



Department
of Health



Gloucestershire Primary Care Trust

2012-13 Annual Report and Accounts

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Gloucestershire Primary Care Trust

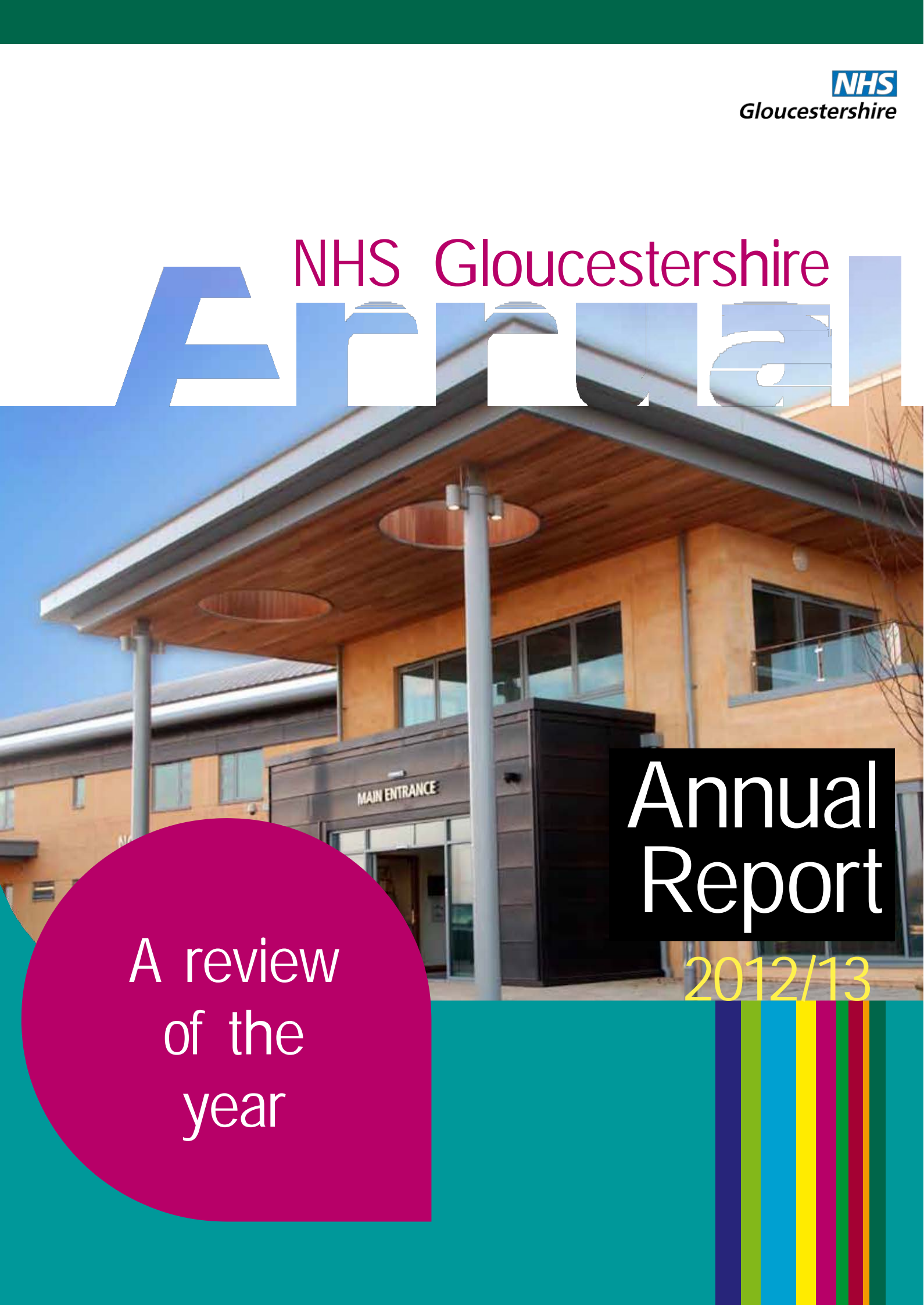
2012-13 Annual Report

NHS Gloucestershire Annual

Annual Report

2012/13

A review
of the
year



A message from:

This is the last Annual Report for NHS Gloucestershire which ceased to exist on 1 April 2013.

Over the last 7 years, primary care trust staff have been working hard with clinicians and local communities to improve care and the health of the population. This has left an important legacy of high performing community health services, financial stability, improved health outcomes and a strong track record in new and improved facilities.

As well as new primary care premises, we now have a network of community facilities that Gloucestershire can be truly proud of – the new North Cotswolds' Hospital, the George Moore Clinic in Bourton on the Water, Vale Community Hospital in Dursley and soon the people of Tewkesbury will also have a wonderful new hospital too.

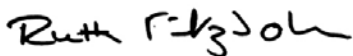
Gloucestershire Clinical Commissioning Group (CCG) formally came into being on 1 April 2013 following confirmation from NHS England that the new organisation had been authorised without conditions. This is testament to the great deal of preparatory work carried out by clinicians and managers across Gloucestershire.

CCG members are now in a strong position to use their clinical knowledge to improve the patient's journey through care, and work with community partners to make a real difference for patients.

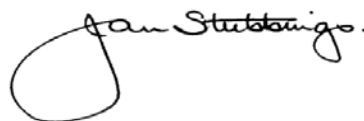
As you will see on the CCG's website www.gloucestershireccg.nhs.uk, great work is already going on within the localities to make this a reality and this comes despite the challenges facing primary care and the NHS as a whole.

The CCG looks forward to developing constructive and collaborative working relationships with clinical colleagues and community partners to take the NHS forward.

Best wishes



Ruth FitzJohn
Chair, NHS Gloucestershire
to 31 March 2013



Jan Stubbings
Chief Executive, NHS Gloucestershire
to 31 March 2013



Dr Helen Miller
Clinical Chair, Gloucestershire
Clinical Commissioning Group

A Review of the Year

2012/2013

April:

2012

Government announces a £12 million funding boost for the new Tewkesbury Hospital

NHSG joins in Forest Health Forum's 25th anniversary

'Living Book' scheme launched to help people share their life experiences



May:

◀ HRH Prince Michael of Kent celebrates opening of the new North Cotswolds'

GPs urge people to look out for symptoms of a stroke in support of the FAST campaign

Figures confirm 4,000 people in Gloucestershire quit smoking with the help of the NHS.



June:

Special events held to encourage Older people to 'boost their bones' As part of National Falls Awareness Week

Local women 'paint Dursley and Cam pink' to raise awareness of breast cancer

Work starts on Tewkesbury's new Community Hospital



July:

Berkeley Vale Community Arts Project wins inspirational Arts And Health South West Award

'End of Life' roadshow held to reduce the reticence about talking about, and planning for, death and dying

Works gets underway at the new George Moore Community Clinic in Bourton on the Water

August:

High profile 'Combat Norovirus' campaign launched across the NHS (see October last year for image)

NHS teams up with Tesco in Cheltenham to run an in-store Smoking Advice Clinic.

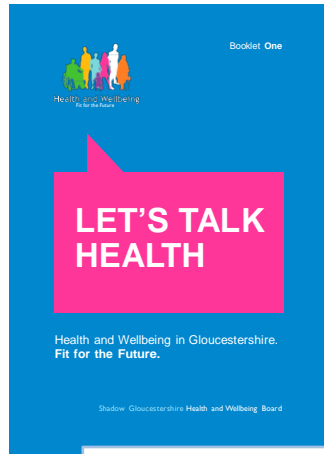


A Review of the Year

2012/2013

September:

NHS and County Council launch 'Fit for the Future' to get public views on future health and well-being priorities



October:

28 day 'quit smoking' challenge backed by local NHS (Stoptober).

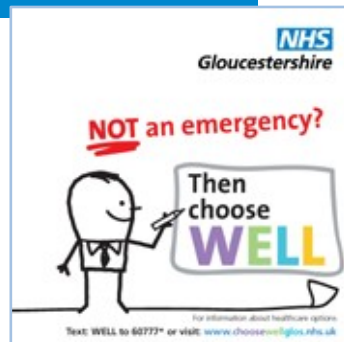
'Keep warm and well' campaign unveiled for the winter.

Community Neurological conditions event held To shape future priorities



December:

Choose Well campaign 'Signposts' public to NHS advice and services for the winter



0300 **NHS** *Our numbers have changed!*

*We've changed our numbers so you can call for less**

Gloucestershire Hospitals NHS Foundation Trust, NHS Gloucestershire And Gloucestershire Care Services* are now using non-geographic 0300 numbers which will make it cheaper for you to get in touch with us. (*most sites)

Find out more at



November: ▲

People in Gloucestershire benefit from cheaper call rates as NHS organisations move to 0300 numbers (0300 poster graphic)

Gloucestershire secure £500k funding to challenge dementia

January:

2013

March:

'It's not too late to vaccinate' message from county GPs as efforts made to tackle flu illness.

Your NHS consultation gets underway with proposals to maintain

February:

HPA and NHS urge patients to check their children's vaccination history to prevent measles.

Gloucestershire CCG prepares to take on its formal responsibilities.



How we measure up

The section below provides an overview of how we, and our NHS and social care partners, have been working to improve the patient experience, improve access to services and support people to improve their health and well-being.

Support to give up smoking

Nationally, the Department of Health requested that all Primary Care Trusts help to support an increased number of people to quit smoking. Over the last four years (2008/09 – 2012/13), NHS Gloucestershire has helped a total of 16,414 people to give up smoking, of which 2,611 had been completed in 2012/13

Ambulance Service

In receiving urgent care services, it is vitally important that you are transferred to a hospital in a timely manner when needed. The service is carried out by Great Western Ambulance Service NHS Trust (GWAS) for residents in Gloucestershire.

