw the joint commissioning arrangements with Barnsley Metropolitan Borough Council (BMBC) (whilst accountability was retained by the Cluster Board). NHS Barnsley continued to have delegated responsibility for the governance of non-CCG responsibilities such as primary care (whilst again accountability was retained by the Cluster Board).
The Barnsley Interim Commissioning Advisory Committee approved the revised governance arrangements particularly the creation of the Patient Safety and Quality group and the Audit Governance & Risk Group. In addition it also received the Single Integrated Plan for 2012/13 and continued to receive the Integrated Performance report to review progress against key performance indicators including finance, patient safety and quality.

In addition, from March 2012, progress against a number of the key Operating Framework headline measures was also reported to the NHS South Yorkshire and Bassetlaw Board on a monthly basis.

The Audit Governance & Risk Group also approved the Assurance Framework which documented the principal risks to the achievement of the PCT's objectives. Principal risks to the achievement of the PCT's objectives continued to be identified and added to the Assurance Framework from key governance committees. In addition to this the business planning process was coordinated to the Assurance Framework. The Committee and NHS Barnsley Board, before it, used the Assurance Framework as a tool to ensure that risks to the organisation's objectives were effectively managed. The Assurance Framework

has been reviewed throughout 2012/13 and received by Governance Committees and Groups. The Audit Governance & Risk Group also reported to the Barnsley Interim Commissioning Advisory Committee. This report provided the Committee with detailed assurance from the Governance Risk and Audit Group that a number of components identified within the system of internal control are in place, effective and working.

In addition the Audit Governance & Risk Group minutes are submitted to the Audit Committee. The Audit Committee minutes are submitted to the NHS South Yorkshire and Bassetlaw Board.

Governance Arrangements October 2012 – March 2013

Governance and risk assurance arrangements were introduced by the emerging CCG from the 1 October 2012. The CCG developed a governance structure that incorporated a number of Governing Body Committee's to provide assurance as indicated below:-

In order to both reflect and support the revised governance structure an Integrated Risk Management Framework and Corporate Manual was adopted by the CCG in October 2012. This framework described the clear reporting arrangements of each of the Governing Body Committee's and their Terms of Reference are included within the Corporate Manual. The CCG in this period used the risk register as a way of escalating and treating gaps in internal control and the assurance framework to ensure that organisational objectives were being fully delivered. Internal and external assurances were used to provide controls assurance to the CCG Audit Committee and Governing Body. The Audit committee reviewed the Assurance Framework and Risk Register in February 2013.

Risk assessment
NHS South Yorkshire & Bassetlaw

To support the work of the Board and its Committees and to provide assurance that the risks across the Cluster were known and understood, a single Assurance Framework covering all constituent PCT areas was developed and has been in use throughout 2012/13.

The Assurance Framework took into account the accountabilities and responsibilities referenced in the following:

- Objectives from the *Cluster Implementation Guidance* (January 2011) and the *Shared Operating Model for PCT Clusters* (July 2011);
- NHS Commissioning Board duties (e.g. offender healthcare military healthcare, primary care contracting, emergency planning);
- Escalating Clinical Commissioning Group issues based on *Functions of GP Commissioning Consortia: A Working Document* (March 2011).

In developing the NHS South Yorkshire & Bassetlaw Assurance Framework all existing PCT Assurance Framework risks and any new/emerging risks in light of the changing NHS architecture were captured. The Assurance Framework was developed in accordance with guidelines provided by the Department of Health, Internal Audit and the Strategic Health Authority and comprised risks which affected the achievement of Cluster objectives

A standard 5x5 risk matrix was used to assess risk which incorporates both consequence and likelihood. The risk tolerance (appetite under which risks can be tolerated) is a score of 11 or below where the assessment has been undertaken following the implementation of controls and assurances. This was the same for both the Cluster Assurance Framework and the Clinical Commissioning Groups Assurance Frameworks. Local Clinical Commissioning Group Assurance Framework risks which are scored at or in excess of a score of 16 were escalated to the Cluster Assurance Framework. All new risks scoring 16-20 are notified to the Board as part of the integrated performance report.

The objectives for PCT Clusters as detailed in the Department of Health *Shared Operating Model for PCT Clusters* (July 2011) were taken as those against which the Cluster Assurance Framework risks were mapped:

- Integrated Finance, Operations and Delivery
- Commissioning Development
- Ensuring Quality (Effectiveness, Experience & Safety)
- Emergency Planning & Resilience
- Commissioning Elements of Provider Development
- Communication and Engagement

All existing risks from the 5 PCT Assurance Frameworks were mapped to the principal risks of the Cluster. There was full alignment of the 5 PCTs' principal risks with the Cluster principal risks. All PCT Assurance Framework risks which were not expected to carry forward to the Clinical Commissioning Group Assurance Frameworks were captured on the Cluster Assurance Framework. The ownership of the risks was linked to the Scheme of Delegation with Director / Chief Executive accountability identified.

The format of the Assurance Framework was designed and populated based on the existing Assurance Frameworks in existence across the Cluster and in consideration of Internal Audit feedback on best practice.

The Cluster Assurance Framework was presented to the Audit Committee and

the Board in November 2011. An update to the Board was provided in January 2012 and a closing Assurance Framework was received by the Audit Committee in March 2013.

Until NHS England takes over responsibility for the commissioning of Primary Care, Offender Healthcare, Military Healthcare and Specialised Commissioning, a Risk Register co-produced by the Executive Team and Governance/Commissioning Leads was developed which captured risks associated with these directly commissioned services. The Cluster Risk Register was presented to the Single Board alongside the Cluster Assurance Framework Action Plan. Specialised Commissioning Groups hold their own Assurance Frameworks which continue during transition.

All the risks on the Assurance Framework were newly added from October 2011 as this was the first Assurance Framework of the NHS South Yorkshire & Bassetlaw Cluster. At the close of the year as of 31st March 2013 there were 20 risks on the Cluster Assurance Framework. 6 of these risks were scored in excess of 11 and all 6 were being treated, with 1 risk scored below 11 also being treated.

During the period, gaps in control and assurance were identified, action plans put into place and monitored. There were no lapses of data security reported to the Information Commissioner. The 6 risks being treated at year-end comprised:

Ref	Principal Risk	Current Risk			Action Plan
		C	L	Cx L	
1.2	Failure to deliver the financial aspects of the QIPP agenda.	5	4	**20**	Continue to monitor QIPP delivery across the localities
2.2	Failure to directly commission for specialised services during transition: • Specialised Commissioning • FHS and Primary Care Contracting • Offender Health and Military Health Commissioning	5	2	**10**	Complete the prison healthcare action plan to mitigate against any potential risks identified in the HM Inspectorate of Prisons report.

2.4	Recent national publication of a call for retrospective Continuing Healthcare claims is expected to lead to a significant increase in claims – impacting on both staffing capacity to review the claims and on finance. The time limits for the process are very short – September 2012.	4	3	**12**	Develop a coordinated approach to Continuing Care retrospective claims reviews. Specific actions added: Dedicated team of staff to be put in place to manage the volume of claims. Local plans in place to ensure Communications are timely and in accordance with Department of Health. Local reporting systems in place.
3.5	Failure to effectively safeguard children and vulnerable people in line with statutory requirements leading to potential harm.	5	3	**15**	Monitor through Cluster Risk Register and local arrangements
3.6	Failure to ensure effective workforce planning and capability leading to de-motivation of staff.	4	~~2~~ 3	**~~8~~** **12**	Undertaken a gap analysis / skills audit to ensure capacity and capability for CSS functions
6.1	Failure to effectively engage staff systematically during transition, resulting in potential de-motivation, lack of productivity and poor staff experience and including potential industrial action	4	3	**12**	Work to align workforce systems and processes across the localities

NHS Barnsley, Interim Barnsley Commissioning Advisory Committee

The accountability arrangements and structures for governance and risk management were documented within NHS Barnsley's Risk Management Strategy 2012

The Board ensured that the organisation consistently followed the principles of good governance applicable to NHS organisations. This included the oversight and development of systems and processes for financial control, organisational control, clinical governance and risk management. The Board assessed strategic and corporate risks against the Trust's objectives via the Assurance Framework. The PCT Board and all its formal sub-committees actively participated and have been involved in the generation of principal risks to the organisation and Assurance Framework process.

The organisation had a number of Directors, Officers and competent advisors with lead responsibilities for Governance and Risk Management.

- The Chief Executive had overall responsibility for establishing and maintaining an effective risk management system within NHS Barnsley, for meeting all statutory requirements and for adhering to guidance issued by the Department of Health in respect of Governance. The Chief Executive was responsible for ensuring that a sound system of internal control was maintained that supported the achievement of NHS Barnsley's aims and objectives

- The Chief Operating Officer was responsible for Commissioning Healthcare services and ensuring that Risk Management processes existed within all commissioning arrangements.

- The Deputy Chief Operating Officer, Quality and Clinical Standards (DNS) was the responsible director for risk management. This Director coordinated the NHS Barnsley approach to Governance, Risk Management and measured/monitored overall Governance and Risk Management performance within the organisation. The Director was also responsible for the management of serious incidents, complaints, claims and research governance. The Deputy Chief Operating Officer, Quality and Clinical Standards (DNS) was also the Clinical Governance Lead and had responsibility for strategic development and operational implementation of Patient Safety, Clinical Risk Management and infection prevention and control.

- The Chief Finance Officer had responsibility for the implementation of Financial Risk Management.

- NHS Barnsley had in place a number of Service Level Agreements (SLAs) for the provision of Information Technology, Estates and Human Resources. These SLAs included the provision and responsibilities for the management of risk and governance including information governance, estates and equipment risks, health safety, fire safety and security management.

- NHS Barnsley had competent advisors for all aspects of Risk Management.

- Non Executives in conjunction with the Executive Team had responsibility for reviewing risk management strategies, processes and risk related issues via reports to the relevant Committees. Individuals had particular responsibilities in relation to their membership and chairmanship of various sub committees.

- All staff undertook a workplace induction which raised awareness of risk management policies and procedures and attended core mandatory fire training.

- A mandatory training needs analysis was in place which clearly identified the mandatory training requirements for all staff.

The Patient Safety/Quality Committee received reports from within its governance structure which included District Infection Control Committees as well as a quality assurance cycle including, for example safeguarding and quality. In addition NHS Barnsley as a Commissioner was involved in the process for NHS Trusts developing their Quality Accounts to ensure they were accurate. The Audit Committee also reviewed the work of the Patient Safety/Quality committee to assure the Board that the system of internal control was in place and effective. The Audit Committee Report to the Board highlighted particular governance and risk issues and linked these areas to risks on the Assurance Framework. The Assurance Framework was reviewed by the Patient Safety/Quality Committee, Audit Committee and the Board.

NHS Barnsley's and subsequent the Clinical Commissioning Group Risk Management Strategy/Integrated Risk Management Framework describes how risk is assessed and managed. Each risk is assessed using a standardised risk assessment tool which is described in these documents. As part of this assessment key risk treatment and control mechanisms are identified. Any gaps in these are also identified and action plans put in place. The risks identified are placed onto the Assurance Framework and Risk Register as appropriate.
The risk matrix is included within the Risk Management Strategy/Integrated Risk Management Framework. The assurance framework and risk register use this matrix to ensure consistency of approach. The risk tolerance (appetite under which risks can be tolerated) is a risk score of 11 or below. Risks with a score of 12 and above will be 'treated'. This is usually for risks where there are insufficient controls and/or assurances in place. These risks are included on an action plan accompanying the Assurance Framework. Risks are 'tolerated' where the risk rating score is 11 or below and is deemed adequately controlled with sufficient assurance in place. Any risks scored in excess of 16 must be escalated to SY&B Assurance Framework.

In addition to the above and in consideration of the impending organisational changes within the NHS each risk has been aligned to where the risk would 'sit' within the new NHS structure. This will be a Clinical Commissioning Group, NHS England Area Team or Local Authority. Where a risk has been aligned to SY&B then the risk has been crossed matched to the risk reference number on

the SY&B Assurance framework.
The risk tolerance, appetite under which risks can be tolerated is a score of 11 or below, where the assessment has been undertaken following the implementation of controls and assurances. All new risks scoring 16-20 were notified to the Board as part of the integrated performance report. Risks identified as extreme (score of 25) would be notified to the Board separately.

The organisational risk profile and appetite for risk is the totality of risk held on the Assurance Framework and Risk Register. The Assurance Framework is a 'live' document and subject to both a mid-year and annual review by the Governance, Risk and Audit Group, and Clinical Commissioning Audit Committee. The totality of the risks on the Risk Register is reviewed on a rolling programme based on risk rating by the Governance, Risk and Audit Group. Clinical risks from the Risk Register are reviewed at each meeting of the Quality and Patient Safety Group.

At the close of the year as of 31st March 2013 there were 18 risks on the NHS Barnsley Assurance Framework. 7 of these risks were currently scored in excess of 11 and were being treated. During the period, gaps in control and assurance were identified, action plans put into place and monitored.

Ref	Principal Risk	Current Risk			Action Plan
		C	L	Cx L	
3.11 RR 74	Ofsted/CQC Inspection findings across the borough identified overall effectiveness of Safeguarding inadequate	4	3	12	Action Plan in place across the health economy. This is being overseen by the Improvement Board on a monthly basis
3.10	Non achievement of HCAI Trajectories	4	5	20	Multiple Action Plans in place.
3.7	There is a potential risk that local management arrangements may become unclear whilst accountability transferred to another level of management	4	4	16	To be managed through Corporate Risk Register, risk 6.
3.8	Staff may not have the capacity to undertake the work required during the transition arrangements	4	3	12	To be managed through Corporate Risk Register, risks 18, 33 and 45. Potential for increasing risk.

1.1	Health inequalities gap in Barnsley continues to widen due to: o National and local economic climate o Austerity programme o Workforce capacity (linked to transition)	3	4	**12**	Public Health business plan for 12/13 to be produced with this risk in mind so that resources are assigned appropriately Profile raised at partnership level Additional resource recruited
2.1	The PCT may lose financial and quality control of the services GP provides through transition. Business Development/Innovation	4	3	**12**	To be managed through Corporate Risk Register, risks 6, 32, 33 and 40.
6.4	Motivation of PCT staff will decrease over the coming years, due to uncertainty. This may cause the risk of staff seeking employment elsewhere and so the PCT loosing expertise or staff not undertaking their jobs appropriately. Development of Consortium Skills	4	3	**12**	HR policies being reviewed at cluster level around management of change. Regular communication with staff. Questions and Answers. Also managed through corporate risk register, risk 18

The newly identified risks in 2012/13 related to the outcome of an Ofsted inspection. An Improvement Board overseen by an independent chair, is in place across the Borough led by the Local Authority as part of its statutory function who have oversight of all partners action plans.

There have been no lapses of data security and no Information Governance incidents reported to the Information Commissioner for NHS Barnsley this year.

The risk and control framework

NHS Barnsley's Risk Management Strategy, was in place in 2012/13, having been adopted by the Barnsley Clinical Commissioning Group. The document

was updated for the CCG renamed the Integrated Risk Framework and approved by the CCG Governing Body in October 2012. The Risk Management Strategy/Integrated Framework provides an overarching framework aimed at ensuring NHS Barnsley and the Clinical Commissioning Group developed and implemented risk management practices effectively in all its functions. The Risk Management Strategy/Integrated Framework sets out NHS Barnsley's and the Clinical Commissioning Groups commitment to the management of all risk using an integrated approach covering clinical, non-clinical, and financial risk. Accountability arrangements for risk management are clearly set out and roles and responsibilities in terms of key bodies/committees and individuals are identified.

This approach requires that risks be systematically identified and recorded on a continuous basis. Principal risks are identified on both a proactive and reactive basis. The strategy stipulates that the development and implementation of risk management in the organisation will be subject to regular internal review and monitoring to assess progress in implementation. Risk Management is embedded throughout the organisations through its governance systems and processes.

There are in place a range of policies and procedures for the management of risk, which are posted on the organisations intranet. There is also in place an active system of incident reporting. The system is central to the process of ensuring that incidents are managed appropriately and that learning from incidents takes place and is shared across each organisation and wider health community. In addition Equality Impact Assessments form part of the PCT policies and procedures development and change management process.

Information about reported incidents is captured on the PCT's and subsequent Clinical Commissioning Groups risk management information system. Reports are extracted from the system to identify issues and trends and reports are fed back to the Quality and Patient Safety Group and the Governance, Risk and Audit Group. Serious Incidents are reported externally to the Strategic Health Authority via the Strategic Executive Information System (STEIS) and the management of these incidents is monitored. Investigations are carried out into all Serious Incidents and action plans devised to address the issues identified. Learning events are routinely held in service areas where a Serious Incident has occurred. NHS Barnsley's Complaints, Serious Incidents and Claims Sub Group(s), play an active role in assuring that all Serious Incidents are subject to investigation.

The PCT and Clinical Commissioning Group manage and control its risks relating to information and data security. The South Yorkshire and Bassetlaw Director of HR & Governance has been appointed Senior Information Risk Owner. For the Clinical Commissioning Group the Chief Nurse has been appointed Senior Information Risk Owner who support the arrangements for managing and controlling risks relating to information / data security

There is in place an established Assurance Framework and Risk Register as mechanisms for providing reasonable assurance that the PCT and Clinical

Commissioning Group has in place an effective system of internal control to manage the principal risks faced by the organisation. An Assurance Framework and Risk Register has been in place for a number of years, reviews of the Assurance Frameworks and Risk Registers have continued throughout 2012/13.

Principal risks to the achievement of the PCT's objectives continued to be identified and added to the Assurance Framework and Risk Register from key committees including the Interim Barnsley Commissioning Advisory Committee, Governance, Risk and Audit Group, Quality and Patient Safety Group and Complaints/Serious Incidents and Claims Group. Following the delegated authority to the Clinical Commissioning Group these reviews have continued including the Patient Safety and Quality Committee, Audit Committee and then reported through to the Governing Body through committee minutes In addition to this the business planning process is aligned to the Assurance Framework. This will affect the identification, management and monitoring of the principal risks to the organisation's strategic goals & strategic objectives. The Assurance Framework identifies the controls in place to manage each risk and the sources of assurance, which demonstrate their effectiveness.

The Counter Fraud Team and Local Counter Fraud Specialist for the PCT promoted fraud awareness via newsletters and Fraud Alerts to staff. Staff were and continue to be encouraged to report suspected fraud to the national NHS Fraud and Corruption Reporting line. A Counter Fraud report is received at each Audit Committee / Governance Risk & Audit Group. The report aims to inform the Governance Risk & Audit Group of the proactive and reactive activity carried out by the Local Counter Fraud Specialist (LCFS). The content of the report covers the requirements of the NHS Counter Fraud Manual (version 3) outlining where relevant activity has taken place across the 7 generic areas of counter fraud work:

- Anti-Fraud Culture
- Deterrence
- Prevention (including NHS Protect fraud prevention instructions, alerts and intelligence bulletins and local counter fraud alerts)
- Detection (including Local Proactive Exercises, the Local Intelligence Network to support the Accountable Officer for Controlled Drugs and the National Fraud Initiative)
- Investigations
- Sanctions
- Redress

In addition a local Counter Fraud Specialist Annual Report is produced and submitted to the Governance, Risk and Audit Group.

