



Department  
of Health



# Hull Teaching Primary Care Trust

2012-13 Annual Report and Accounts

You may re-use the text of this document (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit [www.nationalarchives.gov.uk/doc/open-government-licence/](http://www.nationalarchives.gov.uk/doc/open-government-licence/)

© Crown copyright

Published to gov.uk, in PDF format only.

[www.gov.uk/dh](http://www.gov.uk/dh)

# Hull Primary Care Trust

2012-13 Annual Report



Department  
of Health

Annual Report  
2012/2013 for  
Hull Teaching  
Primary Care  
Trust

# Contents

Welcome from the Chair and Chief Executive	3
Information from the Chair of the CCG	4
Preparing for an Emergency	5
Compliance with Pension Scheme Regulations	5
Sustainability	5
Energy Consumption	6
Travel and Transport	6
Procurement	6
Recycling and Waste Management	7
Water Usage	7
A Review of our Performance	8
Information Governance	9
Principles of Remedy	9
Humber Cluster Board	10
Declarations of Interest - Humber Cluster Board	11
CCG Committee Members	12
Declarations of interest - CCG Committee	13
Salaries and Allowances for Senior Employees	14
Remuneration Report 2012/13	14
Salaries and Allowances Table	15
Remuneration Ratios	16
Pension Benefits	17
Cash Equivalent Transfer Values (CETV)	18
Real Increase in CETV	18
Statement of Designated Signing Officers	19
Annual Governance Statement	19
Financial Review	20
Financial Performance	21
Audit Costs	22
Statement in Respect of Disabled Employees	23
Equality Statement	23

Welcome to the Annual Report of NHS Hull Teaching Primary Care Trust for 2012/2013.

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

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

*NHS Hull Teaching Primary Care Trust is hereafter referred to as "Hull PCT" or "The PCT".*

## Welcome from the Chair and Chief Executive

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

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

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

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

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

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

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

**Christopher Long**  
*NHS Humber Cluster Chief Executive*

**Kath Lavery**  
*NHS Humber Cluster Joint Board Chairman*

## Information from the Chair of the CCG

During 2012/13 there was a great deal of hard work in shadow form to ensure that the CCG was fully prepared for the seamless transfer of responsibility from the PCT for planning and commissioning hospital, community health and mental health care services for people across the city.

We were therefore delighted to be fully authorised in January 2013 by NHS England, with no conditions, following successful completion of the rigorous year-long assessment process.

We want patients in Hull to have a stronger voice and greater influence in how their health and care needs are met and how services are planned and delivered. Our membership of 57 local GP practices, working through a Council of Members and the Governing Body, places GPs and other clinicians at the heart of the local work to improve health, reduce inequality and secure excellent quality services for all the local communities we serve.

We have agreed a number of health priorities for the city in the forthcoming year which include:

- More proactive care planning and management of long term conditions
- Improving quality standards in primary care
- Encouraging young people to take control of their own health earlier so they can continue to make healthier choices throughout their lives

I would actively encourage as many people as possible to get involved in the work of the CCG and help us Create a Healthier Hull. For more information please visit our website at [www.hullccg.nhs.uk](http://www.hullccg.nhs.uk)

**Dr Tony Banerjee**  
*Chair of NHS Hull Clinical  
Commissioning Group Board*

## Preparing for an Emergency

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

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

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

In the event of a major incident, Hull PCT takes on the strategic role for the NHS in the Humber region (Hull, East Riding of Yorkshire, North and North East Lincolnshire) once the initial emergency or 'blue light' phase has passed. Throughout the transition period, the NHS and other statutory organisations have worked together to ensure the ability to respond to a major incident has remained robust. Each health provider in the Humber area has a Major Incident Plan, a Pandemic Plan and a Business Continuity Plan that is compliant with the Department of Health guidance.

### Key developments this year include:

- Ensuring robust arrangements are in place during the NHS organisational changes;
- Undertaking exercises alongside multi-agency and health partners as part of the planning and preparation for emergencies;
- Responding to severe weather events such as localised flooding, snow etc;
- The New Area Team on-call system commenced on 25 March 2013;
- The providers (Ambulance Service, Acute Hospitals, Community Providers, Public Health England) have been issued with the new contact numbers;
- A new group 'Local Health Resilience Partnership' the coordinating group for health has now met twice.

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

## Compliance with Pension Scheme Regulations

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

## Sustainability

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

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

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

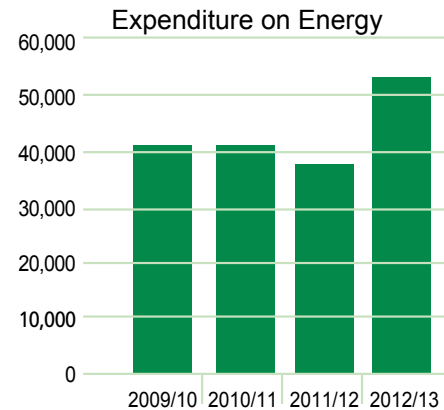
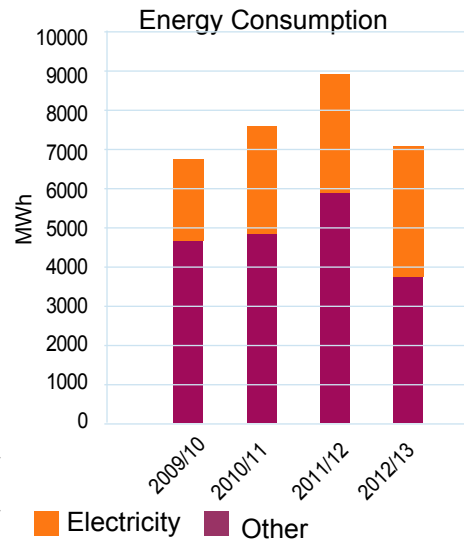
We have a statutory duty to assess the risks posed by climate change and sustainability issues are included in our analysis of risks facing the organisation. Risk assessment, including the quantification and prioritisation of risk, is an important part of managing complex organisations.



## Energy Consumption

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

We have also monitored building temperatures daily to ensure they remain at recommended levels. Our energy costs have increased by 33% in 2012/13, the equivalent of 28 hip operations. During this period, however, we opened new buildings and the gross internal area of our estate increased from 39,051 sqm to 45,709 sqm. Our total energy consumption has also increased during the year, from 7,526 to 7,897 MWh. Our relative energy consumption has therefore reduced during the year from 0.19 to 0.17 MWh/square metre. We currently do not purchase electricity generated from renewable sources.



The CRC Energy Efficiency Scheme is a mandatory scheme aimed at improving energy efficiency and cutting emissions in large public and private sector organisations.

Our measured greenhouse gas emissions have increased by 291,681 tonnes this year.

We do not currently collect data on our annual Scope 3 emissions.

## Travel and Transport

We continue to develop a Travel Plan which will encourage the use of 'greener' modes of transport amongst both staff and visitors. This will complement individual travel plans developed for all of our new premises. We encourage our staff to use public transport or car share and continue to promote the 'cycle to work' scheme.

We have introduced a monitoring system to understand the impact on carbon emissions from transport utilised by staff. The use of a telephone conferencing facility has been encouraged as a way of reducing the need for individuals to travel to meetings. During 2012/2013 our total expenditure on business travel was £183,332.

## Procurement

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

## Recycling and Waste Management

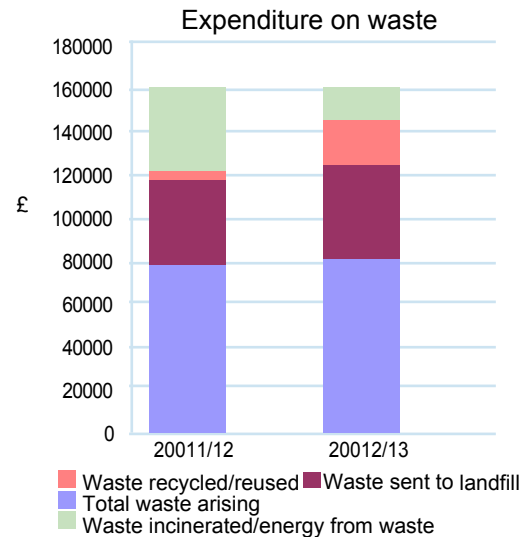
We have always encouraged staff to take more responsibility for their own waste management and in doing so we have increased the amount of recycling facilities across our site. Staff are also being encouraged to set printers and photocopiers to automatically print double-sided.

We have reduced waste and increased the amount of waste recycled across our site. We recover or recycle 155 tonnes of waste, which is 41% of the total waste we produce.



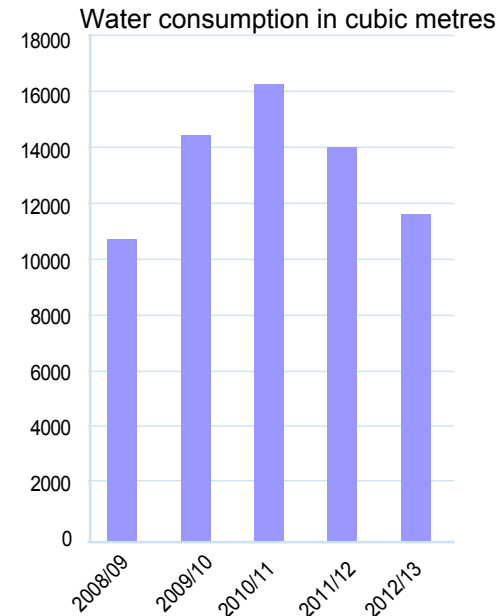
Percentage of Waste Recycled

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



## Water Usage

We monitor water usage across our site and can identify how much is used and where, and encourage staff to conserve this precious resource. We have activities in place to reduce water consumption and, in 2012/2013, water consumption reduced by 2,412 cubic metres. In 2012/2013 we spent £31,487 on water.



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

We consider both the potential need to adapt the organisation's activities and buildings and estates as a result of climate change.

Adaptation to climate change will pose a challenge to both service delivery and infrastructure in the future. It is therefore appropriate that we consider it when planning how we will best serve patients in the future.

Sustainability issues are not currently 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.

We plan to start work on calculating the carbon emissions associated with the goods and services we procure.

Sustainability issues, such as carbon reduction, will be included in staff job descriptions when they are next reviewed. A sustainable NHS can only be delivered through the efforts of all staff.

Staff awareness campaigns have been shown to deliver cost savings and associated reductions in carbon emissions.

Our organisation has a Sustainable Transport Plan.

The NHS places a substantial burden on the transport infrastructure, whether through patient, clinician or other business activity. This generates an impact on air quality and greenhouse gas emissions. It is therefore important that we consider what steps are appropriate to reduce or change travel patterns.

## A Review of Our Performance

Strategic Areas	2012/13 Targets	Latest Position	Status
<b>Local Priorities:</b>			
<b>Healthy Independent Aging</b>	Reduction in Long Term Conditions (LTC) non-elective admissions from 2011/12 levels by 5%	1.2% reduction (2012/13)	Not achieved
<b>Reducing Health Inequalities</b>	No further growth in gap in disability free life-expectancy between least and most deprived members of population.	Annual release - unavailable	Unknown
<b>Health &amp; Wellbeing of Children</b>	No further growth in the percentage of children recorded as obese at: Reception year At age 11	11.7% (2011/12) 22.3% (2011/12)	Failed Failed
<b>Operating Framework Measures:</b>			
<b>Preventing people dying prematurely</b>	<ul style="list-style-type: none"> <li>Ambulance Category A Response Time of 75% attended in 8 minutes</li> <li>Minimum of 85% of patients seen &amp; treated within 2 months of an urgent cancer referral from a GP</li> </ul>	89.2% 2012/13	Achieved
		89.9% Q3 2012/13	Achieved
<b>Enhancing quality of life for people with Long Term Conditions</b>	<ul style="list-style-type: none"> <li>Increase the % of people who have depression and/or anxiety disorders who receive psychological therapies to 8.3%</li> <li>A minimum of 52% of people with depression/anxiety who complete treatment who are moving to recovery</li> <li>Reduce the number of unplanned hospitalisations for chronic ambulatory care sensitive conditions (adults).</li> </ul>	7.9% 2012/13	Failed
		24% 2012/13	Failed
		6,064 – February YTD (forecast of 8% decrease from 2011/12)	Achieved
<b>Helping people to recover from episodes of ill health or following injury</b>	Reduce the number of emergency admissions for acute conditions that should not usually require hospital admission.	Unavailable	Unknown
<b>Ensuring that people have a positive experience of care</b>	<ul style="list-style-type: none"> <li>The percentage of patients having a positive experience of services at our 4 main providers should not be worse than in the 2011 Patient Experience Survey</li> <li>At least 90% of all admitted patients should be treated within 18 weeks of first referral.</li> <li>At least 95% of all non-admitted patients should be seen for their first outpatient appointment within 18 weeks of first referral.</li> <li>95% of patients should spend 4 hours or less in A&amp;E</li> </ul>	Annual release -unavailable	Unknown
		93% (March 2013)	Achieved
		97% (March 2013)	Achieved
		97% (2012/13)	Achieved
<b>Treating and caring for people in a safe environment and protect them from avoidable harm</b>	<ul style="list-style-type: none"> <li>The number of Incidences of MRSA in the year should be 6 or less</li> <li>The number of Incidences of C. Difficile in the year should be 67 or less</li> </ul>	1 (2012/13)	Achieved
		73 (2012/13)	Failed

## Information Governance

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

During 2012/2013 there were no reported serious incidents in relation to information governance (including data loss or confidentiality).

As a Cluster we have reported a compliance score of 62% against the requirements of the Information Governance Toolkit. In order to gain full compliance we are working to improve the identification and recording of our information assets.

## Principles for Remedy

Hull PCT works in accordance with the Parliamentary and Health Service Ombudsman's Principles for Remedy, which details how public bodies should put things right when they go wrong.

The guidance has been developed to ensure public bodies seek to resolve situations in which groups or individuals have suffered harm or injustice, and is based upon six core principles including openness and accountability, being customer focused and continually seeking improvement. The principles underpin much of our day-to-day work including complaints handling and how we learn from our mistakes.

# Humber Cluster Board

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

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

\*\* Remuneration Committee Members (4) Chairman

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

## Declarations of Interest: Board Members

### Humber Cluster Board

#### **Kath Lavery**

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

#### **Karen Knapton**

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

#### **Christopher Long**

Chief Executive  
Mr Long is a trustee of CatZero

#### **Alan Barton**

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

#### **Kathryn Ireland**

*Director of Quality and Governance (Nursing)*  
No declared interest

#### **Julie Warren**

*Director of Commissioning Development*  
No declared interest

#### **Dr Paul Twomey**

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

#### **Tina Smallwood**

*Director of Human Resources*  
No declared interest

#### **Helen Varey**

*Vice Chair*  
No declared interest

#### **Val Waterhouse**

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

#### **Richard Davies**

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

#### **Mark Webb**

*Non-Executive Director*  
No declared interest

#### **Louise Norton**

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

#### **Catherine Dymond**

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

#### **Ursula Vickerton**

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

#### **Graham Powell**

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

#### **Pauline Harness**

*Non-Executive Director*  
No declared interest

#### **Dr Tim Allison**

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

#### **Dr Wendy Richardson**

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

#### **Mrs Frances Cunning**

*Director of Public Health - North Lincolnshire (shared post with Local Authority)*  
Mrs Cunning is married to Assistant Director at NHS Sheffield

#### **Dr Geoff Barnes**

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

#### **Dr Cate Carmichael**

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

NHS Hull Clinical  
Commissioning  
Group  
Committee Roles  
2012-13

NHS HULL CCG COMMITTEE ROLES 2012-13

<b>Dr Tony Banerjee</b>	Chair	
<b>Dr John Blow</b>	GP member	
<b>Dr Mark Follows</b>	GP member	
<b>Dr John Parker</b>	GP member	
<b>Dr Raghu Raghunath</b>	GP member	
<b>Dr Dan Roper</b>	GP member	
<b>Dr Leen Witvliet</b>	GP member	
<b>Dr James Moulton</b>	GP member	
<b>Paul Jackson</b>	Associate Non-Executive Director April-August 2012, Lay Member from September 2012	
<b>Karen Marshall</b>	Associate Non-Executive Director April-August 2012, Lay Member from September 2012	
<b>Jason Stamp</b>	Lay Member	September 2012 onwards
<b>Daniel Brown</b>	Associate Non-Executive Director April - December 2012	
<b>Gary Wareing</b>	Associate Non-Executive Director April - December 2012	
<b>Andrew Snowden</b>	Associate Non-Executive Director April - December 2012	
<b>Rob Thomson</b>	Practice Manager Representative	
<b>Sarah Smyth</b>	Nurse Representative	October 2012 onwards
<b>Dr Richard Grunewald</b>	GP (Secondary Care)	December 2012 onwards
<b>Alan Barton</b>	Senior Officer of the CCG	April - May 2012
<b>Emma Latimer</b>	Senior Officer of the CCG	June 2012 onwards
<b>Emma Sayner</b>	Senior Finance Officer	
<b>Emma Latimer</b>	Senior Officer for Commissioning	April - May 2012
<b>Julia Mizon</b>	Senior Officer for Commissioning	June 2012 onwards
<b>Graham Gedney</b>	Ambassador Member	April - August 2012
<b>Penny Stephenson</b>	Ambassador Member	April - August 2012