In 2012/13, in Gloucestershire, GWAS achieved the national target for the most urgent calls (Category A calls), with 75.9% of their emergency calls responded to within 8 minutes, and 95.5% of emergency calls having an appropriate vehicle to transport them to hospital within 19 minutes.

Community Services

NHS Gloucestershire set some very challenging performance targets to ensure our community receives the best possible care, as quickly as possible.

For the third year in succession a 2 week wait from referral to first assessment has been achieved in Paediatric Speech & Language Therapy, Paediatric Occupational Therapy and Paediatric Physiotherapy.

An 8 week maximum wait from referral to first treatment has also been achieved across 13 community and specialist nursing services.

Hospital Acquired Infections

Both Clostridium difficile (C. diff) and Methicillin-resistant Staphylococcus aureus (MRSA) are very important performance measures. NHS Gloucestershire has sought to continually drive down the infection rates developed in hospital for our patients in Gloucestershire. In 2012/13.

z C. difficile infections have fallen by 56.6% since 2008/09

z MRSA has fallen by 73.0% since 2008/09

Referral to Treatment

During 2012/13, Gloucestershire patients access to hospital services has improved with 92.9% of admitted patients (patients who are admitted to hospital requiring a planned operation or procedure), and 98.0% of non-admitted patients (patients who are not admitted into hospital), being treated within 18 weeks of the referral from their GP to the hospital.

Cancer Diagnosis and Treatment

In 2012/13, the time patients had to wait for treatment following diagnosis of cancer continues to deliver impressive results with 99.3% of patients receiving their first treatment within 31 days of being diagnosed with cancer against a 96% target.

Of those patients that had been diagnosed with cancer, all patients (99.6%) received their subsequent radiotherapy treatment within 31 days (against a target of 94%), and all patients (100%) received their subsequent drug treatment within 31 days (against a target of 98%), whilst 98.5% received their subsequent surgery treatment within 31 days (against a target of 94%).

Your experience counts

The 4 Cs – Compliments, Comments, Concerns, Complaints

Delivering the best quality care for people at the right time and in the right place depends upon listening to feedback and learning from experience.

To do this, the NHS needs to work in ways that encourage staff and patients to contribute their views on the services we provide and commission.

NHS Gloucestershire collected patient experience feedback against the 4Cs headings: Compliments, Comments, Concerns, and Complaints.

The 4Cs

- Tell us what's working
- Help us to identify potential service problems
- Help us to identify risks and prevent things from getting worse
- Highlight opportunities for staff improvements
- Provide information we need to review our services and procedures effectively.

4Cs feedback from patients (and experience data collected by Gloucestershire LINK (see below) and others informed NHS Gloucestershire's development of Local Patient Experience CQUINs

In 2012/13, NHS Gloucestershire introduced the Patient Experience Escalator CQUIN for all main providers.

The purpose of the Patient Experience Escalator CQUIN is to embed further the use of patient/carer experience in the improvement of care and service delivery across all NHS organisations within the Gloucestershire health care community (commenced 2012/13). This framework, developed in collaboration between NHS Gloucestershire as commissioner of services and Gloucestershire's provider organisations, sets out 'escalating' levels of challenges for providers of NHS services.



Gloucestershire Local Involvement Network

NHS Gloucestershire continued to work closely with the Gloucestershire LINK during 2012/13. In

the last year the LINK has produced reports on the following:

- Access to GP services by residents in Care Homes
- Access to services in Gloucestershire for patients with Fibromyalgia
- Access to information and services for self harm
- Access to Stroke Rehabilitation Service in the Community
- Access to Information and Services for Suicide Prevention
- Access to Patient Transport Service.

The LINK has also been a key stakeholder, working constructively with NHS Gloucestershire through LINK Partners Meetings, The NHS Reference Group and other NHSG project groups covering areas such as Unscheduled Care, End of Life Care and Maternity services.

GUIDE & PALS Information Bus

Originally, the GUIDE & PALS service was largely a telephone based support service.

It was felt that the commissioning of a GUIDE & PALS Information Bus would support face to face contact with the community and improve the dissemination of health, social care and disability information to the people of Gloucestershire, particularly the more geographically isolated and 'seldom heard' groups.

The interior design of the vehicle offers a division of space that allows GUIDE & PALS advisors to work in tandem with staff from other teams or with partner organisations such as 2gether NHS Foundation Trust and the Gloucestershire County Council Adult Care Directorate Contact Centre.

In the past year, the GUIDE & PALS bus has been used for the following activities:

- public engagement exercises
- dissemination of health promotion messages and health information
- the promotion of other health messages e.g. awareness of patient choice when booking hospital appointments
- raising the public profile of NHS services at county events
- dealing with individual visitor enquiries.

The bus has travelled across the county visiting locations such as supermarkets and sports facilities.

A highlight of the year was the use of the bus as an outreach engagement and consultation venue to support the development of the county's Health and Wellbeing Strategy and the Strategy for Care.



The Cluster Board 2012/2013

The duty of an NHS Board is to add value to the organisation, enabling it to deliver healthcare and lead health improvement within the law and without causing harm. It does this by providing a framework of good governance within which the organisation can thrive and grow.

The Board has six key functions for which it is held accountable by the Department of Health on behalf of the Secretary of State:

1. to ensure effective financial stewardship through value for money, financial control and financial planning and strategy;
2. to ensure that high standards of integrated governance and personal behavior are maintained in the conduct of the business of the whole organisation;
3. to appoint, appraise and remunerate senior executives;
4. to ratify the strategic direction of the organisation within the overall policies and priorities of the Government and the NHS, define its annual and longer term objectives and agree plans to achieve them;
5. to oversee the delivery of planned results by monitoring performance against objectives and ensuring corrective action is taken when necessary;
6. to ensure that the organisation leads an effective dialogue between the organisation and the local community on its plans and performance and that these are responsive to the community's needs.

During 2012/13, the NHS Gloucestershire Board had a Chair, Ruth FitzJohn, and 7 Non-Executive Directors, local people who share responsibility with the Executive Directors for the success of the organisation. Non-Executive Directors are appointed by the Appointments Commission on behalf of the local community. They have a responsibility to ensure that the Board acts in the best interests of the public and is fully accountable to the public for the services provided by the organisation and the use of public funds.

NHS Gloucestershire Chief Executive, Jan Stubbings, and the Gloucestershire Clinical Commissioning Group (CCG) Chair, Dr Helen Miller, also sit on the Board, as do seven of the Executive Directors.

The Board meets bi monthly and meetings are open to members of the public to attend. All Board reports can be found on the internet and intranet sites of NHS Gloucestershire.

[Chair and Non-Executive Directors to 31 March 2013](#)

Ruth FitzJohn (Chair)

Michael Barnes

Deb Bignell

Richard Busby

Alan Elkin

Bill Fishlock

Anne Noble

David Wren (from December 2011)

[Chief Executive and Directors](#)

Jan Stubbings, Chief Executive

Dr Shona Arora, Director of Public Health – Gloucestershire

Jill Crook, Director of Nursing

Dr Peter Crouch, Swindon CCG Chair

Debra Elliott, Director of Commissioning Development

Mary Hutton, Director of Finance and Deputy Chief Executive

Dr Liz Mearns, Medical Director

Dr Helen Miller, Gloucestershire CCG Chair

Dr Jose Ortega, Director of Public Health – Gloucestershire

Nuala Ring, Director of Corporate and Human Resources

An up to date listing of Board Members can be found at www.nhsglos.nhs.uk.

[Other Committees](#)

The PCT has a number of other committees to ensure high standards are maintained:

[Integrated Governance Committee](#)

The overarching aim of the Integrated Governance Committee is to ensure that controls are in place and are operating efficiently and effectively to deliver the principal objectives of NHS Gloucestershire and to set in place processes to manage identified risks, minimising the exposure of the Trust to corporate, financial and clinical risks.

[Audit Committee](#)

The purpose of the Audit Committee is to ensure that the Primary Care Trust's activities are managed in accordance with the law and regulations governing the NHS by carrying out specified duties.

[Remuneration Committee](#)

The purpose of the Remuneration Committee is to review the performance, remuneration (pay) and terms and conditions of the Executive Directors of the PCT.

[Charitable Funds Committee](#)

The purpose of the Committee is to advise the Trustees on matters relating to the organisation's charitable funds.

[Care Services Board](#)

The purpose of the Care Services Board is to provide the overview and leadership for Gloucestershire PCT's provider services (Gloucestershire Care Services), as delegated by the Cluster Board. It will ensure, on the PCT Board's behalf, that the services delivered are of the highest standards, meet contractual requirements and are delivered within agreed financial limits.