Contracts are set at beginning of year with relevant performance standards included as Key Performance Indicators (KPIs). Monitoring of the KPIs is reported monthly and action is taken if any KPIs are under-achieving. Performance is reported through the governance arrangements monthly against the full range of Operating Framework requirements. A performance report is also submitted to Cluster Board which includes high-level Operating Framework

issues and an overview of all requirements.

Review of the effectiveness of risk management and internal control

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of governance, risk management and internal control. My review is informed in a number of ways. The Head of Internal Audit provides me with an opinion on the overall arrangements for gaining assurance through the Assurance Framework and on the controls reviewed as part of the internal audit work. The Head of Internal Audit has determined that "Significant assurance can be given that there is a generally sound system of internal control, designed to meet the organisation's objectives and that controls are generally being applied consistently."

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

- Head of Internal Audit Opinion statement
- Internal and External Audit Reports
- Local Authority Scrutiny process
- NHS Staff Survey
- The Audit Commission providing progress reports to the Audit Committee, the Annual Management Letter and overview of cost effectiveness within NHS Barnsley.
- Internal Audit reviews of systems of internal control and progress reports to the Audit Committee, especially the annual Assurance Framework Internal Audit Report.
- Assurance reports on risk and governance received from the Audit Committee and Audit & Risk Group.
- Performance management systems.
- Internal Committee structure with delegated responsibility for risk identification, evaluation, control, review and assurance.
- Review of the Assurance Framework.
- Review of the Risk Register.
- The Single Integrated Plan which captures 5 clear clinical priorities and QIPP (Quality, Innovation, Productivity & Prevention) priorities and key risks.
- Quality Schedules and Dashboards

I have been advised on the implications of the results of my review of the effectiveness of the system of internal control by the:

- South Yorkshire & Bassetlaw Board
- Interim Barnsley Commissioning Advisory Committee

- NHS Barnsley Clinical Commissioning Group Governing Body
- Governance, Risk and Audit Group
- Quality and Patient Safety Group
- Audit Committee
- Quality and Patient Safety Committee

The Assurance Framework is used as the plan to address weakness and ensure continuous improvement of the system. The Board, Interim Barnsley Commissioning Advisory Committee and NHS Barnsley Clinical Commissioning Group have been involved with the development of the Assurance Framework. The Board, Interim Barnsley Commissioning Advisory Committee and NHS Barnsley Clinical Commissioning Group have maintained an overview of the Assurance Framework, commenting as appropriate and endorsing actions. The Assurance Framework has been approved by the Governance Risk and Audit Group and NHS Barnsley Clinical Commissioning Group Audit Committee.

Internal Audit has undertaken a review of the organisation's Assurance Framework and related assurance processes to ensure that they are embedded and effective and thus provide evidence to support the Annual Governance Statement. The overall conclusion drawn from the review is that:

"The PCT has maintained and monitored an Assurance Framework during 2012/13. As a constituent of the NHS South Yorkshire & Bassetlaw Cluster, all key risks identified within the PCT's Assurance Framework have been assimilated into a Cluster Assurance Framework. The Cluster Assurance Framework has similarly been maintained and monitored throughout the year. Both Assurance Frameworks are consistent with Department of Health guidance and, together, act as key evidence sources for the PCT in its preparation of the Annual Governance Statement."

The Board has overseen the work of the Interim Barnsley Commissioning Advisory Committee, Governance Risk and Audit Group and Quality and Patient Safety Group and NHS Barnsley Clinical Commissioning Group and its related governance systems and processes. The Board determines the Trust's approach to risk management and ensures that systems of internal control exist and are functioning properly. The Audit Committee oversee all issues of risk management within the PCT, ensuring that all significant risk management concerns are considered and communicated appropriately to the Board. The Governance systems and Board agreed a process to ensure that the Assurance Framework is monitored and updated as a live document.

The Governance Risk and Audit Group and NHS Barnsley Clinical Commissioning Group Audit Committee reviewed the establishment and maintenance of an effective system of internal control and risk management. As part of this role the Governance Risk and Audit Group and NHS Barnsley Clinical Commissioning Group Audit Committee also received and reviewed the Assurance Framework.
The following Committees and Officers have played a significant part in maintaining and reviewing the effectiveness of the system of internal control in

2012/13 and have managed risks assigned to them.

Trust Board: Responsible for providing clear commitment and direction for Risk Management within the Cluster. The Trust Board delegated responsibility for non-clinical risk management to the Audit Committee and clinical risk management to the Quality & Patient Safety Committee.

Audit Committee: Responsible for providing an independent overview of the arrangements for risk management within the Cluster, with specific responsibilities for financial risk management. It undertook its own annual self-assessment of its effectiveness and reviews all Internal and External Audits. The Cluster Audit Committee was mirrored in the NHS Barnsley structure by an Audit & Risk Group. Local assurance flows up from the Audit & Risk Group to the Cluster Audit Committee.

Quality & Patient Safety Committee: The Committee with overarching responsibility for clinical risk management. It provided assurance to the Cluster Board that appropriate Clinical Governance and clinical risk management arrangements are in place across the organisations. The Quality & Patient Safety Committee is underpinned by various Sub Groups. The Cluster Quality & Patient Safety Committee is mirrored in the NHS Barnsley's structure by a Quality & Safety Group. Local assurance flows up from the Quality & Safety Group to the Cluster Quality & Patient Safety Committee.

NHS Barnsley CCG Governing Body: The committee with overarching responsibility for commissioning delegated services for the population of Barnsley from October 2012.

Chief Operating Officer: As Senior Responsible Officer for the whole of NHS Barnsley and the Interim Barnsley Commissioning Advisory Committee, the Chief Operating Officer is responsible for achieving the objectives in the context of sound and appropriate business processes and reporting risks to the Cluster Chief Executive as Accountable Officer.

Chief Finance Officer: As Senior Responsible Officer for NHS finances across NHS Barnsley and the Interim Barnsley Commissioning Advisory Committee, the Chief Finance Officer is responsible for ensuring that the organisation complies with the Standing Financial Instructions to achieve financial balance and reports financial risks to the Cluster Director of Finance.

Executive Directors: Each Director is responsible for ensuring that risks have been properly identified and assessed across all their work areas, paying particular attention to cross-cutting risks. They are responsible for agreeing the risk register entries for their work areas and for ensuring that each departmental/team lead is actively addressing the risks in their area and escalating risks up to Director-level for their attention as appropriate.

Head of Internal Audit: The Head of Internal Audit has a central role in the process of securing this Statement on Internal Control, and in advising the Chief

Executive and the Audit Committee on the "health" of NHS Barnsley's risk management processes. As part of Internal Audit work, reviews are carried out to assess the robustness of the implementation of the Risk Management Strategy across the organisation. They provide information on the various strengths and weakness of the approach adopted by NHS Barnsley, and advise on where improvements are necessary and desirable for the good governance of the organisation.

Significant Issues

No significant internal control weaknesses have been identified during the year. NHS Barnsley has received positive feedback from Internal Audit on the Assurance Framework and this, in conjunction with other sources of assurance, leads the PCT to conclude that it has a robust system of control. - In addition the Head of Internal Audit Opinion is that

"Significant assurance can be given that there is a generally sound system of internal control, designed to meet the organisation's objectives and that controls are generally being applied consistently"

Significant issues to report:

Significant Issues facing NHS Barnsley/ Barnsley Clinical Commissioning Group in 2012/13

- Transition to the new NHS architecture including authorisation of NHS Barnsley Clinical Commissioning Group

Action plans have been put in place, where the risk is known. All risks are monitored and reported via the Assurance Framework. Transitional Governance arrangements are in place within NHS Barnsley to support the transition to successor bodies. Reporting arrangements are also in place to provide assurance that where risks are emerging they are identified and treated. In addition to regular updating of the Assurance Framework and reporting on associated Assurance Framework action plans, further actions have included:

- The development of the governance structure and Assurance Framework as described above alongside terms of reference and a Constitution.
- The production of a clear and credible Single Integrated Plan aligned to the priorities of the Barnsley Shadow Health & Wellbeing Board.
- Holding CCG Committee meetings in public from December 2012
- Organisational Development planning and implementation.
- Development of relevant strategies and procedural documents including Communication, Engagement & Equality, Choice, Risk and Standards of Business Conduct and Declarations of Interest.

My review confirms that NHS Barnsley has a generally sound system of risk management and internal control that supports the achievement of its policies, aims and objectives.

Accountable Officer:

Eleri de Gilbert

Organisation:
Chief Executive, NHS South Yorkshire and Bassetlaw relating to the responsibilities of NHS Barnsley

Signature:

Date:

Barnsley Primary Care Trust

2012-13 Accounts

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Barnsley Primary Care Trust

2012-13 Accounts

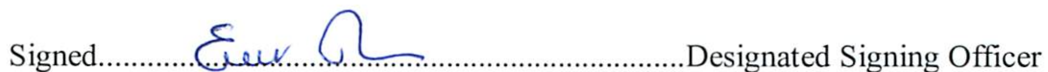
2012-13 Annual Accounts of Barnsley Primary Care Trust

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.


Signed...Designated Signing Officer

Name: ELERI de GILBERT

Date: 6/6/13

2012-13 Annual Accounts of Barnsley 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;

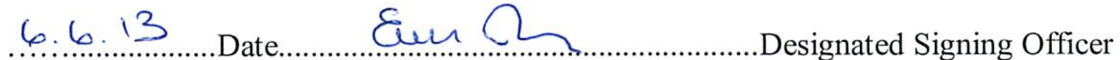
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

- 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.



6.6.13 ....Date..Designated Signing Officer

6.6.13 ....Date ....Finance Signing Officer

NHS
Barnsley

Annual Governance Statement 2012/13

NHS Barnsley - 5JE

Scope of Responsibility
The Board is accountable for internal control. As Accountable Officer and Chief Executive of this Board, I have responsibility for maintaining a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives. I also have responsibility for safeguarding the public funds and the organisation's assets for which I am personally responsible as set out in the Accountable Officer Memorandum.
As Accountable Officer I lead the PCT's Risk Management processes. A number of individuals have lead responsibilities for supporting me in this role as detailed in section 2 below.

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

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

2012/13 has been a continuation of the transition towards the new NHS architecture as set out in the government's vision. This Annual Governance Statement therefore reflects the changing assurance processes during the year.

NHS Barnsley (legally known as Barnsley Primary Care Trust) has remained as the statutory body throughout the period and will remain so until its planned dissolution on 31 March 2013. Primary Care Trusts (PCT's) "clustered" in line with government guidance. NHS South Yorkshire & Bassetlaw was formed as a Cluster of 5 constituent PCT's:

- NHS Barnsley
- NHS Bassetlaw
- NHS Doncaster
- NHS Rotherham
- NHS Sheffield

All constituent PCT's shared an Accountable Officer (Chief Executive), Director of Finance and team of Executive Directors and Non Executive Directors. The Directors of Public Health for each PCT also remained individual members of the Trust Board

The emerging Clinical Commissioning Groups were established as Sub Committees of the Trust Board under a Scheme of Delegation and managerial letter of delegation to Chief Operating Officers. In Barnsley this role was fulfilled from April 2012 to September 2012 by Barnsley Interim Commissioning Advisory Committee and by NHS Barnsley Clinical Commissioning Group (CCG) from 1 October 2012 to March 2013. Formal delegation of responsibilities to NHS Barnsley CCG by the Board related to the future work of Clinical Commissioning Groups such as Acute, Mental Health and Community healthcare commissioning (whilst accountability was retained by the Trust Board).

The system of internal control has been in place through the above mechanisms in Barnsley for the year ended 31st March 2013. The remainder of this document will reflect the internal systems of control within the three areas detailed below:

- NHS South Yorkshire & Bassetlaw April 2012 - March 2013
- Barnsley Interim Commissioning Advisory - Committee April 2012 – September 2012
- NHS Barnsley Clinical Commissioning Group - October 2012 – March 2013

Structure, performance and highlights of corporate governance
Overview

Handover and Closedown: The NHS South Yorkshire & Bassetlaw Board, the Barnsley Interim Commissioning Advisory Committee and the NHS Barnsley CCG have prepared for transition to the new NHS architecture in line with Department of Health guidelines for closedown of PCTs. A Transfer Scheme was developed by the Board for both Assets and Liabilities and for Staffing and this was in place by 31st March when the formal transfer took place. In addition, a Quality Legacy Handover Document with the "softer" intelligence regarding quality and performance was developed by the PCT and passed to receiving organisations. A Handover Assembly was held on 12th March between the PCT as sender and all local receiving organisations including the Clinical Commissioning Group to ensure an effective legacy handover to receiving organisations.

Annual Accounts: In terms of annual accounts, a clear process has been identified which mirrors arrangements in 2011/12 and which will ensure that PCT accounts are effectively closed down and accounts produced. Accounts scrutiny and sign-off is planned via the Cluster Audit Committee (which will remain for a short period to June 2013), with the accounts having first been reviewed in detail by the Clinical Commissioning Group's Audit Committee to which much of the corporate memory on the accounts will have transferred.

Discharge of statutory duties: Arrangements were in place to ensure effective discharge of statutory duties and this is documented through routine reporting arrangements,

Corporate Governance Code: The Boards of NHS Barnsley, NHS South Yorkshire & Bassetlaw and the Governing Body of the NHS Barnsley Clinical Commissioning Group have complied at all times with the UK Corporate Governance Code in respect of:

Leadership: Headed by an effective Board/Governing body comprised of Executive and Non Executive Directors/Lay Members with a clear division of responsibilities, a clear process for decision-making and a Chair responsible for leadership of the Board/Governing Body. In addition the Board/Governing Body ensured that there were proper processes in place to meet the organisation's objectives and secure delivery of outcomes. The Board/Governing Body can demonstrate that it has done its reasonable best to achieve its objectives and outcomes, including maintenance of a sound and effective system of internal control.
Effectiveness: Comprised of individuals with a range of skills, experience and knowledge. A formal process for appointments was in place and adhered to. They have been provided with a range of strategic information covering quality, finance, performance, strategy, policy and risk which is subject to annual evaluation via the Annual Governance Statement. In addition the organisation learns and improves its performance through continuous monitoring and review of the systems and processes in place for meeting its objectives and delivering appropriate outcomes.
Accountability: There were clear accountability arrangements in place throughout the organisation. There were processes in place for effective management of conflicts of interest and a robust process for risk management and internal control through regular reporting and interaction with Internal and External Audit. The Board/ Governing Body ensured that there were proper and independent assurances given on the soundness and effectiveness of the systems and processes in place for meeting its objectives and delivering appropriate outcomes.
Remuneration: These were set by the Remuneration and Terms of Service Committees.

Relations with Shareholders: The Board/Governing Body identifies the needs of its stakeholders on an ongoing basis and determines a set of key objectives and outcomes for meeting these needs, including how it meets its duty of quality. Effective partnership arrangements are in place and sharing of information via an Annual Report. The CCG as a membership organisation has established both a Membership Council and Patient Council in order to work collaboratively with its members and the wider borough community. The CCG has also established forums at Governing Body/ Board level to develop partnership arrangements with the main provider organisations.

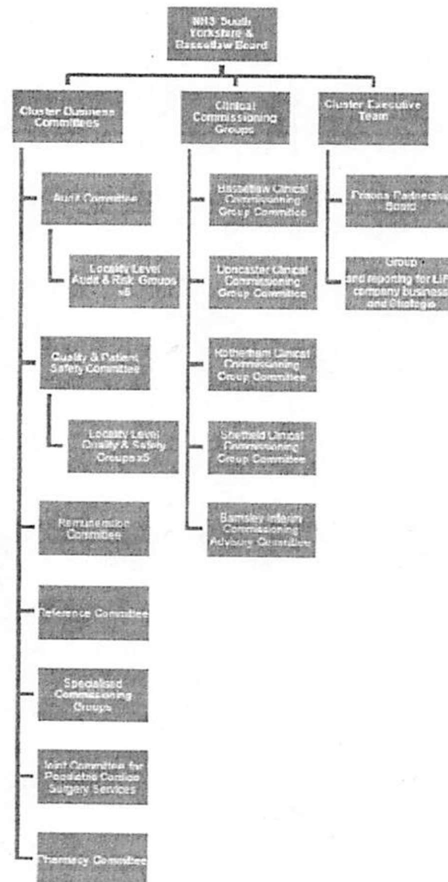
NHS South Yorkshire & Bassetlaw
Structure: NHS South Yorkshire & Bassetlaw had a Trust Board in place

throughout 2012-13 which was quorate at each meeting. The Board considered a range of governance documents, strategies and quality / financial / performance assurance reports. The Board also received both the public and private minutes of the formal NHS Barnsley CCG Committee to which responsibility for commissioning the majority of local healthcare was delegated (whilst accountability was retained by the Board). The Board was supported in its assurance responsibilities by a formal sub-structure of meetings including an Audit Committee, Quality and Patient Safety Committee and Reference Committee. The high-level governance meeting structure is shown on page 5.

Effectiveness: The effectiveness of the Board was last reviewed at a Timeout session on 22nd February 2012 which concluded that the Board was functioning effectively and focusing on the right issues. Due to the abolition of the Board from 31st March 2013, its effectiveness has not been reviewed during 2012/13. A Governance paper was received and approved by the first Trust Board meeting in October 2011 in which:

- The Board was advised on the governance structure to support the Single Trust Board of NHS Barnsley, NHS Bassetlaw, NHS Doncaster, NHS Rotherham and NHS Sheffield.
- Approval was given for the terms of reference for the committees of the Trust Board which covered Audit, Quality and Patient Safety, Remuneration, Maintaining High Professional Standards, Pharmacy applications and Clinical Commissioning Groups. These reflected the movement to a single Trust Board.
- Revised Standing Orders / Standing Financial Instructions and Scheme of Delegation were agreed.
- It was identified where the Chief Executive and Director of Finance sought to delegate further functions to the Chief Officer and Chief Finance Officer. These were then covered in Letters of Delegation to each CCG.
- The Board membership (including Directors) and the accountability arrangements at Board level were noted.

Risk Management: A Board Assurance Framework and Risk Register have been maintained throughout the period, coordinated by the Governance Leads of the constituent PCTs. The Assurance Framework was received by the Board in January 2012 and by the Cluster Audit Committee as a closing position in March 2013. The Risk Register was received by the Board in January 2012 and updated outside of the Board thereafter. The Information Governance Strategy was last received in February 2012. Monthly reports were received on Finance, Quality and Performance.
The high-level governance structure is shown below



NHS Barnsley Interim Commissioning Advisory Committee

Prior to the Clinical Commissioning Group receiving delegated authority from 1 October 2012 NHS Barnsley had in place a quorate Interim Commissioning Advisory Committee which continued to meet during the period April to September 2012. The Board/Governing Body of the Clinical Commissioning Group its associated governance and risk management formal subcommittee and groups have been well attended by members throughout 2012/13. For April 2012 – September 2012 it should be noted that NHS Barnsley hosted Specialised Commissioning Group who adhered to the systems and governance processes within NHS Barnsley. From 1 October 2012 to 31 March 2013 the accountability for the Specialised Commissioning Group moved to the South Yorkshire and Bassetlaw Cluster Board.