## Declarations of Interest: NHS Hull Clinical Commissioning Group

### Clinical Commissioning Group

**Dr Tony Banerjee**

*Chair*

Dr Banerjee is a GP partner of Dr Weir and Partners

**Dr James Moul**

*Vice Chair*

Dr Moul is a GP at Dr Wong and Partners

**Dr John Blow**

*GP member*

Dr Blow is a GP at Dr Blow and Partners

**Dr Mark Follows**

*GP member*

No declared interests

**Dr John Parker**

*GP member*

Dr Parker is a GP at Dr Parker and Partner

**Dr Raghu Raghunath**

*GP member*

Dr Ragunath is a GP at Dr Ragunath and Partners; Dr Ragunath and Partners (BL Khouli); Dr Ghosh, Raghunath and Partners; and Dr Macphie, Ragunath and Partners Dan Roper

**Dr Dan Roper**

*GP member*

Dr Roper is a GP at Dr Roper and Partners and Dr Roper's practice is a member of Assura LLP

**Dr Leen Witvliet**

*GP member*

Dr Witvliet is a GP in Hull

**Paul Jackson**

*Lay Member*

No declared interest

**Karen Marshall**

*Lay Member*

Mrs Marshall's daughter-in-law is employed as a staff nurse by Hull and East Yorkshire Hospitals NHS Trust

**Jason Stamp**

*Lay Member*

Mr Stamp is a Project Manager of North Bank Forum and is a Member of Hull & East Yorkshire Hospitals NHS Trust and Humber NHS Foundation Trust

**Daniel Brown**

*Associate Non Executive Director*

Mr Brown is an elected member of Hull City Council

**Gary Wareing**

*Associate Non Executive Director*

Mr Wareing is an elected member of Hull City Council

**Andrew Snowden**

*Associate Non Executive Director*

No declared interest

**Rob Thompson**

*Practice Manager Representative*

Dr Roper and Partners; Assura East Riding LPP

**Sarah Smyth**

*Nurse Representative*

No declared interest

**Richard Grunewald**

*GP (Secondary Care) (December 2012 onwards)*

no declared interest

**Alan Barton**

*Senior Officer of the Clinical*

*Commissioning Group (April - May 2012)*

No declared interest

**Emma Latimer**

*Senior Officer of the Clinical*

*Commissioning Group (June 2012 onwards)*

No declared interest

**Emma Sayner**

*Senior Finance Officer*

No declared interest

**Emma Latimer**

*Senior Officer for Commissioning (April - May 2012)*

No declared interest

**Julia Mizon**

*Senior Officer for Commissioning (June 2012 onwards)*

No declared interest

**Graham Gedney**

*Ambassador member (April - August 2012)* No declared interest

**Penny Stephenson**

*Ambassador Member (April - August 2012)*

No declared interest



The background of the page features a close-up, slightly blurred image of a white calculator with blue keys. The keys visible include '+', '=', 'x', and '-'. In the background, there are several British currency notes, including a £20 note and a £2 note, with the word 'Pounds' and the number '20' visible.

## Salaries and Allowances for Senior Employees

## Remuneration Report 2012/13

### Directors' Statement

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

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

### Off Payroll Payments

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

- (1) In relation to off payroll engagements at a cost of over £58,200 per annum that were in place as of January 2012, and
- (2) for all new off payroll engagements between 23 August 2012 and 31 March 2013, for more than £220 per day and more than six months in duration.

Hull PCT had no such payments.

# Salaries and Allowances for Senior Employees

Humber Cluster		2012/13 Individual Remuneration Totals				2012/13 NHS Hull Component				2011/12 Individual Remuneration Totals				2011/12 NHS Hull Component			
		Salary (bands of £5,000)	Other Remuneration (bands of £5000)	Bonus Payments (bands of £5,000)	Benefits in Kind (rounded to the nearest £00)	Salary (bands of £5,000)	Other Remuneration (bands of £5000)	Bonus Payments (bands of £5,000)	Benefits in Kind (rounded to the nearest £00)	Salary (bands of £5,000)	Other Remuneration (bands of £5000)	Bonus Payments (bands of £5,000)	Benefits in Kind (rounded to the nearest £00)	Salary (bands of £5,000)	Other Remuneration (bands of £5000)	Bonus Payments (bands of £5,000)	Benefits in Kind (rounded to the nearest £00)
Karen Knapton	Chair (to 31 August 2012)	16-20				6-10				36-40				6-10			
Kath Lavery	Chair (Vice Chair 1 April to 31 August 2012)	36-40				11-15				36-40				31-35			
Helen Varey	Vice Chair	31-35				11-15				31-35				1-5			
Val Waterhouse	Vice Chair	31-35				11-15				31-35				1-5			
Richard Davies	Non-Executive Director	6-10				1-5				6-10				6-10			
Mark Webb	Non-Executive Director (to 25 July 2012)	1-5				1-5				6-10				1-5			
Louise Norton	Non-Executive Director (1 September 2012 to 31 March 2013)	6-10				1-5											
Catherine Dymond	Non-Executive Director (1 April to 31 October 2012)	1-5				1-5				6-10				1-5			
Graham Powell	Non-Executive Director (12 December 2012 onwards, NHS Hull only 1 April to 11 December 2012)	11-15				6-10				11-15				11-15			
Ursula Vickerton	Non-Executive Director (1 April to 30 November 2012)	6-10				1-5				11-15				1-5			
Pauline Harness	Associate Non-Executive Director	6-10				1-5				6-10				1-5			
Chris Long	Chief Executive	146-150			43	46-50			14	136-140		6-10	49	41-45		1-5	15
Alan Barton	Director of Finance and Performance	101-105	206-210		27	31-35	66-70		9	96-100			18	81-85			16
Kathryn Ireland	Director of Quality and Governance (Nursing)	91-95	181-185	1-5		26-30	56-60	1-5		86-90				26-30		0	
Julie Warren	Director of Commissioning Development	91-95		1-5		31-35				11-15			2	1-5			1
Dr Paul Twomey	Medical Director	106-110				36-40				51-55				15-20			
Tina Smallwood	Director of Human Resources	81-85				26-30				81-85				26-30			
Dr Tim Allison	Director of Public Health - East Riding of Yorkshire (shared post with Local Authority)	111-115				0				111-115				0			
Dr Wendy Richardson	Director of Public Health - Hull (shared post with Local Authority)	96-100				46-50				96-100				46-50			
Frances Cuning	Director of Public Health - North Lincolnshire (shared post with Local Authority)	81-85			11	0				81-85			10	0			
Dr Geoff Barnes	Director of Public Health - North East Lincolnshire (shared post with Local Authority 1 April to 31 October 2012)	51-55				0				86-90				0			
Dr Cate Carmichael	Director of Public Health - North East Lincolnshire (shared post with Local Authority 1 November 2012 to 31 March 2013)	41-45				0											
<b>NHS Hull</b>																	
Dr Tony Banerjee	Chair of Clinical Commissioning Group Committee (CCGC)	76-80				76-80				6-10				6-10			
Dr Raghu Raghunath	CCGC Member	36-40				36-40				6-10				6-10			
Dr John Blow	CCGC Member	36-40				36-40				6-10				6-10			
Dr Leen Witvliet	CCGC Member	36-40				36-40				6-10				6-10			
Dr Daniel Roper	CCGC Member	36-40				36-40				6-10				6-10			
Dr James Moulton	CCGC Member	36-40				36-40				6-10				6-10			
Dr John Parker	CCGC Member	36-40				36-40				6-10				6-10			
Dr Mark Follows	CCGC Member	36-40				36-40				6-10				6-10			
Paul Jackson	Lay Member (Associate Non-Executive Director 1 April to 30 June 2012)	6-10				6-10				6-10				6-10			
Karen Marshall	Lay Member (Associate Non-Executive Director 1 April to 30 June 2012)	6-10				6-10				6-10				6-10			
Jason Stamp	Lay Member (from 1 September 2012)	1-5				1-5											
Danny Brown	Associate Non-Executive Director (1 April to 31 December 2012)	6-10				6-10				6-10				6-10			
Andrew Snowden	Associate Non-Executive Director (1 April to 31 December 2012)	6-10				6-10				6-10				6-10			
Gary Wareing	Associate Non-Executive Director (1 April to 31 December 2012)	6-10				6-10				6-10				6-10			
Emma Latimer	Chief Officer	81-85			55	81-85			55	81-85			8	81-85			8
Emma Sayner	Chief Finance Officer	71-75			19	71-75			19								
Julia Mizon	Director of Commissioning and Partnerships	66-70			21	66-70			21								
Sarah Smyth	Director of Quality and Clinical Governance	56-60			13	56-60			13								

Note to the Salaries and Allowances Table:

- (1) The total figures disclosed under Individual remuneration Totals represents the full remuneration received by an individual within the Cluster (i.e within any one of the constituent PCTs) and not necessarily for work solely in relation to the Cluster Board.
- (2) Non Executive Director Remuneration (shown in the Individual totals column) is shared across the four Cluster organisations based on population.
- (3) Executive director remuneration (shown in the Individuals total column) is shared across the four cluster organisations on population.
- (4) Payments included under the heading 'Other remuneration' relate to exit packages calculated in line with Agenda for change terms and conditions.
- (5) Payments included under the heading 'Bonus payments' refer to Performance related pay for 2011/2012 paid in the current year.



## Remuneration Ratios

	2012/13	2011/12
Band of the Highest Paid Director's Total Remuneration (£000)	<b>81-85</b>	<b>81-85</b>
Median Total Remuneration (£)	<b>27,625</b>	<b>25,528</b>
Ratio	<b>3.0</b>	<b>3.2</b>

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

Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions. The banded remuneration of the highest paid director in Hull PCT in the financial year 2012-2013 was £81,000-85,000 (2011-12, 81,000-85,000). This was 3.0 times (2011-12, 3.2) the median remuneration of the workforce, which was £27,625 (2011-12, £25,528).

In 2012-13, 0 (2011-12, 0) employees who were employed at the reporting date received remuneration in excess of the highest-paid director. Remuneration for all staff at the reporting date in 2012-13 ranged from £82,866 to £1,507 (2011-12 £431 to £85,431). The 2012/13 lowest salary is due to a part-year shared Cluster Non-Executive post.

This information has been subject to audit.

# Pension Benefits

		Real increase in pension at age 60 (bands of £2,500)	Real increase in pension lump sum at aged 60 (bands of £2,500)	Total accrued pension at age 60 at 31 March 2013 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2013 (bands of £5,000)	Cash Equivalent transfer value at 31 March 2013 (£000)	Cash Equivalent transfer value at 31 March 2012 (£000)	Real increase in Cash Equivalent Transfer Value	Employers contribution to stakeholder pension
		1	2	3	4	5	6	7	£'00
<b>Hull Teaching PCT to 31 March 2013</b>									
Humber Cluster									
Christopher Long	Chief Executive	0.1-2.5	2.6-5.0	36-40	106-110	716	622	35	0
Alan Barton	Director of Finance and Performance	0.1-2.5	5.1-7.5	56-60	166-170	0	0	0	0
Kathryn Ireland	Director of Quality and Governance (Nursing)	(0.1-2.5)	(0.1-2.5)	41-46	126-130	850	793	9	0
Julie Warren	Director of Commissioning Development	0.1-2.5	0.1-2.5	16-20	51-55	261	229	12	0
Paul Twomey	Medical Director	0.1-2.5	5.1-7.5	71-75	216-220	1,349	1,181	60	0
Tina Smallwood	Director of Human Resources	0.1-2.5	0.1-2.5	11-15	36-40	266	238	9	0
Dr Tim Allison	Director of Public Health - East Riding (shared post with Local Authority)	(0.1-2.5)	0.1-2.5	31-35	96-100	550	509	8	0
Wendy Richardson	Director of Public Health - Hull (shared post with Local Authority)	(0.1-2.5)	(0.1-2.5)	31-35	101-105	702	659	5	0
Frances Cuning	Director of Public Health - North Lincolnshire (shared post with Local Authority)	(0-2.5)	(5.1-7.5)	26-30	76-80	551	555	11	0
Dr Geoff Barnes	Director of Public Health - North East Lincolnshire (shared post with Local Authority 1 April to 31 October 2012) Director of	0-2.5	0.1-2.5	16-20	46-50	234	212	4	0
Dr Cate Carmichael	Public Health - North East Lincolnshire (shared post with Local Authority 1 November 2012 to 31 March 2013)	0-2.5	2.6-5.0	31-35	101-105	723	639	17	0
<b>Hull PCT</b>									
Emma Latimer	Chief Officer	0.1-2.5	0.1-2.5	21-25	61-65	283	260	5	0
Emma Sayner	Chief Finance Officer	0.1-2.5	0.1-2.5	11-15	31-35	141	118	10	0
Julia Mizon	Director of Commissioning and Partnerships	0.1-2.5	0.1-2.5	21-25	66-70	390	358	8	0
Sarah Smyth	Director of Quality and Clinical Governance	0.1-2.5	0.1-2.5	11-15	31-35	124	106	8	0

This information has been subject to audit.



## Statement of Designated Signing Officer's Responsibilities

## Annual Governance Statement

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

- (1) Observing the Accounts Directions issued by the Department of Health, ensuring that relevant accounting and disclosure requirements are made, whilst applying suitable accounting policies on a consistent basis.
- (2) Making judgements and estimates on a reasonable basis.
- (3) Ensuring applicable accounting standards as detailed in the Government Financial Reporting Manual have been followed.

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

## Cash Equivalent Transfer Values (CETV)

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

## Real Increase in CETV

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



## Financial Review

### Financial year 2012/2013

The PCT's strong financial performance management has continued in 2012/2013 which has enabled financial targets to be achieved whilst containing cost pressures which emerged during the year.

On a broader front, challenging financial and operational targets have been achieved with a reduced management capacity following the significant reduction in PCT workforce. The PCT's success is due to the effort and commitment of the remaining staff who have absorbed the pressure arising from the reduced staff numbers and work on the organisational changes as a consequence of the Health Bill and latterly the Health and Social Care Act 2012.

### Implementation of the Health and Social Care Act

Implementation of the Health and Social Care Act required significant organisational change to be implemented from 1 April 2013 including the abolition of the PCT, creating a Clinical Commissioning Group for Hull, creating a Commissioning Support Unit to support CCGs and transferring residual PCT responsibilities to other organisations eg Public Health to Hull City Council and Public Health England, Primary Care services to the Local Area Team of the NHS England and Estate responsibilities to NHS Property Services Limited.

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



## Director of Finance

### Performance Against Financial Duties

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

### Capital and Revenue Resource Limits

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

The PCT managed to operate within both revenue and capital resource limits achieving a surplus of £19,383,000 against its revenue resource limit of £557,383,000 as planned and containing capital expenditure within its capital resource limit of £24,347,000.

### Capital and Revenue Cash Limits

PCTs are also given cash limits which in general terms match the resource limits as described above. The PCT operated within its limits drawing down £538,817,000 against its combined cash limits.





## Audit Costs

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

Auditors' remuneration in relation to April 2012 to March 2013 totalled £89,975 for statutory audit services and £21,000 for PBR audit (excluding VAT). This covered audit services required under the Audit Commission's Code of Audit Practice (giving opinion on the Annual Accounts and work to examine our use of resources and financial aspects of corporate governance).

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

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

## Better Payment Practice Code

The NHS as a whole is signed up to the Confederation of British Industry (CBI) Better Payment Practice Code, which aims to promote good payment practice in the UK. The NHS target is to pay all non-NHS trade creditors within 30 days of receipt of goods or invoice (whichever is the latter) unless other payment terms have been agreed with the supplier. Details of compliance with the Code are given on page 43 of the Annual Accounts.

When measured in terms of invoice value, non NHS payment performance fell from 98.98% last year to 97.78%. The number of bills paid in compliance with this policy fell from 98.05% last year to 96.35%.

We are an approved signatory to the Prompt Payments Code.

## Pension Liabilities

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The Scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales.

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

	2012/2013 Number	2012/2013 £000	2011/2012 Number	2011/2012 £000
<b>Non-NHS Payables</b>				
Total Non-NHS trade invoices paid in the year	<b>15,544</b>		<b>16,115</b>	<b>128,394</b>
Total Non-NHS trade invoices paid within target	<b>14,976</b>	<b>135,133</b>	<b>15,800</b>	<b>127,084</b>
Percentage of non-NHS trade invoices paid within target	<b>96.35%</b>	<b>97.78%</b>	<b>98.05%</b>	<b>98.98%</b>
<b>NHS Payables Total</b>				
NHS Trade invoices paid in the year	<b>3,070</b>	<b>298,606</b>	<b>2,982</b>	<b>309,598</b>
Total NHS trade invoices paid within target	<b>2,969</b>	<b>298,045</b>	<b>2,914</b>	<b>309,243</b>
Percentage of NHS trade invoices paid within target	<b>96.71%</b>	<b>99.81%</b>	<b>97.72%</b>	<b>98.89%</b>

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.