Declarations of Interest

PCT Cluster Board (Gloucestershire & Swindon) - from 1 April 2012

CATEGORY A			
	Directorships, including non-executive directorships held in private companies or PLCs (with the exception of those dormant companies)	Personal or 'Pecuniary'	Date updated
Alan Elkin	Chair of ART Homes LTD - a not for profit organisation making loan finance available for home improvements	Personal	17.05.12
David Wren	Director: South West Fire Control Company (salaried to May 2012)	Pecuniary	31.05.12
CATEGORY B			
	Ownership or part-ownership of private companies, businesses or consultancies likely or possibly seeking to do business with the NHS		
Peter Crouch	Taw Hill Medical Practice – APMS Contract for Primary Medical Healthcare Solutions	Pecuniary	09.12.11
	Taw Hill Medical Practice (Partner)	Personal	09.12.11
CATEGORY C			
	Majority or controlling shareholdings in organisations likely or possibly seeking to do business with the NHS		
Peter Crouch	Laser Physician for Burghley Park Medical Services Limited – No Current NHS contracts or activity. Spouse – Kate Roberts, a Director of this Limited Company	Pecuniary	09.12.11
	Laser Physician for Burghley Park Medical Services Limited – a CQC registered private healthcare clinic	Personal	09.12.11
CATEGORY D			
	A position of authority in a Local Authority, charity or voluntary body in the field of health and social care		
Deb Bignell	Chief Executive Officer Carers Support Service. 4 holly Court, Holly Farm Business Park, Honiley, Kenilworth, Warwickshire, CV8 1NP	Pecuniary	30.05.12
Shona Arora	Jointly appointed Director of Public Health across NHSG and GCC	Pecuniary	21.5.12
Peter Crouch	Medical Referee for Swindon (Kingsdown Crematorium) – Receive payment/ forum for reviewing applications for cremations.	Pecuniary	09.12.11
	Principal Forensic Physician - Thames Valley Police	Personal	09.12.11
CATEGORY E			
	Any Connection with a voluntary or other body contracting for NHS services		
Dr Shona Arora	Governor of Gloucestershire College.	Personal	21.05.12
	May potentially provide NVQ and other training for health service staff	Personal	21.05.12
Dr Helen Miller	Remunerated GP cover for The Dean Neurological Rehabilitation Unit (Gloucester)	Pecuniary	29.03.12
Dr Liz Mearns	Occasional sessional work for Nina Murphy Associates (investigating performance concerns in primary care.	Pecuniary	06.07.12
Ruth FitzJohn	Chair Designate together NHS Foundation Trust – The Governors decided to appoint on 19th November 2012. Due to commence role on 1st April 2013.	Pecuniary	19.11.12
CATEGORY F			
	Current or potential provider of services commissioned by or for the PCT		
Richard Busby	Interim Sales Director at Cayder Limited. Provider of Patient Flow management systems to the NHS.	Pecuniary	19.06.12
Dr Liz Mearns	Locum GP sessional work as Out of Hours doctor in cluster area	Pecuniary	06.07.12
Dr Shona Arora	Co-opted member of Programme Review Committee – Barnwood Trust	Personal	21.05.12
Dr Helen Miller	GP in the College Yard and Highnam Surgeries, Gloucester	Pecuniary	29.03.12
	Shareholder at Gloucester Health Access Centre	Pecuniary	29.03.12
CATEGORY G			
	Any other interest which a member wishes to place on record but that does not fall into categories A-F above.		
Richard Busby	Chair; Cheltenham, Cirencester and Tewkesbury Citizens' Advice Bureau	Personal	01.12.11
Alan Elkin	A member of THCP – a limited liability partnership undertaking housing related consultancy.	Pecuniary	17.05.12

Ruth FitzJohn	Member of Gloucester Police Authority	Personal	
	Member - Gloucestershire Police Authority	Personal	
	Board Member - The Mid Counties Co-operative Ltd	Personal	15.05.12
	Board Member - The Mid Counties Co-operative Trading Ltd Board	Personal	15.05.12
	Member - The Mid Counties Co-operative Domains Ltd Board	Personal	15.05.12
	Member - The Mid Counties Co-operative Properties Ltd Board	Personal	15.05.12
	Member - The Mid Counties Co-operative Investment Ltd Board	Personal	15.05.12
	Member - Kenmare Estates Ltd	Personal	15.05.12
	Board Member - Gloucester Co-operative Pharmacies Ltd	Personal	15.05.12
	Board Member - Co-operative Energy Ltd	Personal	15.05.12
	Board Member - West Midlands Co-operative Chemists Ltd	Personal	15.05.12
Board Member - Trustee of Clifton Catholic Diocesan Trustees	Personal	15.05.12	
Dr Liz Mearns	Occasional work as a GMC associate mainly in the field of performance assessment of medical practitioners	Pecuniary	06.07.12
	Occasional work for Royal College of GPs (RCGPs)	Pecuniary	06.07.12
David Wren	Board Member – Wiltshire & Swindon Fire Authority	Pecuniary	31.05.12
	Swindon Borough Councillor	Pecuniary	31.05.12
	Chair of Governors – Ridgeway School & Sixth Form College	Personal	31.05.12
Shona Arora	Husband is member of Parliament for Cheltenham	Personal	21.05.12
	President of Cheltenham Swimming and Water Polo Club	Personal	21.05.12
Anne Noble	Husband is Chair of Emmaus UK	Personal	19.06.12
	Husband is President of Emmaus Gloucestershire and Trustee of Emmaus Bridgend, Wales	Personal	19.06.12

Gloucestershire CCG Shadow Board – from 1 April 2012

CATEGORY A	Directorships, including non-executive directorships held in private companies or PLCs (with the exception of those dormant companies)	Personal or 'Pecuniary'	Date
Alan Elkin	Chair of ART Homes LTD – a not for profit organisation making loan finance available for home improvements	Personal	12.05.12
CATEGORY B	Ownership or part-ownership of private companies, businesses or consultancies likely or possibly seeking to do business with the NHS		
Dr Caroline Bennett	General Practitioner - Partner at The Cotswolds' Medical Practice, Bourton on the Water	Personal	12.05.12
Dr Hein Le Roux	GP Partner – Minchinhampton Surgery GP Partner – Minchinhampton Surgery. Provider of services to the NHS Associate – NHS Institute for Innovation and Improvement	Personal Pecuniary Personal	
Dr Martin Gibbs	Partner in Forest of Dean Complimentary and Medical Services which is a dormant company at present.	Pecuniary	20.03.12
Dr William Haynes	Partner at Hadwen Medical Practice – Provider of medical and pharmaceutical services to the NHS and other organisations/individuals. 3 GP practices and 1 pharmacy in Gloucester	Pecuniary	26.03.12
CATEGORY C	Majority or controlling shareholdings in organisations likely or possibly seeking to do business with the NHS		
Dr Andrew Seymour	Shareholder – Gloucester Access Centre	Pecuniary	26.03.12
CATEGORY D	A position of authority in a Local Authority, charity or voluntary body in the field of health and social care		
Dr Hein Le Roux	Member of Health and Well-Being Shadow Board	Personal	23.03.12
Dr Charles Buckley	Trustee of small local charity – Dr John Buckley Memorial Trust	Personal	20.03.12
	Trustee of small local charity – Dr Pinching Memorial Trust	Personal	20.03.12
Dr Shona Arora	Jointly appointed Director of Public Health across NHSG and GCC	Personal	21.05.12
CATEGORY E	Any Connection with a voluntary or other body contracting for NHS services		
Dr Martin Gibbs	Employment for Poplars Resettlement Limited. A company caring for those with learning disability	Pecuniary	20.03.12
Dr Charles Buckley	Member of British Medical Association	Personal	20.03.12
	Member of Royal College of Physicians	Personal	20.03.12
	Member of Dispensing Doctors Association	Personal	20.03.12
Dr Malcolm Gerald	Provide MIU cover for Tetbury Hospital	Personal	23.03.12
	Member of Medical Advisory Committee, Tetbury Hospital Trust. My practice is paid by the Trust to cover the Tetbury Hospital MIU	Personal Pecuniary	23.03.12 23.03.12
Dr Liz Mearns	Occasional sessional work for Nina Murphy Associates in the field of investigating performance concerns in primary care	Pecuniary	06.07.12
Dr Helen Miller	Remunerated GP cover for The Dean Neurological Rehabilitation Unit (Gloucester)	Pecuniary	29.03.12
Dr Shona Arora	Governor of Gloucestershire College	Personal	11.04.11
Dr William Haynes	Locality (Gloucester) Commissioning executive – Chair (a sub-committee of Gloucester CCG/PCT)	Personal	20.03.12
CATEGORY F	Current or potential provider of services commissioned by or for the PCT		
Dr Caroline Bennett	Practice also has contract to provide medical services to Bourton Intermediate Care Unit	Personal	12.05.12
	Practice also has contract to provide medical services to Bourton Intermediate Care Unit	Pecuniary	12.05.12

Dr Helen Miller	GP Partner in the College Yard & Highnam Surgeries, Gloucester Shareholder – Gloucester Health Access Centre	Pecuniary Pecuniary	29.03.12 29.03.12
Dr Liz Mearns	Locum GP sessional work and as an out of hour's doctor in the PCT cluster area.	Pecuniary	06.07.12
Dr Martin Gibbs	Partner in Blakeney Surgery which holds Primary Care Contracts with NHSG and Community Hospital contract with Gloucestershire Care Services for in-patient care at Dilke and Lydney Hospitals Blakeney Surgery is a member of the Primary Care Research Network	Pecuniary Pecuniary	20.03.12 20.03.12
Dr Jeremy Welch	Partner – Jesmond House, Tewkesbury Hospital Practitioner at Tewkesbury Hospital	Personal Personal	21.03.12 21.03.12
Dr Malcolm Gerald	GP at Romney House Surgery, Tetbury	Personal	23.03.12
	My practice holds a number of SLA & other agreements with current PCT for which funding is received. Many funding & other initiatives by Gloucestershire PCT or CCG may have a direct or indirect impact on practice's profitability & on my personal income.	Pecuniary	23.03.12
Dr Charles Buckley	Partner in Dispensing General Medical Practice – Frampton Surgery with two partners. 100% NHS practice	Personal	20.03.12
Dr Andrew Seymour	GP principle	Personal	31.03.12
	GP partner in practice holding a GMS contract with the PCT	Pecuniary	31.03.12
Dr Shona Arora	Co-opted Member of Programme Review Committee – Barnwood Trust; Currently commissioned by NHSG for service delivery	Personal	21.05.12

CATEGORY G	<i>Any other interest which a member wishes to place on record but that does</i>		
Alan Elkin	A member of THCP – a limited liability partnership undertaking housing related consultancy.	Pecuniary	17.05.12
Dr Martin Gibbs	Remunerated to chair and speak at meetings sponsored by various Pharmaceutical companies. Occasional hospitality received from companies who gain financially from the NHS on matters relating to improvement of NHS Services and knowledge of health related matters or health related research.	Pecuniary Pecuniary	20.03.12 20.03.12
Dr William Haynes	My wife is a Surgeon (Breast Specialty) for Gloucestershire Hospitals Acute Foundation Trust and potentially may deliver healthcare on an NHS and private basis.	Personal	26.03.12
Dr Liz Mearns	Occasional work as a GMC associate mainly in the field of performance assessment of medical practitioners Occasional work as an examiner for the Royal College of General Practitioners	Pecuniary Pecuniary	06.07.12 06.07.12
Dr Caroline Bennett	Husband employed as a Consultant Anaesthetist at Cheltenham General Hospital	Personal	12.05.12
Dr Shona Arora	Husband is member of Parliament for Cheltenham	Personal	21.05.12
	President of Cheltenham Swimming & Water polo Club	Personal	21.05.12

Name	Category of Interest	Personal or 'Pecuniary'	Date	Details	Date updated
Debra Elliott	None		28.03.11	No interests declared	12.05.12
Jan Stubbings	None		30.03.11	No interests declared	12.05.12
Jill Crook	None		30.03.11	No interests declared	12.05.12
Mary Hutton	None		11.08.11	No interests declared	12.05.12
Nuala Ring	None		31.03.11	No interests declared	12.05.12

Equality and Diversity Statement – 2012/13

This year has seen major organisational structural change with the commissioning arm forming a CCG and the Care Services becoming an NHS Trust.