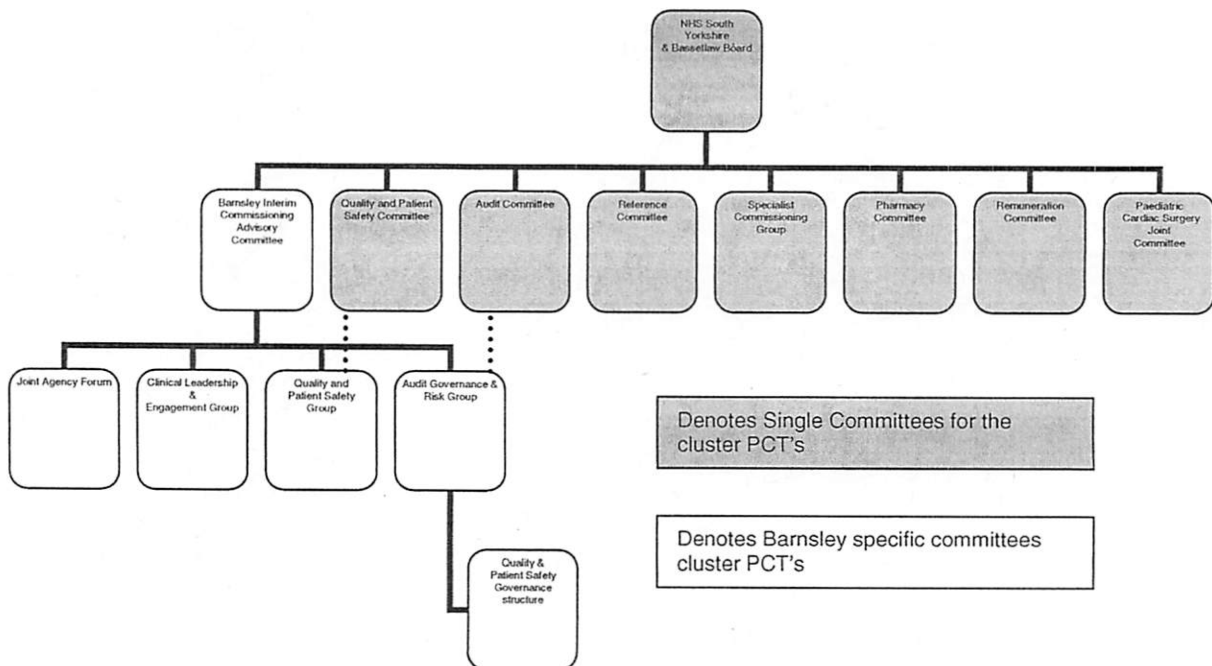
The Board/Governing Body considered a range of strategies, policies and quality/financial/performance assurance reports and risk/governance reports. In addition between April 2012 and September 2012, the Interim Commissioning Advisory Committee monitored performance on a monthly basis against the key performance indicators, which included the headline and supporting measures identified in the Operating Framework, as part of the Integrated Performance report. For those indicators assessed as being below target, reasons for current performance was identified and included in the report along with any remedial actions to improve performance.

NHS Barnsley had in place systems and processes to assure the Board that risk was being managed locally and there are reporting structures in place to do this. To support the Board there were governance arrangements and associated committee structures in place for the PCT throughout 2012/13.

Governance Arrangements April – September 2012

Barnsley Interim Commissioning Advisory Committee

The NHS South Yorkshire & Bassetlaw Board oversaw the work of the Interim Commissioning Advisory Committee between April 2012 and September 2012. The Governance Risk and Audit Group oversaw the integrated governance agenda for the PCT, and ensured that systems of internal control existed and were functioning effectively. This provided the Chief Executive and the Board with the assurance regarding the Governance Statement. The Governance, Risk and Audit Group was supported in its scope of work by the Quality and Patient Safety Group. As part of the system for ensuring the risks to the organisation were managed, the Governance Risk and Audit Group had a key role in reviewing the establishment and maintenance of an effective system of integrated governance, risk management and internal control across the whole of the organisation's activities to support the achievement of its objectives.
The Governance, Risk and Audit Group reported to the NHS South Yorkshire & Bassetlaw Audit Committee. The Audit Committee had a particular role in evaluating governance in the organisation



The Barnsley Interim Commissioning Advisory Committee was authorised to take oversight of the commissioning of health services for the NHS Barnsley

population. The Committee did not have responsibility for the development of Clinical Commissioning group arrangements; this was managed through the Cluster Executive team. The Committee did not have responsibility for Primary Care Contracting and Public Health. The Committee had a Chief Operating Officer, a Chief Finance Officer, a Medical Director, a Quality/Patient Safety lead and four lay members. It was supported in the discharge of its functions by an underpinning management, governance and Committee structure as demonstrated above. Formal delegation of responsibilities to the Barnsley Interim Commissioning Advisory Committee was given by the Cluster Board from October 2011. The delegation of budgetary management and decision making was to the Chief Operating Officer and Chief Finance Officer who reported to the Interim Barnsley Commissioning Advisory Committee. The Committee also had the responsibility for Acute, Mental Health and Community healthcare commissioning and oversaw the joint commissioning arrangements with Barnsley Metropolitan Borough Council (BMBC) (whilst accountability was retained by the Cluster Board). NHS Barnsley continued to have delegated responsibility for the governance of non-CCG responsibilities such as primary care (whilst again accountability was retained by the Cluster Board).
The Barnsley Interim Commissioning Advisory Committee approved the revised governance arrangements particularly the creation of the Patient Safety and Quality group and the Audit Governance & Risk Group. In addition it also received the Single Integrated Plan for 2012/13 and continued to receive the Integrated Performance report to review progress against key performance indicators including finance, patient safety and quality.

In addition, from March 2012, progress against a number of the key Operating Framework headline measures was also reported to the NHS South Yorkshire and Bassetlaw Board on a monthly basis.

The Audit Governance & Risk Group also approved the Assurance Framework which documented the principal risks to the achievement of the PCT's objectives. Principal risks to the achievement of the PCT's objectives continued to be identified and added to the Assurance Framework from key governance committees. In addition to this the business planning process was coordinated to the Assurance Framework. The Committee and NHS Barnsley Board, before it, used the Assurance Framework as a tool to ensure that risks to the organisation's objectives were effectively managed. The Assurance Framework has been reviewed throughout 2012/13 and received by Governance Committees and Groups. The Audit Governance & Risk Group also reported to the Barnsley Interim Commissioning Advisory Committee. This report provided the Committee with detailed assurance from the Governance Risk and Audit Group that a number of components identified within the system of internal control are in place, effective and working.

In addition the Audit Governance & Risk Group minutes are submitted to the Audit Committee. The Audit Committee minutes are submitted to the NHS South Yorkshire and Bassetlaw Board.

Governance Arrangements October 2012 – March 2013

Governance and risk assurance arrangements were introduced by the emerging CCG from the 1 October 2012. The CCG developed a governance structure that incorporated a number of Governing Body Committee's to provide assurance as indicated below:-

In order to both reflect and support the revised governance structure an Integrated Risk Management Framework and Corporate Manual was adopted by the CCG in October 2012. This framework described the clear reporting arrangements of each of the Governing Body Committee's and their Terms of Reference are included within the Corporate Manual. The CCG in this period used the risk register as a way of escalating and treating gaps in internal control and the assurance framework to ensure that organisational objectives were being fully delivered. Internal and external assurances were used to provide controls assurance to the CCG Audit Committee and Governing Body. The Audit committee reviewed the Assurance Framework and Risk Register in February 2013.

Risk assessment
NHS South Yorkshire & Bassetlaw

To support the work of the Board and its Committees and to provide assurance that the risks across the Cluster were known and understood, a single Assurance Framework covering all constituent PCT areas was developed and has been in use throughout 2012/13.

The Assurance Framework took into account the accountabilities and responsibilities referenced in the following:

- Objectives from the *Cluster Implementation Guidance* (January 2011) and the *Shared Operating Model for PCT Clusters* (July 2011);
- NHS Commissioning Board duties (e.g. offender healthcare military healthcare, primary care contracting, emergency planning);
- Escalating Clinical Commissioning Group issues based on *Functions of GP Commissioning Consortia: A Working Document* (March 2011).

In developing the NHS South Yorkshire & Bassetlaw Assurance Framework all existing PCT Assurance Framework risks and any new/emerging risks in light of the changing NHS architecture were captured. The Assurance Framework was

developed in accordance with guidelines provided by the Department of Health, Internal Audit and the Strategic Health Authority and comprised risks which affected the achievement of Cluster objectives

A standard 5x5 risk matrix was used to assess risk which incorporates both consequence and likelihood. The risk tolerance (appetite under which risks can be tolerated) is a score of 11 or below where the assessment has been undertaken following the implementation of controls and assurances. This was the same for both the Cluster Assurance Framework and the Clinical Commissioning Groups Assurance Frameworks. Local Clinical Commissioning Group Assurance Framework risks which are scored at or in excess of a score of 16 were escalated to the Cluster Assurance Framework. All new risks scoring 16-20 are notified to the Board as part of the integrated performance report.

The objectives for PCT Clusters as detailed in the Department of Health *Shared Operating Model for PCT Clusters* (July 2011) were taken as those against which the Cluster Assurance Framework risks were mapped:

- Integrated Finance, Operations and Delivery
- Commissioning Development
- Ensuring Quality (Effectiveness, Experience & Safety)
- Emergency Planning & Resilience
- Commissioning Elements of Provider Development
- Communication and Engagement

All existing risks from the 5 PCT Assurance Frameworks were mapped to the principal risks of the Cluster. There was full alignment of the 5 PCTs' principal risks with the Cluster principal risks. All PCT Assurance Framework risks which were not expected to carry forward to the Clinical Commissioning Group Assurance Frameworks were captured on the Cluster Assurance Framework. The ownership of the risks was linked to the Scheme of Delegation with Director / Chief Executive accountability identified.

The format of the Assurance Framework was designed and populated based on the existing Assurance Frameworks in existence across the Cluster and in consideration of Internal Audit feedback on best practice.

The Cluster Assurance Framework was presented to the Audit Committee and the Board in November 2011. An update to the Board was provided in January 2012 and a closing Assurance Framework was received by the Audit Committee in March 2013.

Until NHS England takes over responsibility for the commissioning of Primary Care, Offender Healthcare, Military Healthcare and Specialised Commissioning, a Risk Register co-produced by the Executive Team and Governance/Commissioning Leads was developed which captured risks associated with these directly commissioned services. The Cluster Risk Register was presented to the Single Board alongside the Cluster Assurance Framework Action Plan. Specialised Commissioning Groups hold their own Assurance Frameworks which continue during transition.

All the risks on the Assurance Framework were newly added from October 2011 as this was the first Assurance Framework of the NHS South Yorkshire & Bassetlaw Cluster. At the close of the year as of 31st March 2013 there were 20 risks on the Cluster Assurance Framework. 6 of these risks were scored in excess of 11 and all 6 were being treated, with 1 risk scored below 11 also being treated.

During the period, gaps in control and assurance were identified, action plans put into place and monitored. There were no lapses of data security reported to the Information Commissioner. The 6 risks being treated at year-end comprised:

Ref	Principal Risk	Current Risk			Action Plan
		C	L	Cx L	
1.2	Failure to deliver the financial aspects of the QIPP agenda.	5	4	20	Continue to monitor QIPP delivery across the localities
2.2	Failure to directly commission for specialised services during transition: • Specialised Commissioning • FHS and Primary Care Contracting • Offender Health and Military Health Commissioning	5	2	10	Complete the prison healthcare action plan to mitigate against any potential risks identified in the HM Inspectorate of Prisons report.
2.4	Recent national publication of a call for retrospective Continuing Healthcare claims is expected to lead to a significant increase in claims – impacting on both staffing capacity to review the claims and on finance. The time limits for the process are very short – September 2012.	4	3	12	Develop a coordinated approach to Continuing Care retrospective claims reviews. Specific actions added: Dedicated team of staff to be put in place to manage the volume of claims. Local plans in place to ensure Communications are timely and in accordance with Department of Health. Local reporting systems in place.

3.5	Failure to effectively safeguard children and vulnerable people in line with statutory requirements leading to potential harm.	5	3	**15**	Monitor through Cluster Risk Register and local arrangements
3.6	Failure to ensure effective workforce planning and capability leading to de-motivation of staff.	4	~~2~~ 3	~~8~~ **12**	Undertaken a gap analysis / skills audit to ensure capacity and capability for CSS functions
6.1	Failure to effectively engage staff systematically during transition, resulting in potential de-motivation, lack of productivity and poor staff experience and including potential industrial action	4	3	**12**	Work to align workforce systems and processes across the localities

NHS Barnsley, Interim Barnsley Commissioning Advisory Committee

The accountability arrangements and structures for governance and risk management were documented within NHS Barnsley's Risk Management Strategy 2012

The Board ensured that the organisation consistently followed the principles of good governance applicable to NHS organisations. This included the oversight and development of systems and processes for financial control, organisational control, clinical governance and risk management. The Board assessed strategic and corporate risks against the Trust's objectives via the Assurance Framework. The PCT Board and all its formal sub-committees actively participated and have been involved in the generation of principal risks to the organisation and Assurance Framework process.

The organisation had a number of Directors, Officers and competent advisors with lead responsibilities for Governance and Risk Management.

- The Chief Executive had overall responsibility for establishing and maintaining an effective risk management system within NHS Barnsley, for meeting all statutory requirements and for adhering to

guidance issued by the Department of Health in respect of Governance. The Chief Executive was responsible for ensuring that a sound system of internal control was maintained that supported the achievement of NHS Barnsley's aims and objectives

- The Chief Operating Officer was responsible for Commissioning Healthcare services and ensuring that Risk Management processes existed within all commissioning arrangements.

- The Deputy Chief Operating Officer, Quality and Clinical Standards (DNS) was the responsible director for risk management. This Director coordinated the NHS Barnsley approach to Governance, Risk Management and measured/monitored overall Governance and Risk Management performance within the organisation. The Director was also responsible for the management of serious incidents, complaints, claims and research governance. The Deputy Chief Operating Officer, Quality and Clinical Standards (DNS) was also the Clinical Governance Lead and had responsibility for strategic development and operational implementation of Patient Safety, Clinical Risk Management and infection prevention and control.

- The Chief Finance Officer had responsibility for the implementation of Financial Risk Management.

- NHS Barnsley had in place a number of Service Level Agreements (SLAs) for the provision of Information Technology, Estates and Human Resources. These SLAs included the provision and responsibilities for the management of risk and governance including information governance, estates and equipment risks, health safety, fire safety and security management.

- NHS Barnsley had competent advisors for all aspects of Risk Management.

- Non Executives in conjunction with the Executive Team had responsibility for reviewing risk management strategies, processes and risk related issues via reports to the relevant Committees. Individuals had particular responsibilities in relation to their membership and chairmanship of various sub committees.

- All staff undertook a workplace induction which raised awareness of risk management policies and procedures and attended core mandatory fire training.

- A mandatory training needs analysis was in place which clearly identified the mandatory training requirements for all staff.

The Patient Safety/Quality Committee received reports from within its governance structure which included District Infection Control Committees as

well as a quality assurance cycle including, for example safeguarding and quality. In addition NHS Barnsley as a Commissioner was involved in the process for NHS Trusts developing their Quality Accounts to ensure they were accurate. The Audit Committee also reviewed the work of the Patient Safety/Quality committee to assure the Board that the system of internal control was in place and effective. The Audit Committee Report to the Board highlighted particular governance and risk issues and linked these areas to risks on the Assurance Framework. The Assurance Framework was reviewed by the Patient Safety/Quality Committee, Audit Committee and the Board.

NHS Barnsley's and subsequent the Clinical Commissioning Group Risk Management Strategy/Integrated Risk Management Framework describes how risk is assessed and managed. Each risk is assessed using a standardised risk assessment tool which is described in these documents. As part of this assessment key risk treatment and control mechanisms are identified. Any gaps in these are also identified and action plans put in place. The risks identified are placed onto the Assurance Framework and Risk Register as appropriate.
The risk matrix is included within the Risk Management Strategy/Integrated Risk Management Framework. The assurance framework and risk register use this matrix to ensure consistency of approach. The risk tolerance (appetite under which risks can be tolerated) is a risk score of 11 or below. Risks with a score of 12 and above will be 'treated'. This is usually for risks where there are insufficient controls and/or assurances in place. These risks are included on an action plan accompanying the Assurance Framework. Risks are 'tolerated' where the risk rating score is 11 or below and is deemed adequately controlled with sufficient assurance in place. Any risks scored in excess of 16 must be escalated to SY&B Assurance Framework.

In addition to the above and in consideration of the impending organisational changes within the NHS each risk has been aligned to where the risk would 'sit' within the new NHS structure. This will be a Clinical Commissioning Group, NHS England Area Team or Local Authority. Where a risk has been aligned to SY&B then the risk has been crossed matched to the risk reference number on the SY&B Assurance framework.
The risk tolerance, appetite under which risks can be tolerated is a score of 11 or below, where the assessment has been undertaken following the implementation of controls and assurances. All new risks scoring 16-20 were notified to the Board as part of the integrated performance report. Risks identified as extreme (score of 25) would be notified to the Board separately.

The organisational risk profile and appetite for risk is the totality of risk held on the Assurance Framework and Risk Register. The Assurance Framework is a 'live' document and subject to both a mid-year and annual review by the Governance, Risk and Audit Group, and Clinical Commissioning Audit Committee. The totality of the risks on the Risk Register is reviewed on a rolling programme based on risk rating by the Governance, Risk and Audit Group. Clinical risks from the Risk Register are reviewed at each meeting of the Quality and Patient Safety Group.

At the close of the year as of 31st March 2013 there were 18 risks on the NHS Barnsley Assurance Framework. 7 of these risks were currently scored in excess of 11 and were being treated. During the period, gaps in control and assurance were identified, action plans put into place and monitored.

Ref	Principal Risk	Current Risk			Action Plan
		C	L	CxL	
3.11 RR 74	Ofsted/CQC Inspection findings across the borough identified overall effectiveness of Safeguarding inadequate	4	3	**12**	Action Plan in place across the health economy. This is being overseen by the Improvement Board on a monthly basis
3.10	Non achievement of HCAI Trajectories	4	5	**20**	Multiple Action Plans in place.
3.7	There is a potential risk that local management arrangements may become unclear whilst accountability transferred to another level of management	4	4	**16**	To be managed through Corporate Risk Register, risk 6.
3.8	Staff may not have the capacity to undertake the work required during the transition arrangements	4	3	**12**	To be managed through Corporate Risk Register, risks 18, 33 and 45. Potential for increasing risk.
1.1	Health inequalities gap in Barnsley continues to widen due to: o National and local economic climate o Austerity programme o Workforce capacity (linked to transition)	3	4	**12**	Public Health business plan for 12/13 to be produced with this risk in mind so that resources are assigned appropriately Profile raised at partnership level Additional resource recruited

2.1	The PCT may lose financial and quality control of the services GP provides through transition. Business Development/Innovation	4	3	12	To be managed through Corporate Risk Register, risks 6, 32, 33 and 40.
6.4	Motivation of PCT staff will decrease over the coming years, due to uncertainty. This may cause the risk of staff seeking employment elsewhere and so the PCT loosing expertise or staff not undertaking their jobs appropriately. Development of Consortium Skills	4	3	12	HR policies being reviewed at cluster level around management of change. Regular communication with staff. Questions and Answers. Also managed through corporate risk register, risk 18

The newly identified risks in 2012/13 related to the outcome of an Ofsted inspection. An Improvement Board overseen by an independent chair, is in place across the Borough led by the Local Authority as part of its statutory function who have oversight of all partners action plans.