## Staff Sickness Absence

Staff Sickness Absence for 2012/2013

Average of 12 Months (2012 Calendar Year)	Average FTE 2012	FTE-Days Available	FTE- Days Lost to Sickness Absence	Average Sick Days per FTE
<b>2.7%</b>	<b>177</b>	<b>39,721</b>	<b>1,080</b>	<b>6.1</b>

Sickness data provided are calendar year figures.

The full accounts for NHS Hull Teaching Primary Care Trust are provided as an appendix to this report.



## Statement in Respect of Disabled Employees

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

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

## Equality Statement

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

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

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





Department  
of Health



# Hull Teaching Primary Care Trust

2012-13 Accounts

You may re-use the text of this document (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit [www.nationalarchives.gov.uk/doc/open-government-licence/](http://www.nationalarchives.gov.uk/doc/open-government-licence/)

© Crown copyright

Published to gov.uk, in PDF format only.

[www.gov.uk/dh](http://www.gov.uk/dh)

# Hull Primary Care Trust

2012-13 Accounts

**HULL TEACHING  
PRIMARY CARE  
TRUST**

**ANNUAL ACCOUNTS**

**2012/13**

**2012-13 Annual Accounts of Hull Teaching 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:

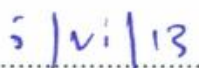
- there were effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance;
- value for money was achieved from the resources available to the primary care trust;
- the expenditure and income of the primary care trust had been applied 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.

**nb: sign and date in any colour ink except black**

Signed..........Designated Signing Officer

Name: 

Date.....

**2012-13 Annual Accounts of Hull Teaching 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 Designated Signing Officer and the Finance Signing Officer confirm to the best of their knowledge and belief, they have complied with the above requirements in preparing the accounts.

By order of the Permanent Secretary.

**nb: sign and date in any colour ink except black**

5/12/13 Date  Designated Signing Officer

5/12/13 Date  Finance Signing Officer



**Organisation name:** Hull Teaching Primary Care Trust  
**Organisation Code:** 5NX

## **Governance Statement**

### **Scope of responsibility**

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

### **The governance framework of the organisation**

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

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

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

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

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

The Humber Cluster Board governance structure includes an Audit Committee, Remuneration & Terms of Service Committee, four CCG Committees (covering East

Riding, Hull, North Lincolnshire and North East Lincolnshire) and the range of joint Committees previously approved by the respective PCT Boards (as outlined in the Scheme of Delegation). The Terms of Reference for the Audit Committee ensure that all statutory duties of an Audit Committee are fulfilled and have been developed in line with good practice from the Audit Committee Handbook. Written and verbal reports and draft minutes are provided to the next Humber Cluster Board Meeting. Each CCG Committee had in place its support structures to adopt an integrated governance approach and a requirement of representation from the Hull CCG is included within the Audit Committee Terms of Reference.

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

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

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

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

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

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

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

The Hull PCT Board membership also includes Non-Executive Directors. Non-Executive Directors are lay people, appointed by the independent Appointments Commission and approved by the Secretary of State for Health. They bring a diverse

range of skill and experience to the Board and ensure that the best interests of local residents are reflected in the work of the Humber Cluster.

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

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

Hull PCT engages and works with its key partners and stakeholders through established structures. This includes working closely with the Yorkshire and Humber Strategic Health Authority and is an active member of the Local Strategic Partnership (LSP). There is a considerable amount of joint work involving the LSP including the Resource Advisory Group, Hull Health Equality Strategy and specific work on all cause mortality, obesity, smoking cessation and alcohol.

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

External to the management structure, Internal Audit has an important role in the Risk Management Strategy by assisting us to achieve corporate governance requirements, providing independent assessment and opinion to the Audit Committee, Board and individual Directors. An annual work plan is agreed between the Head of Internal Audit and the Director of Finance and Performance / Chief

Finance Officer (Designate), based on identified risks. A Service Level Agreement is in place with the East Coast Audit Consortium. Progress reports are presented to each meeting of the Audit Committee, including monitoring of all recommendations.

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

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

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

### **Risk Assessment**

The PCT has maintained its comprehensive risk management framework through the implementation of its Risk Management and associated policies. Top rated risks for Hull Locality (Locality Risk register), corporate risk register and directorate risk registers are maintained. Through named leads, directorates are responsible for ensuring their risk registers accurately reflect the risk profile of their directorate. Directors have responsibility to review and update directorate risk registers and risks for which they are nominated leads.

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

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

### **Risk and Control Framework**

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

The BAF:

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

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

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

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

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

Reviews of risk ratings and associated gaps in controls and assurances are the responsibility of Executive Directors, to manage, as part of the regular reporting on

controls and risk. An Internal Audit review undertaken during March 2013 provided significant assurance that the BAF was fit for purpose.

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

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

### **Review of the effectiveness of risk management and internal control**

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

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

### **Significant Issues**

Hull PCT has reviewed the local BAF during the year.

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

### **Performance**

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

- **Health Checks**

**% people ages 40-74 who have received a health check – The 2012/13**

target was 13.5%, YTD actual is 4.7%.

% people ages 40-74 who have been offered a health check – the 2012/13 target was 21.6%, 2012/13 actual is 7.8%.

- **Health Care Acquired Infection**

Clostridium Difficile – The 2012/13 objective was 67, 2012/13 actual is 73.

A multi-disciplinary team with representation from commissioners and providers meets monthly to review all cases which include community acquired and acute patients. The PCT has recently run a further C Difficile workshop for GPs regarding prevention and management of C Difficile in all settings, the impact of which will be monitored and reported to the Quality and Performance Group, who also receive updates on progress against the PCT's C Difficile action plan.

- **62 day cancer referral to treatment time**- The PCT met one of three targets except where the patient chose to defer treatment beyond the target time.
- **14 day cancer referral to treatment time**- The PCT met the 2 targets except in circumstances where the patient chose to defer treatment outside of the target time.
- **Specialty level 18 week referral to treatment time**- Whilst the PCT met the overall target of 90% of admitted patients treated within 18 weeks, this target was not met for four specialties as follows; Cardiothoracic surgery, ENT, Neurosurgery and Trauma & Orthopaedics.
- **Specialty level 18 week referral to treatment time**- Whilst the PCT met the overall target of 95% of non-admitted patients treated within 18 weeks this target was not met for four specialties as follows; Cardiology, General Surgery, Oral Surgery and Trauma & Orthopaedics.

### **Limited assurance audit reviews**

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

- **Exceptional Treatment Processes**

The objective of the review was to ensure the Exceptional Treatment request process was working effectively. Only limited assurance could be provided, based on a lack of understanding by new staff to utilise the Access recording system to full effect, and a lack of effective control.

- **IT Transition Risk Management**

An assessment of IT risk management arrangements during the transition to

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

- **Off Payroll Payments**

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

### **Information Governance**

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

### **Significant Issues**

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



**Conclusion**

With the exception of the internal control issues that I have outlined in this statement, my review confirms that Hull PCT overall has a sound system of internal controls that supports the achievement of its policies, aims and objectives and that those control issues have been or are being addressed.

**Designated Signing Officer :** Christopher Long

**Organisation:** Hull Teaching Primary Care Trust

**Signature**



**Date**

5 / 11 / 13

## **INDEPENDENT AUDITORS' REPORT TO THE SIGNING OFFICERS OF HULL TEACHING PRIMARY CARE TRUST.**

We have audited the financial statements of Hull Teaching Primary Care Trust for the year ended 31 March 2013 on pages 18 to 66. 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 Hull Teaching 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 Hull Teaching 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.

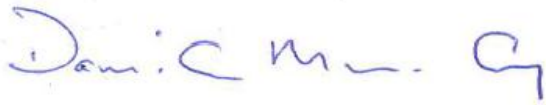
We have undertaken our audit in accordance with the Code of Audit Practice 2010 for local NHS bodies, having regard to the guidance issued by the Audit Commission in November 2012. We have considered the results of the following:

- 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 Hull Teaching 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.

A handwritten signature in blue ink that reads "Damian Murray".

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

Chartered Accountants  
1 The Embankment  
Neville Street  
Leeds  
LS1 4DW

7 June 2013

**FOREWORD TO THE ACCOUNTS**

Hull Teaching Primary Care Trust

These accounts for the year ended 31 March 2013 have been prepared by the Hull Teaching Primary Care Trust under Schedule 15 paragraph 3 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 year ended  
31 March 2013**

	NOTE	2012-13 £000	2011-12 £000
<b>Administration Costs and Programme Expenditure</b>			
Gross employee benefits	7.1	7,898	7,774
Other costs	5.1	544,314	538,612
Income	4	(18,287)	(17,050)
<b>Net operating costs before interest</b>		<b>533,925</b>	<b>529,336</b>
Investment income	9	(178)	(114)
Other (Gains)/Losses	10	270	1
Finance costs	11	3,977	2,860
<b>Net operating costs for the financial year</b>		<b>537,994</b>	<b>532,083</b>
Transfers by absorption -(gains)		0	
Transfers by absorption - losses		0	
<b>Net (gain)/loss on transfers by absorption</b>		<b>0</b>	
<b>Net Operating Costs for the Financial Year including absorption transfers</b>		<b>537,994</b>	<b>532,083</b>
<b>Of which:</b>			
<b>Administration Costs</b>			
Gross employee benefits	7.1	7,411	7,102
Other costs	5.1	5,773	4,445
Income	4	(1,096)	(465)
<b>Net administration costs before interest</b>		<b>12,088</b>	<b>11,082</b>
Investment income	9	0	0
Other (Gains)/Losses	10	0	0
Finance costs	11	0	3
<b>Net administration costs for the financial year</b>		<b>12,088</b>	<b>11,085</b>
<b>Programme Expenditure</b>			
Gross employee benefits	7.1	487	672
Other costs	5.1	538,541	534,167
Income	4	(17,191)	(16,585)
<b>Net programme expenditure before interest</b>		<b>521,837</b>	<b>518,254</b>
Investment income	9	(178)	(114)
Other (Gains)/Losses	10	270	1
Finance costs	11	3,977	2,857
<b>Net programme expenditure for the financial year</b>		<b>525,906</b>	<b>520,998</b>
<b>Other Comprehensive Net Expenditure</b>			
		2012-13 £000	2011-12 £000
Impairments and reversals put to the Revaluation Reserve		325	238
Net (gain) on revaluation of property, plant & equipment		(650)	(1,778)
Net (gain) on revaluation of intangibles		0	0
Net (gain) on revaluation of financial assets		(7)	(4)
Net (gain)/loss on other reserves		0	0
Net (gain)/loss on available for sale financial assets		0	0
Net (gain) /loss on Assets Held for Sale		0	
Release of Reserves to Statement of Comprehensive Net Expenditure		0	
Net actuarial (gain)/loss on pension schemes		0	0
<b>Reclassification Adjustments</b>			
Reclassification adjustment on disposal of available for sale financial assets		0	0
<b>Total comprehensive net expenditure for the year*</b>		<b>537,662</b>	<b>530,539</b>

The notes on pages 20 to 63 form part of this account.

**Statement of Financial Position at  
31 March 2013**

		31 March 2013	31 March 2012
	NOTE	£000	£000
<b>Non-current assets:</b>			
Property, plant and equipment	12	73,552	54,405
Intangible assets	13	15	25
investment property	15	0	0
Other financial assets	21	4,253	4,034
Trade and other receivables	19	0	0
<b>Total non-current assets</b>		<u>77,820</u>	<u>58,464</u>
<b>Current assets:</b>			
Inventories	18	0	0
Trade and other receivables	19	7,964	4,739
Other financial assets	36	0	0
Other current assets	22	0	0
Cash and cash equivalents	23	3	5
<b>Total current assets</b>		<u>7,967</u>	<u>4,744</u>
Non-current assets held for sale	24	175	90
<b>Total current assets</b>		<u>8,142</u>	<u>4,834</u>
<b>Total assets</b>		<u>85,962</u>	<u>63,298</u>
<b>Current liabilities</b>			
Trade and other payables	25	(22,655)	(24,356)
Other liabilities	26,28	(33)	0
Provisions	32	(4,830)	(1,612)
Borrowings	27	(1,793)	(1,210)
Other financial liabilities	36.2	0	0
<b>Total current liabilities</b>		<u>(29,311)</u>	<u>(27,178)</u>
<b>Non-current assets plus/less net current assets/liabilities</b>		<u>56,651</u>	<u>36,120</u>
<b>Non-current liabilities</b>			
Trade and other payables	25	0	0
Other Liabilities	28	(181)	0
Provisions	32	0	(51)
Borrowings	27	(59,270)	(40,024)
Other financial liabilities	36.2	0	0
<b>Total non-current liabilities</b>		<u>(59,451)</u>	<u>(40,075)</u>
<b>Total Assets Employed:</b>		<u>(2,800)</u>	<u>(3,955)</u>
<b>Financed by taxpayers' equity:</b>			
General fund		(9,609)	(10,833)
Revaluation reserve		6,809	6,878
Other reserves		0	0
<b>Total taxpayers' equity:</b>		<u>(2,800)</u>	<u>(3,955)</u>

The notes on pages 20 to 63 form part of this account.

The financial statements on pages 16 to 19 were approved on 5 June 2013 and signed on behalf of the Department of Health by

Designated Signing Officer:



Date: 5/6/13

**Statement of Financial Position at  
31 March 2013**

		31 March 2013	31 March 2012
	NOTE	£000	£000
<b>Non-current assets:</b>			
Property, plant and equipment	12	73,552	54,405
Intangible assets	13	15	25
investment property	15	0	0
Other financial assets	21	4,253	4,034
Trade and other receivables	19	0	0
<b>Total non-current assets</b>		<b>77,820</b>	<b>58,464</b>
<b>Current assets:</b>			
Inventories	18	0	0
Trade and other receivables	19	7,964	4,739
Other financial assets	36	0	0
Other current assets	22	0	0
Cash and cash equivalents	23	3	5
<b>Total current assets</b>		<b>7,967</b>	<b>4,744</b>
Non-current assets held for sale	24	175	90
<b>Total current assets</b>		<b>8,142</b>	<b>4,834</b>
<b>Total assets</b>		<b>85,962</b>	<b>63,298</b>
<b>Current liabilities</b>			
Trade and other payables	25	(22,655)	(24,356)
Other liabilities	26,28	(33)	0
Provisions	32	(4,830)	(1,612)
Borrowings	27	(1,793)	(1,210)
Other financial liabilities	36.2	0	0
<b>Total current liabilities</b>		<b>(29,311)</b>	<b>(27,178)</b>
<b>Non-current assets plus/less net current assets/liabilities</b>		<b>56,651</b>	<b>36,120</b>
<b>Non-current liabilities</b>			
Trade and other payables	25	0	0
Other Liabilities	28	(181)	0
Provisions	32	0	(51)
Borrowings	27	(59,270)	(40,024)
Other financial liabilities	36.2	0	0
<b>Total non-current liabilities</b>		<b>(59,451)</b>	<b>(40,075)</b>
<b>Total Assets Employed:</b>		<b>(2,800)</b>	<b>(3,955)</b>
<b>Financed by taxpayers' equity:</b>			
General fund		(9,609)	(10,833)
Revaluation reserve		6,809	6,878
Other reserves		0	0
<b>Total taxpayers' equity:</b>		<b>(2,800)</b>	<b>(3,955)</b>

The notes on pages 20 to 63 form part of this account.