Despite these major changes, our commitment to Equality and Diversity has been as strong as ever.

We benchmarked against the NHS's Equality Delivery System and in doing so, extended our partnership work with the local communities we serve strengthening our relationship.

We published our annual Equality Report and set ourselves challenging yet attainable Equality Objectives that will allow us to maintain a focus on a progressive Equality Agenda.

Our Equality & Human Rights training remains mandatory for all new staff and allows them to understand how promoting equality and diversity through their work leads to the delivery of an excellent health service.

We continue to assess our decisions for their potential impact on equality, and to establish how we can ensure our activities benefit our diverse communities.

We have continued our work in ensuring that equality and human rights are embedded in the founding frameworks of the new healthcare organisations and commissioning arrangements in Gloucestershire.

Despite the changing times, we remain steadfast in our belief that we can only achieve excellence in health for the people of Gloucestershire by valuing diversity, striving for equality of opportunity and respecting human rights.

We remain committed, in all our areas of responsibility, to the continued identification of, and reduction in, health inequalities and to helping ensure that our staff can fully contribute to, and our service user's benefit from, high quality care and health outcomes.

Annual Governance Statement

Scope of Responsibility

As the Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of NHS Gloucestershire's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me.

I am also responsible for ensuring that the Primary Care Trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the Accountable Officer memorandum and published in the PCT's Standing Orders, Standing Financial Instructions, Reservations of Power and Scheme of Delegation.

I am accountable to the Chair of the PCT Board with whom I set my objectives. I am also accountable to

the NHS South of England Health Authority for the performance of the PCT and agree objectives annually. Together with Executive Directors I meet with NHS South of England on a regular basis to assess performance and ensure that NHS targets have clear risk assessed action plans for achievement. The Board ensures that quality improvement, patient and public safety and risk management receive priority and which are supported by the necessary resources in order to achieve the PCT's strategic objectives. This is supported by adherence to the PCT's ethical framework.

I have been advised through the draft Head of Internal Audit opinion for 2012/13 that significant assurance can be given that there is a sound system of internal control which is designed to meet the organisation's objectives, and that controls are being consistently applied in all the areas reviewed.

The Governance Framework of the Organisation

NHS Gloucestershire clustered with NHS Swindon under a single Executive Team in June 2011 and from December 2011, the 2 PCTs have been operating under a single PCT Cluster Board and supporting sub-committee structure.

There is a single PCT Cluster Board that meets bi-monthly, but has the ability to convene additional extraordinary meetings if required. Two such meetings were convened during 2012-13 and related to the separation of the NHS Gloucestershire provider arm.

The Board is supported by the following sub-committees that include;

- z Integrated Governance Committee
- z Remuneration and Terms of Service Committee
- z Gloucestershire Clinical Commissioning Group Shadow Board
- z Swindon Clinical Commissioning Group Shadow Board
- z NHS Gloucestershire Audit Committee
- z NHS Swindon Audit Committees
- z Joint Estates and Sustainability Committee (JESC)
- z NHS Gloucestershire Care Services Sub-Committee
- z NHS Gloucestershire Charitable funds.

Risk Assessment

Identified risks are assessed by the responsible managers in terms of likelihood and significance using the '5x5' matrix recommended by the National Patient Safety Agency. The organisation's Risk Register is presented to each meeting of the Integrated Governance Committee which has delegated responsibility for the review of this document on behalf of the Board.

The Risk and Control Framework

The risk management control framework is outlined in the Risk Management Policy approved and monitored on behalf of the Board by the Integrated Governance Committee.

This document outlines the processes for the:

- z Identification of risks
- z Risk analysis and assessment
- z Risk Treatment and control
- z Reporting
- z Communication and training; and
- z Monitoring and review.

Other Board sub-committees are the NHS South of England Specialised Commissioning Group and the Joint Commissioning Boards (JCB) with Gloucestershire County Council and Swindon Borough Council respectively.

The Board of NHS Gloucestershire (as a standalone and cluster Board) receive regular reports on finance, performance and quality issues and ensure follow up on actions and lessons learned from these, as well as Serious Incidents, through the sub-Committee structure.

The Board adheres to the Corporate Governance Code and Good Governance standards and practice that is consistent with the Nolan Principles. This is demonstrated through annual assessments of sub-committee performance.

As part of the supporting transfer of commissioning responsibilities to CCGs, the Board reviewed its effectiveness and governance arrangements in June 2012 and approved the latest version of Standing Orders, SFIs, Reservation of Powers and Scheme of Delegation. These documents are published on the internet. This work followed a governance review in December 2011 when the Cluster Board structure was implemented.

For 2012/13 the major risk themes for the PCT have been associated with:

- z Organisational and structural changes
- z Achievement of targets
- z Quality of service
- z Transforming Community Services

As per the Policy, the organisation has had a structure of directorate risk registers which populated the Corporate Risk Register. The Corporate Risk Register has been presented to each meeting of the Integrated Governance Committee for review.

The principal risks relating to the achievement of the operating plan have also been included within the Assurance Framework. The Assurance Framework has been presented to each meeting of the Integrated Governance Committee.

Review of the Effectiveness of Risk Management and Internal Control

The risk processes have been subject to an annual review by the internal auditors, Price Waterhouse Cooper. Internal Audit is involved with the work of the Audit Committee and works alongside the PCT in the development of risk management processes and arrangements for mitigating risk.

The Head of Internal Audit's overall opinion is that significant assurance can be given that there is a generally sound system of control, designed to meet the organisation's objectives and that controls are generally being applied consistently. Internal audit did not rise any significant concerns.

The Internal Audit team identified Records Management and Business Continuity planning as an area of risk particularly during the transition phase. Executive Directors and their teams reviewed and refreshed all of the business continuity plans across the PCT. The

Records management issues have been addressed through a specific work stream in the transition programme and controls are in place to safeguard records and ensure an effective transfer to successor organisations.

Executive managers within the organisation who have responsibility for the development and maintenance of the system of internal control provide me with assurance. The Assurance Framework itself provides the PCT Board with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives has been reviewed.

Based on the work of Internal Audit supported by managers and the Assurance Framework, I believe that the processes of internal control including risk management are effective.

Significant Issues

NHS Gloucestershire had planned to transfer community services currently provided by Gloucestershire Care Services (arms-length managed provider arm) to a social enterprise, Gloucestershire Care Services Community Interest Company (GCS CIC) following a right to request from staff. This was subject to a legal challenge in 2011/12 and NHS Gloucestershire agreed actions formalised in a draft Court order which included reconsidering the most appropriate way for the PCT to divest itself of its community services in accordance with the Department of Health policy.

Following an engagement exercise the Board decided to ask the SHA to seek approval from the Department of Health to establish Gloucestershire Care Services as a stand-alone NHS Trust. This new Trust was legally established on 22nd March 2013 and will become operational on 1st April 2013.

Whilst Gloucestershire Care Services have remained statutorily part of NHS Gloucestershire, the Board have monitored the provider arm through the NHS Gloucestershire Care Services sub-committee.

In addition to this GCS have their own Integrated Governance and Audit committees and the minutes of these committees are reported to the main PCT Cluster Board sub-committees.

During the year there have been no Serious Incidents (SIs) reported in relation to the functions of NHS Gloucestershire.

However, NHS Gloucestershire has reported two SIs via the STEIS account, both of which related to private hospitals. NHS Gloucestershire has reported as responsible commissioner and worked with the providers to follow up on the investigations and lessons learned so these can be shared as appropriate with the wider health community.

Gloucestershire Care Services (GCS), as the provider arm of the PCT, reported 16 SIs during 2012/13. The majority (12) of these relate to pressure ulcers. All cases are subject to a Root Cause Analysis with findings and actions reported to GCS Integrated Governance Committee, as well as the PCT Cluster Board Integrated Governance Sub-Committee.

Transitional Arrangements and Transfer of Commissioning Responsibility

NHS Gloucestershire has a single Clinical Commissioning Group (CCG) for its Practices. The NHS Commissioning Board confirmed Gloucestershire CCG were authorised in December 2012.

A Shadow Board has been operating as a sub-committee of the PCT Cluster Board and work has been taking place to develop and strengthen the governance structure for the CCG to take over its commissioning responsibilities on 1st April 2013.

The PCTs in the Cluster have been also working with others to develop the Central Southern Commissioning Support Unit (CSCSU) to provide commissioning support to 14 CCGs across the South of England.

Accountable Officer: Jennifer Howells

Organisation: NHS Gloucestershire

Signature:

Date:

Operating and Financial Review

Purpose

The Operating and Financial Review is an integral part of the Annual Report and is complementary to the content in the rest of the report. It describes NHS Gloucestershire's planning assumptions and the underlying issues affecting its financial performance in 2012/13.