There have been no lapses of data security and no Information Governance incidents reported to the Information Commissioner for NHS Barnsley this year.

The risk and control framework

NHS Barnsley's Risk Management Strategy, was in place in 2012/13, having been adopted by the Barnsley Clinical Commissioning Group. The document was updated for the CCG renamed the Integrated Risk Framework and approved by the CCG Governing Body in October 2012. The Risk Management Strategy/Integrated Framework provides an overarching framework aimed at ensuring NHS Barnsley and the Clinical Commissioning Group developed and implemented risk management practices effectively in all its functions. The Risk Management Strategy/Integrated Framework sets out NHS Barnsley's and the Clinical Commissioning Groups commitment to the management of all risk using an integrated approach covering clinical, non-clinical, and financial risk. Accountability arrangements for risk management are clearly set out and roles and responsibilities in terms of key bodies/committees and individuals are identified.

This approach requires that risks be systematically identified and recorded on a continuous basis. Principal risks are identified on both a proactive and reactive basis. The strategy stipulates that the development and implementation of risk management in the organisation will be subject to regular internal review and monitoring to assess progress in implementation. Risk Management is embedded throughout the organisations through its governance systems and processes.

There are in place a range of policies and procedures for the management of risk, which are posted on the organisations intranet. There is also in place an active system of incident reporting. The system is central to the process of ensuring that incidents are managed appropriately and that learning from incidents takes place and is shared across each organisation and wider health community. In addition Equality Impact Assessments form part of the PCT policies and procedures development and change management process.

Information about reported incidents is captured on the PCT's and subsequent Clinical Commissioning Groups risk management information system. Reports are extracted from the system to identify issues and trends and reports are fed back to the Quality and Patient Safety Group and the Governance, Risk and Audit Group. Serious Incidents are reported externally to the Strategic Health Authority via the Strategic Executive Information System (STEIS) and the management of these incidents is monitored. Investigations are carried out into all Serious Incidents and action plans devised to address the issues identified. Learning events are routinely held in service areas where a Serious Incident has occurred. NHS Barnsley's Complaints, Serious Incidents and Claims Sub Group(s), play an active role in assuring that all Serious Incidents are subject to investigation.

The PCT and Clinical Commissioning Group manage and control its risks relating to information and data security. The South Yorkshire and Bassetlaw Director of HR & Governance has been appointed Senior Information Risk Owner. For the Clinical Commissioning Group the Chief Nurse has been appointed Senior Information Risk Owner who support the arrangements for managing and controlling risks relating to information / data security

There is in place an established Assurance Framework and Risk Register as mechanisms for providing reasonable assurance that the PCT and Clinical Commissioning Group has in place an effective system of internal control to manage the principal risks faced by the organisation. An Assurance Framework and Risk Register has been in place for a number of years, reviews of the Assurance Frameworks and Risk Registers have continued throughout 2012/13.

Principal risks to the achievement of the PCT's objectives continued to be identified and added to the Assurance Framework and Risk Register from key committees including the Interim Barnsley Commissioning Advisory Committee, Governance, Risk and Audit Group, Quality and Patient Safety Group and Complaints/Serious Incidents and Claims Group. Following the delegated authority to the Clinical Commissioning Group these reviews have continued

including the Patient Safety and Quality Committee, Audit Committee and then reported through to the Governing Body through committee minutes In addition to this the business planning process is aligned to the Assurance Framework. This will affect the identification, management and monitoring of the principal risks to the organisation's strategic goals & strategic objectives. The Assurance Framework identifies the controls in place to manage each risk and the sources of assurance, which demonstrate their effectiveness.

The Counter Fraud Team and Local Counter Fraud Specialist for the PCT promoted fraud awareness via newsletters and Fraud Alerts to staff. Staff were and continue to be encouraged to report suspected fraud to the national NHS Fraud and Corruption Reporting line. A Counter Fraud report is received at each Audit Committee / Governance Risk & Audit Group. The report aims to inform the Governance Risk & Audit Group of the proactive and reactive activity carried out by the Local Counter Fraud Specialist (LCFS). The content of the report covers the requirements of the NHS Counter Fraud Manual (version 3) outlining where relevant activity has taken place across the 7 generic areas of counter fraud work:

- Anti-Fraud Culture
- Deterrence
- Prevention (including NHS Protect fraud prevention instructions, alerts and intelligence bulletins and local counter fraud alerts)
- Detection (including Local Proactive Exercises, the Local Intelligence Network to support the Accountable Officer for Controlled Drugs and the National Fraud Initiative)
- Investigations
- Sanctions
- Redress

In addition a local Counter Fraud Specialist Annual Report is produced and submitted to the Governance, Risk and Audit Group.

Contracts are set at beginning of year with relevant performance standards included as Key Performance Indicators (KPIs). Monitoring of the KPIs is reported monthly and action is taken if any KPIs are under-achieving. Performance is reported through the governance arrangements monthly against the full range of Operating Framework requirements. A performance report is also submitted to Cluster Board which includes high-level Operating Framework issues and an overview of all requirements.

Review of the effectiveness of risk management and internal control

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of governance, risk management and internal control. My review is informed in a number of ways. The Head of Internal Audit provides me with an opinion on the overall arrangements for gaining assurance through the Assurance Framework and on the controls reviewed as part of the internal audit work. The Head of Internal Audit has determined that "Significant assurance can be given that there is a generally sound system of internal control, designed

to meet the organisation's objectives and that controls are generally being applied consistently."

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

- Head of Internal Audit Opinion statement
- Internal and External Audit Reports
- Local Authority Scrutiny process
- NHS Staff Survey
- The Audit Commission providing progress reports to the Audit Committee, the Annual Management Letter and overview of cost effectiveness within NHS Barnsley.
- Internal Audit reviews of systems of internal control and progress reports to the Audit Committee, especially the annual Assurance Framework Internal Audit Report.
- Assurance reports on risk and governance received from the Audit Committee and Audit & Risk Group.
- Performance management systems.
- Internal Committee structure with delegated responsibility for risk identification, evaluation, control, review and assurance.
- Review of the Assurance Framework.
- Review of the Risk Register.
- The Single Integrated Plan which captures 5 clear clinical priorities and QIPP (Quality, Innovation, Productivity & Prevention) priorities and key risks.
- Quality Schedules and Dashboards

I have been advised on the implications of the results of my review of the effectiveness of the system of internal control by the:

- South Yorkshire & Bassetlaw Board
- Interim Barnsley Commissioning Advisory Committee
- NHS Barnsley Clinical Commissioning Group Governing Body
- Governance, Risk and Audit Group
- Quality and Patient Safety Group
- Audit Committee
- Quality and Patient Safety Committee

The Assurance Framework is used as the plan to address weakness and ensure continuous improvement of the system. The Board, Interim Barnsley Commissioning Advisory Committee and NHS Barnsley Clinical Commissioning Group have been involved with the development of the Assurance Framework.

The Board, Interim Barnsley Commissioning Advisory Committee and NHS Barnsley Clinical Commissioning Group have maintained an overview of the Assurance Framework, commenting as appropriate and endorsing actions. The Assurance Framework has been approved by the Governance Risk and Audit Group and NHS Barnsley Clinical Commissioning Group Audit Committee.

Internal Audit has undertaken a review of the organisation's Assurance Framework and related assurance processes to ensure that they are embedded and effective and thus provide evidence to support the Annual Governance Statement. The overall conclusion drawn from the review is that:

"The PCT has maintained and monitored an Assurance Framework during 2012/13. As a constituent of the NHS South Yorkshire & Bassetlaw Cluster, all key risks identified within the PCT's Assurance Framework have been assimilated into a Cluster Assurance Framework. The Cluster Assurance Framework has similarly been maintained and monitored throughout the year. Both Assurance Frameworks are consistent with Department of Health guidance and, together, act as key evidence sources for the PCT in its preparation of the Annual Governance Statement."

The Board has overseen the work of the Interim Barnsley Commissioning Advisory Committee, Governance Risk and Audit Group and Quality and Patient Safety Group and NHS Barnsley Clinical Commissioning Group and its related governance systems and processes. The Board determines the Trust's approach to risk management and ensures that systems of internal control exist and are functioning properly. The Audit Committee oversee all issues of risk management within the PCT, ensuring that all significant risk management concerns are considered and communicated appropriately to the Board. The Governance systems and Board agreed a process to ensure that the Assurance Framework is monitored and updated as a live document.

The Governance Risk and Audit Group and NHS Barnsley Clinical Commissioning Group Audit Committee reviewed the establishment and maintenance of an effective system of internal control and risk management. As part of this role the Governance Risk and Audit Group and NHS Barnsley Clinical Commissioning Group Audit Committee also received and reviewed the Assurance Framework.
The following Committees and Officers have played a significant part in maintaining and reviewing the effectiveness of the system of internal control in 2012/13 and have managed risks assigned to them.

Trust Board: Responsible for providing clear commitment and direction for Risk Management within the Cluster. The Trust Board delegated responsibility for non-clinical risk management to the Audit Committee and clinical risk management to the Quality & Patient Safety Committee.

Audit Committee: Responsible for providing an independent overview of the arrangements for risk management within the Cluster, with specific responsibilities for financial risk management. It undertook its own annual self-

assessment of its effectiveness and reviews all Internal and External Audits. The Cluster Audit Committee was mirrored in the NHS Barnsley structure by an Audit & Risk Group. Local assurance flows up from the Audit & Risk Group to the Cluster Audit Committee.

Quality & Patient Safety Committee: The Committee with overarching responsibility for clinical risk management. It provided assurance to the Cluster Board that appropriate Clinical Governance and clinical risk management arrangements are in place across the organisations. The Quality & Patient Safety Committee is underpinned by various Sub Groups. The Cluster Quality & Patient Safety Committee is mirrored in the NHS Barnsley's structure by a Quality & Safety Group. Local assurance flows up from the Quality & Safety Group to the Cluster Quality & Patient Safety Committee.

NHS Barnsley CCG Governing Body: The committee with overarching responsibility for commissioning delegated services for the population of Barnsley from October 2012.

Chief Operating Officer: As Senior Responsible Officer for the whole of NHS Barnsley and the Interim Barnsley Commissioning Advisory Committee, the Chief Operating Officer is responsible for achieving the objectives in the context of sound and appropriate business processes and reporting risks to the Cluster Chief Executive as Accountable Officer.

Chief Finance Officer: As Senior Responsible Officer for NHS finances across NHS Barnsley and the Interim Barnsley Commissioning Advisory Committee, the Chief Finance Officer is responsible for ensuring that the organisation complies with the Standing Financial Instructions to achieve financial balance and reports financial risks to the Cluster Director of Finance.

Executive Directors: Each Director is responsible for ensuring that risks have been properly identified and assessed across all their work areas, paying particular attention to cross-cutting risks. They are responsible for agreeing the risk register entries for their work areas and for ensuring that each departmental/team lead is actively addressing the risks in their area and escalating risks up to Director-level for their attention as appropriate.

Head of Internal Audit: The Head of Internal Audit has a central role in the process of securing this Statement on Internal Control, and in advising the Chief Executive and the Audit Committee on the "health" of NHS Barnsley's risk management processes. As part of Internal Audit work, reviews are carried out to assess the robustness of the implementation of the Risk Management Strategy across the organisation. They provide information on the various strengths and weakness of the approach adopted by NHS Barnsley, and advise on where improvements are necessary and desirable for the good governance of the organisation.

Significant Issues

No significant internal control weaknesses have been identified during the year. NHS Barnsley has received positive feedback from Internal Audit on the

Assurance Framework and this, in conjunction with other sources of assurance, leads the PCT to conclude that it has a robust system of control. - In addition the Head of Internal Audit Opinion is that

"Significant assurance can be given that there is a generally sound system of internal control, designed to meet the organisation's objectives and that controls are generally being applied consistently"

Significant issues to report:

Significant Issues facing NHS Barnsley/ Barnsley Clinical Commissioning Group in 2012/13

- Transition to the new NHS architecture including authorisation of NHS Barnsley Clinical Commissioning Group

Action plans have been put in place, where the risk is known. All risks are monitored and reported via the Assurance Framework. Transitional Governance arrangements are in place within NHS Barnsley to support the transition to successor bodies. Reporting arrangements are also in place to provide assurance that where risks are emerging they are identified and treated. In addition to regular updating of the Assurance Framework and reporting on associated Assurance Framework action plans, further actions have included:

- The development of the governance structure and Assurance Framework as described above alongside terms of reference and a Constitution.
- The production of a clear and credible Single Integrated Plan aligned to the priorities of the Barnsley Shadow Health & Wellbeing Board.
- Holding CCG Committee meetings in public from December 2012
- Organisational Development planning and implementation.
- Development of relevant strategies and procedural documents including Communication, Engagement & Equality, Choice, Risk and Standards of Business Conduct and Declarations of Interest.

My review confirms that NHS Barnsley has a generally sound system of risk management and internal control that supports the achievement of its policies, aims and objectives.

Accountable Officer:

Eleri de Gilbert

Organisation:
Chief Executive, NHS South Yorkshire and Bassetlaw relating to the responsibilities of NHS Barnsley

Signature:

Date: 6. 6. 13.

INDEPENDENT AUDITORS' REPORT TO THE SIGNING OFFICERS OF BARNSLEY PRIMARY CARE TRUST

We have audited the financial statements of Barnsley Primary Care Trust for the year ended 31 March 2013 on pages 1 to 52. 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 Barnsley 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 Barnsley 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 Barnsley 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.

Damian Murray, for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
1 The Embankment
Neville Street
Leeds
LS1 4DW

6 June 2013

FOREWORD TO THE ACCOUNTS

BARNSLEY PRIMARY CARE TRUST

These accounts for the year ended 31 March 2013 have been prepared by the Barnsley Primary Care Trust under section 232(3) schedule 15 of the National Health Service Act 2006 in the form which the Secretary of State has, with the approval of the Treasury, directed.

STATEMENT OF COMPREHENSIVE NET EXPENDITURE FOR THE YEAR ENDED 31 March 2013

	NOTE	2012-13 £000	2011-12 £000
Administration Costs and Programme Expenditure			
Gross employee benefits	7.1	11,561	13,125
Other costs	5.1	1,258,019	1,102,176
Income	4	(775,791)	(646,473)
Net operating costs before interest		493,789	468,828
Investment income	9	(121)	(47)
Other (Gains)/Losses	10	(4)	7
Finance costs	11	1,906	1,777
Net operating costs for the financial year		495,570	470,565
Transfers by absorption -(gains)		0	0
Transfers by absorption - losses		0	0
Net (gain)/loss on transfers by absorption		0	0
Net Operating Costs for the Financial Year including absorption transfers		495,570	470,565
Of which:			
Administration Costs			
Gross employee benefits	7.1	9,830	11,331
Other costs	5.1	7,622	9,636
Income	4	(6,544)	(9,429)
Net administration costs before interest		10,908	11,538
Investment income	9	0	0
Other (Gains)/Losses	10	0	0
Finance costs	11	0	0
Net administration costs for the financial year		10,908	11,538
Programme Expenditure			
Gross employee benefits	7.1	1,731	1,794
Other costs	5.1	1,250,397	1,092,540
Income	4	(769,247)	(637,044)
Net programme expenditure before interest		482,881	457,290
Investment income	9	(121)	(47)
Other (Gains)/Losses	10	(4)	7
Finance costs	11	1,906	1,777
Net programme expenditure for the financial year		484,662	459,027

Other Comprehensive Net Expenditure	2012-13 £000	2011-12 £000
Impairments and reversals put to the Revaluation Reserve	818	0
Net (gain) on revaluation of property, plant & equipment	(2,126)	(77)
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	(233)	0
Release of Reserves to Statement of Comprehensive Net Expenditure	0	0
Net actuarial (gain)/loss on pension schemes	0	0
Reclassification Adjustments		
Reclassification adjustment on disposal of available for sale financial assets	0	0
Total comprehensive net expenditure for the year*	494,029	470,488

*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 52 form part of this account.

STATEMENT OF FINANCIAL POSITION AS AT 31 March 2013

	NOTE	31 March 2013 £000	31 March 2012 £000
NON-CURRENT ASSETS			
Property, plant and equipment	12	**59,794**	62,384
Intangible assets	13	**101**	161
Investment property	15	**0**	0
Other financial assets	20	**470**	479
Trade and other receivables	19	**0**	0
TOTAL NON-CURRENT ASSETS		**60,365**	63,024
CURRENT ASSETS			
Inventories	18	**0**	0
Trade and other receivables	19	**18,479**	14,799
Other financial assets	36	**6**	3
Other current assets	22	**0**	0
Cash and cash equivalents	23	**165**	60
		18,650	14,862
Non-current assets held for sale	24	**350**	423
TOTAL CURRENT ASSETS		**19,000**	15,285
TOTAL ASSETS		**79,365**	78,309
CURRENT LIABILITIES			
Trade and other payables	25	**(37,965)**	(47,359)
Other liabilities	26,28	**0**	0
Provisions	32	**(2,253)**	(6,010)
Borrowings	27	**(566)**	(650)
Other financial liabilities	36.2	**0**	0
TOTAL CURRENT LIABILITIES		**(40,784)**	(54,019)
NET CURRENT ASSETS / (LIABILITIES)		**(21,784)**	(38,734)
TOTAL ASSETS LESS CURRENT LIABILITIES		**38,581**	24,290
NON-CURRENT LIABILITIES			
Trade and other payables	25	**0**	0
Other Liabilities	28	**0**	0
Provisions	32	**(7,125)**	(1,182)
Borrowings	27	**(19,627)**	(20,194)
Other financial liabilities	36.2	**0**	0
TOTAL NON-CURRENT LIABILITIES		**(26,752)**	(21,376)
TOTAL ASSETS EMPLOYED		**11,829**	2,914
FINANCED BY:			
General fund		**(2,228)**	(9,603)
Revaluation reserve		**14,057**	12,517
Other reserves		**0**	0
TOTAL TAXPAYERS' EQUITY		**11,829**	2,914

The notes on pages 5 to 52 form part of this account.