The financial statements on pages 16 to 19 were approved on 5 June 2013 and signed on behalf of the Department of Health by

**Designated Signing Officer:**

Date:



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

	General fund	Revaluation reserve	Other reserves	Total reserves
	£000	£000	£000	£000
<b>Balance at 1 April 2012</b>	<b>(10,833)</b>	<b>6,878</b>	<b>0</b>	<b>(3,955)</b>
<b>Changes in taxpayers' equity for 2012-13</b>				
Net operating cost for the year	(537,994)			(537,994)
Net gain on revaluation of property, plant, equipment		650		650
Net gain on revaluation of intangible assets		0		0
Net gain on revaluation of financial assets		7		7
Net gain on revaluation of assets held for sale		0		0
Impairments and reversals		(325)		(325)
Movements in other reserves			0	0
Transfers between reserves*	401	(401)		0
Release of Reserves to SOCNE		0		0
<b>Reclassification Adjustments</b>				
Transfers between Revaluation Reserve & General Fund in respect of assets transferred under absorption	0	0		0
Net actuarial gain/(loss) on pensions	0		0	0
<b>Total recognised income and expense for 2012-13</b>	<b>(537,593)</b>	<b>(69)</b>	<b>0</b>	<b>(537,662)</b>
Net Parliamentary funding	538,817			538,817
<b>Balance at 31 March 2013</b>	<b>(9,609)</b>	<b>6,809</b>	<b>0</b>	<b>(2,800)</b>
<b>Balance at 1 April 2011</b>	<b>(12,201)</b>	<b>5890</b>	<b>0</b>	<b>(6,311)</b>
<b>Changes in taxpayers' equity for 2011-12</b>				
Net operating cost for the year	(532,083)			(532,083)
Net Gain / (loss) on Revaluation of Property, Plant and Equipment		1,778		1,778
Net Gain / (loss) on Revaluation of Intangible Assets		0		0
Net Gain / (loss) on Revaluation of Financial Assets		4		4
Net Gain / (loss) on Assets Held for Sale		0		0
Impairments and Reversals		(238)		(238)
Movements in other reserves			0	0
Transfers between reserves*	556	(556)		0
Release of Reserves to Statement of Comprehensive Net Expenditure		0		0
<b>Reclassification Adjustments</b>				
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
<b>Total recognised income and expense for 2011-12</b>	<b>(531,527)</b>	<b>988</b>	<b>0</b>	<b>(530,539)</b>
Net Parliamentary funding	532,895			532,895
<b>Balance at 31 March 2012</b>	<b>(10,833)</b>	<b>6,878</b>	<b>0</b>	<b>(3,955)</b>

**Statement of cash flows for the year ended  
31 March 2013**

	2012-13 £000	2011-12 £000
<b>Cash Flows from Operating Activities</b>		
Net Operating Cost Before Interest	(533,925)	(529,336)
Depreciation and Amortisation	2,946	2,436
Impairments and Reversals	2,272	759
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	(3,981)	(2,852)
Release of PFI/deferred credit	0	0
(Increase)/Decrease in Inventories	0	0
(Increase)/Decrease in Trade and Other Receivables	(3,220)	(1,567)
(Increase)/Decrease in Other Current Assets	0	0
Increase/(Decrease) in Trade and Other Payables	(1,202)	2,520
(Increase)/Decrease in Other Current Liabilities	214	0
Provisions Utilised	(1,683)	(5,889)
Increase/(Decrease) in Provisions	4,850	2,857
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>	<b>(533,729)</b>	<b>(531,072)</b>
<b>Cash flows from investing activities</b>		
Interest Received	113	112
(Payments) for Property, Plant and Equipment	(3,640)	(862)
(Payments) for Intangible Assets	0	(30)
(Payments) for Other Financial Assets	0	0
(Payments) for Financial Assets (LIFT)	0	(162)
Proceeds of disposal of assets held for sale (PPE)	120	922
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)	16	16
Loans Made in Respect of LIFT	(390)	(920)
Loans Repaid in Respect of LIFT	156	0
Rental Revenue	0	0
<b>Net Cash Inflow/(Outflow) from Investing Activities</b>	<b>(3,625)</b>	<b>(924)</b>
<b>Net cash inflow/(outflow) before financing</b>	<b>(537,354)</b>	<b>(531,996)</b>
<b>Cash flows from financing activities</b>		
Capital Element of Payments in Respect of Finance Leases and On-SoFP PFI and LIFT	(1,465)	(897)
Net Parliamentary Funding	538,817	532,895
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
<b>Net Cash Inflow/(Outflow) from Financing Activities</b>	<b>537,352</b>	<b>531,998</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(2)</b>	<b>2</b>
<b>Cash and Cash Equivalents ( and Bank Overdraft) at Beginning of the Period</b>	<b>5</b>	<b>3</b>
Effect of Exchange Rate Changes in the Balance of Cash Held in Foreign Currencies	0	0
<b>Cash and Cash Equivalents (and Bank Overdraft) at year end</b>	<b>3</b>	<b>5</b>

## 1. Accounting policies

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

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

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

### 1.1 Accounting Conventions

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

#### Transforming Community Services (TCS) transactions

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

#### 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

Under the provisions of The Health and Social Care Act 2012 (Commencement No.4. Transitional, Savings and Transitory Provisions) Order 2013, Hull Teaching PCT was dissolved on 1st April 2013. The PCT's functions, assets and liabilities transferred to other public sector entities as outlined in Note 39 Events after the Reporting Period. Where reconfigurations of this nature take place within the public sector, Government accounting requires that the activities concerned are to be considered as continuing operations, and so the closing entity prepares accounts on a "going concern" basis.

The SOFP has therefore been drawn up at 31 March 2013 on the same basis as in previous years, reporting balances on the same basis as would a continuing entity. In particular, there has been no general revaluation of assets or liabilities, and no disclosures have been made under IFRS 5 Non-current Assets Held for Sale and Discontinued Operation. The revaluations and impairments that have been recognised in this accounting period (see Notes 12 and 14) relate to the assessments made by the District Valuer that form part of the routine within the annual cycle of activity.

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

### **Critical judgements in applying accounting policies**

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

*None to disclose.*

### **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

#### 1. Useful economic lives of Property Plant and Equipment

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

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

#### 2. Impairment Analysis

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

#### 3. Secondary Care Activity

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

#### 4. Quality Outcomes Framework

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

#### 5. Accruals

There are a number of estimated figures within the accounts. The main areas where estimates are included are:

- Prescribing - The full year figure is estimated on the spend for the first 10 months of the year
- Pharmacy Costs - The full year figure is estimated on the actual spend for the last six months of the year.
- Ophthalmic Costs - The full year figure is estimated on the actual spend for the first 11 months of the year.
- Purchase of Healthcare - The full year figure is estimated on the month 11 actual information as agreed between the provider and commissioner.
- Continuing Care - This is based upon the client data base of occupancy at the financial year end.

#### 6. Provisions

During this financial year deadlines of 31st September 2012 and 31st March 2013 were set for the receipt of retrospective continuing healthcare claims relating to April 2004 - March 2011 and post April 2011, respectively. This resulted in a substantial number of inquiries and claims being submitted about which the PCT has limited information. The provision in the financial statements for these claims has been estimated from actual average figures for success rates in 2012/13, length of stay and cost for these cases.

Values have also been included for a limited number of provisions including redundancy costs relating to fixed term contract employed staff, NHSLA provisions as advised by the Litigation Authority and a small value for dilapidation relating to the Maltings lease.

The total value of provisions is £4,830k (see Note 1.25 and 32). The risk of the estimation being incorrect is minimal given the robustness of the process to establish the values and experience from previous years demonstrates little variation when actual costs come through.

## **1. Accounting policies (continued)**

### **1.2 Revenue and Funding**

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

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

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

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

### **1.3 Taxation**

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

### **1.4 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" categories.

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

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

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

## 1. Accounting policies (continued)

### 1.5 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. The component parts of the LIFT schemes have been assessed as having useful lives that are all greater than the term of the lease. Each scheme has therefore been classed as a single component and depreciated over the life of the lease.

#### Valuation

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

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

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost

Until 31 March 2008, the depreciated replacement cost of specialised buildings has been estimated for an exact replacement of the asset in its present location. HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued.

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

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

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

#### Subsequent expenditure

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

## 1. Accounting policies (continued)

### 1.6 Intangible Assets

#### Recognition

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

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

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

#### Measurement

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

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

### 1.7 Depreciation, amortisation and impairments

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

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

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

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

Impairments are analysed between Departmental Expenditure Limits (DEL) and Annually Managed Expenditure (AME) from 2011-12. This is necessary to comply with Treasury's budgeting guidance. DEL limits are set in the Spending Review and Departments may not exceed the limits that they have been set.

AME budgets are set by the Treasury and may be reviewed with departments in the run-up to the Budget. Departments need to monitor AME closely and inform Treasury if they expect AME spending to rise above forecast. Whilst Treasury accepts that in some areas of AME inherent volatility may mean departments do not have the ability to manage the spending within budgets in that financial year, any expected increases in AME require Treasury approval.

## **1. Accounting policies (continued)**

### **1.8 Non-current assets held for sale**

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

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

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

### **1.9 Cash and cash equivalents**

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

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

### **1.10 Losses and Special Payments**

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

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

### **1.11 Clinical Negligence Costs**

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

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



## **1. Accounting policies (continued)**

### **1.12 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.

### **1.13 Other expenses**

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

### **1.14 Grant making**

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

## **1. Accounting policies (continued)**

### **1.15 Contingencies**

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

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

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

### **1.16 Leases**

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

#### **The PCT as lessee**

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

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

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

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

#### **The PCT as lessor**

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

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

### **1.17 Provisions**

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

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

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

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

## **1. Accounting policies (continued)**

### **1.18 Financial Instruments**

#### **Financial assets**

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

Financial assets are initially recognised at fair value.

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

#### **Financial assets at fair value through profit and loss**

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

Hull Teaching PCT has no embedded derivatives to disclose.

#### **Held to maturity investments**

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

#### **Available for sale financial assets**

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

#### **Loans and receivables**

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

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques specific to the type of liability.

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

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

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

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

## 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 the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are derecognised when the liability has been discharged, that is, the liability has been paid or has expired.

Financial liabilities are initially recognised at fair value.

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

### Financial liabilities at fair value through profit and loss

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

Hull Teaching PCT has no embedded derivatives to disclose.

### Other financial liabilities

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

## 1.19 NHS LIFT transactions

HM Treasury has determined that government bodies shall account for infrastructure PFI schemes (including NHS LIFT) where the government body controls the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement as service concession arrangements, following the principles of the requirements of IFRIC 12. The PCT therefore recognises the PFI asset as an item of property, plant and 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 PFI 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 value of the minimum lease payments in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the PCT's approach for each relevant class of asset in accordance with the principles of IAS 16.

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

## **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**

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the PCT's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

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.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

To date Hull Teaching PCT has capitalised lifecycle replacement as per the operators original plan. Analysis of the amounts capitalised and representations from senior facilities employees have indicated that these are not materially different to the actual cost of lifecycle replacement. Therefore, no finance leases, pre-payments, additional expenses, 'free' assets, or deferred income have been recognised in relation to lifecycle replacement.

### **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.

## **1.20 Accounting Standards that have been issued but have not yet been adopted**

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

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

## 2 Operating segments

Hull Teaching PCT has no segments to report for 2012/13, the definitions relating to how health care services are going to be commissioned with effect from 1 April 2013 are not clarified sufficiently to enable meaningful interpretation of the financial statements beyond those reported in overall terms.

Expenditure details relating to significant external suppliers (i.e. those who account for 10% or more of the PCTs total expenditure):

	<b>Expenditure (£000s)</b>	<b>% of spend</b>
Hull & East Yorkshire Hospitals NHS Trust	<b>192,014</b>	<b>36</b>

### 3. Financial Performance Targets

#### 3.1 Revenue Resource Limit

The PCTs' performance for the year ended 2012-13 is as follows:

	2012-13 £000	2011-12 £000
Total Net Operating Cost for the Financial Year		532,083
Net operating cost plus (gain)/loss on transfers by absorption	537,994	
Adjusted for prior period adjustments in respect of errors	0	0
Revenue Resource Limit	<u>557,383</u>	<u>535,196</u>
<b>Under/(Over)spend Against Revenue Resource Limit (RRL)</b>	<u>19,389</u>	<u>3,113</u>

During the financial year the PCT 's revenue resource limit was increased by £19m that had previously been lodged in a Strategic Investment Fund held at the Strategic Health Authority. Consequently the PCT is showing a significantly higher underspend than in previous years. This underspend will be carried forward into future financial years to be spent on patient care (albeit it split across the new commissioning organisations as outlined on Note 39).

There are no prior period adjustments to disclose for Hull Teaching PCT.

#### 3.2 Capital Resource Limit

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

	2012-13 £000	2011-12 £000
Capital Resource Limit	24,347	14,489
Charge to Capital Resource Limit	24,327	14,442
<b>(Over)/Underspend Against CRL</b>	<u>20</u>	<u>47</u>

The resource limit for 2012/13 is significantly higher than 2011/12 as a result of Bransholme and Elliott Chappell Health Centres becoming operational and being accounted for on the Statement of Financial Position.

#### 3.3 Under/(Over)spend against cash limit

	2012-13 £000	2011-12 £000
Total Charge to Cash Limit	538,817	532,895
Cash Limit	538,817	532,895
<b>Under/(Over)spend Against Cash Limit</b>	<u>0</u>	<u>0</u>

#### 3.4 Reconciliation of Cash Drawings to Parliamentary Funding (current year)

	2012-13 £000
Total cash received from DH (Gross)	466,797
Less: Trade Income from DH	0
Less/(Plus): movement in DH working balances	0
<b>Sub total: net advances</b>	<u>466,797</u>
(Less)/plus: transfers (to)/from other resource account bodies	0
Plus: cost of Dentistry Schemes (central charge to cash limits)	14,532
Plus: drugs reimbursement (central charge to cash limits)	57,488
<b>Parliamentary funding credited to General Fund</b>	<u>538,817</u>

**4 Miscellaneous Revenue**

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000	2011-12 £000
Fees and Charges	0	0	0	0
Dental Charge income from Contractor-Led GDS & PDS	4,019		4,019	3,836
Dental Charge income from Trust-Led GDS & PDS	0		0	0
Prescription Charge income	3,081		3,081	2,897
Strategic Health Authorities	1,192	1	1,191	1,394
NHS Trusts	388	0	388	381
NHS Foundation Trusts	34	0	34	174
Primary Care Trusts Contributions to DATs	0		0	0
Primary Care Trusts - Other *2	1,195	512	683	685
Primary Care Trusts - Lead Commissioning	0	0	0	0
English RAB Special Health Authorities	0	0	0	0
NDPBs and Others (CGA)	0	0	0	0
Department of Health - SMPTB	0	0	0	0
Department of Health - Other	0	0	0	0
Recoveries in respect of employee benefits	299	268	31	258
Local Authorities	47	0	47	147
Patient Transport Services	0		0	0
Education, Training and Research	64	1	63	28
Non-NHS: Private Patients	0		0	0
Non-NHS: Overseas Patients (Non-Reciprocal)	0		0	0
NHS Injury Costs Recovery	0		0	0
Other Non-NHS Patient Care Services *3	767	305	462	488
Charitable and Other Contributions to Expenditure	100		100	85
Receipt of donated assets	0		0	0
Receipt of Government granted assets	0		0	0
Rental revenue from finance leases	0	0	0	0
Rental revenue from operating leases *4	6,540	0	6,540	5,319
Other revenue *1	561	9	552	1,358
<b>Total miscellaneous revenue</b>	<b>18,287</b>	<b>1,096</b>	<b>17,191</b>	<b>17,050</b>

\*1 Analysis of Other Income:

£000s

Prescribing	298
British Heart Foundation	235
Other	28
<b>Total</b>	<b>561</b>

\*2 The increase relates to recharges to the other PCTs relating to Cluster Costs.

\*3 The increase relates to Information Technology SLA recharge to City Healthcare Partnership not previously invoiced.

\*4 The increase relates to the full year effect of Wilberforce and the new Bransholme Health Centre recharges.