Background

Gloucestershire PCT was formed on 1st October 2006 and replaced the three former Primary Care Trusts in Gloucestershire (Cheltenham and Tewkesbury, Cotswold and Vale and West Gloucestershire). Since January 2009 the PCT has been known as NHS Gloucestershire.

The organisation serves a population of approximately 608,000 and covers the following district council areas: Cotswold, Cheltenham, Forest of Dean, Gloucester, Tewkesbury Borough and Stroud.

The main role of NHS Gloucestershire is to:

- z Engage with the local population to improve health and well being
 - z Commission a comprehensive and equitable range of high quality, responsive and efficient services and;
 - z Directly provides services where this gives best value.

As a countywide organisation, NHS Gloucestershire recognises how important it is to retain a local focus so that the valuable working relationships that have been built with primary care, local councils and a wide range of committed community and voluntary groups continue to be strengthened. NHS Gloucestershire believes that its future success will depend on this co-operation and joint working.

Financial overview

The PCT has met its key financial targets in 2012/13, in particular;

- z Operational costs kept within the target set by the Department of Health (revenue resource limit)
- z Capital expenditure kept within the limit set by the Department of Health (capital resource limit)
- z Total cash spent kept within the limit set by the Department of Health (cash limit)
- z Full cost recovery for its 'provider services' activities.

A resource strategy was adopted by the Board in November 2006 which agreed a strategic financial framework for the organisation. Since 2006 the financial environment has changed and the Resource Strategy has been updated in response to changes in the economic climate and an anticipation of no growth in the medium term. In particular the PCT will ensure that:

- z There is sufficient financial flexibility to manage system-wide risk
- z Delivery of recurrent savings plans is prioritised in order that the PCT can manage any additional demand for services from within existing resources
- z Investments will be prioritised and must be consistent with the stated desire to improve allocative efficiency
- z Additional non-recurrent funding may be set aside to support pump priming of recurrent savings and service change.

NHS Commissioning Activity

The total cost of activity from NHS Trusts in 2012/13 was £539.3m (excluding Gloucestershire Care Services). Most of the inpatient and outpatient acute activity for patients in Gloucestershire is provided by Gloucestershire Hospitals NHS Foundation Trust (GHNHSFT) and NHS Gloucestershire spent £342.6m with GHNHSFT in 2012/13. Around 70 percent of acute hospital activity is provided under the national tariff introduced with the Payments by Results arrangements. In 2012/13 NHS Gloucestershire has reported non elective inpatient and elective inpatient activity at GHNHSFT above the planned levels.

Category	Planned	Actual
Non elective inpatient	56,509	58,029
Elective inpatient	50,594	53,297
Outpatient	526,113	522,156
Accident & Emergency attendances	111,172	109,298

Mental health services in Gloucestershire are predominately provided by 2gether NHS Foundation Trust and cost £87.4m in 2012/13. At present the contract for services between NHS Gloucestershire and 2gether is a 'block' arrangement so that NHS Gloucestershire pays a fixed amount for the services provided.

Specialist health services are provided largely from North Bristol NHS Trust and United Bristol Hospitals NHS Trust although some specialist services are provided outside of the region including in London. Specialist health services are commissioned on behalf of NHS Gloucestershire by a regional consortium (South West Specialist Commissioning Group) which allows NHS Gloucestershire to balance financial risk with service stability and investment.

Private Sector Placements

NHS Gloucestershire has spent a total of £76.5m on health services from Non-NHS service providers. This includes specialist continuing healthcare, mental health and learning disability placements in the private sector. In recent years private sector placements have increased significantly and this has required substantial new investment by NHS Gloucestershire. NHS Gloucestershire is working with other stakeholders, in particular the local authority, to make sure that placements are subject to ongoing review where appropriate so that care packages properly reflect the needs of the individual clients at all times.

Primary Care

NHS Gloucestershire is responsible for the commissioning of NHS Dental services, Optometry and Community Pharmacy services as well as General Practitioner (GP) services for the population of Gloucestershire. During 2012/13 NHS Gloucestershire has continued working with GPs to develop Practice Based Commissioning (PBC) arrangements in line with national guidance. All of the GP Practices in Gloucestershire have been operating with indicative commissioning budgets in 2012/13 as part of locality commissioning groups.

Strategic Estates Developments

There are a number of major capital development plans underway which will provide investment to the estate and underpin strategic service plans in the future, in particular the development of community based services that will support local diagnosis and treatment for patients and avoid unnecessary journeys to the main acute hospitals in Gloucester and Cheltenham. During 2012/13 NHS Gloucestershire continued its build of the community hospital at Tewkesbury and the building works are 90% complete. The PCT has also committed significant capital funds in improving the condition of its estate and in particular making buildings compliant with the requirements of the Disability Discrimination Act and Health and Safety regulations.

Better Payments Practice Code

NHS Gloucestershire has signed up to the national Prompt Payment Code. In particular this requires that businesses have processes in place to secure:

- z Timely payment
- z Clear guidance to suppliers and
- z Encouraging good practice.

The national target for payments is 95 percent to be paid within 30 days or contract terms. Over the year as a whole the PCT has reported 90 percent paid within target by number and 99 percent by value for all invoices received.

For non-NHS payments only, the performance was 90 percent by number and 94 percent by value.

Sustainability

NHS Gloucestershire has produced a sustainable development strategy covering the next five years. The strategy will be supported by a range of action plans that address the challenges ahead. Improvements in monitoring and management of carbon emissions will help deliver financial as well as social and environmental benefits in the future.

Financial Overview 2012/13

Summary Financial Position

In 2012/13 NHS Gloucestershire has reported a surplus of £8.9m, in line with its plan (2011/12 surplus was £8.7m).

Summary Financial Statements

The summary financial statements show the financial position of the Primary Care Trust for the financial year 2012/13. They are a summary of the information in the full accounts which are available on request from the Deputy Chief Executive & Finance Director, NHS Gloucestershire, Sanger House, 5220 Valiant Way, Gloucester Business Park, Brockworth, Gloucester, GL3 4FE.



Interim Area Director:
Jennifer Howells

Interim Finance Director:
Dominic Tkaczyk

Our Accounts

<i>Statement of Comprehensive Net Expenditure for year ended 31 March</i>		2012-13	2011-12
		£000	£000
Administration Costs and Programme Expenditure		NOTE	
Gross employee benefits	7.1	85,645	85,602
Other costs	5.1	919,365	889,758
Income	4	(43,757)	(44,906)
Net operating costs before interest			961,253
Investment income	9	0	0
Other (Gains)/Losses	10	(323)	0
Finance costs	11	7	67
Net operating costs for the financial year			960,937
Transfers by absorption – (gains)		0	0
Transfers by absorption – losses		0	0
Net (gain)/loss on transfers by absorption			0
Net Operating Costs for the Financial Year including absorption transfers			960,937
Of which:			
Administration Costs			
Gross employee benefits	7.1	11,530	12,529
Other costs	5.1	10,509	12,367
Income	4	(1,422)	(1,477)
Net administration costs before interest			20,617
Investment income	9	0	0
Other (Gains)/Losses	10	0	0
Finance costs	11	0	0
Net administration costs for the financial year			20,617
Programme Expenditure			
Gross employee benefits	7.1	74,115	73,073
Other costs	5.1	908,856	877,391
Income	4	(42,335)	(43,429)
Net programme expenditure before interest			940,636
Investment income	9	0	0
Other (Gains)/Losses	10	(323)	0
Finance costs	11	7	67
Net programme expenditure for the financial year (i)			940,320
Other Comprehensive Net Expenditure		2012-13	2011-12
		£000	£000
Impairments and reversals put to the Revaluation Reserve		4,001	1,260
Net (gain) on revaluation of property, plant & equipment		(294)	(820)
Net (gain) on revaluation of intangibles		0	0
Net (gain) on revaluation of financial assets		0	0
Net (gain)/loss on other reserves		0	0
Net (gain)/loss on available for sale financial assets		0	0
Net (gain) /loss on Assets Held for Sale		0	0

Our Accounts

Release of Reserves to Statement of Comprehensive Net Expenditure		0	0
Net actuarial (gain)/loss on pension schemes		166	(223)
<i>Reclassification Adjustments</i>			
Reclassification adjustment on disposal of available for sale financial assets		0	0
<i>Total comprehensive net expenditure for the year*</i>		964,810	930,738
The notes on pages 5 to 42 form part of this account.		(i) Disclosed Separately for the first time in 2011/12	

Our Accounts

<i>Statement of Financial Position at 31 March 2013</i>		31 March 2013	31 March 2012
	NOTE	£000	£000
<i>Non-current assets:</i>			
Property, plant and equipment	12	96,642	93,937
Intangible assets	13	109	157
investment property	15	0	0
Other financial assets	21	0	0
Trade and other receivables	19	0	0
<i>Total non-current assets</i>		96,751	94,094
<i>Current assets:</i>			
Inventories	18	0	0
Trade and other receivables	19	15,977	16,342
Other financial assets	36	0	0
Other current assets	22	0	0
Cash and cash equivalents	23	478	183
<i>Total current assets</i>		16,455	16,525
Non-current assets held for sale	24	3,910	5,590
<i>Total current assets</i>		20,365	22,115
<i>Total assets</i>		117,116	116,209
<i>Current liabilities</i>			
Trade and other payables	25	(52,725)	(49,905)
Other liabilities	26,28	0	0
Provisions	32	(1,564)	(1,109)
Borrowings	27	0	0
Other financial liabilities	36.2	0	0
<i>Total current liabilities</i>		(54,289)	(51,014)
<i>Non-current assets plus/less net current assets/liabilities</i>		62,827	65,195
<i>Non-current liabilities</i>			
Trade and other payables	25	(371)	(205)
Other Liabilities	28	0	0
Provisions	32	(972)	(2,051)
Borrowings	27	0	0
Other financial liabilities	36.2	0	0
<i>Total non-current liabilities</i>		(1,343)	(2,256)
<i>Total Assets Employed:</i>		61,484	62,939
<i>Financed by taxpayers' equity:</i>			
General fund		53,843	50,855
Revaluation reserve		8,012	12,289
Other reserves		(371)	(205)
<i>Total taxpayers' equity:</i>		61,484	62,939
The notes on pages 5 to 42 form part of this account.			