The financial statements on pages 1 to 4 were approved by the Designated Signing Officer on 6th June 2013 and are signed below

Designated Signing Officer: [signature] **Date:** 6.6.13

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY
For the year ended 31 March 2013

	General fund £000	Revaluation reserve £000	Other reserves £000	Total reserves £000
Balance at 1 April 2012	(9,603)	12,517	0	2,914
Changes in taxpayers' equity for 2012-13				
Net operating cost for the year	(495,570)	0	0	(495,570)
Net gain on revaluation of property, plant, equipment	0	2,126	0	2,126
Net gain on revaluation of intangible assets	0	0	0	0
Net gain on revaluation of financial assets	0	0	0	0
Net gain on revaluation of assets held for sale	0	233	0	233
Impairments and reversals	0	(818)	0	(818)
Movements in other reserves	0	0	0	0
Transfers between reserves	1	(1)	0	0
Release of Reserves to SOCNE	0	0	0	0
Reclassification Adjustments				
Transfers between Revaluation Reserve & General Fund in respect of assets transferred under absorption	0	0	0	0
Net actuarial gain/(loss) on pensions	0	0	0	0
Total recognised income and expense for 2012-13	(495,569)	1,540	0	(494,029)
Net Parliamentary funding	502,944	0	0	502,944
Balance at 31 March 2013	(2,228)	14,057	0	11,829

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY
For the year ended 31 March 2012

	General fund £000	Revaluation reserve £000	Other reserves £000	Total reserves £000
Balance at 1 April 2011	(5,939)	12,447	0	6,508
Changes in taxpayers' equity for 2011-12				
Net operating cost for the year	(470,565)	0	0	(470,565)
Net Gain / (loss) on Revaluation of Property, Plant and Equipment	0	77	0	77
Net Gain / (loss) on Revaluation of Intangible Assets	0	0	0	0
Net Gain / (loss) on Revaluation of Financial Assets	0	0	0	0
Net Gain / (loss) on Assets Held for Sale	0	0	0	0
Impairments and Reversals	0	0	0	0
Movements in other reserves	0	0	0	0
Transfers between reserves	7	(7)	0	0
Release of Reserves to Statement of Comprehensive Net Expenditure	0	0	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	0	0	0	0
Total recognised income and expense for 2011-12	(470,558)	70	0	(470,488)
Net Parliamentary funding	466,894	0	0	466,894
Balance at 31 March 2012	(9,603)	12,517	0	2,914

STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 March 2013

	NOTE	2012-13 £000	2011-12 £000
Cash Flows from Operating Activities			
Net Operating Cost Before Interest		(493,789)	(468,828)
Depreciation and Amortisation	5	3,252	3,341
Impairments and Reversals	14	4,604	579
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		0	0
(Increase)/Decrease in Trade and Other Receivables		(3,680)	1,296
(Increase)/Decrease in Other Current Assets		0	0
Increase/(Decrease) in Trade and Other Payables		(9,545)	(604)
(Increase)/Decrease in Other Current Liabilities		0	0
Provisions Utilised	32	(640)	(1,366)
Increase/(Decrease) in Provisions	32	2,825	3,966
Net Cash Inflow/(Outflow) from Operating Activities		(496,973)	(461,616)
Cash flows from investing activities			
Interest Received		123	29
(Payments) for Property, Plant and Equipment		(3,435)	(3,030)
(Payments) for Intangible Assets		0	(20)
(Payments) for Other Financial Assets		0	0
(Payments) for Financial Assets (LIFT)		0	0
Proceeds of disposal of assets held for sale (PPE)		0	0
Proceeds of disposal of assets held for sale (Intangible)		0	0
Proceeds from Disposal of Other Financial Assets		0	0
Proceeds from the disposal of Financial Assets (LIFT)		0	0
Loans Made in Respect of LIFT		0	0
Loans Repaid in Respect of LIFT		0	0
Rental Revenue		0	0
Net Cash Inflow/(Outflow) from Investing Activities		(3,312)	(3,021)
Net cash inflow/(outflow) before financing		(500,285)	(464,637)
Cash flows from financing activities			
Capital Element of Payments in Respect of Finance Leases and On-SoFP PFI and LIFT		(2,554)	(2,230)
Net Parliamentary Funding		502,944	466,894
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		500,390	464,664
Net increase/(decrease) in cash and cash equivalents		105	27
Cash and Cash Equivalents (and Bank Overdraft) at Beginning of the Period		60	33
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		165	60

Note 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.

Note 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

Going Concern

As a consequence of the Health and Social Care Act 2012, Barnsley Primary Care Trust will be dissolved on 31 March 2013. Its functions will be transferred to various new or existing public sector entities.

The Secretary of State has directed that, where Parliamentary funding continues to be voted to permit the relevant services to be carried out elsewhere in the public sector, this is normally sufficient evidence of going concern.

As a result, the Board of Barnsley PCT have prepared these financial statements on a going concern basis.

Acquisitions and Discontinued Operations

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

Critical accounting judgements and key sources of estimation uncertainty

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

Critical judgements in applying accounting policies

Apart from those involving estimations (see below) that management has made in the process of applying the entity's accounting policies, no critical judgements have been made that have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

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

Asset lives of capitalised property, plant and equipment used in the calculation of depreciation are those prescribed by the Department of Health with no exceptions.

Intangible assets valuations are shown at fair value (cost less amortisation derived from the economic life of the asset).

Provisions for legal or constructive obligations that are of uncertain timing or amount at the Statement of Financial Position date on the basis of the best estimate of the expenditure required to settle the obligation (often using the views of a third party ie NHSLA). Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the Treasury's appropriate real terms discount rates.

As a result of the introduction of deadlines for the assessment of a patient's eligibility for continuing healthcare funding, a significant number of retrospective claims for continuing healthcare funding upto 31 March 2012 have been received by the PCT. A provision has been made for the expected costs of these claims, but actual costs will only be confirmed on completion of in-depth case reviews which will be completed in the following financial year. Actual claim values will differ from the estimates made, but the overall difference is not expected to be material.

Note 1. Accounting policies (continued)

Note 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.

Note 1.3 Pooled budgets

The PCT has entered into a pooled budget with Barnsley Metropolitan Borough Council. Under the arrangement funds are pooled under S75 of the Health Act 2006 for activities relating to Childrens Services. A memorandum note to the accounts provides details of the joint income and expenditure.

The pool is hosted by Barnsley Metropolitan Borough Council. As a commissioner of healthcare services, the PCT makes contributions to the pool, which were 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.

Note 1.4 Taxation

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

Note 1.5 Administration and Programme Costs

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

From 2011-12, PCTs therefore analyse and report revenue income and expenditure by "admin and programme"

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

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

Expense incurred under NHS transition redundancy programmes is however classed as "programme" under Treasury budgetary control arrangements and so is recorded as such in the financial statements.

Note 1. Accounting policies (continued)

Note 1.6 Property, Plant & Equipment

Recognition

Property, plant and equipment is capitalised if:

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

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

Valuation

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

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

- Land and non-specialised buildings – market value for existing use
- LIFT land and buildings - Present value of minium lease payments
- 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

Note 1. Accounting policies (continued)

Note 1.7 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.

Note 1.8 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

Note 1. Accounting policies (continued)

Note 1.9 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 an 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 ga

Note 1.10 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.

Note 1.11 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 th 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 y from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair valu 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 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 retaine an operational asset and its economic life is adjusted. The asset is de-recognised when it is scrapped or demolished.

Note 1.12 Inventories

Barnsley Primary Care Trust has no material inventories.

Note 1.13 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 amount 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 integral part of the PCT's cash management.

Note 1.14 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 passe legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compare 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 expenditur

Note 1.15 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 a 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.

Note 1. Accounting policies (continued)

Note 1.16 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, except for bonuses earned but not yet taken which, like leave earned but not yet taken is not accrued for at the year end, on the grounds of immateriality.

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.

Note 1.17 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 limitec 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.

Note1.18 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.

Note 1.19 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.

Note 1.20 EU Emissions Trading Scheme

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

Note 1. Accounting policies (continued)

Note 1.21 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or no 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 sufficier 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 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.

Note 1.22 Leases

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

Note 1.23 Foreign exchange

Transactions which are denominated in a foreign currency are translated into sterling at the exchange rate ruling on the date of each transacti 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.

Note 1.24 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 v be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provisi 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 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 reliabl 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 tl amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

Note 1. Accounting policies (continued)

Note 1.25 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 th 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.

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. Aft 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. There is no market in whic the sub-ordinated debt can be traded and henced valued. Consequently the asset is shown at purchase price.

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

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring aft 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.

Note 1. Accounting policies (continued)

Financial liabilities

Financial liabilities are recognised on the Statement of Financial Position when the PCT becomes party to the contractual provisions of financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are derecogni: 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.

Note 1.26 NHS LIFT transactions

HM Treasury has determined that government bodies shall account for infrastructure NHS LIFT schemes where the government body c the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement as service concession arrangeme following the principles of the requirements of IFRIC 12. The PCT therefore recognises the LIFT asset as an item of property, plant an equipment together with a liability to pay for it. The services received under the contract are recorded as operating expenses.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

a) Payment for the fair value of services received;

b) Payment for the LIFT asset, including finance costs; and

c) Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

a) Services received

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

b) LIFT assets, liabilities, and finance costs

LIFT assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at the present the minimum lease payments in accordance with the principles of IAS 17.Subsequently, the assets are subject to the valuation policy fo property, plant and equipment.

A LIFT liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the present value of the mini lease payments and is subsequently measured as a finance lease liability in accordance with IAS 17.

Note 1. Accounting policies (continued)

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Net Expenditure.
The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the Statement of Comprehensive Net Expenditure.

c) Lifecycle replacement
The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively.

Assets contributed by the PCT to the operator for use in the scheme
Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the PCT's Statement of Comprehensive Net Expenditure.

Other assets contributed by the PCT to the operator
Assets contributed (e.g. cash payments, surplus property) by the PCT to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the PCT, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

Note 1.27 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

Note 2 Operating segments

Barnsley PCT manages its activities within two specific business segments; Commissioning of Healthcare and hosting the Commissioning of Specialised Healthcare, Specialised Clinical Networks and North Trent clinical networks. Financial performance during the year, including in-year variances and end of year results, have been reported to a number of separate boards, South Yorkshire and Basssetlaw Cluster Board, The North of England SCG and Clinical Networks. These boards are recognised as the chief operating decision makers with delegated authority.

	Commissioning		Specialised Commissioning Group and Clinical Networks		Total	
	2012-13 £000	2011-12 £000	**2012-13 £000**	2011-12 £000	**2012-13 £000**	2011-12 £000
Total Assets	**63,201**	73,008	**16,164**	5,301	**79,365**	78,309
Total Liabilities	**(53,683)**	(60,302)	**(13,853)**	(15,093)	**(67,536)**	(75,395)
Total Net Assets	**9,518**	12,706	**2,311**	(9,792)	**11,829**	2,914
Recognised in Equity	**(11,829)**	(2,914)	**0**	0	**(11,829)**	(2,914)
Recognised in Expenditure	**456,468**	446,926	**813,112**	668,375	**1,269,580**	1,115,301
Expenditure with Other Segments	**39,122**	35,617	**0**	0	**39,122**	35,617
	495,590	482,543	**813,112**	668,375	**1,308,702**	1,150,918
Revenue from Other Segments	**0**	0	**(39,122)**	(35,617)	**(39,122)**	(35,617)
Revenue from External Customers	**(16,323)**	(16,782)	**(759,468)**	(629,691)	**(775,791)**	(646,473)
Revenue Resource Limit	**(484,544)**	(470,451)	**(14,522)**	(3,067)	**(499,066)**	(473,518)
PCT Surplus/ (Deficit) before Interest & Charges	**5,277**	4,690	**0**	0	**5,277**	4,690
Interest & Charges	**(1,781)**	(1,737)	**0**	0	**(1,781)**	(1,737)
PCT Surplus/ (Deficit)	**3,496**	2,953	**0**	0	**3,496**	2,953

During the year, Barnsley PCT paid £220,790k (approximately 16.9% of total expenditure) to Leeds Teaching Hospitals NHS Trust, £185,039k (14.1%) to Sheffield Teaching Hospitals NHS Foundation Trust and £137,306k (10.5%) to Barnsley Hospitals NHS Foundation Trust, for the purchase of healthcare and other services.

Note 3 Financial Performance Targets

Note 3.1 Revenue Resource Limit	**2012-13**	2011-12
	£000	£000
The PCTs' performance for the year ended 2012-13 is as follows:		
Total Net Operating Cost for the Financial Year	**495,570**	470,565
Net operating cost plus (gain)/loss on transfers by absorption	**495,570**	0
Adjusted for prior period adjustments in respect of errors*	**0**	0
Revenue Resource Limit	**499,066**	473,518
Under/(Over)spend Against Revenue Resource Limit (RRL)	**3,496**	2,953

*Barnsley Primary Care Trust has had no Prior Period adjustments in respect of errors.

Note 3.2 Capital Resource Limit	**2012-13**	2011-12
	£000	£000
The PCT is required to keep within its Capital Resource Limit.		
Capital Resource Limit	**3,657**	6,810
Charge to Capital Resource Limit	**3,592**	6,756
(Over)/Underspend Against CRL	**65**	54

Note 3.3 Provider full cost recovery duty	**2012-13**	2011-12
	£000	£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

**Barnsley Primary Care Trust has no Full Cost Recovery to report.

Note 3.4 Under/(Over)spend against cash limit	**2012-13**	2011-12
	£000	£000
Total Charge to Cash Limit	**502,944**	466,894
Cash Limit	**507,846**	473,232
Under/(Over)spend Against Cash Limit	**4,902**	6,338

Note 3 Financial Performance Targets (Cont.)

Note 3.5 Reconciliation of Cash Drawings to Parliamentary Funding (current year)	**2012-13**
	£000
Total cash received from DH (Gross)	**437,600**
Less: Trade Income from DH	**0**
Less/(Plus): movement in DH working balances	**0**
Sub total: net advances	**437,600**
(Less)/plus: transfers (to)/from other resource account bodies	**0**
Plus: cost of Dentistry Schemes (central charge to cash limits)	**13,267**
Plus: drugs reimbursement (central charge to cash limits)	**52,077**
Parliamentary funding credited to General Fund	**502,944**

Note 4 Miscellaneous Revenue	2012-13 Total	2012-13 Admin	2012-13 Programme	2011-12
	£000	£000	£000	£000
Fees and Charges	15	0	15	17
Dental Charge income from Contractor-Led GDS & PDS	3,684	0	3,684	3,659
Dental Charge income from Trust-Led GDS & PDS	4	0	4	1
Prescription Charge income	2,897	0	2,897	2,910
Strategic Health Authorities	2,876	0	2,876	13,016
NHS Trusts	0	0	0	10
NHS Foundation Trusts	99	0	99	811
Primary Care Trusts Contributions to DATs	0	0	0	0
Primary Care Trusts - Other	1	0	1	2
Primary Care Trusts - Lead Commissioning	756,847	5,312	751,535	617,044
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	487	283	204	0
Recoveries in respect of employee benefits	772	584	188	672
Local Authorities	627	0	627	1,380
Patient Transport Services	0	0	0	0
Education, Training and Research	28	28	0	66
Non-NHS: Private Patients	0	0	0	0
Non-NHS: Overseas Patients (Non-Reciprocal)	0	0	0	0
NHS Injury Costs Recovery	0	0	0	0
Other Non-NHS Patient Care Services	0	0	0	0
Charitable and Other Contributions to Expenditure	0	0	0	0
Receipt of donated assets	0	0	0	0
Receipt of Government granted assets	0	0	0	0
Rental revenue from finance leases	0	0	0	0
Rental revenue from operating leases	7,117	0	7,117	6,617
Other revenue	337	337	0	268
Total Miscellaneous revenue	775,791	6,544	769,247	646,473

Note 5 Operating Costs

Note 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	3,189	0	3,189	3,686
Non-Healthcare	988	988	0	540
Total	4,177	988	3,189	4,226
Goods and Services from Other NHS Bodies other than FTs				
Goods and services from NHS Trusts	386,647	0	386,647	327,336
Goods and services (other, excl Trusts, FT and PCT))	0	0	0	535
Total	386,647	0	386,647	327,871
Goods and Services from Foundation Trusts	621,277	1,194	620,083	548,198
Purchase of Healthcare from Non-NHS bodies	105,083	0	105,083	79,696
Social Care from Independent Providers	7,017	0	7,017	8,999
Expenditure on Drugs Action Teams	4,831	0	4,831	5,326
Non-GMS Services from GPs	0	0	0	0
Contractor Led GDS & PDS (excluding employee benefits)	16,265	0	16,265	16,459
Salaried Trust-Led PDS & PCT DS (excluding employee benefits)	745	0	745	746
Chair, Non-executive Directors & PEC remuneration	48	48	0	78
Executive committee members costs	0	0	0	38
Consultancy Services	203	191	12	45
Prescribing Costs	43,294	0	43,294	44,926
G/PMS, APMS and PCTMS (excluding employee benefits)	36,019	0	36,019	34,522
Pharmaceutical Services	272	0	272	318
Local Pharmaceutical Services Pilots	0	0	0	0
New Pharmacy Contract	13,088	0	13,088	13,692
General Ophthalmic Services	2,049	0	2,049	2,285
Supplies and Services - Clinical	49	9	40	6
Supplies and Services - General	131	119	12	40
Establishment	701	583	118	756
Transport	0	0	0	0
Premises	3,038	860	2,178	2,823
Impairments & Reversals of Property, plant and equipment	4,298	0	4,298	579
Impairments and Reversals of non-current assets held for sale	306	0	306	0
Depreciation	3,192	135	3,057	3,236
Amortisation	60	0	60	105
Impairment & Reversals Intangible non-current assets	0	0	0	0
Impairment and Reversals of Financial Assets	0	0	0	0
Impairment of Receivables	0	0	0	0
Inventory write offs	0	0	0	0
Research and Development Expenditure	0	0	0	0
Audit Fees	108	108	0	210
Other Auditors Remuneration	7	7	0	112
Clinical Negligence Costs	0	0	0	0
Education and Training	350	80	270	149
Grants for capital purposes	0	0	0	12
Grants for revenue purposes	616	0	616	131
Impairments and reversals for investment properties	0	0	0	0
Other*	4,148	3,300	848	6,592
Total Operating costs charged to Statement of Comprehensive Net Expenditure	1,258,019	7,622	1,250,397	1,102,176
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	252	252	0	424
Other Employee Benefits **	11,309	9,578	1,731	12,701
Total Employee Benefits charged to SOCNE	11,561	9,830	1,731	13,125
Total Operating Costs	1,269,580	17,452	1,252,128	1,115,301

Note 5.1 Analysis of Operating Costs (Cont.)