## 5. Operating Costs

## 5.1 Analysis of operating costs:

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000	2011-12 Total £000
<b>Goods and Services from Other PCTs</b>				
Healthcare *2	45,317		45,317	39,883
Non-Healthcare	1,114	1,114	0	893
<b>Total</b>	<b>46,431</b>	<b>1,114</b>	<b>45,317</b>	<b>40,776</b>
<b>Goods and Services from Other NHS Bodies other than FTs</b>				
Goods and services from NHS Trusts *2	205,987	5	205,982	214,481
Goods and services (other, excl Trusts, FT and PCT)	4	2	2	332
<b>Total</b>	<b>205,991</b>	<b>7</b>	<b>205,984</b>	<b>214,813</b>
<b>Goods and Services from Foundation Trusts</b>				
Purchase of Healthcare from Non-NHS bodies	41,713	988	40,725	41,927
Social Care from Independent Providers	90,774		90,774	81,790
Expenditure on Drugs Action Teams	6,583		6,583	6,193
Non-GMS Services from GPs	40	0	40	36
Contractor Led GDS & PDS (excluding employee benefits)	18,628		18,628	19,222
Salaried Trust-Led PDS & PCT DS (excluding employee benefits)	0		0	0
Chair, Non-executive Directors & PEC remuneration	517	517	0	102
Executive committee members costs	0	0	0	5
Consultancy Services	171	113	58	70
Prescribing Costs *3	45,557		45,557	47,677
G/PMS, APMS and PCTMS (excluding employee benefits)	42,144	0	42,144	41,392
Pharmaceutical Services	0		0	0
Local Pharmaceutical Services Pilots	0		0	0
New Pharmacy Contract	15,054		15,054	14,725
General Ophthalmic Services	2,949		2,949	3,002
Supplies and Services - Clinical *4	807	1	806	1,069
Supplies and Services - General	228	10	218	120
Establishment	2,214	945	1,269	2,112
Transport	5	5	0	33
Premises *5	10,756	1,683	9,073	6,804
Impairments & Reversals of Property, plant and equipment *6	2,272	0	2,272	549
Impairments and Reversals of non-current assets held for sale	0	0	0	210
Depreciation *7	2,936	0	2,936	2,431
Amortisation	10	0	10	5
Impairment & Reversals Intangible non-current assets	0	0	0	0
Impairment and Reversals of Financial Assets	0	0	0	0
Impairment of Receivables	48	48	0	(4)
Inventory write offs	0	0	0	0
Research and Development Expenditure	0	0	0	0
Audit Fees	108	108	0	150
Other Auditors Remuneration	0	0	0	0
Clinical Negligence Costs	0	0	0	0
Education and Training	1,205	138	1,067	1,324
Grants for capital purposes	0	0	0	79
Grants for revenue purposes	6,318	0	6,318	8,092
Impairments and reversals for investment properties	0	0	0	0
Other *1	855	96	759	3,908
<b>Total Operating costs charged to Statement of Comprehensive Net Expenditure</b>	<b>544,314</b>	<b>5,773</b>	<b>538,541</b>	<b>538,612</b>
<b>Employee Benefits (excluding capitalised costs)</b>				
Employee Benefits associated with PCTMS	0	0	0	0
Trust led PDS and PCT DS	0	0	0	0
PCT Officer Board Members *8	164	164	0	751
Other Employee Benefits	7,734	7,247	487	7,023
<b>Total Employee Benefits charged to SOCNE</b>	<b>7,898</b>	<b>7,411</b>	<b>487</b>	<b>7,774</b>
<b>Total Operating Costs</b>	<b>552,212</b>	<b>13,184</b>	<b>539,028</b>	<b>546,386</b>
<b>Analysis of grants reported in total operating costs</b>				
<b>For capital purposes</b>				
Grants to fund Capital Projects - GMS	0	0	0	0
Grants to Local Authorities to Fund Capital Projects	0	0	0	79
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
<b>Total Capital Grants</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>79</b>
<b>Grants to fund revenue expenditure</b>				
To Local Authorities	6,310	0	6,310	8,045
To Private Sector	0	0	0	0
To Other	8	0	8	47
<b>Total Revenue Grants</b>	<b>6,318</b>	<b>0</b>	<b>6,318</b>	<b>8,092</b>
<b>Total Grants</b>	<b>6,318</b>	<b>0</b>	<b>6,318</b>	<b>8,171</b>

	Total	Commissioning	Public Health Services
--	-------	---------------	------------------------

<b>PCT Running Costs 2012-13</b>			
Running costs (£000s)	12,088	10,960	1,128
Weighted population (number in units)*	308,392	308,392	308,392
Running costs per head of population (£ per head)	39	36	4

<b>PCT Running Costs 2011-12</b>			
Running costs (£000s)	11,085	9,992	1,093
Weighted population (number in units)	308,392	308,392	308,392
Running costs per head of population (£ per head)	36	32	4

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

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

<b>*1 Analysis of Other Expenditure</b>	£000s
Interpreting Services	299
British Heart Foundation	222
Facilities	78
Audit	134
Research	103
Other	19
<b>Total</b>	<b>855</b>

\*2 This reflects the change in commissioning responsibility between the PCT and the Specialist Commissioning Group, i.e. expenditure goes via Barnsley PCT.

\*3 The decrease in cost relates to Category M drug pricing reductions.

\*4 The decrease in cost relates to continence products being purchased via Healthcare contracts rather than directly.

\*5 The increase cost relates to the full year effect of Wilberforce Health Centre and the new Bransholme Health Centre.

\*6 The additional impairment costs relate to Bransholme and Elliott Chappell Health Centres.

\*7 The additional depreciation relates to Wilberforce Health Centre.

\*8 The reduction in Board costs relates to the full year effect of vacancies and the recharge of costs to other PCTs for Cluster staff.

**5.2 Analysis of operating expenditure by expenditure classification**

**2012-13**                      **2011-12**  
**£000**                              **£000**

**Purchase of Primary Health Care**

GMS / PMS/ APMS / PCTMS	42,147	41,392
Prescribing costs	45,557	47,677
Contractor led GDS & PDS	18,628	19,222
Trust led GDS & PDS	0	0
General Ophthalmic Services	3,055	3,066
Department of Health Initiative Funding	0	0
Pharmaceutical services	0	0
Local Pharmaceutical Services Pilots	0	0
New Pharmacy Contract	15,057	14,756
Non-GMS Services from GPs	0	0
Other	6,234	5,255
<b>Total Primary Healthcare purchased</b>	<b><u>130,678</u></b>	<b><u>131,368</u></b>

**Purchase of Secondary Healthcare**

Learning Difficulties	6,192	6,558
Mental Illness	46,741	44,854
Maternity	15,943	14,345
General and Acute	208,972	220,658
Accident and emergency	21,004	17,709
Community Health Services	97,854	81,898
Other Contractual	2,306	2,149
<b>Total Secondary Healthcare Purchased</b>	<b><u>399,012</u></b>	<b><u>388,171</u></b>

**Grant Funding**

Grants for capital purposes	0	79
Grants for revenue purposes	6,318	8,092
<b>Total Healthcare Purchased by PCT</b>	<b><u>536,008</u></b>	<b><u>527,710</u></b>

PCT self-provided secondary healthcare included above	0	0
Social Care from Independent Providers	0	0
Healthcare from NHS FTs included above	40,725	42,067

## 6. Operating Leases

Hull Teaching PCT has numerous operating leases in place for properties that supplement the estate owned by the PCT and the LIFT scheme properties that under IFRIC 12 have been classified as service concessions and have therefore been brought onto the Statement of Financial Position. These leased properties range between the Headquarters of the PCT and the Health Central premises at St Stephens Shopping Centre. The most significant of these leases in terms of annual rental costs is the Commissioning Headquarters at The Maltings which is due to expire in March 2014. There are no explicit terms of renewal included within the lease document and the PCT is exploring several options for the the location of the Headquarters for its successor bodies at the end of this term.

In addition to the above the PCT also operates a lease car policy for its employees. This involves the PCT entering into a lease with the lease car company and then receiving contributions from the relevant employees based on factors such as the number of business miles as a proportion of total miles travelled. All of these arrangements are for a period of three years.

Hull Teaching PCT has entered into certain financial arrangements involving the use of GP premises. Under:

IAS 17 Leases

SIC 27 Evaluating the substance of transactions involving the legal form of a lease

IFRIC 4 Determining whether an arrangement contains a lease

The PCT has determined that those operating leases must be recognised, but, as there is no defined term in the arrangement(s) entered into, it is not possible to analyse the arrangement(s) over financial years. The financial value included in the Operating Cost Statement for 2012/13 is £1,172k (£1,162k in 2011/12).

6.1 PCT as lessee				2012-13	2011-12
	Land £000	Buildings £000	Other £000	Total £000	£000
<b>Payments recognised as an expense</b>					
Minimum lease payments				778	781
Contingent rents				0	0
Sub-lease payments				0	0
<b>Total</b>				<b>778</b>	<b>781</b>
<b>Payable:</b>					
No later than one year	0	641	36	677	748
Between one and five years	0	1,624	33	1,657	1,980
After five years	0	2,236	0	2,236	2,183
<b>Total</b>	<b>0</b>	<b>4,501</b>	<b>69</b>	<b>4,570</b>	<b>4,911</b>

Total future sublease payments expected to be received: 0 0

## 6.2 PCT as lessor

The PCT has leases in place with numerous tenants of its premises including GPs, City Healthcare Partnership CIC, Dentists and Hull City Council.

The PCT recognises income from GPs that reside in other PCT owned properties (non LIFT), but, as there is no defined term in the arrangement(s) entered into, it is not possible to analyse the arrangement(s) over financial years. The financial value included within the PCT's income for 2012/13 is £155k (2011/12 £211k).

The increased values year on year relate to new LIFT schemes becoming operational (see note 34).

	2012-13 £000	2011-12 £000
<b>Recognised as income</b>		
Rental Revenue	6,540	5,319
Contingent rents	0	0
<b>Total</b>	<b>6,540</b>	<b>5,319</b>
<b>Receivable:</b>		
No later than one year	4,663	5,802
Between one and five years	17,108	12,615
After five years	67,162	49,091
<b>Total</b>	<b>88,933</b>	<b>67,508</b>

## 7. Employee benefits and staff numbers

### 7.1 Employee benefits

	Total			Permanently employed			Other		
	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000
<b>Employee Benefits 2012/13 - Gross Expenditure</b>									
Salaries and wages	6,489	6,152	337	6,071	5,782	289	419	370	48
Social security costs	551	512	40	551	512	40	0	0	0
Employer Contributions to NHS BSA - Pensions Division	805	747	58	805	747	58	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	52	0	52	52	0	52	0	0	0
<b>Total employee benefits</b>	<b>7,898</b>	<b>7,411</b>	<b>487</b>	<b>7,479</b>	<b>7,041</b>	<b>439</b>	<b>419</b>	<b>370</b>	<b>48</b>
Less recoveries in respect of employee benefits (table below)	(299)	(268)	(31)	(299)	(268)	(31)	0	0	0
<b>Total - Net Employee Benefits including capitalised costs</b>	<b>7,599</b>	<b>7,143</b>	<b>456</b>	<b>7,180</b>	<b>6,773</b>	<b>408</b>	<b>419</b>	<b>370</b>	<b>48</b>
Employee costs capitalised	0	0	0	0	0	0	0	0	0
<b>Gross Employee Benefits excluding capitalised costs</b>	<b>7,898</b>	<b>7,411</b>	<b>487</b>	<b>7,479</b>	<b>7,041</b>	<b>439</b>	<b>419</b>	<b>370</b>	<b>48</b>
<b>Recognised as:</b>									
Commissioning employee benefits	7,898			7,479			419		
Provider employee benefits	0			0			0		
<b>Gross Employee Benefits excluding capitalised costs</b>	<b>7,898</b>			<b>7,479</b>			<b>419</b>		

	Total			Permanently employed			Other		
	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000
<b>Employee Benefits 2012/13 - Revenue</b>									
Salaries and wages	246	220	26	246	220	26	0	0	0
Social Security costs	22	20	2	22	20	2	0	0	0
Employer Contributions to NHS BSA - Pensions Division	31	28	3	31	28	3	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
<b>TOTAL excluding capitalised costs</b>	<b>299</b>	<b>268</b>	<b>31</b>	<b>299</b>	<b>268</b>	<b>31</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Employee Benefits - Prior- year

	Total £000	Permanently employed £000	Other £000
<b>Employee Benefits Gross Expenditure 2011-12</b>			
Salaries and wages	6,442	6,078	364
Social security costs	511	511	0
Employer Contributions to NHS BSA - Pensions Division	821	821	0
Other pension costs	0	0	0
Other post-employment benefits	0	0	0
Other employment benefits	0	0	0
Termination benefits	0	0	0
<b>Total gross employee benefits</b>	<b>7,774</b>	<b>7,410</b>	<b>364</b>
Less recoveries in respect of employee benefits	(258)	(258)	0
<b>Total - Net Employee Benefits including capitalised costs</b>	<b>7,516</b>	<b>7,152</b>	<b>364</b>
Employee costs capitalised	0	0	0
<b>Gross Employee Benefits excluding capitalised costs</b>	<b>7,774</b>	<b>7,410</b>	<b>364</b>
<b>Recognised as:</b>			
Commissioning employee benefits	7,774		
Provider employee benefits	0		
<b>Gross Employee Benefits excluding capitalised costs</b>	<b>7,774</b>		

### 7.2 Staff Numbers

	2012-13			2011-12		
	Total Number	Permanently employed Number	Other Number	Total Number	Permanently employed Number	Other Number
<b>Average Staff Numbers</b>						
Medical and dental	6	2	4	6	2	4
Ambulance staff	0	0	0	0	0	0
Administration and estates	172	162	10	173	162	11
Healthcare assistants and other support staff	2	1	2	3	1	2
Nursing, midwifery and health visiting staff	4	3	1	3	2	1
Nursing, midwifery and health visiting learners	0	0	0	0	0	0
Scientific, therapeutic and technical staff	8	8	0	6	6	0
Social Care Staff	0	0	0	0	0	0
Other	2	1	1	2	1	1
<b>TOTAL</b>	<b>194</b>	<b>177</b>	<b>17</b>	<b>193</b>	<b>174</b>	<b>19</b>
Of the above - staff engaged on capital projects	0	0	0	0	0	0

### 7.3 Staff Sickness absence and ill health retirements

	2012 Number	2011 Number
Total Days Lost	1,080	826
Total Staff Years	177	195
Average working Days Lost	6.10	4.24

The figures above detail the working days lost due to sickness absence of employed staff between January and December 2012 inclusive (Comparators relate to January to December 2011 inclusive).

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

**7.4 Exit Packages agreed during 2012-13**

Exit package cost band (including any special payment element)	2012-13			2011-12			Total number of exit packages by cost band
	*Number of compulsory redundancies	*Number of other departures agreed	Total number of exit packages by cost band	*Number of compulsory redundancies	*Number of other departures agreed		
	Number	Number	Number	Number	Number	Number	
Lees than £10,000	1	0	1	0	0	0	0
£10,001-£25,000	1	0	1	0	2	2	2
£25,001-£50,000	1	0	1	0	0	0	0
£50,001-£100,000	0	0	0	0	2	2	2
£100,001 - £150,000	1	0	1	0	2	2	2
£150,001 - £200,000	0	0	0	0	0	0	0
>£200,000	1	0	1	0	0	0	0
<b>Total number of exit packages by type (total cost</b>	<b>5</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>6</b>	<b>6</b>	<b>6</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
<b>Total resource cost</b>	386	0	386	0	403	403	

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

No ex-gratia payments have been made to individuals during the financial year.

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 in part or in full in a previous period.

## 7.5 Pension costs

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

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

### a) Accounting valuation

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

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

### b) Full actuarial (funding) valuation

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

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

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

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

### c) Scheme provisions

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

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

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

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. From 2011-12 the Consumer Price Index (CPI) will be used to replace the Retail Prices Index (RPI).

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

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the employer.

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

## 8. Better Payment Practice Code

### 8.1 Measure of compliance

	2012-13 Number	2012-13 £000	2011-12 Number	2011-12 £000
<b>Non-NHS Payables</b>				
Total Non-NHS Trade Invoices Paid in the Year	15,544	138,199	16,115	128,394
Total Non-NHS Trade Invoices Paid Within Target	<u>14,976</u>	<u>135,133</u>	<u>15,800</u>	<u>127,084</u>
Percentage of NHS Trade Invoices Paid Within Target	<u>96.35%</u>	<u>97.78%</u>	<u>98.05%</u>	<u>98.98%</u>
<b>NHS Payables</b>				
Total NHS Trade Invoices Paid in the Year	3,070	298,606	2,982	309,598
Total NHS Trade Invoices Paid Within Target	<u>2,969</u>	<u>298,045</u>	<u>2,914</u>	<u>309,243</u>
Percentage of NHS Trade Invoices Paid Within Target	<u>96.71%</u>	<u>99.81%</u>	<u>97.72%</u>	<u>99.89%</u>

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

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

There were no claims made or any compensation paid to cover debt recovery under this regulation.