Our Accounts

The financial statements on pages 1 to 4 were approved under delegated arrangements by the Audit Committee on 6th June 2013 and signed on its behalf by

Chief Executive:

Date:

Our Accounts

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

	General fund	Revaluation reserve	Other reserves	Total reserves
	£000	£000	£000	£000
Balance at 1 April 2012	50,855	12,289	0	62,939
Changes in taxpayers' equity for 2012-13				
Net operating cost for the year	(960,937)			(960,937)
Net gain on revaluation of property, plant, equipment		294		294
Net gain on revaluation of intangible assets		0		0
Net gain on revaluation of financial assets		0		0
Net gain on revaluation of assets held for sale		0		0
Impairments and reversals		(4,001)		(4,001)
Movements in other reserves			0	0
Transfers between reserves*	570	(570)		0
Release of Reserves to SOCNE		0		0
Reclassification Adjustments				
Transfers between Revaluation Reserve & General Fund in respect of assets transferred under absorption	0	0		0
Net actuarial gain/(loss) on pensions	0		(166)	(166)
Total recognised income and expense for 2012-	(960,367)	(4,277)	(166)	(964,810)
Net Parliamentary funding	963,355			963,355
Balance at 31 March 2013	53,843	8,012	(371)	61,484

Balance at 1 April 2011	44,459	12,729	18	57,206
Changes in taxpayers' equity for 2011-12				
Net operating cost for the year	(930,521)			(930,521)
Net Gain / (loss) on Revaluation of Property, Plant and Equipment		820		820
Net Gain / (loss) on Revaluation of Intangible Assets		0		0
Net Gain / (loss) on Revaluation of Financial Assets		0		0
Net Gain / (loss) on Assets Held for Sale		0		0
Impairments and Reversals		(1,260)		(1,260)
Movements in other reserves		0	0	0
Transfers between reserves*	0	0		0
Release of Reserves to Statement of Comprehensive Net Expenditure		0		0
Reclassification Adjustments				
Transfers to/(from) Other Bodies within the Resource Account Boundary	0	0	0	0
On disposal of available for sale financial assets	0	0	0	0
Net actuarial gain/(loss) on pensions	0		(223)	(223)
Total recognised income and expense for 2011-12	(930,521)	(440)	(223)	(931,184)
Net Parliamentary funding	936,917			936,917
Balance at 31 March 2012	50,855	12,289	(205)	62,939

Our Accounts

Statement of cash flows for the year ended 31 March 2013

	2012-13	2011-12
	£000	£000
<i>Cash Flows from Operating Activities</i>		
Net Operating Cost Before Interest	(961,253)	(930,454)
Depreciation and Amortisation	3,356	3,107
Impairments and Reversals	6,200	5,376
Other Gains / (Losses) on foreign exchange	0	0
Donated Assets received credited to revenue but non-cash	(25)	0
Government Granted Assets received credited to revenue but non-cash	0	0
Interest Paid	0	0
Release of PFI/deferred credit	0	0
(Increase)/Decrease in Inventories	0	0
(Increase)/Decrease in Trade and Other Receivables	365	(3,313)
(Increase)/Decrease in Other Current Assets	0	0
Increase/(Decrease) in Trade and Other Payables	3,521	1,483
(Increase)/Decrease in Other Current Liabilities	(166)	(223)
Provisions Utilised	(2,388)	(766)
Increase/(Decrease) in Provisions	1,757	763
<i>Net Cash Inflow/(Outflow) from Operating Activities</i>	(948,633)	(924,027)
<i>Cash flows from investing activities</i>		
Interest Received	0	0
(Payments) for Property, Plant and Equipment	(20,981)	(12,783)
(Payments) for Intangible Assets	0	0
(Payments) for Other Financial Assets	0	0
(Payments) for Financial Assets (LIFT)	0	0
Proceeds of disposal of assets held for sale (PPE)	6,554	120
Proceeds of disposal of assets held for sale (Intangible)	0	0
Proceeds from Disposal of Other Financial Assets	0	0
Proceeds from the disposal of Financial Assets (LIFT)	0	0
Loans Made in Respect of LIFT	0	0
Loans Repaid in Respect of LIFT	0	0
Rental Revenue	0	0
<i>Net Cash Inflow/(Outflow) from Investing Activities</i>	(14,427)	(12,663)
<i>Net cash inflow/(outflow) before financing</i>	(963,060)	(936,690)
<i>Cash flows from financing activities</i>		
Capital Element of Payments in Respect of Finance Leases and On-SoFP PFI and LIFT	0	0
Net Parliamentary Funding	963,355	936,917
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
<i>Net Cash Inflow/(Outflow) from Financing Activities</i>	963,355	936,917
<i>Net increase/(decrease) in cash and cash equivalents</i>	295	227

Our Accounts

<i>Cash and Cash Equivalents (and Bank Overdraft) at Beginning of the Period</i>	183	(44)
Effect of Exchange Rate Changes in the Balance of Cash Held in Foreign Currencies	0	0
<i>Cash and Cash Equivalents (and Bank Overdraft) at year end</i>	478	183

Our Accounts

3. Financial Performance Targets		
3.1 Revenue Resource Limit	2012-	2011-12
	£000	£000
The PCTs' performance for the year ended 2012-13 is as follows:		
Total Net Operating Cost for the Financial Year		930,521
Net operating cost plus (gain)/loss on transfers by absorption	960,937	
Adjusted for prior period adjustments in respect of errors	0	0
Revenue Resource Limit	969,914	939,206
Under/(Over)spend Against Revenue Resource Limit (RRL)	8,977	8,685
3.2 Capital Resource Limit	2012-13	2011-12
	£000	£000
The PCT is required to keep within its Capital Resource Limit.		
Capital Resource Limit	15,205	12,983
Charge to Capital Resource Limit	14,215	12,966
(Over)/Underspend Against CRL	990	17
3.3 Provider full cost recovery duty	2012-13	2011-12
	£000	£000
The PCT is required to recover full costs in relation to its provider functions.		
Provider gross operating costs	102,125	106,258
Provider Operating Revenue	(16,951)	(21,341)
Net Provider Operating Costs	85,174	84,917
Costs Met Within PCTs Own Allocation	(85,986)	(84,917)
Under/(Over) Recovery of Costs	(812)	0
3.4 Under/(Over)spend against cash limit	2012-13	2011-12
	£000	£000
Total Charge to Cash Limit	963,355	936,917
Cash Limit	983,435	938,873
Under/(Over)spend Against Cash Limit	20,080	1,956
3.5 Reconciliation of Cash Drawings to Parliamentary Funding (current year)	2012-13	
	£000	
Total cash received from DH (Gross)	850,012	
Less: Trade Income from DH	(37)	
Less/(Plus): movement in DH working balances	0	
Sub total: net advances	849,975	
(Less)/plus: transfers (to)/from other resource account bodies (free text note required)	0	
Plus: cost of Dentistry Schemes (central charge to cash limits)	17,776	

Our Accounts

Plus: drugs reimbursement (central charge to cash limits)	95,604	
<i>Parliamentary funding credited to General Fund</i>	963,355	

Our Accounts

<i>Running Costs</i>	<i>Commissioning</i>	<i>Public Health</i>	<i>Total</i>
PCT Running costs 2012-13	£000	£000	£000
Running costs (£000s)	18,417	2,200	20,617
Weighted population (number in units)*	542,572	542,572	542,572
Running costs per head of population (£ per head)	34	4	38
PCT Running Costs 2011-12			
Running costs (£000s)	21,210	2,209	23,419
Weighted population (number in units)	542,572	542,572	542,572
Running costs per head of population (£ per head)	39	4	43

<i>Analysis of operating expenditure by expenditure classification</i>	2012-13	2011-12
	£000	£000
<i>Purchase of Primary Health Care</i>		
GMS / PMS/ APMS / PCTMS	79,159	79,633
Prescribing costs	86,824	89,921
Contractor led GDS & PDS	24,262	22,798
Trust led GDS & PDS	689	746
General Ophthalmic Services	4,857	4,924
Department of Health Initiative Funding	0	0
Pharmaceutical services	5,047	4,494
Local Pharmaceutical Services Pilots	0	0
New Pharmacy Contract	22,743	21,404
Non-GMS Services from GPs	0	0
Other	0	0
<i>Total Primary Healthcare purchased</i>	<i>223,581</i>	<i>223,92</i>

Purchase of Secondary Healthcare		
Learning Difficulties	20,494	21,054
Mental Illness	87,384	86,917
Maternity	21,481	20,761
General and Acute	407,772	386,515
Accident and emergency	16,162	13,725
Community Health Services	129,777	133,026
Other Contractual	31,966	31,443
<i>Total Secondary Healthcare Purchased</i>	<i>715,036</i>	<i>693,441</i>

<i>Grant Funding</i>		
Grants for capital purposes	4,688	2,792
Grants for revenue purposes	0	0
Total Healthcare Purchased by PCT	943,305	920,153
PCT self-provided secondary healthcare included above	85,986	84,917
Social Care from Independent Providers	0	0
Healthcare from NHS FTs included above	454,162	430,723

Our Accounts

Remuneration under NHS Gloucestershire/Swindon Clustering arrangements

In accordance with national policy and guidance, a single Cluster Board has been appointed to serve both as the Board of NHS Gloucestershire and NHS Swindon from 1 December 2011.

Both NHS Gloucestershire and NHS Swindon remain as statutory bodies in their own right. The PCT Cluster has been operating under a single Executive Team since 1 June 2011.