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000	2011-12 Total £000
Analysis of grants reported in total operating costs				
For Capital Purposes				
Grants to fund Capital Projects - GMS	**0**	0	0	12
Grants to Local Authorities to Fund Capital Projects	**0**	0	0	0
Grants to Private Sector to Fund Capital Projects	**0**	0	0	0
Grants to Fund Capital Projects - Dental	**0**	0	0	0
Grants to Fund Capital Projects - Other	**0**	0	0	0
Total Capital Grants	**0**	0	0	12
Grants to fund revenue expenditure				
To Local Authorities	**0**	0	0	0
To Private Sector	**616**	0	616	131
To Other	**0**	0	0	0
Total Revenue Grants	**616**	0	616	131
Total Grants	**616**	0	616	143

	Total	Commissioning Services	Public Health
PCT Running Costs 2012-13			
Running costs (£000s)	**10,908**	**9,140**	**1,768**
Weighted population (number in units)*	**284,373**	**284,373**	**284,373**
Running costs per head of population (£ per head)	**38.36**	**32.14**	**6.22**
PCT Running Costs 2011-12			
Running costs (£000s)	11,538	9,793	1,745
Weighted population (number in units)	284,373	284,373	284,373
Running costs per head of population (£ per head)	40.57	34.44	6.14

* 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 calculating the Running Costs per population in 2012-13

** Running Costs for 2012-13 for Commissioning Services include the costs of all Commissioning Services including both those that from April 2013 will be the responsibility of the NHS Commissioning Board and those that will fall under the responsibility of

Note 5.2 Analysis of operating expenditure by expenditure classification	2012-13	2011-12
	£000	£000
Purchase of Primary Health Care		
GMS / PMS/ APMS / PCTMS	36,019	34,522
Prescribing costs	43,294	44,926
Contractor led GDS & PDS	16,265	16,459
Trust led GDS & PDS	745	746
General Ophthalmic Services	2,049	2,285
Department of Health Initiative Funding	0	0
Pharmaceutical services	272	318
Local Pharmaceutical Services Pilots	0	0
New Pharmacy Contract	13,088	13,692
Non-GMS Services from GPs	0	0
Other	0	0
Total Primary Healthcare purchased	111,732	112,948
Purchase of Secondary Healthcare		
Learning Difficulties	9,847	11,464
Mental Illness	52,880	37,922
Maternity	14,713	15,034
General and Acute	207,263	212,672
Accident and emergency	8,142	7,458
Community Health Services	27,590	33,043
Other Contractual	32,020	20,259
Total Secondary Healthcare Purchased	352,455	337,852
Grant Funding		
Grants for capital purposes	0	12
Grants for revenue purposes	616	131
Total Healthcare Purchased by PCT	464,803	450,943
PCT self-provided secondary healthcare included above	0	0
Social Care from Independent Providers	7,017	8,999
Healthcare from NHS FTs included above	298,648	286,121

Note 6 Operating Leases

Note 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	0	494	1,724	2,218	2,456
Contingent rents	0	0	0	0	0
Sub-lease payments	0	0	0	0	0
Total	0	494	1,724	2,218	2,456

	Land £000	Buildings £000	Other £000	2012-13 Total £000	2011-12 £000
Payable:					
No later than one year	0	0	0	0	476
Between one and five years	0	0	0	0	0
After five years	0	0	0	0	0
Total	0	0	0	0	476
Total future sublease payments expected to be received				0	0

GP Premises included in Buildings

Barnsley 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

IFRC 4 Determining whether an arrangement contains a lease

The PCT has determined that those operating leases must be recognised , but as there is no defined term in the arrangments entered into, it is not possible to analyse the arrangements over financial years. The financial value included in the Statement of Comprehensive net expenditure for 2012/13 is £1,700k. (2011/12 £1,906k)

Other Leases include operating leases for Equipment

Note 6.2 PCT as lessor

	2012-13 £000	2011-12 £000
Recognised as income		
Rental Revenue	7,117	6,617
Contingent rents	0	0
Total	7117	6,617
Receivable:		
No later than one year	2,254	6,688
Between one and five years	3,021	7,775
After five years	0	0
Total	5,275	14,463

The rental income recognised in Note 6.2 relates to the occupancy by GPs of rooms within the LIFT premises and the rental of some of the PCT's buildings to South West Yorkshire Partnership NHS Foundation Trust following the transfer of community services last financial year.

Whilst the receivable income for future years has been reflected in the accounts by Barnsley Primary Care Trust, the responsibility next year will transfer to the new organisation that will own these assets. NHS property services will therefore be responsible for the income that relates to the

Note 7 Employee benefits

Note 7.1 Employee benefits

	Total	Admin	Programme	Permanently employed Total	Permanently employed Admin	Permanently employed Programme	Other Total	Other Admin	Other Programme
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Employee Benefits 2012-13 - Gross Expenditure									
Salaries and wages	8,871	8,270	601	7,208	6,607	601	1,663	1,663	[illegible]
Social security costs	688	631	57	688	631	57	0	0	[illegible]
Employer Contributions to NHS BSA - Pensions Division	1,014	929	85	1,014	929	85	0	0	[illegible]
Other pension costs	0	0	0	0	0	0	0	0	[illegible]
Other post-employment benefits	0	0	0	0	0	0	0	0	[illegible]
Other employment benefits	0	0	0	0	0	0	0	0	[illegible]
Termination benefits	988	0	988	988	0	988	0	0	[illegible]
Total employee benefits	11,561	9,830	1,731	9,898	8,167	1,731	1,663	1,663	[illegible]
Less recoveries in respect of employee benefits (table below)	(772)	(584)	(188)	(772)	(584)	(188)	0	0	[illegible]
Total - Net Employee Benefits including capitalised costs	10,789	9,246	1,543	9,126	7,583	1,543	1,663	1,663	[illegible]
Employee costs capitalised	0	0	0	0	0	0	0	0	[illegible]
Gross Employee Benefits excluding capitalised costs	11,561	9,830	1,731	9,898	8,167	1,731	1,663	1,663	[illegible]
Recognised as:									
Commissioning employee benefits	11,561			9,898			1,663		
Provider employee benefits	0			0			0		
Gross Employee Benefits excluding capitalised costs	11,561			9,898			1,663		

	Total	Admin	Programme	Permanently employed Total	Permanently employed Admin	Permanently employed Programme	Other Total	Other Admin	Other Programme
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Employee Benefits 2012-13 - Revenue									
Salaries and wages	632	478	154	632	478	154	0	0	0
Social Security costs	57	43	14	57	43	14	0	0	0
Employer Contributions to NHS BSA - Pensions Division	83	63	20	83	63	20	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	772	584	188	772	584	188	0	0	0

Employee Benefits Gross Expenditure 2011-12	Total	Permanently employed	Other
	£000	£000	£000
Salaries and wages	9,920	8,142	1,778
Social security costs	746	746	0
Employer Contributions to NHS BSA - Pensions Division	1,106	1,106	0
Other pension costs	0	0	0
Other post-employment benefits	0	0	0
Other employment benefits	0	0	0
Termination benefits	1,353	1,353	0
Total gross employee benefits	13,125	11,347	1,778
Less recoveries in respect of employee benefits	(672)	(672)	0
Total - Net Employee Benefits including capitalised costs	12,453	10,675	1,778
Employee costs capitalised	0	0	0
Gross Employee Benefits excluding capitalised costs	13,125	11,347	1,778
Recognised as:			
Commissioning Employment Benefits	13,125		
Provider Employment Benefits	0		
Gross Employee Benefits excluding capitalised costs	13,125		

Note 7.2 Staff numbers

	2012-13 Total Number	2012-13 Permanently employed Number	2012-13 Other Number	2011-12 Total Number	2011-12 Permanently employed Number	2011-12 Other Number
Average Staff Numbers						
Medical and dental	8	3	5	8	4	4
Ambulance staff	0	0	0	0	0	0
Administration and estates	186	169	17	203	189	14
Healthcare assistants and other support staff	0	0	0	0	0	0
Nursing, midwifery and health visiting staff	15	14	1	17	16	1
Nursing, midwifery and health visiting learners	0	0	0	0	0	0
Scientific, therapeutic and technical staff	6	6	0	4	4	0
Social Care Staff	0	0	0	0	0	0
Other	6	6	0	7	7	0
TOTAL	221	198	23	239	220	19
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	2,039	14,943
Total Staff Years	218	1,665
Average working Days Lost*	9.4	9.0

	2012-13 Number	2011-12 Number
Number of persons retired early on ill health grounds	2	1

	£000s	£000s
Total additional pensions liabilities accrued in the year	124	52

*The figures included for Staff Sickness Absence are for the calendar year 2012 as provided by the Department of Health. The figure for 2011-12 includes staff who trai to South West Yorkshire Partnerships NHS Foundation Trust as part of the Transfer of Community Services. For 2012/13 the figure includes PCT Commissioning Stat

Note 7.4 Exit Packages agreed during 2012-13

Exit package cost band (including any special payment element)	2012-13 Number of compulsory redundancies	2012-13 Number of other departures agreed	2012-13 Total number of exit packages by cost band	2011-12 Number of compulsory redundancies	2011-12 Number of other departures agreed	2011-12 Total number of exit packages by cost band
	Number	Number	Number	Number	Number	Number
Lees than £10,000	3	1	4	0	2	2
£10,001-£25,000	0	1	1	0	9	9
£25,001-£50,000	0	1	1	0	7	7
£50,001-£100,000	1	4	5	0	4	4
£100,001 - £150,000	0	2	2	0	1	1
£150,001 - £200,000	0	2	2	0	0	0
>£200,000	0	0	0	0	2	2
Total number of exit packages by type	4	11	15	0	25	25
	£	£	£	£	£	£
Total resource cost	70,389	917,297	987,686	0	1,353,000	1,353,000

No special payments are included in the values above.

This note provides an analysis of Exit Packages agreed during the year. Redundancy and other departures costs have been paid in accordance with the provision of the NHS South Yorkshire and Bassetlaw Cluster wide voluntary and compulsory redundancy scheme. Where the Trust has agreed early retirements , the additional costs are met by the Trust and not by the NHS pension scheme. Ill-health retirement costs are met by the NHS pensions scheme and are not included in the table.

This disclosure reports the number and value of exit packages taken by staff leaving in the year. Note: The expense associated with these departures may have been recognised

Note 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 provisi can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. The scheme is an unfunded, defined benefit scheme that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, 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 equ 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 determi 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 undertaken in intervening years between formal valuations using updated membership data and are accepted as providing suitably robust fig 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 Pensior Scheme (England and Wales) Pension Accounts, published annually. These accounts can be viewed on the NHS Pensions website. Copies 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 f unfunded public service schemes were suspended by HM Treasury on value for money grounds while consideration is given to recent chang 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 approp 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 contributic 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 intende 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 y 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 p in the twelve months ending 30 September in the previous calendar year. From 2011-12 the Consumer Price Index (CPI) will be used to rep 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 dut effectively through illness or infirmity. A death gratuity of twice final year's pensionable pay for death in service, and five times their annu 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 th 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 prov or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

Note 8 Better Payment Practice Code

Note 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	9,078	130,005	11,238	121,482
Total Non-NHS Trade Invoices Paid Within Target	8,970	128,855	10,910	120,667
Percentage of Non-NHS Trade Invoices Paid Within Target	98.81%	99.12%	97.08%	99.33%
NHS Payables				
Total NHS Trade Invoices Paid in the Year	4,984	806,134	4,732	909,206
Total NHS Trade Invoices Paid Within Target	4,951	805,995	4,679	908,685
Percentage of NHS Trade Invoices Paid Within Target	99.34%	99.98%	98.88%	99.94%

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. The target has been set at 95% for all of the above criteria and has been achieved.

Note 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

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Note 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	121	0	121	47
Bank interest	0	0	0	0
Other loans and receivables	0	0	0	0
Impaired financial assets	0	0	0	0
Other financial assets	0	0	0	0
Subtotal	121	0	121	47
Total investment income	121	0	121	47

Note 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)	4	0	4	(7)
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	4	0	4	(7)

Note 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	1,591	0	1,591	1,527
- contingent finance cost	314	0	314	249
Interest on late payment of commercial debt	0	0	0	0
Other interest expense	0	0	0	0
Total interest expense	1,905	0	1,905	1,776
Other finance costs	0	0	0	0
Provisions - unwinding of discount	1	0	1	1
Total	1,906	0	1,906	1,777

Note 12.1 Property, plant and equipment

2012-13	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction and payments on account £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation:									
At 1 April 2012	11,238	56,310	0	0	1,062	631	4,687	1,587	75,515
Additions of Assets Under Construction	0	0	0	0	0	0	0	0	0
Additions Purchased	0	3,253	0		0	0	24	316	3,593
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	0	0	0
Reclassifications as Held for Sale	0	0	0	0	0	0	0	0	0
Disposals other than for sale	0	0	0	0	(16)	0	0	0	(16)
Upward revaluation/positive indexation	0	2,126	0	0	0	0	0	0	2,126
Impairments/negative indexation	(818)	0	0	0	0	0	0	0	(818)
Reversal of Impairments	0	0	0	0	0	0	0	0	0
Transfers (to)/from Other Public Sector Bodies	0	0	0	0	0	0	0	0	0
At 31 March 2013	10,420	61,689	0	0	1,046	631	4,711	1,903	80,400
Depreciation		0							
At 1 April 2012	0	8,204	0	0	775	383	2,813	956	13,131
Reclassifications	0	0	0	0	0	0	0	0	0
Reclassifications as Held for Sale	0	0	0	0	0	0	0	0	0
Disposals other than for sale	0	0	0	0	(15)	0	0	0	(15)
Upward revaluation/positive indexation	0	0	0	0	0	0	0	0	0
Impairments	70	4,573	0	0	0	0	0	0	4,643
Reversal of Impairments	0	(345)	0	0	0	0	0	0	(345)
Charged During the Year	0	2,212	0	0	70	62	681	167	3,192
Transfers (to)/from Other Public Sector Bodies	0	0	0	0	0	0	0	0	0
At 31 March 2013	70	14,644	0	0	830	445	3,494	1,123	20,606
Net Book Value at 31 March 2013	10,350	47,045	0	0	216	186	1,217	780	59,794
Purchased	10,350	46,742	0	0	216	186	1,217	780	59,491
Donated	0	31	0	0	0	0	0	0	31
Government Granted	0	272	0	0	0	0	0	0	272
Total at 31 March 2013	10,350	47,045	0	0	216	186	1,217	780	59,794
Asset financing:									
Owned	8,176	29,033	0	0	216	186	1,217	780	39,608
Held on finance lease	0	0	0	0	0	0	0	0	0
On-SOFP PFI contracts	2,174	18,012	0	0	0	0	0	0	20,186
PFI residual: interests	0	0	0	0	0	0	0	0	0
Total at 31 March 2013	10,350	47,045	0	0	216	186	1,217	780	59,794

Revaluation Reserve Balance for Property, Plant & Equipment

	Land £000's	Buildings £000's	Dwellings £000's	Assets under construction & payments on account £000's	Plant & machinery £000's	Transport equipment £000's	Information technology £000's	Furniture & fittings £000's	Total £000's
At 1 April 2012	4,268	8,202	0	0	8	5	0	2	12,485
- Modern Equivalent Asset Valuation	(818)	2,124	0	0	0	1	0	0	1,307
At 31 March 2013	3,450	10,326	0	0	8	6	0	2	13,792

Note 12.2 Property, plant and equipment

2011-12	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction and payments on account £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation:									
At 1 April 2011	10,700	53,246	0	0	1,065	685	4,271	1,184	71,151
Additions - purchased	623	5,248	0	0	22	0	427	403	6,723
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	0	0	0	0	0	0	0	0
Reclassified as held for sale	(85)	(2,245)	0	0	0	0	0	0	(2,330)
Disposals other than by sale	0	0	0	0	(25)	(54)	(11)	0	(90)
Revaluation & indexation gains	0	77	0	0	0	0	0	0	77
Impairments	0	0	0	0	0	0	0	0	0
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	(16)	0	0	0	0	0	0	(16)
At 31 March 2012	11,238	56,310	0	0	1,062	631	4,687	1,587	75,515
Depreciation									
At 1 April 2011	0	7,369	0	0	709	375	2,115	754	11,322
Reclassifications	0	0	0	0	0	0	0	0	0
Reclassifications as Held for Sale	0	(1,907)	0	0	0	0	0	0	(1,907)
Disposals other than for sale	0	0	0	0	(19)	(54)	(10)	0	(83)
Upward revaluation/positive indexation	0	0	0	0	0	0	0	0	0
Impairments	0	579	0	0	0	0	0	0	579
Reversal of Impairments	0	0	0	0	0	0	0	0	0
Charged During the Year	0	2,179	0	0	85	62	708	202	3,236
In-year transfers to/from NHS bodies	0	0	0	0	0	0	0	0	0
Cumulative dep netted off cost following revaluation	0	(16)	0	0	0	0	0	0	(16)
At 31 March 2012	0	8,204	0	0	775	383	2,813	956	13,131
Net Book Value at 31 March 2012	11,238	48,106	0	0	287	248	1,874	631	62,384
Purchased	11,238	47,728	0	0	287	248	1,874	631	62,006
Donated	0	33	0	0	0	0	0	0	33
Government Granted	0	345	0	0	0	0	0	0	345
At 31 March 2012	11,238	48,106	0	0	287	248	1,874	631	62,384
Asset financing:									
Owned	9,064	31,023	0	0	287	248	1,874	631	43,127
Held on finance lease	0	0	0	0	0	0	0	0	0
On-SOFP PFI contracts	2,174	17,083	0	0	0	0	0	0	19,257
PFI residual: interests	0	0	0	0	0	0	0	0	0
At 31 March 2012	11,238	48,106	0	0	287	248	1,874	631	62,384

Note 12.3 Property, plant and equipment

Open Market Value of Assets at Statement of Financial Position Date

	Land	Buildings excl. dwellings	Dwellings	Total
	£000	£000	£000	£000
Open Market Value at 31 March 2013	**10,350**	**47,045**	**0**	**57,395**
Open Market Value at 31 March 2012	11,238	48,106	0	59,344

During the period no assets had a material change in the estimate of useful economic life/residual value.

The PCT has had its Land and Buildings valued this financial year by the District valuer who carries a qualification of MRICS. There has been one reversal of a previous impairment, relating to a number of LIFT buildings as part of the revaluation carried out by the District Valuer in 2012-13. This totalled £345k

The Economic lives of the Non - Current assets held by the PCT are shown below.

Economic Lives of Non-Current Assets

	Min Life Years	Max Life Years
Intangible Assets		
Software Licences	3	5
Property, Plant and Equipment		
Buildings exc Dwellings	15	90
Plant & Machinery	3	15
Transport Equipment	7	7
Information Technology	3	10
Furniture and Fittings	4	10

Note 13.1 Intangible non-current assets

2012-13	Software internally generated £000	Software purchased £000	Licences & trademarks £000	Patents £000	Development expenditure £000	Total £000
At 1 April 2012	0	678	0	0	0	678
Additions - purchased	0	0	0	0	0	0
Additions - internally generated	0	0	0	0	0	0
Additions - donated	0	0	0	0	0	0
Additions - government granted	0	0	0	0	0	0
Additions Leased	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	0	0
Revaluation & indexation gains	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0
In-year transfers to/from NHS bodies	0	0	0	0	0	0
At 31 March 2013	0	678	0	0	0	678
Amortisation						
At 1 April 2012	0	517	0	0	0	517
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	60	0	0	0	60
In-year transfers to NHS bodies	0	0	0	0	0	0
At 31 March 2013	0	577	0	0	0	577
Net Book Value at 31 March 2013	0	101	0	0	0	101
Net Book Value at 31 March 2013 comprises						
Purchased	0	101	0	0	0	101
Donated	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0
Total at 31 March 2013	0	101	0	0	0	101

Revaluation reserve balance for intangible non-current assets

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

Note 13.2 Intangible non-current assets

2011-12	Software internally generated £000	Software purchased £000	Licences & trademarks £000	Patents £000	Development expenditure £000	Total £000
At 1 April 2011	0	658	0	0	0	658
Additions - purchased	0	20	0	0	0	20
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	0	678	0	0	0	678
Amortisation						
At 1 April 2011	0	412	0	0	0	412
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	105	0	0	0	105
In-year transfers to NHS bodies	0	0	0	0	0	0
Less cumulative dep written down on revaluation	0	0	0	0	0	0
At 31 March 2012	0	517	0	0	0	517
Net Book Value at 31 March 2012	0	161	0	0	0	161
Net Book Value at 31 March 2012 comprises						
Purchased	0	161	0	0	0	161
Donated	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0
Total at 31 March 2012	0	161	0	0	0	161

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

During 2012/13 the PCT has been required to have two valuations carried out on it's full estate. The first valuation was carried out at the beginning of the financial year in line with the PCT's accounting policies and resulted in a total net decrease in the value of these assets of £2,038k. Of this amount, a net upward revaluation of £862k was taken to the revaluation reserve, leaving a balance of £2,900k as a charge to the Operating Cost Statement (Note 5 of the accounts).