**9. Investment Income**

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000	2011-12 £000
<b>Rental Income</b>				
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
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Interest Income</b>				
LIFT: equity dividends receivable	178	0	178	114
LIFT: loan interest receivable	0	0	0	0
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
<b>Subtotal</b>	<b>178</b>	<b>0</b>	<b>178</b>	<b>114</b>
<b>Total investment income</b>	<b>178</b>	<b>0</b>	<b>178</b>	<b>114</b>

**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)	(270)	0	(270)	(1)
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
<b>Total</b>	<b>(270)</b>	<b>0</b>	<b>(270)</b>	<b>(1)</b>

**11. Finance Costs**

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000	2011-12 £000
<b>Interest</b>				
Interest on obligations under finance leases	17	0	17	17
<b>Interest on obligations under PFI contracts:</b>				
- main finance cost	0	0	0	0
- contingent finance cost	0	0	0	0
<b>Interest on obligations under LIFT contracts:</b>				
- main finance cost	3,403	0	3,403	2,436
- contingent finance cost	557	0	557	399
Interest on late payment of commercial debt	0	0	0	0
Other interest expense	0	0	0	0
<b>Total interest expense</b>	<b>3,977</b>	<b>0</b>	<b>3,977</b>	<b>2,852</b>
Other finance costs	0	0	0	0
Provisions - unwinding of discount	0	0	0	8
<b>Total</b>	<b>3,977</b>	<b>0</b>	<b>3,977</b>	<b>2,860</b>



**12.1 Property, plant and equipment**

	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>2012-13</b>									
<b>Cost or valuation:</b>									
<b>At 1 April 2012</b>	4,153	51,051	0	0	527	215	681	14	56,641
Additions of Assets Under Construction				1,155					1,155
Additions Purchased	284	22,766	0		0	0	288	12	23,350
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	(44)	(132)	0	0	0	0	0	0	(176)
Disposals other than for sale	0	(1,037)	0	0	0	0	0	0	(1,037)
Upward revaluation/positive indexation	(55)	(4,667)	0	0	0	0	0	0	(4,722)
Impairments/negative indexation	(235)	(90)	0	0	0	0	0	0	(325)
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
<b>At 31 March 2013</b>	<b>4,103</b>	<b>67,891</b>	<b>0</b>	<b>1,155</b>	<b>527</b>	<b>215</b>	<b>969</b>	<b>26</b>	<b>74,886</b>
<b>Depreciation</b>									
<b>At 1 April 2012</b>	254	1,311	0	0	493	86	79	13	2,236
Reclassifications		0	0		0	0	0	0	0
Reclassifications as Held for Sale	0	(1)	0		0	0	0	0	(1)
Disposals other than for sale	0	(737)	0		0	0	0	0	(737)
Upward revaluation/positive indexation	(55)	(5,317)	0		0	0	0	0	(5,372)
Impairments	55	3,247	0	0	0	0	0	0	3,302
Reversal of Impairments	0	(1,030)	0	0	0	0	0	0	(1,030)
Charged During the Year	3	2,795	0		10	43	84	1	2,936
Transfers (to)/from Other Public Sector Bodies	0	0	0	0	0	0	0	0	0
<b>At 31 March 2013</b>	<b>257</b>	<b>268</b>	<b>0</b>	<b>0</b>	<b>503</b>	<b>129</b>	<b>163</b>	<b>14</b>	<b>1,334</b>
<b>Net Book Value at 31 March 2013</b>	<b>3,846</b>	<b>67,623</b>	<b>0</b>	<b>1,155</b>	<b>24</b>	<b>86</b>	<b>806</b>	<b>12</b>	<b>73,552</b>
Purchased	3,846	67,623	0	1,155	24	86	806	12	73,552
Donated	0	0	0	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0	0	0	0
<b>Total at 31 March 2013</b>	<b>3,846</b>	<b>67,623</b>	<b>0</b>	<b>1,155</b>	<b>24</b>	<b>86</b>	<b>806</b>	<b>12</b>	<b>73,552</b>
<b>Asset financing:</b>									
Owned	3,581	7,668	0	1,155	24	86	806	12	13,332
Held on finance lease	265	0	0	0	0	0	0	0	265
On-SOFP PFI contracts	0	59,955	0	0	0	0	0	0	59,955
PFI residual: interests	0	0	0	0	0	0	0	0	0
<b>Total at 31 March 2013</b>	<b>3,846</b>	<b>67,623</b>	<b>0</b>	<b>1,155</b>	<b>24</b>	<b>86</b>	<b>806</b>	<b>12</b>	<b>73,552</b>

**Revaluation Reserve Balance for Property, Plant & Equipment**

	Land	Buildings	Dwellings	Assets under construction & payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>At 1 April 2012</b>	1,010	5,791	0	0	5	0	0	1	6,807
Movements (specify)	(235)	163	0	0	0	0	0	0	(72)
<b>At 31 March 2013</b>	<b>775</b>	<b>5,954</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>6,735</b>

**Additions to Assets Under Construction in 2012-13**

	£000
Land	0
Buildings excl Dwellings	1,155
Dwellings	0
Plant & Machinery	0
<b>Balance as at YTD</b>	<b>1,155</b>

**12.2 Property, plant and equipment**

	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>2011-12</b>									
<b>Cost or valuation:</b>									
<b>At 1 April 2011</b>	<b>5,207</b>	<b>43,728</b>	<b>0</b>	<b>0</b>	<b>526</b>	<b>264</b>	<b>358</b>	<b>83</b>	<b>50,166</b>
Additions - purchased	38	13,635	0	0	26	0	569	0	14,268
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	(789)	0	0	0	0	(49)	0	0	(838)
Disposals other than by sale	0	0	0	0	(25)	0	(246)	(69)	(340)
Revaluation & indexation gains	0	1,842	0	0	0	0	0	0	1,842
Impairments	(279)	(83)	0	0	0	0	0	0	(362)
Reversals of impairments	0	124	0	0	0	0	0	0	124
In-year transfers to/from NHS bodies	0	0	0	0	0	0	0	0	0
Cumulative dep netted off cost following revaluatic	(24)	(8,195)	0	0	0	0	0	0	(8,219)
<b>At 31 March 2012</b>	<b>4,153</b>	<b>51,051</b>	<b>0</b>	<b>0</b>	<b>527</b>	<b>215</b>	<b>681</b>	<b>14</b>	<b>56,641</b>
<b>Depreciation</b>									
<b>At 1 April 2011</b>	<b>251</b>	<b>6,689</b>	<b>0</b>		<b>477</b>	<b>82</b>	<b>305</b>	<b>82</b>	<b>7,886</b>
Reclassifications		0	0		0	0	0	0	0
Reclassifications as Held for Sale	(89)	0	0		0	(46)	0	0	(135)
Disposals other than for sale	0	0	0		(25)	0	(246)	(69)	(340)
Upward revaluation/positive indexation	0	64	0		0	0	0	0	64
Impairments	113	1,492	0	0	0	0	0	0	1,605
Reversal of Impairments	0	(1,056)	0	0	0	0	0	0	(1,056)
Charged During the Year	3	2,317	0		41	50	20	0	2,431
In-year transfers to/from NHS bodies	0	0	0	0	0	0	0	0	0
Cumulative dep netted off cost following revaluatic	(24)	(8,195)	0	0	0	0	0	0	(8,219)
<b>At 31 March 2012</b>	<b>254</b>	<b>1,311</b>	<b>0</b>	<b>0</b>	<b>493</b>	<b>86</b>	<b>79</b>	<b>13</b>	<b>2,236</b>
<b>Net Book Value at 31 March 2012</b>	<b>3,899</b>	<b>49,740</b>	<b>0</b>	<b>0</b>	<b>34</b>	<b>129</b>	<b>602</b>	<b>1</b>	<b>54,405</b>
Purchased	3,899	49,740	0	0	34	129	602	1	54,405
Donated	0	0	0	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0	0	0	0
<b>At 31 March 2012</b>	<b>3,899</b>	<b>49,740</b>	<b>0</b>	<b>0</b>	<b>34</b>	<b>129</b>	<b>602</b>	<b>1</b>	<b>54,405</b>
<b>Asset financing:</b>									
Owned	3,631	7,423	0	0	34	129	602	1	11,820
Held on finance lease	268	495	0	0	0	0	0	0	763
On-SOFP PFI contracts	0	41,822	0	0	0	0	0	0	41,822
PFI residual: interests	0	0	0	0	0	0	0	0	0
<b>At 31 March 2012</b>	<b>3,899</b>	<b>49,740</b>	<b>0</b>	<b>0</b>	<b>34</b>	<b>129</b>	<b>602</b>	<b>1</b>	<b>54,405</b>

### 12.3 Property, plant and equipment

For assets held at revalued amounts for Hull Teaching PCT the following applies:

- the effective date of revaluation is 31 March 2013
- the valuation was carried out by the District Valuers Office
- the assets have been valued using Modern Equivalent Asset techniques.

The review conducted by the District Valuer identified that there were no significant changes to asset lives.

The residual value of all assets is £0 and there has been no change to this during the year.

The PCT received additional resource limit from the Department of Health to cover the impact of the impairments included in the operating costs statement of £2,272k (see p51).

The gross carrying value of the fully depreciated assets that are still in use are as follows:

	<b>£000s</b>
- Plant & Machinery - Jameson St DAC	259
- Plant & Machinery - Dental Equipment	203
- Furniture & Fittings - Highlands	13
- IT Equipment - PCT HQ 2006/07	43
- IT Equipment - GP System of Choice	7
- Hessle Road Fencing	45
- LDI IT Equipment (Orchard Centre)	1

Assets have been valued on a Modern Equivalent Asset basis, open market values have not been established through the engagement of valuers as the extent of the difference is not expected to Hull Teaching PCT is not holding any assets at existing use value.

<b>Open Market Value of Assets at balance sheet date</b>	<b>Land</b>	<b>Buildings excl. dwellings</b>	<b>Dwellings</b>	<b>Total</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
Open Market Value at 31 March 2013	1,746	0	0	1,746
Open Market Value at 31 March 2012	1,746	0	0	1,746

**13.1 Intangible non-current assets**

	Software internally generated £000	Software purchased £000	Licences & trademarks £000	Patents £000	Development expenditure £000	Total £000
<b>2012-13</b>						
<b>At 1 April 2012</b>	<b>0</b>	<b>30</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30</b>
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
<b>At 31 March 2013</b>	<b>0</b>	<b>30</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30</b>
<b>Amortisation</b>						
<b>At 1 April 2012</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>
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	10	0	0	0	10
In-year transfers to NHS bodies	0	0	0	0	0	0
<b>At 31 March 2013</b>	<b>0</b>	<b>15</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15</b>
<b>Net Book Value at 31 March 2013</b>	<b>0</b>	<b>15</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15</b>
<b>Net Book Value at 31 March 2013 comprises</b>						
Purchased	0	15	0	0	0	15
Donated	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0
<b>Total at 31 March 2013</b>	<b>0</b>	<b>15</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15</b>

## ||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
<b>At 1 April 2012</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Movements (specify)	0	0	0	0	0	0
<b>At 31 March 2013</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**13.2 Intangible non-current assets**

	Software internally generated £000	Software purchased £000	Licences & trademarks £000	Patents £000	Development expenditure £000	Total £000
<b>2011-12</b>						
<b>At 1 April 2011</b>	<b>0</b>	<b>34</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>34</b>
Additions - purchased	0	30	0	0	0	30
Additions - internally generated	0	0	0	0	0	0
Additions - donated	0	0	0	0	0	0
Additions - government granted	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0
Disposals other than by sale	0	(34)	0	0	0	(34)
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
<b>At 31 March 2012</b>	<b>0</b>	<b>30</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30</b>
<b>Amortisation</b>						
<b>At 1 April 2011</b>	<b>0</b>	<b>34</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>34</b>
Reclassifications	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0
Disposals other than by sale	0	(34)	0	0	0	(34)
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	5	0	0	0	5
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
<b>At 31 March 2012</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>
<b>Net Book Value at 31 March 2012</b>	<b>0</b>	<b>25</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25</b>
<b>Net Book Value at 31 March 2012 comprises</b>						
Purchased	0	25	0	0	0	25
Donated	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0
<b>Total at 31 March 2012</b>	<b>0</b>	<b>25</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25</b>

### 13.3 Intangible non-current assets

All of the intangible non-current assets included within these accounts are classified as purchased computer software. These are held at depreciated replacement cost with original useful economic lives of 3 years. The minimum to maximum life of this category of asset is 0 - 2 years respectively.

#### Economic Lives of Non-Current Assets

	Min Life	Max Life
	Years	Years
<b>Intangible Assets</b>		
Software Licences	1	1
Licences and Trademarks	0	0
Patents	0	0
Development Expenditure	0	0
<b>Property, Plant and Equipment</b>		
Buildings exc Dwellings	0	80
Dwellings	0	0
Plant & Machinery	0	4
Transport Equipment	2	2
Information Technology	0	8
Furniture and Fittings	0	9

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

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000
<b>Property, Plant and Equipment impairments and reversals taken to SoCNE</b>			
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
<b>Total charged to Departmental Expenditure Limit</b>	<b>0</b>	<b>0</b>	<b>0</b>
Unforeseen obsolescence	0		0
Loss as a result of catastrophe	0		0
Other	0		0
Changes in market price	2,272		2,272
<b>Total charged to Annually Managed Expenditure</b>	<b>2,272</b>		<b>2,272</b>
<b>Property, Plant and Equipment impairments and reversals charged to the revaluation reserve</b>			
Loss or damage resulting from normal operations	0		
Over Specification of Assets	0		
Abandonment of assets in the course of construction	0		
Unforeseen obsolescence	0		
Loss as a result of catastrophe	0		
Other	0		
Changes in market price	325		
<b>Total impairments for PPE charged to reserves</b>	<b>325</b>		
<b>Total Impairments of Property, Plant and Equipment</b>	<b>2,597</b>	<b>0</b>	<b>2,272</b>
<b>Non-current assets held for sale - impairments and reversals charged to SoCNE.</b>			
Loss or damage resulting from normal operations	0	0	0
Abandonment of assets in the course of construction	0	0	0
<b>Total charged to Departmental Expenditure Limit</b>	<b>0</b>	<b>0</b>	<b>0</b>
Unforeseen obsolescence	0		0
Loss as a result of catastrophe	0		0
Other	0		0
Changes in market price	0		0
<b>Total charged to Annually Managed Expenditure</b>	<b>0</b>		<b>0</b>
<b>Total impairments of non-current assets held for sale</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Impairments charged to Revaluation Reserve</b>	<b>325</b>		
<b>Total Impairments charged to SoCNE - DEL</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Impairments charged to SoCNE - AME</b>	<b>2,272</b>		<b>2,272</b>
<b>Overall Total Impairments</b>	<b>2,597</b>	<b>0</b>	<b>2,272</b>
<b>Of which:</b>			
Impairment on revaluation to "modern equivalent asset" basis	0	0	0

Impairments and reversals taken to the Operating Cost Statement totalled of £2,722k. This was made up of impairments of £3,301k that related to a reduction in the assessed values provided by the District Valuer for several assets (including the two new LIFT buildings), however this was largely off-set by a £1,029k increase in the assessed values of assets that had previously impaired.

## 15 Investment property

Hull Teaching PCT does not hold any investment properties.

## 16 Commitments

### 16.1 Capital commitments

Hull Teaching PCT has a capital commitment of a further £100k related to a contract with Citycare for the construction of an annex at Morrill Street Health Centre. £1,155k was spent on this during 2012/13

The NHS LIFT programme has been developed to provide capital for the development of facilities in Primary Care. The route for this is to select a private partner with whom a limited company is established to provide exclusive development of Primary Care estate wave LIFT scheme for a 25 year programme. Kingston Upon Hull was selected as a second wave LIFT scheme see also details of the timing of the commitments in the table at Note 34.

Following a full procurement process a preferred partner (the Sewell Group) was identified for the Hull LIFT scheme and a Joint Venture company, Hull Citycare was established.

The opening of the Elliot Chappell Health Centre in 2012/13 marked the completion of the building phase for NHS Hull's LIFT programme.

### 16.2 Other financial commitments

The PCT has not entered into any non-cancellable contracts for which disclosure would be required in this note.

## 17 Intra-Government and other balances

	Current receivables £000s	Non-current receivables £000s	Current payables £000s	Non-current payables £000s
Balances with other Central Government Bodies	779	0	116	0
Balances with Local Authorities	220	0	295	0
Balances with NHS bodies outside the Departmental Group	0	0	0	0
Balances with NHS Trusts and Foundation Trusts	3,370	0	2,896	0
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with bodies external to government	3,595	0	19,348	0
<b>At 31 March 2013</b>	<b>7,964</b>	<b>0</b>	<b>22,655</b>	<b>0</b>
<b>prior period:</b>				
Balances with other Central Government Bodies	876	0	328	0
Balances with Local Authorities	146	0	1,762	0
Balances with NHS Trusts and Foundation Trusts	161	0	2,058	0
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with bodies external to government	3,556	0	20,208	0
<b>At 31 March 2012</b>	<b>4,739</b>	<b>0</b>	<b>24,356</b>	<b>0</b>



## 18 Inventories

Hull Teaching PCT does not hold any inventories.

### 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	3,865	753	0	0
NHS receivables - capital	0	0	0	0
NHS prepayments and accrued income	0	4	0	0
Non-NHS receivables - revenue	1,283	1,460	0	0
Non-NHS receivables - capital	5	0	0	0
Non-NHS prepayments and accrued income	2,575	2,269	0	0
Provision for the impairment of receivables	(49)	(1)	0	0
VAT	284	252	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	1	2	0	0
<b>Total</b>	<b>7,964</b>	<b>4,739</b>	<b>0</b>	<b>0</b>
<b>Total current and non current</b>	<b>7,964</b>	<b>4,739</b>		
<b>Included above:</b>				
<b>Prepaid pensions contributions</b>	<b>0</b>	<b>0</b>		

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

### 19.2 Receivables past their due date but not impaired

	31 March 2013 £000	31 March 2012 £000
By up to three months	326	301
By three to six months	3	8
By more than six months	15	0
<b>Total</b>	<b>344</b>	<b>309</b>

### 19.3 Provision for impairment of receivables

	2012-13 £000	2011-12 £000
<b>Balance at 1 April 2012</b>	<b>(1)</b>	<b>(5)</b>
Amount written off during the year	0	0
Amount recovered during the year	0	0
(Increase)/decrease in receivables impaired	(48)	4
<b>Balance at 31 March 2013</b>	<b>(49)</b>	<b>(1)</b>

This provision relates to specific non NHS debtors where recovery is assessed as being unlikely due to the length of time the debt has been due, and no collateral is retained.