The percentage value of remuneration relating to NHS Gloucestershire is 74% under the clustering arrangements agreed by the board. The table below shows the remuneration relating to NHS Gloucestershire and also the total salary bandings for the cluster.

	2012-13						2011-12				
	Start Date	End Date	NHS Gloucestershire Salary under Cluster Arrangements (bands of £5,000)	Total Salary paid under Cluster Arrangement (bands of £5,000)	Other Remuneration (bands of £5,000)	Benefits in kind (Rounded to the nearest £000)	Solely related to Gloucestershire PCT Salary 2/12 (bands of £5,000)	NHS Gloucestershire Salary under Cluster Arrangements (bands of £5,000)	Total Salary paid under Cluster Arrangement (bands of £5,000)	Other Remuneration (bands of £5,000)	Benefits in kind (Rounded to the nearest £000)
Jan Stubbings, Chief Executive	4/1/2012	3/31/2013	90-95	125-130			25-30	90-95	125-130	-	-
John Yarnold, Director of Business Development & Performance	4/1/2011	5/31/2011	-	-			20-25	-	-	-	-
Mary Hutton, Director of Business Development & Performance	4/1/2012	3/31/2013	125-130	170-175			-	65-70	90-95	-	-
Peter Reader, Medical Director	4/1/2011	6/30/2011	-	-			20-25	-	-	-	-
Ruth FitzJohn, Chair	4/1/2012	3/31/2013	30-35	40-45			25-30	10-15	10-15	-	-
Jill Crook, Director of Clinical Development	4/1/2012	3/31/2013	80-85	110-115			15-20	55-60	75-80	-	-
Debra Elliott, Director of Primary Care Commissioning	4/1/2012	3/31/2013	75-80	100-105			15-20	60-65	80-85	-	-
Nuala Ring, Director of Human Resources	4/1/2012	3/31/2013	70-75	95-100			15-20	60-65	80-85	-	-
Shona Arora, Director of Public Health	4/1/2012	3/31/2013	110-115	110-115			105-110	-	-	-	-
Dr Liz Mearns, Medical Director	4/1/2012	3/31/2013	70-75				-	25-30	45-50	-	-
William Fishlock, Non Executive Director	4/1/2012	3/31/2013	-	10-15			-	-	10-15	-	-
Michael Barnes, Non Executive Director (Vice Chair)	4/1/2012	3/31/2013	-	10-15			-	-	0-5	-	-
Deb Bignall, Non Executive Director	4/1/2012	3/31/2013	-	5-10			-	-	0-5	-	-
Alan Elkin, Non Executive Director/Vice Chair	4/1/2012	3/31/2013	5-10	5-10			5-10	0-5	0-5	-	-
Richard Busby, Non Executive Director	4/1/2012	3/31/2013	5-10	5-10			5-10	0-5	0-5	-	-
Ingrid Barker, Non Executive Director	4/1/2012	3/31/2013	-	-			5-10	-	-	-	-
Ann Noble, Non Executive Director	4/1/2012	3/31/2013	5-10	5-10			5-10	0-5	0-5	-	-
Councillor David Wren, Non Executive Director	4/1/2012	3/31/2013	-	5-10			-	-	0-5	-	-
Robert Graves, Non Executive Director	4/1/2011	7/31/2011	-	-			0-5	-	-	5-10	-
Rob Rees, Non Executive Director	4/1/2011	7/31/2011	-	-			5-10	-	-	-	-
Dr Helen Miller, PEC & CCG Chair	4/1/2012	3/31/2013	75-80	75-80			65-70	-	-	-	-
Dr Caroline Bennett, PEC/CCG Member	4/1/2012	3/31/2013	35-40	35-40			25-30	-	-	-	-
Dr Joanna Bayley, PEC Member	4/1/2012	3/31/2013	0-5	0-5			0-5	-	-	-	-
Dr Will Haynes PEC/CCG Member	4/1/2012	3/31/2013	25-30	25-30			20-25	-	-	-	-
Dr Alan Gwynn PEC Member	4/1/2011	7/31/2011	-	-			5-10	-	-	-	-
Dr Andrew Lane, PEC Member	4/1/2011	7/31/2011	-	-			0-5	-	-	-	-
Dr Angela Sycamore, PEC Member	4/1/2011	7/31/2011	-	-			0-5	-	-	5-10	-
Dr Candace Plouffe, PEC Member	4/1/2011	7/31/2011	-	-			0-5	-	-	15-20	-
Dr Charles Buckley, PEC/CCG Member	4/1/2012	3/31/2013	25-30	25-30			15-20	-	-	0-5	-
Dr David Adams, PEC Member	4/1/2011	7/31/2011	-	-			0-5	-	-	-	-
Dr Helen Ballinger, PEC Member	4/1/2011	7/31/2011	-	-			0-5	-	-	10-15	-
Martin Gibbs, PEC/CCG Member	4/1/2012	3/31/2013					25-30	-	-	-	-
Dr Christopher Morton, CCG Vice Chair	4/1/2012	3/31/2013					70-75	-	-	-	-
Dr Malcom Gerald CCG Member	4/1/2012	3/31/2013					10-15	-	-	-	-
Dr Andrew Seymour, CCG Member	4/1/2012	3/31/2013					45-50	-	-	-	-
Dr Hein Le Roux, CCG Member	4/1/2012	3/31/2013					10-15	-	-	-	-
Dr Jeremy Welch, CCG Member	4/1/2012	3/31/2013					20-25	-	-	-	-

GPs are normally excluded from the pension requirements and are therefore excluded from the table above.

Our Accounts

Calculating the Real Increase in Accrued Pension and CETV

	Number of days in post if not a full year (enter 0 if whole year completed)	Accrued Pension as at 31 March 2012	Accrued Pension as at 31 March 2013	Accrued Lump Sum as at 31 March 2013	Real Increase in Accrued Pension at Normal Retirement Age during current financial year	Real Increase in Lump Sum at Normal Retirement Age during Current Financial Year	CETV as at 31 March 2012	CETV as at 31 March 2013	Real Increase in CETV during current Financial Year	Employer-funded contribution to growth in CETV (the real increase to be disclosed)
Shona Arora	0	27003.88	29754.51	89263.53	1346.43	4039.28	433,626.77	491,264.95	35089.59	30937.03
Jill Crook	0	45538.31	48945.27	146835.81	1038.97	3116.90	853,538.25	945,622.58	47700.34	45937.25
Debra Elliott	0	15740.03	16958.51	50875.53	400.00	1200.00	308,661.99	341,968.35	17255.94	16616.49
Mary Hutton	0	20175.39	26484.46	79453.38	5259.95	15779.85	373,648.23	504,264.12	11186.80	83322.96
Nuala Ring	0	39502.96	39577.35	118732.05	-1979.76	-5939.29	730,907.27	766,903.26	-2011.19	9336.51
Jan Stubbings	0	50455.43	54831.84	164495.52	1752.73	5258.18	1,094,390.10	0.00	-1151298.39	-789821.34

The highest paid Director in the year was in the salary band £140-£145k and the PCTs median pay level was £26.556k giving a pay multiple of 5.4. (2011/12 £140-£145k median £26.556k pay multiple of 5.4.)

Independent Auditor's Report to the Accountable Officer responsible for preparing the Accounts of Gloucestershire PCT

We have examined the summary financial statement for the year ended 31 March 2013 which comprises the Operating and Financial Review set out on pages 18 to 27

This report is made solely to the accountable officer of Gloucestershire PCT in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 45 of the Statement of Responsibilities of Auditors and Audited Bodies published by the Audit Commission in March 2010. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust's accountable officer and the Trust as a body, for our audit work, for this report, or for opinions we have formed.

Respective responsibilities of accountable officer and auditor

The accountable officer is responsible for preparing the Annual Report.

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

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

We conducted our work in accordance with Bulletin 2008/03 "The auditor's statement on the summary financial statement in the United Kingdom" issued by the Auditing Practices Board. Our report on the statutory financial statements describes the basis of our opinion on those financial statements.

Opinion

In our opinion the summary financial statement is consistent with the statutory financial statements of Gloucestershire PCT for the year ended 31 March 2013. [We have not considered the effects of any events between the date on which we signed our report on the statutory financial statements [insert 6] and the date of this statement.]¹

[Signature in the name of Grant Thornton UK LLP]

Grant Thornton UK LLP

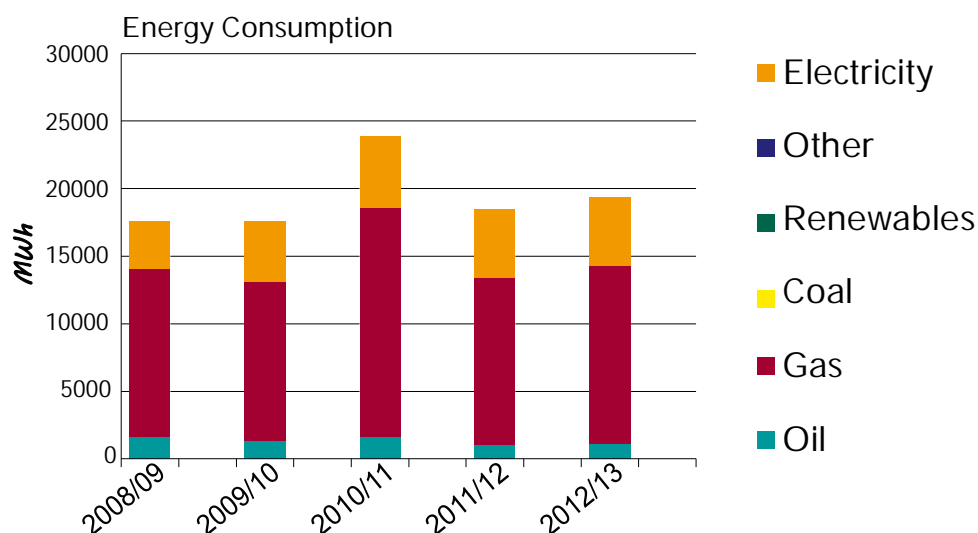
[Address]

[Date]

1. Include this sentence where the date of this statement is after the date of the auditor's report on the statutory financial statements.