The second valuation was carried out on the 31st March 2013, in line with the Department of Health guidance on the PCT's estate transfer to it's successor organisations following the closure of the PCT. These assets will transfer over on the 1st April 2013. The valuation resulted in a further net reduction of £2,874k. Of this amount, a net downward revaluation of £824k was again taken to the revalution reserve, leaving a balance of £2,050k that was taken as a charge to the Operating Cost Statement, a reversal of a previous impairment totalling £345k has also been reflected this relates to a previous downward revaluation of LIFT buildings in 2010/11 & 2011/12. (Note 5 of the accounts).

In total the Impairment charged to the Operating cost statement was valued at £4,604k. The PCT received an allocation of £4,586k to cover these charges.

	2012-13	2012-13	2012-13
	Total £000	Admin £000	Programme £000
Property, Plant and Equipment impairments and reversals taken to SoCNE			
Loss or damage resulting from normal operations	0	0	0
Over-specification of assets	0	0	0
Abandonment of assets in the course of construction	0	0	0
Total charged to Departmental Expenditure Limit	**0**	**0**	**0**
Unforeseen obsolescence	0	0	0
Loss as a result of catastrophe	0	0	0
Other	0	0	0
Changes in market price	4,298	0	4,298
Total charged to Annually Managed Expenditure	**4,298**	**0**	**4,298**
Property, Plant and Equipment impairments and reversals charged to the revaluation reserve			
Loss or damage resulting from normal operations	0	0	0
Over Specification of Assets	0	0	0
Abandonment of assets in the course of construction	0	0	0
Unforeseen obsolescence	0	0	0
Loss as a result of catastrophe	0	0	0
Other	0	0	0
Changes in market price	818	0	0
Total impairments for PPE charged to reserves	**818**	**0**	**0**
Total Impairments of Property, Plant and Equipment	**5,116**	**0**	**4,298**
Intangible assets impairments and reversals charged to SoCNE			
Loss or damage resulting from normal operations	0	0	0
Over-specification of assets	0	0	0
Abandonment of assets in the course of construction	0	0	0
Total charged to Departmental Expenditure Limit	**0**	**0**	**0**
Unforeseen obsolescence	0	0	0
Loss as a result of catastrophe	0	0	0
Other	0	0	0
Changes in market price	0	0	0
Total charged to Annually Managed Expenditure	**0**	**0**	**0**
Intangible Assets impairments and reversals charged to the Revaluation Reserve			
Loss or damage resulting from normal operations	0	0	0
Over-specification of assets	0	0	0
Abandonment of assets in the course of construction	0	0	0
Unforeseen obsolescence	0	0	0
Loss as a result of catastrophe	0	0	0
Other	0	0	0
Changes in market price	0	0	0
Total impairments for Intangible Assets charged to Reserves	**0**	**0**	**0**
Total Impairments of Intangibles	**0**	**0**	**0**
Financial Assets charged to SoCNE			
Loss or damage resulting from normal operations	0	0	0
Total charged to Departmental Expenditure Limit	**0**	**0**	**0**
Loss as a result of catastrophe	0	0	0
Other	0	0	0
Total charged to Annually Managed Expenditure	**0**	**0**	**0**
Financial Assets impairments and reversals charged to the Revaluation Reserve			
Loss or damage resulting from normal operations	0	0	0
Loss as a result of catastrophe	0	0	0
Other	0	0	0

Note 14 Analysis of impairments and reversals recognised in 2012-13 (Continued)

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000
Non Current Assets held for sale impairments and reversals charged to SoCNE			
Loss or damage resulting from normal operations	0	0	0
Abandonment of assets in the course of construction	0	0	0
Total charged to Departmental Expenditure Limit	**0**	**0**	**0**
Unforeseen obsolescence	0	0	0
Loss as a result of catastrophe	0	0	0
Other	0	0	0
Changes in market price	306	0	306
Total charged to Annually Managed Expenditure	**306**	**0**	**306**
Total impairments of non-current assets held for sale	**306**	**0**	**306**
Inventories - impairments and reversals charged to SoCNE			
Loss or Damage Resulting from Normal Operations	0	0	0
Total charged to Departmental Expenditure Limit	**0**	**0**	**0**
Unforeseen Obsolescence	0	0	0
Loss as a Result of a Catastrophe	0	0	0
Other	0	0	0
Changes in Market Price	0	0	0
Total charged to Annually Managed Expenditure	**0**	**0**	**0**
Total impairments of Inventories	**0**	**0**	**0**
Investment Property impairments charged to SoCNE			
Loss or Damage Resulting from Normal Operations	0	0	0
Total charged to Departmental Expenditure Limit	**0**	**0**	**0**
Unforeseen Obsolescence	0	0	0
Loss as a Result of a Catastrophe	0	0	0
Other	0	0	0
Changes in Market Price	0	0	0
Total charged to Annually Managed Expenditure	**0**	**0**	**0**
Total Investment Property impairments charged to SoCNE	**0**	**0**	**0**
Investment Property impairments and reversals charged to the Revaluation Reserve			
Loss or Damage Resulting from Normal Operations	0	0	0
Over Specification of Assets	0	0	0
Abandonment of Assets in the Course of Construction	0	0	0
Unforeseen Obsolescence	0	0	0
Loss as a Result of a Catastrophe	0	0	0
Other	0	0	0
Changes in Market Price	0	0	0
TOTAL impairments for Investment Property charged to Reserves	**0**	**0**	**0**
Total Investment Property Impairments	**0**	**0**	**0**
Total Impairments charged to Revaluation Reserve	818	0	0
Total Impairments charged to SoCNE - DEL	0	0	0
Total Impairments charged to SoCNE - AME	4,604	0	4,604
Overall Total Impairments	**5,422**	**0**	**4,604**
Of which:			
Impairment on revaluation to "modern equivalent asset" basis	**4,604**	**0**	**4,604**
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

Note 15 Investment property

	31 March 2013 £000	31 March 201 £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	0
Gain from Fair Value Adjustments	0	0
Transfers (to)/from Other Public Sector Bodies	0	0
Other Changes	0	0
Balance at 31 March 2013	0	(

Investment property capital transactions in 2012-13		
Capital expenditure	0	0
Capital income	0	0
	0	(

Note 16 Commitments

Note 16.1 Capital commitments

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

	31 March 2013 £000	31 March 201 £000
Property, plant and equipment	0	(
Intangible assets	0	(
Total	0	(

Note 16.2 Other financial commitments

The PCT has no non-cancellable contracts (which are not leases or PFI contracts or other service concession arrangements).

	31 March 2013 £000	31 March 201 £000
Not later than one year	0	(
Later than one year and not later than five year	0	(
Later than five years	0	(
Total	0	(

Note 17 Intra-Government and other balances	**Current receivables** **£000**	**Non-current receivables** **£000**
Balances with other Central Government Bodies	16,887	(
Balances with Local Authorities	446	(
Balances with NHS bodies outside the Departmental Group	0	(
Balances with NHS Trusts and Foundation Trusts	556	(
Balances with Public Corporations and Trading Funds	0	(
Balances with bodies external to government	590	(
At 31 March 2013	18,479	(
prior period:		
Balances with other Central Government Bodies	10,123	(
Balances with Local Authorities	317	(
Balances with NHS Trusts and Foundation Trusts	4,088	(
Balances with Public Corporations and Trading Funds	0	(
Balances with bodies external to government	271	(
At 31 March 2012	14,799	(

Note 18 Inventories	Drugs £000	Consumables £000	Energy £000	Work in progress £000
Balance at 1 April 2012	0	0	0	0
Additions	0	0	0	0
Inventories recognised as an expense in the period	0	0	0	0
Write-down of inventories (including losses)	0	0	0	0
Reversal of write-down previously taken to SoCNE	0	0	0	0
Transfers (to)/from other public sector bodies	0	0	0	0
Balance at 31 March 2013	**0**	**0**	**0**	**0**

Note 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	**17,408**	14,211	**0**	0
NHS receivables - capital	**0**	0	**0**	0
NHS prepayments and accrued income	**0**	0	**0**	0
Non-NHS receivables - revenue	**0**	14	**0**	0
Non-NHS receivables - capital	**0**	0	**0**	0
Non-NHS prepayments and accrued income	**100**	127	**0**	0
Provision for the impairment of receivables	**0**	0	**0**	0
VAT	**0**	0	**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	**971**	447	**0**	0
Total	**18,479**	14,799	**0**	0
Total current and non current	**18,479**	14,799		
Included above:				
Prepaid pensions contributions	**0**	0		

Note 19.2 Receivables past their due date but not impaired	**31 March 2013 £000**	31 March 2012 £000
By up to three months	**16,695**	5,091
By three to six months	**7**	31
By more than six months	**136**	41
Total	**16,838**	5,163

Note 19.3 Provision for impairment of receivables	**2012-13 £000**	2011-12 £000
Balance at 1 April 2012	**0**	0
Amount written off during the year	**0**	0
Amount recovered during the year	**0**	0
(increase)/Decrease in Receivables Impaired	**0**	0
Balance at 31 March 2013	0	0

Note 20 NHS LIFT investments	Loan £000	Share capital £000
Balance at 1 April 2012	477	2
Additions	0	0
Disposals	0	0
Loan repayments	0	0
Revaluations	0	0
Loans repayable within 12 months	(9)	0
Balance at 31 March 2013	468	2
Balance at 1 April 2011	459	2
Additions	20	0
Disposals	0	0
Loan repayments	0	0
Revaluations	0	0
Loans repayable within 12 months	(2)	0
Balance at 31 March 2012	477	2

Note 21.1 Other financial assets - Current	31 March 2013 £000	31 March 2012 £000
Balance at 1 April	3	4
Transfers (to)/from Other Public Sector Bodies in year	0	0
Other Movements	3	(1)
Balance at 31 March	6	3

Note 21.2 Other Financial Assets - Non Current	31 March 2013 £000	31 March 2012 £000
Opening balance 1 April	479	461
Additions	0	20
Revaluation	0	0
Impairments	0	0
Impairment Reversals	0	0
Transferred to current financial assets	(9)	(2)
Disposals	0	0
Transfers (to)/from Other Public Sector Bodies in year	0	0
Total Other Financial Assets - Non Current	470	479

Note 21.3 Other Financial Assets - Capital Analysis	31 March 2013 £000	31 March 2012 £000
Capital Expenditure	0	0
Capital Income	(6)	0

Note 22 Other current assets	31 March 2013 £000	31 March 2012 £000
EU Emissions Trading Scheme Allowance	0	0
Other Assets	0	0
Total	0	0

Note 23 Cash and Cash Equivalents	31 March 2013	31 March 2012
Balance at 1 April 2012	60	33
Net change in year	105	27
Balance as at 31 March 2013	165	60
Made up of		
Cash with Government Banking Service	165	60
Commercial banks	0	0
Cash in hand	0	0
Current investments	0	0
Cash and cash equivalents as in statement of financial position	165	60
Bank overdraft - Government Banking Service	0	0
Bank overdraft - Commercial banks	0	0
Cash and cash equivalents as in statement of cash flows	165	60
Patients' money held by the PCT, not included above	0	0

Note 24 Non-current assets held for sale	Land £000	Buildings, excl. dwellings £000	Dwellings £000	Asset Under Construction and Payments on Account £000	Plant and Machinery £000	Transport and Equipment £000	Information Technology £000	Furniture and Fittings £000	Intangible Assets £000	Total £000
Balance at 1 April 2012	85	338	0	0	0	0	0	0	0	**423**
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	(306)	0	0	0	0	0	0	0	**(306)**
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	265	(32)	0	0	0	0	0	0	0	**233**
Balance at 31 March 2013	**350**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**350**
Liabilities associated with assets held for sale at 31 March 2013	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Balance at 1 April 2011	0	0	0	0	0	0	0	0	0	0
Plus assets classified as held for sale in the year	85	338	0	0	0	0	0	0	0	423
Less assets sold in the year	0	0	0	0	0	0	0	0	0	0
Less impairment of assets held for sale	0	0	0	0	0	0	0	0	0	0
Plus reversal of impairment of assets held for sale	0	0	0	0	0	0	0	0	0	0
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	0	0	0	0	0
Balance at 31 March 2012	85	338	0	0	0	0	0	0	0	423
Liabilities associated with assets held for sale at 31 March 2012	0	0	0	0	0	0	0	0	0	0

The Assets that have been identified for Held for Sale as at 31st March 2013 relate to two Former health centres (Hoyland and Athersley) that have now closed due to new buildings been constructed within Tranche 3 of the LIFT project (See note 34) both sites are currently on the market for sale.

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

At 31 March 2012	32
At 31 March 2013	**265**

Note 25 Trade and other payables	Current		Non-current	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012
	£000	£000	£000	£000
Interest payable	0	0	0	0
NHS payables - revenue	11,901	9,734	0	0
NHS payables - capital	0	0	0	0
NHS accruals and deferred income	0	1	0	0
Family Health Services (FHS) payables	10,672	11,937	0	0
Non-NHS payables - revenue	2,660	2,193	0	0
Non-NHS payables - capital	1,821	1,670	0	0
Non_NHS accruals and deferred income	8,873	8,542	0	0
Social security costs	1	0	0	0
VAT	0	0	0	0
Tax	0	0	0	0
Payments received on account	0	0	0	0
Other*	2,037	13,282	0	0
Total	37,965	47,359	0	0
Total payables (current and non-current)	37,965	47,359		

Other payables include £0 (2011-12: £0) in respect of payments due in future years under arrangements to buy out the liability for no early retirements over 5 instalments; and £0 (2011-12: £0) in respect of outstanding pensions contributions at 31 March 2013 (31 March 2012: £0).

Note 26 Other liabilities	Current		Non-current	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012
	£000	£000	£000	£000
PFI/LIFT deferred credit	0	0	0	0
Lease incentives	0	0	0	0
Other	0	0	0	0
Total	0	0	0	0
Total other liabilities (current and non-current)	0	0		

Note 27 Borrowings	Current		Non-current	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012
	£000	£000	£000	£000
Bank overdraft - Government Banking Service	0	0	0	0
Bank overdraft - commercial banks	0	0	0	0
PFI liabilities:				
Main liability	0	0	0	0
Lifecycle replacement received in advance	0	0	0	0
LIFT liabilities:				
Main liability	566	650	19,627	20,194
Lifecycle replacement received in advance	0	0	0	0
Finance lease liabilities	0	0	0	0
Other (describe)	0	0	0	0
Total	566	650	19,627	20,194
Total other liabilities (current and non-current)	20,193	20,844		

Borrowings/Loans - Payment of Principal Falling Due in:

	DH	Other	Total
	£000s	£000s	£000s
0 - 1 Years	0	566	566
1 - 2 Years	0	481	481
2 - 5 Years	0	2,011	2,011
Over 5 Years	0	17,135	17,135
	0	20,193	20,193

Note 28 Other financial liabilities

	Current		Non-current	
	31 March 2013	31 March 2012	**31 March 2013**	31 March 2012
	£000	£000	**£000**	£000
Embedded Derivatives at Fair Value through SoCNE	**0**	0	**0**	0
Financial liabilities carried at fair value through SoCNE	**0**	0	**0**	0
Amortised Cost	**0**	0	**0**	0
Total	**0**	0	**0**	0
Total other liabilities (current and non-current)	**0**	0		

Note 29 Deferred income

	Current		Non-current	
	31 March 2013	31 March 2012	**31 March 2013**	31 March 2012
	£000	£000	**£000**	£000
Opening balance at1 April 2012	**0**	40	**0**	0
Deferred income addition	**0**	0	**0**	0
Transfer of deferred income	**0**	(40)	**0**	0
Current deferred Income at 31 March 2013	**0**	0	**0**	0
Total other liabilities (current and non-current)	**0**	0		

Note 30 Finance lease obligations

Barnsley Primary Care Trust have no Finance Leases for the period ending 31st March 2013.

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

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

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

Note 31 Finance lease receivables as lessor

Amounts receivable under finance leases (buildings)	Gross investments in leases		Present value of minimum lease	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012
	£000	£000	£000	£000
Within one year	0	0	0	0
Between one and five years	0	0	0	0
After five years	0	0	0	0
Less future finance charges	0	0	0	0
Present value of minimum lease payments	0	0	0	0
Less allowance for uncollectible lease payments:	0	0	0	0
financial position	0	0	0	0
Included in:				
Current finance lease receivables			0	0
Non-current finance lease receivables			0	0
			0	0

Amounts receivable under finance leases (land)	Gross investments in leases		Present value of minimum lease	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012
	£000	£000	£000	£000
Within one year	0	0	0	0
Between one and five years	0	0	0	0
After five years	0	0	0	0
Less future finance charges	0	0	0	0
Present value of minimum lease payments	0	0	0	0
Less allowance for uncollectible lease payments:	0	0	0	0
financial position	0	0	0	0
Included in:				
Current finance lease receivables			0	0
Non-current finance lease receivables			0	0
			0	0

Amounts receivable under finance leases (other)	Gross investments in leases		Present value of minimum lease	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012
	£000	£000	£000	£000
Within one year	0	0	0	0
Between one and five years	0	0	0	0
After five years	0	0	0	0
Less future finance charges	0	0	0	0
Present value of minimum lease payments	0	0	0	0
Less allowance for uncollectible lease payments:	0	0	0	0
Total finance lease receivable recognised in the statement of financial position	0	0	0	0
Included in:				
Current finance lease receivables			0	0
Non-current finance lease receivables			0	0
			0	0

	Total £000s	Comprising of: Pensions to Former Directors £000s	Pensions Relating to Other Staff £000s	Legal Claims £000s	Restructuring £000s	Continuing Care £000s	Equal Pay £000s	Agenda for Change £000s	Other £000s	Redundancy £000s
Balance at 1 April 2012	7,192	8	7	585	0	4,923	260	0	743	666
Arising During the Year	6,294	21	197	14	0	6,000	0	0	62	0
Utilised During the Year	(640)	(4)	(34)	(57)	0	(78)	0	0	(65)	(402)
Reversed Unused	(3,469)	0	0	(532)	0	(2,416)	(260)	0	(34)	(227)
Unwinding of Discount	1	0	0	1	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	9,378	25	170	11	0	8,429	0	0	706	37
Expected Timing of Cash Flows:										
No Later than One Year	2,253	4	34	11	0	2,107	0	0	60	37
Later than One Year and not later than Five Years	6,688	20	136	0	0	6,322	0	0	210	0
Later than Five Years	437	1	0	0	0	0	0	0	436	0

Amount Included in the Provisions of the NHS Litigation Authority in Respect of Clinical Negligence Liabilities:

As at 31 March 2013	786
As at 31 March 2012	593

Pensions relating to former directors / staff (£195k) The financial value shown in the accounts is based on the details established in each case by the NHS Pensions Authority on retirement.

Legal Claims include:

Staff Injuries (£11k) are claims handled by the NHSLA on behalf of the PCT. The accounts reflect the NHSLA assessment of the likely outcome and financial liability of these claims.