## 20 NHS LIFT investments

	Loan £000	Share capital £000	Total £000
<b>Balance at 1 April 2012</b>	<b>2,588</b>	<b>1,446</b>	<b>4,034</b>
Additions	390	0	390
Disposals	0	(22)	(22)
Loan repayments	(156)	0	(156)
Revaluations	7	0	7
Loans repayable within 12 months	0	0	0
<b>Balance at 31 March 2013</b>	<b>2,829</b>	<b>1,424</b>	<b>4,253</b>
<b>Balance at 1 April 2011</b>	<b>1,664</b>	<b>1,299</b>	<b>2,963</b>
Additions	920	162	1,082
Disposals	0	(15)	(15)
Loan repayments	0	0	0
Revaluations	4	0	4
Loans repayable within 12 months	0	0	0
<b>Balance at 31 March 2012</b>	<b>2,588</b>	<b>1,446</b>	<b>4,034</b>

A breakdown of the individual investments is shown in the table below:

LIFT Scheme	Balance of Share Capital as at 31 March 2013 £000
Share Capital - Marfleet / Newington	117
Share Capital - Alexandra	51
Share Capital - Longhill / Park	172
Share Capital - Calvert	75
Share Capital - Bilton Grange/ Kingswood	131
Share Capital - Orchard Park	199
Share Capital - Wilberforce Health Centre	260
Share Capital - Bransholme Health Centre	257
Share Capital - Hessle Road Health Centre	162
<b>Total</b>	<b>1,424</b>

### 21.1 Other financial assets - Current

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

### 21.2 Other Financial Assets - Non Current

	31 March 2013 £000	31 March 2012 £000
Opening balance 1 April	4,034	2,963
Additions	390	1,082
Revaluation	7	4
Impairments	0	0
Impairment Reversals	0	0
Transferred to current financial assets	0	0
Disposals	(178)	(15)
Transfers (to)/from Other Public Sector Bodies in year	0	0
<b>Total Other Financial Assets - Non Current</b>	<b>4,253</b>	<b>4,034</b>

### 21.3 Other Financial Assets - Capital Analysis

	31 March 2013 £000	31 March 2012 £000
Capital Expenditure	390	0
Capital Income	(178)	0

## 22 Other current assets

Hull Teaching PCT does not have any other current assets.

## 23 Cash and Cash Equivalents

	31 March 2013 £000	31 March 2012 £000
Opening balance	5	3
Net change in year	(2)	2
<b>Closing balance</b>	<b>3</b>	<b>5</b>
<b>Made up of</b>		
Cash with Government Banking Service	3	5
Commercial banks	0	0
Cash in hand	0	0
Current investments	0	0
<b>Cash and cash equivalents as in statement of financial position</b>	<b>3</b>	<b>5</b>
Bank overdraft - Government Banking Service	0	0
Bank overdraft - Commercial banks	0	0
<b>Cash and cash equivalents as in statement of cash flows</b>	<b>3</b>	<b>5</b>

Patients' money held by the PCT, not included above 0 0

**24 Non-current assets held for sale**

	Land	Buildings, excl. dwellings	Dwellings	Asset Under Construction and Payments on Account	Plant and Machinery	Transport and Equipment	Information Technology	Furniture and Fittings	Intangible Assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Balance at 1 April 2012</b>	90	0	0	0	0	0	0	0	0	<b>90</b>
Plus assets classified as held for sale in the year	44	131	0	0	0	0	0	0	0	<b>175</b>
Less assets sold in the year	(90)	0	0	0	0	0	0	0	0	<b>(90)</b>
Less impairment of assets held for sale	0	0	0	0	0	0	0	0	0	<b>0</b>
Plus reversal of impairment of assets held for sale	0	0	0	0	0	0	0	0	0	<b>0</b>
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	<b>0</b>
Transfers (to)/from other public sector bodies	0	0	0	0	0	0	0	0	0	<b>0</b>
Revaluation	0	0	0	0	0	0	0	0	0	<b>0</b>
<b>Balance at 31 March 2013</b>	<b>44</b>	<b>131</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>175</b>
<b>Liabilities associated with assets held for sale at 31 March 2013</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Balance at 1 April 2011</b>	158	362	0	0	0	0	0	0	0	<b>520</b>
Plus assets classified as held for sale in the year	700	0	0	0	0	3	0	0	0	<b>703</b>
Less assets sold in the year	(768)	(152)	0	0	0	(3)	0	0	0	<b>(923)</b>
Less impairment of assets held for sale	0	(210)	0	0	0	0	0	0	0	<b>(210)</b>
Plus reversal of impairment of assets held for sale	0	0	0	0	0	0	0	0	0	<b>0</b>
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	<b>0</b>
<b>Balance at 31 March 2012</b>	<b>90</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>90</b>
<b>Liabilities associated with assets held for sale at 31 March 2012</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Revaluation reserve balances in respect of non-current assets held for sale were:</b>										
At 31 March 2012	0									
At 31 March 2013	0									

A property known as Bilton Grange / Greenwich Avenue, which had a net book value of £90k was sold for £120k. A profit of £30k is therefore recognised in these accounts. This property was classified as held for sale during 2009/2010.

During the financial year the property known as Dunvegan Road was classified as held for sale as this will be sold during 2013/14 to the GP practice that is taking over at this location. The net book value of this property is £175k.

## 25 Trade and other payables

	Current		Non-current	
	31 March 2013 £000	31 March 2012 £000	31 March 2013 £000	31 March 2012 £000
Interest payable	0	0		
NHS payables - revenue	2,946	2,386	0	0
NHS payables - capital	0	0	0	0
NHS accruals and deferred income	0	0	0	0
Family Health Services (FHS) payables	0	0		
Non-NHS payables - revenue	3,219	4,952	0	0
Non-NHS payables - capital	93	528	0	0
Non_NHS accruals and deferred income	16,388	16,487	0	0
Social security costs	1	0		
VAT	0	0	0	0
Tax	8	0		
Payments received on account	0	0	0	0
Other	0	3	0	0
<b>Total</b>	<b>22,655</b>	<b>24,356</b>	<b>0</b>	<b>0</b>
<b>Total payables (current and non-current)</b>	<b>22,655</b>	<b>24,356</b>		

## 26 Other liabilities

	Current		Non-current	
	31 March 2013 £000	31 March 2012 £000	31 March 2013 £000	31 March 2012 £000
PFI/LIFT deferred credit	0	0	0	0
Lease incentives	33	0	181	0
Other	0	0	0	0
<b>Total</b>	<b>33</b>	<b>0</b>	<b>181</b>	<b>0</b>
<b>Total other liabilities (current and non-current)</b>	<b>214</b>	<b>0</b>		

## 27 Borrowings

	Current		Non-current	
	31 March 2013 £000	31 March 2012 £000	31 March 2013 £000	31 March 2012 £000
Bank overdraft - Government Banking Service	0	0		
Bank overdraft - commercial banks	0	0		
PFI liabilities:				
Main liability	0	0	0	0
Lifecycle replacement received in advance	0	0	0	0
LIFT liabilities:				
Main liability	1,787	1,204	58,956	39,704
Lifecycle replacement received in advance	0	0	0	0
Finance lease liabilities	6	6	314	320
Other (describe)	0	0	0	0
<b>Total</b>	<b>1,793</b>	<b>1,210</b>	<b>59,270</b>	<b>40,024</b>
<b>Total other liabilities (current and non-current)</b>	<b>61,063</b>	<b>41,234</b>		

### Borrowings/Loans - Payment of Principal Falling Due in:

	DH £000s	Other £000s	Total £000s
0 - 1 Years	0	1,793	1,793
1 - 2 Years	0	1,860	1,860
2 - 5 Years	0	5,689	5,689
Over 5 Years	0	51,721	51,721
<b>TOTAL</b>	<b>0</b>	<b>61,063</b>	<b>61,063</b>

## 28 Other financial liabilities

Hull Teaching PCT does not have any other financial liabilities.

## 29 Deferred income

Hull Teaching PCT does not have any deferred income.

## 30 Finance lease obligations

NHS Hull holds a long land lease for land at the Bransholme Health Centre, which under IAS 17 is classified as a finance lease. This has a fair value of £272k. This is due to expire in 2098/99. There is no option to purchase the land at the end of this term. During the period the rent may be subject to an open market rent review at any time subject to the landlord providing sufficient notice.

Amounts payable under finance leases (Buildings)	Minimum lease payments		Present value of minimum lease payments	
	31 March 2013 £000	31 March 2012 £000	31 March 2013 £000	31 March 2012 £000
Within one year	6	6	6	6
Between one and five years	24	24	24	24
After five years	18	24	18	24
Less future finance charges	0	0	0	0
Present value of minimum lease payments	<u>48</u>	<u>54</u>	<u>48</u>	<u>54</u>
Included in:				
Current borrowings			6	6
Non-current borrowings			<u>42</u>	<u>48</u>
			<u>48</u>	<u>54</u>

Amounts payable under finance leases (Land)	Minimum lease payments		Present value of minimum lease	
	31 March 2013 £000	31 March 2012 £000	31 March 2013 £000	31 March 2012 £000
Within one year	17	17	0	0
Between one and five years	70	70	0	0
After five years	1,410	1,428	272	272
Less future finance charges	(1,225)	(1,243)		
Present value of minimum lease payments	<u>272</u>	<u>272</u>	<u>272</u>	<u>272</u>
Included in:				
Current borrowings			0	0
Non-current borrowings			<u>272</u>	<u>272</u>
			<u>272</u>	<u>272</u>

## 31 Finance lease receivables as lessor

Hull Teaching PCT does not have any finance lease receivables as a lessor.

**32 Provisions**

Comprising:

	Total £000s	Pensions to Former Directors £000s	Pensions Relating to Other Staff £000s	Legal Claims £000s	Restructuring £000s	Continuing Care £000s	Equal Pay £000s	Agenda for Change £000s	Other £000s	Redundancy £000s
<b>Balance at 1 April 2012</b>	<b>1,663</b>	0	0	139	0	971	0	0	51	502
Arising During the Year	5,392	0	0	12	0	5,119	0	0	94	167
Utilised During the Year	(1,683)	0	0	(10)	0	(1,557)	0	0	0	(116)
Reversed Unused	(542)	0	0	(129)	0	0	0	0	0	(413)
Unwinding of Discount	0	0	0	0	0	0	0	0	0	0
Change in Discount Rate	0	0	0	0	0	0	0	0	0	0
Transferred (to)/from other Public Sector bodies	0	0	0	0	0	0	0	0	0	0
<b>Balance at 31 March 2013</b>	<b>4,830</b>	<b>0</b>	<b>0</b>	<b>12</b>	<b>0</b>	<b>4,533</b>	<b>0</b>	<b>0</b>	<b>145</b>	<b>140</b>
<b>Expected Timing of Cash Flows:</b>										
No Later than One Year	4,830	0	0	12	0	4,533	0	0	145	140
Later than One Year and not later than Five Years	0	0	0	0	0	0	0	0	0	0
Later than Five Years	0	0	0	0	0	0	0	0	0	0

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

As at 31 March 2013	1,326
As at 31 March 2012	823

**Legal Claims**

Hull Teaching PCT - LTPS	£ 11,750
--------------------------	-------------

The LTPS provision relates to public and employer liability claims and is advised by the NHS Litigation Authority.

**Continuing Care**

Impact of Change in Guidance for Continuing Care	£ 4,533,200
--	----------------

Costs in respect of Impact of Change in Guidance for Continuing Care based on the framework introduced in 2007/08, the level of claim and timing of payment is reviewed regularly during the financial year to assess the likelihood of a settlement being made. The estimate is calculated on actual claims being in progress and a judgement is made on the potential claims for unidentified patients is made based on year on year patient level information. There have been a number of deadlines for getting retrospective claims into the system and the increase in provision from previous years reflects the increase in the number of actual claims received during the financial year.

<b>Other</b>	£
Maltings Dilapidation Costs	145,000

At the end of lease arrangement for The Maltings there is a requirement to "make good" any wear and tear on the building and an estimation of refurbishment/repair has been made and would become due at the end of the agreed lease which is currently March 2014.

<b>Redundancy</b>	£
Contractual obligations payable at the end of employees fixed term contracts	140,199

This provision has been calculated based on actual staff currently on fixed or short term based contracts/arrangements.

**33 Contingencies**

	31 March 2013 £000	31 March 2012 £000
<b>Contingent liabilities</b>		
Equal Pay	0	0
Other	(7)	(6)
Amounts Recoverable Against Contingent Liabilities	0	0
<b>Net Value of Contingent Liabilities</b>	<b>(7)</b>	<b>(6)</b>
<b>Contingent Assets</b>		
Contingent Assets *1	0	161
<b>Net Value of Contingent Assets</b>	<b>0</b>	<b>161</b>

\*1 The contingent Asset included in the accounts for 2011/12 was for a legal change for which the funding was recovered in 2012/13.

**Contingent Liability - Continuing Healthcare Framework with effect from 1 October 2007**

Following the implementation of the new framework covering the eligibility criteria for continuing healthcare which was introduced with effect from 1 October 2007 a contingent liability has been identified in relation to patients who have not yet claimed for funding they would have been entitled to. A provision has been established for an estimated number of these clients but there is a risk that the total number eligible may be higher than the value provided within the Annual Accounts for 2012/13, particularly in relation to the deadlines which have been imposed nationally and mean patients have a limited amount of time in which to lodge claims.

**34 NHS LIFT Schemes - additional information**

Hull Teaching PCT has 12 on Statement of Financial Position, LIFT schemes.

The LIFT schemes relate to the provision of improved quality buildings and services across the city of Hull. The ownership of the LIFT schemes will not transfer to the PCT at the end of the contracts and at this stage the PCT do not intend to purchase these assets at the end of the lease term.

Scheme	MARFLEET	NEWINGTON	ALEXANDRA	PARK	LONGHILL	CALVERT	KINGSWOOD	BILTON GRANGE	ORCHARD PARK	WILBERFORCE	BRANSHOLME	ELLIOTT CHAPPELL
Date of operational handover	01/09/2005	01/01/2006	01/12/2006	01/07/2007	01/08/2007	01/01/2008	19/10/2009	29/10/2009	04/12/2009	25/11/2011	03/09/2012	11/03/2013
Financial close / construction start	01/10/2004	01/10/2004	12/12/2005	05/07/2006	05/07/2006	20/12/2006	01/12/2008	01/12/2008	17/03/2008	01/12/2009	01/12/2010	27/10/2011
End of contract	31/08/2030	31/12/2030	30/11/2031	30/06/2032	31/07/2032	31/12/2032	18/10/2034	28/10/2034	03/12/2034	24/11/2036	02/09/2037	10/03/2038
Contract period	25	25	25	25	25	25	25	25	25	25	25	25
Proportion of build leased by the PCT	100%	100%	100%	100%	100%	100%	100%	100%	56.19%	100.00%	100.00%	100.00%
Rent review pattern	LPP uplifted in April each year based on the annual RPI uplift at February	LPP uplifted in April each year based on the annual RPI uplift at February	LPP uplifted in April each year based on the annual RPI uplift at February	LPP uplifted in October each year based on the annual RPI uplift at August	LPP uplifted in October each year based on the annual RPI uplift at August	LPP uplifted in April each year based on the annual RPI uplift at February	LPP uplifted in April each year based on the annual RPI uplift at February	LPP uplifted in April each year based on the annual RPI uplift at February	LPP uplifted in April each year based on the annual RPI uplift at February	LPP uplifted in April each year based on the annual RPI uplift at February	LPP uplifted in April each year based on the annual RPI uplift at February	LPP uplifted in April each year based on the annual RPI uplift at February
Break clauses	None	None	None	None	None	None	None	None	None	None	None	None

In line with IFRIC 12 the value of the schemes are treated as assets of the PCT. The substance of the contracts have been deemed to be that of a finance leases (considering the factors outlined below) and payments comprise of the relevant categories relating to imputed finance lease costs and service charges:

- rights to use specified assets
- obligations to provide or rights to expect provision of services
- obligations to acquire or build items of property, plant and equipment
- obligations to deliver or rights to receive specified assets at the end of the contract period
- renewal and termination options, and
- other rights and obligations
- changes in the arrangement occurring during the period

### 34 NHS LIFT Schemes - additional information

#### 34.1 Charges to operating expenditure and future commitments in respect of on and off SOFP LIFT

Total Charge to Operating Expenses in year - OFF SOFP LIFT  
 Service element of on SOFP LIFT charged to operating expenses in year  
**Total**

31 March 2013 £000	31 March 2012 £000
0	0
1,598	1,192
<b>1,598</b>	<b>1,192</b>

#### Payments committed to in respect of off SOFP LIFT and the service element of on SOFP LIFT.

LIFT Scheme Expiry Date:  
 No Later than One Year  
 Later than One Year, No Later than Five Years  
 Later than Five Years  
**Total**

31 March 2013 £000	31 March 2012 £000
1,924	1,587
8,826	8,332
54,558	57,113
<b>65,308</b>	<b>67,032</b>

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:

Estimated capital value of project - off SOFP LIFT  
 Value of Deferred Assets - off SOFP LIFT  
 Value of Residual Interest - off SOFP LIFT

31 March 2013 £000	31 March 2012 £000
0	0
0	0
0	0

#### 34.2 Imputed "finance lease" obligations for on SOFP LIFT Contracts due

No Later than One Year  
 Later than One Year, No Later than Five Years  
 Later than Five Years  
**Subtotal**  
 Less: Interest Element  
**Total**

31 March 2013 £000	31 March 2012 £000
5,901	4,033
22,740	15,473
89,232	60,630
117,873	80,136
(57,130)	(39,228)
<b>60,743</b>	<b>40,908</b>

### 35 Impact of IFRS treatment - 2012-13

#### Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g LIFT)

Depreciation charges  
 Interest Expense  
 Impairment charge - AME  
 Impairment charge - DEL  
 Other Expenditure  
 Revenue Receivable from subleasing  
**Total IFRS Expenditure (IFRIC12)**  
 Revenue consequences of LIFT schemes under UK GAAP / ESA95 (net of any sublease income)  
**Net IFRS change (IFRIC12)**

Total £000	Admin £000	Programme £000
2,142	0	2,142
3,960	0	3,960
1,675	0	1,675
0	0	0
1,617	0	1,617
(5,737)	0	(5,737)
3,657	0	3,657
(1,286)	0	(1,286)
<b>2,371</b>	<b>0</b>	<b>2,371</b>

#### Capital Consequences of IFRS : LIFT and other items under IFRIC12

Capital expenditure 2012-13  
 UK GAAP capital expenditure 2012-13 (Reversionary Interest)

21,300
0



## 36 Financial Instruments

### Financial risk management

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

### Currency risk

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

### Interest rate risk

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

### Credit Risk

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

### Liquidity Risk

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

#### 36.1 Financial Assets

	At 'fair value through profit and loss' £000	Loans and receivables £000	Available for sale £000	Total £000
Embedded derivatives	0			0
Receivables - NHS		3,865		3,865
Receivables - non-NHS		1,931		1,931
Cash at bank and in hand		3		3
Other financial assets	0	2,829	1,424	4,253
<b>Total at 31 March 2013</b>	<b>0</b>	<b>8,628</b>	<b>1,424</b>	<b>10,052</b>
Embedded derivatives	0			0
Receivables - NHS		753		753
Receivables - non-NHS		3,196		3,196
Cash at bank and in hand		5		5
Other financial assets	0	2,588	1,446	4,034
<b>Total at 31 March 2012</b>	<b>0</b>	<b>6,542</b>	<b>1,446</b>	<b>7,988</b>

#### 36.2 Financial Liabilities

	At 'fair value through profit and loss' £000	Other £000	Total £000
Embedded derivatives	0		0
NHS payables		2,946	2,946
Non-NHS payables		19,923	19,923
Other borrowings		0	0
PFI & finance lease obligations		61,063	61,063
Other financial liabilities	0	214	214
<b>Total at 31 March 2013</b>	<b>0</b>	<b>84,146</b>	<b>84,146</b>
Embedded derivatives	0		0
NHS payables		2,386	2,386
Non-NHS payables		21,970	21,970
Other borrowings		0	0
PFI & finance lease obligations		41,234	41,234
Other financial liabilities	0	0	0
<b>Total at 31 March 2012</b>	<b>0</b>	<b>65,590</b>	<b>65,590</b>

**37 Related party transactions****The Parent**

The Department of Health is regarded as a related party. During the year Hull Teaching 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. These entities are listed below;

**NHS bodies**

NHS Supply Chain  
Hull & East Yorkshire Hospitals NHS Trust  
Humber NHS Foundation Trust  
Yorkshire Ambulance Service NHS Trust  
Leeds Teaching Hospitals NHS Trust  
East Riding of Yorkshire Primary Care Trust  
North Lincolnshire Primary Care Trust  
North East Lincolnshire Care Trust  
North Yorkshire and York Primary Care Trust  
NHS Yorkshire and the Humber (Strategic Health Authority)

**Other Government Departments**

In addition, the Primary Care Trust has had a significant number of material transactions with other Government Departments and other central and local Government bodies. Most of these transactions have been with Kingston upon Hull City Council in respect of joint healthcare provision.

The transactions have been conducted during the normal course of trading, no guarantees have been made and no provision for irrecoverable balances has been made.

During the year none of the Board Members or parties related to them has undertaken any material transactions with Hull Teaching PCT other than as noted below:  
(The financial values outlined below are transactions between Hull Teaching PCT and the relevant organisation.)

	Payments to Related Party £	Receipts from Related Party £	Amounts owed to Related Party £	Amounts due from Related Party £
<b>Humber Cluster Board Members</b>				
<u>Karen Knapton, Chair (to 31 August 2012)</u> NHS Hull had no transactions with parties related to Ms Knapton	0	0	0	0
<u>Chris Long - Chief Executive</u> CatZero Mr Long is a trustee of CatZero	68,800	0	0	0
<u>Alan Barton - Director of Finance and Performance</u> Hull Citycare Mr Barton is a Director of Hull Citycare - Hull PCT nominated Director in joint venture company to deliver the Hull LIFT programme.	7,442,545	37,183	136,360	18,521
<u>Kathryn Ireland, Director of Quality and Governance (Nursing)</u> NHS Hull had no transactions with parties related to Ms Ireland	0	0	0	0
<u>Julie Warren, Director of Commissioning Development</u> NHS Hull had no transactions with parties related to Ms Warren	0	0	0	0
<u>Tina Smallwood, Director of Human Resources</u> NHS Hull had no transactions with parties related to Ms Smallwood	0	0	0	0
<u>Catherine Dymond, Non-Executive Director (1 April to 31 October 2012)</u> NHS Hull had no transactions with parties related to Ms Dymond	0	0	0	0
<u>Kath Lavery - Chair (Vice Chair 1 April to 31 August 2012)</u> UNISON The Warren Hull & East Yorkshire Hospitals Mrs Lavery is Chair of the Warren and is in receipt of a UNISON pension. Mrs Lavery's daughter in law is employed by Hull & East Yorkshire Hospitals NHS Trust	-121 199,150 192,014,000	0 0 115,000	365 0 1,865,000	0 0 3,334,000
<u>Graham Powell, Non-Executive Director (12 December 2012 onwards, NHS Hull only 1 April to 11 December 2012)</u> Humber NHS Foundation Trust Hull & East Yorkshire Hospitals NHS Trust Mr Powell's son is employed by Humber NHS Foundation Trust and Mr Powell's daughter-in-law by Hull & East Yorkshire Hospitals NHS Trust	39,418,000 192,014,000	34,000 115,000	50,000 1,865,000	10,000 3,334,000
<u>Richard Davies - Non-Executive Director</u> Preston Road Enterprises Mr Davies is a Non Executive Director at Preston Road Enterprises	110,605	0	0	0
<u>Helen Varey, Vice Chair</u> NHS Hull had no transactions with parties related to Ms Varey	0	0	0	0
<u>Ursula Vickerton - Non-Executive Director (1 April to 30 November 2012)</u> Rotherham, Doncaster and South Humber Mental Health NHS Foundation Trust Ms Vickerton is a Volunteer Trust Associate Manager of Rotherham, Doncaster and South Humber Mental Health NHS Foundation Trust	10,000	31,000	1,000	0

**37 Related party transactions (continued)**

	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£	£	£	£
<b>Humber Cluster Board Members Continued</b>				
<u>Val Waterhouse - Vice Chair</u> North East Lincolnshire Care Trust Plus PCT Ms Waterhouse is Chair of North East Lincolnshire Care Trust Plus	0	45,000	0	9,000
<u>Pauline Harness, Associate Non-Executive Director</u> NHS Hull had no transactions with parties related to Ms Harness	0	0	0	0
<u>Mark Webb, Non-Executive Director</u> NHS Hull had no transactions with parties related to Mr Webb	0	0	0	0
<u>Louise Norton - Non-Executive Director</u> Humber NHS Foundation Trust Ms Norton is a Governor of Humber NHS Foundation Trust	39,418,000	34,000	50,000	10,000
<u>Tim Allison - Director of Public Health</u> East Riding of Yorkshire Council Mr Allison is Joint Director of Public Health with East Riding of Yorkshire Council (1 April 2012 to 31 October 2012)	1,205,063	15,460	35,329	2,807
<u>Dr Geoff Barnes, Director of Public Health -North East Lincolnshire</u> NHS Hull had no transactions with parties related to Mr Barnes	0	0	0	0
<u>Frances Cuning - Director of Public Health North Lincolnshire</u> North Lincolnshire Council Dr Cuning is the jointly funded Director of Public Health with North Lincolnshire Council	20,881	0	29,740	0
<u>Dr Cate Carmichael, Director of Public Health - East Riding</u> East Riding of Yorkshire Council Mr Allison is Joint Director of Public Health with East Riding of Yorkshire Council (1 November 2012 to 31 March 2013)	1,205,063	12,653	35,329	2,807
	0	0	0	0
<b>Each member of the Cluster Board is by definition a member of each Primary Care Trust/Care Trust Plus Board and there are transactions between the four "clustered" organisations.</b>				
<b>Clinical Commissioning Group Committee</b>				
<u>Tony Banerjee - Chair of the Clinical Commissioning Group Committee</u> Dr Weir and Partners Dr Banerjee is a GP Partner of Dr Weir and Partners	1,582,892	2,758	0	2,915
<u>John Blow - GP member of the Clinical Commissioning Group Committee and the Integrated Audit and Governance Group</u> Dr Blow and Partners Dr Blow is a GP at Dr Blow and Partners	993,136	1,124	0	1,348
<u>Karen Marshall - Lay Member of the Clinical Commissioning Group Committee and the Integrated Audit and Governance Group</u> Hull and East Yorkshire Hospitals NHS Trust Mrs Marshall's daughter-in-law is employed as a staff nurse by Hull and East Yorkshire Hospitals NHS Trust	192,014,000	115,000	1,865,000	3,334,000
<u>James Moulton - Vice Chair of the Clinical Commissioning Group Committee and Member of the Planning and Commissioning Group</u> Dr Wong and Partners Dr Moulton is a GP at Dr Wong and Partners	980,179	0	0	0
<u>John Parker - GP member of the Clinical Commissioning Group Committee and the Planning and Commissioning Group</u> Dr Parker and Partners Dr Parker is a GP at Dr Parker and Partners	1,556,798	606	0	0
<u>Raghu Raghunath - GP member of the Clinical Commissioning Group Committee and the Planning and Commissioning Group</u> Dr Raghunath and Partners Dr Raghunath and Partners (BL Koul) Dr Ghosh, Raghunath and Partners Dr Macphie, Raghunath and Partners Dr Raghunath is a GP at Dr Raghunath and Partners, Dr Raghunath and Partners (BL Koul), Dr Ghosh, Raghunath and Partners and Dr Macphie, Raghunath and Partners	751,098 221,612 360,645 304,940	669 163 2308 1098	0 0 520 0	803 0 2769 1318

**37 Related party transactions (continued)**

	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£	£	£	£
<b>Clinical Commissioning Group Committee continued</b>				
<u>Dan Roper - GP member of the Clinical Commissioning Group Committee and Member of the Planning and Commissioning Group</u>				
Dr Roper and Partners	1,603,892	0	5,897	0
Assura East Riding LPP	1,991,971	54,468	0	4,426
Assura Stockton LPP	137	0	0	0
Dr Roper is a GP of Dr Roper and Partners and Dr Roper's Practice is a member of Assura LLP				
<u>Jason Stamp - Lay member of the Clinical Commissioning Group Committee, the Integrated Audit and Governance Group and the Quality and Performance Group</u>				
North Bank Forum	38,350	0	0	0
Hull & East Yorkshire Hospitals NHS Trust	192,014,000	115,000	1,865,000	3,334,000
Humber NHS Foundation Trust	39,418,000	34,000	50,000	10,000
Mr Stamp is a Project Manager of North Bank Forum and is a Member of Hull & East Yorkshire Hospitals NHS Trust and Humber NHS Foundation Trust				
<u>Robert Thompson - Practice Manager member of the Clinical Commissioning Group Committee, Member of the Integrated Audit and Governance Group and Member of the Quality and Performance Group</u>				
Dr Roper and Partners	1,603,892	0	5,897	0
Assura East Riding LPP	1,991,971	54,468	0	4,426
<u>Leen Witvliet - GP Member of the Clinical Commissioning Group Committee and the Quality and Performance Group</u>				
Dr L. Witvliet	396,797			
Dr Witvliet is a GP in Hull				
<u>Daniel Brown - Associate Non Executive Director of NHS Hull</u>				
Kingston upon Hull City Council	17,304,567	617,230	225,596	216,811
Mr Brown is an elected member of Hull City Council				
<u>Gary Wareing - Associate Non Executive Director of NHS Hull</u>				
Kingston upon Hull City Council	17,304,567	617,230	225,596	216,811
Mr Wareing is an elected member of Hull City Council				
<b>Hull Teaching Primary Care Trust Employees</b>				
<u>Philip Davis - Senior Commissioning Manager Primary Care</u>				
York NHS Foundation Trust	217,000	0	70,000	0
Mr Davis's partner is employed by York NHS Foundation Trust				
<u>Elizabeth Dobson - Associate Medical Director</u>				
Dr Roper and Partners	1,603,892	0	5,897	0
Assura East Riding LPP	1,991,971	54,468	0	4,426
Assura Stockton LPP	137	0	0	0
Dr Dobson is a Practice Member of Assura LLP and a Partner in Dr Roper and Partners				
<u>Joy Dodson - Senior Business Intelligence Lead</u>				
Cruse Bereavement Care - Hull and East Riding	13,448	0	716	0
East Riding of Yorkshire PCT	884,000	618,000	20,000	161,000
Mrs Dodson's husband is Chief Finance Officer at NHS East Riding of Yorkshire Clinical Commissioning Group. Mrs Dodson is also Honorary Area Treasurer for Cruse Bereavement Care - Hull and East Riding				
<u>Susan Lee - Patient Experience and Engagement Manager</u>				
Relate Hull and East Riding	57,324	0	5,463	0
Mrs Lee's sister-in-law is Manager of Relate - Hull				
<u>Damian O'Mullane - Specialist Systems Developer</u>				
Kingston upon Hull City Council	17,304,567	617,230	225,596	216,811
Mr O'Mullane's mother is a City Councillor who is the portfolio holder for Children and Young People services				
<u>Danny Storr - Head of Finance</u>				
Eskimo Soup	37,549	0	480	0
Mr Storr's cousin (in law) is a Director of Eskimo Soup				
<u>Mark Williamson - Associate Medical Director</u>				
Rotherham, Doncaster And South Humber NHS Foundation Trust	10,000	31,000	1,000	0
East Riding of Yorkshire Clinical Commissioning Group	884,000	618,000	20,000	161,000
Mr Williamson was on secondment as Managing Director of Rotherham Foundation Trust. Mr Williamson's wife is Chair of East Riding of Yorkshire Clinical Commissioning Group				

**38 Losses and special payments**

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

	<b>Total Value of Cases £s</b>	<b>Total Number of Cases</b>
Losses - PCT management costs	273	2
Special payments - PCT management costs	0	0
Losses in respect of the provision of family practitioner services	0	0
Special payments in respect of he provision of family practitioner services	0	0
<b>Total losses</b>	<b>273</b>	<b>2</b>
<b>Total special payments</b>	<b>0</b>	<b>0</b>
<b>Total losses and special payments</b>	<b>273</b>	<b>2</b>

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

	<b>Total Value of Cases £s</b>	<b>Total Number of Cases</b>
Losses - PCT management costs	800	1
Special payments - PCT management costs	0	0
Losses in respect of the provision of family practitioner services	0	0
Special payments in respect of he provision of family practitioner services	0	0
<b>Total losses</b>	<b>800</b>	<b>1</b>
<b>Total special payments</b>	<b>0</b>	<b>0</b>
<b>Total losses and special payments</b>	<b>800</b>	<b>1</b>

### **39 Events after the end of the reporting period**

Hull Teaching PCT ceased to exist on 31st March 2013 following implementation of the Health & Social Care Act 2012. The main functions carried out by Hull Teaching PCT in 2012-13 are to be carried out in 2013-14 by the following public sector bodies:

NHS Hull Clinical Commissioning Group (CCG) - Areas of responsibility include, but are not limited to, secondary care, emergency and urgent Care, community health services, continuing healthcare and prescribing costs.

NHS England - Areas of responsibilities include, but are not limited to, primary care services, specialised services, offender healthcare and military healthcare.

Kingston Upon Hull City Council - Areas of responsibility include, but are not limited to, public health.

Certain assets and liabilities have transferred to NHS Property Services and Community Health Partnerships on 1<sup>st</sup> April 2013. These were considered operational at the year end, and so have not been impaired in the PCT books. It is for the successor body to consider whether, in 2013-14, it is necessary to review these for impairment.