Continuing Care In March 2012 the Department of Health announced the introduction of a deadline for individuals (or representative) to submit retrospective claims for assessment for Continuing Health Care (CHC) eligibility. The deadline for claim periods prior to 31 March 2011 was submission by 30 September 2012 and for periods up to 31 March 2012 the deadline was 31 March 2013.The introduction of these deadlines was accompanied by a nationally co-ordinated publicity campaign to inform the public of their right to apply for CHC eligibility and the timescales.

Barnsley PCT received 302 claims (of which 5 have been screened out) before the deadlines and a detailed assessment process on potential eligibility for CHC funding is underway. A methodology has been developed for estimating the level of financial liability arising from the claims submitted. This provides the basis of the provision included in these accounts of £8.4m.

Redundancy (£37k) This relates to the Older Persons Service with closure of a Resource Centre last financial year. The liability, is based on a further one year plan relating to the payments to staff that worked in these centres.

Other provisions include:

Injury Benefits (£694k) relate to payments made to former staff by the NHS Pensions Authority. Life Expectancy figures are applied to current payments to calculate the PCT's liability.

Pay Protection (£12k) reflects the PCT's liability for staff who have been found suitable alternative employment within the trust after been placed at risk due to reorganisation. The liability is a maxium of five years.

Note 33 Contingencies	31 March 2013 £000	31 March 2012 £000
Contingent liabilities		
Equal Pay	0	0
Legal Claims	(3)	(17)
Continuing Care Liabilities	(14,861)	(132)
Government Grant Liabilities	(152)	(177)
	(15,016)	(326)
Amounts Recoverable Against Contingent Liabilities	0	0
Net Value of Contingent Liabilities	(15,016)	(326)
Contingent Assets		
Contingent Assets	0	0
Net Value of Contingent Assets	0	0

Contingent liabilities:

Legal claims (£3k), which are unlikely to materialise, are subject to NHSLA processes and information supplied to the PCT is based on their view of possible outcomes, financial effect and perceived timings of cash flow. A provision reflecting a liability of £11k has been included at note 32.

Continuing Care liabilities (£14,861k) are retrospective claims which are unlikely to materialise and are subject to a process of review with the option to appeal decisions to the SHA and the Ombudsman. The financial effect, likely outcome and timing of cash flows are established on an individual case basis through liaison with those staff responsible for administering such cases. A provision reflecting a liability of £8,429k has been included at note 32.

Government grants liabilities (£152k) relate to grants the PCT received a number of years ago for modifications to accommodation shared with Barnsley MBC staff. The grants are subject to an agreement whereby if the building is disposed of during a period of 25 years following the receipt of the grant, a repayment on a reducing balance basis, will be made. However the likelihood of this occurring is considered to be remote.

Note 34 PFI and NHS LIFT Schemes

Note 34.1 PFI and NHS LIFT schemes off-Statement of Financial Position

Barnsley Primary Care Trust have no Private Finance Transactions or LIFT Schemes that are off- Statement of Financial Position

Note 34.2 PFI and NHS LIFT schemes on-Statement of Financial Position

Barnsley Primary Care Trust have no Private Finance Transactions.

Barnsley Primary Care Trust does however have a number of LIFT schemes that under the new International Financial Reporting Standards rules requires the financial impact of these schemes to be shown within the financial statements.

In order that readers of the accounts can gain an understanding of the impact of the LIFT schemes on the Statement of Financial Position and the Statement of Comprehensive Net Expenditure of Barnsley PCT, the summarised financial information below is provided. Under IFRIC 12 the assets relating to LIFT are treated as assets of the PCT.

	Tranche 1a		Tranche 1b		Tranche 3		Total	
	2012/13	2011/12	**2012/13**	2011/12	**2012/13**	2011/12	**2012/13**	2011/12
	£000	£000	**£000**	£000	**£000**	£000	**£000**	£000
Gross Asset Valuation	**7,055**	7,498	**6,106**	6,139	**7,025**	7,128	**20,186**	20,765
Cumulative Depreciation	**0**	(749)	**0**	(534)	**0**	(225)	**0**	(1,508)
Total Net Book Value	7,055	6,749	**6,106**	5,605	**7,025**	6,903	**20,186**	19,257
LIFT Liability less than one Year	**(179)**	(318)	**(214)**	(167)	**(173)**	(165)	**(566)**	(650)
LIFT Liability Greater than one Year	**(6,033)**	(6,213)	**(6,287)**	(6,500)	**(7,307)**	(7,481)	**(19,627)**	(20,194)
Total LIFT Creditor	**(6,212)**	(6,531)	**(6,501)**	(6,667)	**(7,480)**	(7,646)	**(20,193)**	(20,844)
Costs Included within the Statement of Comprehensive Net Expenditure in relation to LIFT	**1,351**	1,338	**748**	1,121	**1,082**	1,653	**3,181**	4,112

The PCT has entered into LIFT contracts with a private sector organisation (Barnsley Community Solutions Ltd) relating to the provision of healthcare. The related accommodation is as follows:-

Tranche 1a		**Tranche 1b**		**Tranche 3**	wef
Worsbrough	wef 1/11/2004	Grimethorpe	wef 7/4/2008	Great Houghton	10/01/2011
Goldthorpe	wef 29/11/2004	Cudworth	wef 26/8/2008	Athersley New Lodge	22/02/2011
Thurnscoe	wef 15/11/2004			Hoyland	18/07/2011

The LIFT obligations are for a period of 25 years. At the end of this period the PCT has the option to buy the asset at Open Market Value.

Note 34 PFI and LIFT (Continued)

Note 34.3. Charges to operating expenditure and future commitments in respect of ON and OFF SOFP PFI

	31 March 2013 £000	31 March 2012 £000
Total charge to operating expenses in year - OFF SOFP PFI	0	[illegible]
Service element of on SOFP PFI charged to operating expenses in year	0	[illegible]
Total	0	[illegible]

Payments committed to in respect of off SOFP PFI and the service element of on SOFP PFI

	31 March 2013 £000	31 March 2012 £000
No Later than One Year	0	[illegible]
Later than One Year, No Later than Five Years	0	[illegible]
Later than Five Years	0	[illegible]
Total	0	[illegible]

The estimated annual payments in future years are expected to be materially different from those which the Trust is committed to make materially different from those which the Trust is committed to make during the next year. The likely financial effect of this is:

	31 March 2013 £000	31 March 2012 £000
Estimated Capital Value of Project - off SOFP PFI	0	0
Value of Deferred Assets - off SOFP PFI	0	0
Value of Reversionary Interest - off SOFP PFI	0	0

Note 34.4 Imputed "finance lease" obligations for on SOFP PFI contracts due
Analysed by when PFI payments are due

	31 March 2013 £000	31 March 2012 £000
No Later than One Year	0	0
Later than One Year, No Later than Five Years	0	0
Later than Five Years	0	0
Subtotal	0	0
Less: Interest Element	0	0
Total	0	0

Charges to operating expenditure and future commitments in respect of on and off SOFP LIFT	31 March 2013 £000	31 March 2012 £000
Total Charge to Operating Expenses in year - OFF SOFP LIFT	0	[illegible]
Service element of on SOFP LIFT charged to operating expenses in year	693	87[illegible]
Total	693	87[illegible]

Payments committed to in respect of off SOFP LIFT and the service element of on SOFP LIFT.	31 March 2013 £000	31 March 2012 £000
LIFT Scheme Expiry Date:		
No Later than One Year	706	693
Later than One Year, No Later than Five Years	3,048	2,930
Later than Five Years	12,757	13,581
Total	16,511	17,204

The estimated annual payments in future years are expected to be materially different from those which the NHS Trust is committed to make during the next year. The likely financial effect of this is:

	31 March 2013 £000	31 March 2012 £000
Estimated capital value of project - off SOFP LIFT	0	[illegible]
Value of Deferred Assets - off SOFP LIFT	0	[illegible]
Value of Residual Interest - off SOFP LIFT	0	[illegible]

Imputed "finance lease" obligations for on SOFP LIFT Contracts due	31 March 2013 £000	31 March 2012 £000
No Later than One Year	2,108	2,241
Later than One Year, No Later than Five Years	8,232	8,362
Later than Five Years	30,236	32,215
Subtotal	40,576	42,818
Less: Interest Element	(20,383)	(21,974
Total	20,193	20,844

Note 35 Impact of IFRS treatment - Current Year	Total £000	Admin £000	Programme £000
Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g LIFT/PFI)			
Depreciation charges	927	0	927
Interest Expense	1,905	0	1,905
Impairment charge - AME	(345)	0	(345
Impairment charge - DEL	0	0	0
Other Expenditure	693	0	693
Revenue Receivable from subleasing	(3,355)	0	(3,355
Total IFRS Expenditure (IFRIC12)	(175)	0	(175
Revenue consequences of LIFT/PFI schemes under UK GAAP / ESA95 (net of any sublease income)	0	0	0
Net IFRS change (IFRIC12)	(175)	0	(175

Capital Consequences of IFRS : LIFT/PFI and other items under IFRIC12

	Total £000
Capital expenditure 2012-13	7
UK GAAP capital expenditure 2012-13 (Reversionary Interest)	0

Note 36 Financial Instruments

Financial risk management

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

Currency risk

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

Interest rate risk

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

Credit Risk

Because the majority of Barnsley PCT's income came 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.

Note 36.1 Financial Assets	At 'fair value through profit and loss'	Loans and receivables	Available for sale	Total
	£000	£000	£000	£000
Embedded derivatives	0	0	0	**0**
Receivables - NHS	0	17,408	0	**17,408**
Receivables - non-NHS	0	971	0	**971**
Cash at bank and in hand	0	165	0	**165**
Other financial assets	0	0	476	**476**
Total at 31 March 2013	**0**	**18,544**	**476**	**19,020**
Embedded derivatives	0	0	0	0
Receivables - NHS	0	14,211	0	14,211
Receivables - non-NHS	0	461	0	461
Cash at bank and in hand	0	60	0	60
Other financial assets	0	0	482	482
Total at 31 March 2012	0	14,732	482	15,214

Note 36.2 Financial Liabilities	At 'fair value through profit and loss'	Other	Total
	£000	£000	£000
Embedded derivatives	0	0	**0**
NHS payables	0	11,901	**11,901**
Non-NHS payables	0	26,064	**26,064**
Other borrowings	0	0	**0**
PFI & finance lease obligations	0	20,193	**20,193**
Other financial liabilities	0	0	**0**
Total at 31 March 2013	**0**	**58,158**	**58,158**
Embedded derivatives	0	0	0
NHS payables	0	9,734	9,734
Non-NHS payables	0	37,625	37,625
Other borrowings	0	0	0
PFI & finance lease obligations	0	20,844	20,844
Other financial liabilities	0	0	0
Total at 31 March 2012	0	68,203	68,203

Note 37 Related party transactions

Barnsley Primary Care Trust was a body corporate established by order of the secretary of state for Health.

During the year none of the Department of Health Ministers, trust board members or members of the key management staff, or parties related to any of them, has undertaken any material transactions with Barnsley Primary Care Trust

Details of related party transactions with individuals are as follows:

Steve Hackett, Director of Finance for the South Yorkshire and Bassetlaw Cluster is a non paid Director for Doncaster and Barnsley Community Solutions and a non paid Director for Community First Sheffield. Barnsley Primary Care Trust made the following payments to these organisations in 2012-13.

Doncaster Community Solutions - £48,000 (2011-12, £0)
Barnsley Community Solutions - £4,996,873 (2011-12, £4,102,261)
Community First Solutions - £0 (2011-12, £0)

Tom Sheard, Vice Chair of South Yorkshire and Bassetlaw Cluster is company secretary for Barnsley TUC training Limited, Chairman of Amicus Barnsley 1 Branch and elected member of Barnsley Chamber of commerce and Barnsley Metropolitan Borough Council. Barnsley Primary Care Trust made payments to the following organisations in 2012-13

Barnsley Chamber of Commerce - £0 (2011-12 -£299)
Barnsley Metropolitan Borough Council - £23,214,223 (2011 -12, £24,615,540)

The payments shown above with Barnsley Metropolitan Borough Council have not been directly influenced by the position of the Vice Chair of the South Yorkshire and Bassetlaw Cluster and relates to the normal purchase of healthcare.

David Liggins, Non-Executive Director for South Yorkshire and Bassetlaw Cluster is Chair for Barnsley Community Solutions Ltd. Barnsley Primary Care Trust made payments made to Barnsley Community Solutions in 2012-13 of £4,996,873 (2011-12, £4,102,261)

Melvyn Lunn, Non-Executive Director for South Yorkshire and Bassetlaw Cluster is a Director for Berneslai Homes Limited and a Trustee for Barnsley Community Build and Priory Campus. Barnsley Primary Care Trust made payments to Priory Campus in 2012-13 of £2,265 (2011-12, £116,720)

The Department of Health is regarded as a related party. During the year Barnsley Primary Care Trust 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. *For example* :

Strategic health Authorities
NHS Foundation Trusts
NHS Trusts
NHS Litigation Authority
NHS Business Services Authority

In addition, the PCT has had a number of material transactions with other government departments and other central and local government bodies. Most of these transactions have been with Barnsley Metropolitan Borough Council.

The PCT has received no revenue or capital payments relating to charitable funds

Note 39 Third party assets

Barnsley Primary Care Trust does not hold any Third Party Assets

Note 40 Pooled budget

The PCT has entered into a pooled budget arrangement with Barnsley Metropolitan Borough Council (BMBC). Under Section 75 of the Health Act 2006, BPCT and BMBC contribute funds to a pooled commissioning budget, that is hosted by BMBC.
The pooled budget is managed through the Joint Executive Group (JEG), which allocates the funds to the Children's and Young Peoples Trust to commission integrated children's services.

Details of the pooled commissioning budget is shown below.

	Childrens' Board	
	2012-13	2011-12
	£000	£000
Contributions to pooled commissioning budget		
Opening Balance at 1 April	**0**	0
BPCT	**6,435**	6,983
BMBC	**18,607**	19,252
Transfer to JAG Balances	**0**	0
Transfer from JAG Balances	**0**	0
Total	**25,042**	26,235
Services commissioned from pooled budgets		
BPCT	**0**	0
BMBC	**25,042**	26,235
Savings requirement	**0**	0
Over / (Under) spend	**2,540**	2,288
Transfer / Use of Balances	**(2,540)**	(2,288)
Total	**25,042**	26,235
Net Balance	**0**	0
Balance as at 31st March 2013	**0**	0

NOTES

The £2,540k shortfall in the pool is addressed by the relevant organisations at the year end in line with IAS 31 interests in joint ventures and is based on each organisations contribution to the pool and statutory obligations.

Barnsley Primary Care Trust contributed £541k to BMBC to cover the PCT's obligations for Childrens' services in 2012/13.

Note 41 Cashflows relating to exceptional items
Barnsley Primary Care Trust had no exceptional items within the cashflow statement

Note 42. Events after the end of the reporting period

1. Transfer of Funcions as a result of the disestablishment of Barnsley PCT
The main functions of Barnsley Primary Care Trust in 2012/13 are to be carried out in 2013/14 by the following Public Bodies as a result of the Health and Social Care Act 2012 reforms;

NHS Barnsley Clinical Commissioning Group
- Commissioning of Acute and Community Healthcare Services (revenue value of £305m in 2012/13)
- GP Prescribing (revenue value of £43m in 2012/13)
- Running Costs of Administration within a £25 per head allocation

NHS Commissioning Board (trading as NHS England)
- Commissioning of Specialised Services as defined by Specialised Services Definition Set
- Commissioning of Secondary Care Dental Services
- Commissioning of Core Primary Care Services with GPs, Dentists, Pharmacists and Ophthalmic Providers
- Commissioning of certain public health services
- The total revenue costs for these functions in 2012/13 was £123m

NHS South Yorkshire and Bassetlaw Commissioning Support Unit
- Provision of Commissioning Support Services, the total revenue costs for these functions in 2012/13 was £3m

NHS Property Services
- Ownership of 1 freehold property with NBV of £975k at 31st March 2013.
- Ownership of 2 freehold properties currently held for sale at a Market Value of £350k
- Management of 8 LIFT property leases (transferred to CHP Ltd) with a NBV of £20m at 31st March 2013

Barnsley Metropolitan Borough Council
- Certain Public Health functions, revenue value of £12m in 2012/13

2. Hosting Arrangements for Yorkshire and the Humber Specialised Commissioning Group
In 2012/13, Barnsley PCT hosted the Yorkshire and the Humber Specialised Commissioning Group and administration of the Yorkshire and the Humber Cancer Drugs Fund; as described in Note 43.

In 2013/14, Specialised Commissioning will be the responsibility of the NHS Commissioning Board (trading as NHS England).

3. Transfer of Assets as a result of PCT disestablishment

Certain assets have transferred to NHS Property Services and to South West Yorkshire Partnerships NHS Foundation Trust on 1st April 2013. These were considered operational in 2012/13 and have not been impaired in the PCTs books with the exception of reflecting the latest District Valuer valuations of buildings for the majority of the estate.

It is for the successor organisation to consider, whether in 2013/14 it is necessary to review these for impairment.

Note 43. Yorkshire and The Humber Specialised Commissioning Group

Barnsley PCT hosts the Yorkshire and the Humber office of the North of England Specialised Commissioning Group (SCG). During the financial year the delegated authority from the 14 PCTs in Yorkshire and the Humber was through the North of England SCG.

Yorkshire and The Humber SCG and subsequently the North of England SCG was primarily established to:

Plan, procure, and manage specialised services on behalf of members.

Provide management, financial, and professional support for approved clinical networks in the locality.

To maintain consistency, the same accounting approach has been continued for 2012/13, and the gross financial transactions of the sub-committee have been consolidated into the financial statements of Barnsley PCT. Other members of the sub-committee have disclosed their share of expenditure on these activities under 'services purchased from other PCTs'. This will ensure that on consolidation into the Department of Health accounts expenditure is recorded only once.

In 2012/2013 NHS Barnsley also hosted the Yorkshire and the Humber cancer drugs fund which has been funded from a Department of Health allocation. In addition the SCG were also responsible for a change in the range and number of services that were commissioned. This change was in line with all SCGs nationally.

Clinical networks associated with the Yorkshire and the Humber SCG are also hosted by NHS Barnsley. These include Burns, Renal, Congenital Cardiac and Paediatric Neonatal.

Barnsley PCT is also host for a number of clinical networks for North Trent. These include networks for the North Trent Sub Region (NORCOM) - cardiac, cancer, stroke, and critical care;

The funding for these networks comes from PCTs as well as Department of Health allocations. This spend is also included within the statements for Barnsley PCT.

In order that readers of the accounts can gain an understanding of the impact of Yorkshire and The Humber specialised commissioning spend, and clinical network activities on the statements of Barnsley PCT, the summarised financial information is provided below.

Source of funds:	2012/13 £000	2011/12 £000
Contributions from members	795,353	661,087
Reprovision of carry forward	2,315	3,818
Miscellaneous income	922	403
Allocations from the NHS	14,522	3,067
Total funds available:	813,112	668,375
Application of funds:		
Commissioning of specialist services	805,366	659,426
Support for Clinical Networks	7,746	6,634
Total Funds Applied	813,112	666,060
Commitments c/f	0	2,315
Total funds committed	813,112	668,375