Sustainability Statement

Sustainability Summary for Annual Report



Our total energy consumption has risen during the year, from 18,505 to 19,363 MWh. (These are not final year figures the last quarter includes estimation). The increase is partly attributed to the colder weather and building works on sites. Further analysis is scheduled on receipt of final figures.

The proportion of waste recycled has increased by 10% to 32% of total waste recycled. Our water consumption has reduced by 8,416 cubic meters in the recent financial year.

NHS Gloucestershire has worked on a broad range of other areas of sustainability planting over 500 trees for the NHS Forest, delivering care closer to home and has implemented a plethora of capital projects (solar panels; insulation and ventilation upgrades; boiler upgrades) which will reduce our carbon footprint in future.

Record of Staff Sickness

<i>12 months sickness absence % rate to March</i>			<i>2012</i>
12 month % rate	Arm		
Staff Group	Comm	CS	Sickness FTE %
Administration & Estates Staff	2.64	3.84	3.45
Allied Health Professional	0.33	3.29	3.26
Health Care Assistants & Support Staff	0.27	4.61	4.59
Medical & Dental Staff	0.00	2.70	2.55
Nursing, Midwifery & Health Visiting Staff	3.55	5.4	5.34
<i>Grand Total</i>	<i>2.69</i>	<i>4.51</i>	<i>4.3</i>

Source: ESR (Absence Timeline Analysis)

Contingency Planning Statement

1. The Civil Contingencies Act 2004 places a statutory obligation upon health services to undertake contingency planning and to integrate plans and response arrangements with other local emergency responders. In this respect, NHS Gloucestershire played a full and active part in contributing to the activities of the Local Resilience Forum.
2. To ensure that NHS Gloucestershire maintained its statutory obligations:
 - a. The Trust's Assistant Director for Contingency Planning reported regularly to the Integrated Governance Committee, a sub-committee of the Board.
 - b. A contingency planning lead was identified for the Care Services Directorate, as the 'Provider Arm' of the Trust. This lead officer was responsible for contingency planning with Care services.
 - c. A major strategic and tactical plan was in place. This had the endorsement of the NHS Gloucestershire Board.

Business Continuity Management

3. Business continuity plans have been written for the Community Hospitals and other areas of Care Services.
4. NHS Gloucestershire's Business Continuity Manager ensured that business continuity plans were produced and reviewed for the commissioning arm of the organisation (at Sanger House, Brockworth) and ensured that the Trust met its service continuity obligations 'across the board'.
5. The Health Incident Control Room is located within the HQ building at Brockworth (Sanger House). In case of difficulty, the Health Incident Control Room is established within the Care Services HQ at Edward Jenner Court, Brockworth. Reciprocally, should there be a problem at Care Services HQ, it would be possible to establish the Care Services Operational Control Room at Sanger House.

On-Call Arrangements

6. On-call arrangements are in place which enable the on-call director to be notified in the event of major incidents or any other serious event. In 2012/13, the Trust's On-Call arrangements also provided for Care Services' senior management to be similarly notified, via the Health Incident Control On-Call Manager, who was the Trust's first 'point of contact' for major incidents.

Contingency Planning for 2013/14

Contingency Planning arrangements are currently being reviewed to reflect the NHS organisational changes that took place on 1 April 2013.

This publication

For further copies of this report, contact NHS Gloucestershire on 0300 422 1500 or e-mail: enquiries@glospct.nhs.uk

Our address is: NHS Gloucestershire, Sanger House, 5220 Valiant Court, Gloucester Business Park, Brockworth, Gloucester, GL3 4FE.

This report can also be provided in Braille, audio cassette tape, disk, large print and in other languages on request.

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Gloucester Business Park, Gloucester GL3 4FE.

You can view an on-line version of this publication (with web links) at: www.nhsglos.nhs.uk

Freedom of Information

In line with the Freedom of Information Act 2000, NHS Gloucestershire is required to produce a Publication Scheme, a complete guide to information published by the Trust. This is available on the NHS Gloucestershire website and from public libraries.



Department
of Health



Gloucestershire Primary Care Trust

2012-13 Accounts

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Gloucestershire Primary Care Trust

2012-13 Accounts

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

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

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

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

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

Note – If the regularity opinion has been qualified because of a breach of a resource limit, insert at this point.

* except for capital/revenue expenditure in excess of resource limits which was not intended by Parliament and did not conform to the authorities which govern them.

nb: sign and date in any colour ink except black

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

Name:



Date.....



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

STATEMENT OF RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

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

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury;
- make judgements and estimates which are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.
- ensure that the PCT kept proper accounting records which disclosed with reasonable accuracy at any time the financial position of the primary care trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State.
- have taken reasonable steps for the prevention and detection of fraud and other irregularities.

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

By order of the Permanent Secretary.

nb: sign and date in any colour ink except black

6th June 2013 Date *J Hewells* Signing Officer

6th June 2013 Date *J Trezise* Finance Signing Officer

NHS Gloucestershire (5QH) Annual Governance Statement

Scope of Responsibility

As the Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of NHS Gloucestershire's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me.

I am also responsible for ensuring that the Primary Care Trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the Accountable Officer memorandum and published in the PCT's Standing Orders, Standing Financial Instructions, Reservations of Power and Scheme of Delegation.

I am accountable to the Chair of the PCT Board with whom I set my objectives. I am also accountable to the NHS South of England Health Authority for the performance of the PCT and agree objectives annually. Together with Executive Directors I meet with NHS South of England on a regular basis to assess performance and ensure that NHS targets have clear risk assessed action plans for achievement. The Board ensures that quality improvement, patient and public safety and risk management receive priority and which are supported by the necessary resources in order to achieve the PCT's strategic objectives. This is supported by adherence to the PCT's ethical framework.

I have been advised through the draft Head of Internal Audit opinion for 2012/13 that significant assurance can be given that there is a sound system of internal control which is designed to meet the organisation's objectives, and that controls are being consistently applied in all the areas reviewed.

The Governance Framework of the Organisation

NHS Gloucestershire clustered with NHS Swindon under a single Executive Team in June 2011 and from December 2011, the 2 PCTs have been operating under a single PCT Cluster Board and supporting sub-committee structure.

There is a single PCT Cluster Board that meets bi-monthly, but has the

ability to convene additional extraordinary meetings if required. Two such meetings were convened during 2012-13 and related to the separation of the NHS Gloucestershire provider arm.

The Board is supported by the following sub-committees that include;

- Integrated Governance Committee
- Remuneration and Terms of Service Committee
- Gloucestershire Clinical Commissioning Group Shadow Board
- Swindon Clinical Commissioning Group Shadow Board
- NHS Gloucestershire Audit Committee
- NHS Swindon Audit Committees
- Joint Estates and Sustainability Committee (JESC)
- NHS Gloucestershire Care Services Sub-Committee
- NHS Gloucestershire Charitable funds.

Other Board sub-committees are the NHS South of England Specialised Commissioning Group and the Joint Commissioning Boards (JCB) with Gloucestershire County Council and Swindon Borough Council respectively.

The Board of NHS Gloucestershire (as a standalone and cluster Board) receive regular reports on finance, performance and quality issues and ensure follow up on actions and lessons learned from these, as well Serious Incidents, through the sub-Committee structure.

The Board adheres to the Corporate Governance Code and Good Governance standards and practice that his consistent with the Nolan Principles. This is demonstrated through annual assessments of sub-committee performance.

As part of the supporting transfer of commissioning responsibilities to CCGs, the Board reviewed its effectiveness and governance arrangements in June 2012 and approved the latest version of Standing Orders, SFIs, Reservation of Powers and Scheme of Delegation. These documents are published on the internet. This work followed a governance review in December 2011 when the Cluster Board structure was implemented.

Risk Assessment

Identified risks are assessed by the responsible managers in terms of

likelihood and significance using the '5x5' matrix recommended by the National Patient Safety Agency. The organisation's Risk Register is presented to each meeting of the Integrated Governance Committee which has delegated responsibility for the review of this document on behalf of the Board.

For 2012/13 the major risk themes for the PCT have been associated with:

- Organisational and structural changes
- Achievement of targets
- Quality of service
- Transforming Community Services

The Risk and Control Framework

The risk management control framework is outlined in the Risk Management Policy approved and monitored on behalf of the Board by the Integrated Governance Committee.

This document outlines the processes for the:

- Identification of risks
- Risk analysis and assessment
- Risk Treatment and control
- Reporting
- Communication and training; and
- Monitoring and review

As per the Policy, the organisation has had a structure of directorate risk registers which populated the Corporate Risk Register. The Corporate Risk Register has been presented to each meeting of the Integrated Governance Committee for review.

The principal risks relating to the achievement of the operating plan have also been included within the Assurance Framework. The Assurance Framework has been presented to each meeting of the Integrated Governance Committee.

Review of the Effectiveness of Risk Management and Internal Control

The risk processes have been subject to an annual review by the internal auditors, Price Waterhouse Cooper. Internal Audit is involved

with the work of the Audit Committee and works alongside the PCT in the development of risk management processes and arrangements for mitigating risk.

The Head of Internal Audit's overall opinion is that significant assurance can be given that there is a generally sound system of control, designed to meet the organisation's objectives and that controls are generally being applied consistently. Internal audit did not raise any significant concerns.

The Internal Audit team identified Records Management and Business Continuity planning as an area of risk particularly during the transition phase. Executive Directors and their teams reviewed and refreshed all of the business continuity plans across the PCT. The Records management issues have been addressed through a specific work stream in the transition programme and controls are in place to safeguard records and ensure an effective transfer to successor organisations.

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

Based on the work of Internal Audit supported by managers and the Assurance Framework, I believe that the processes of internal control including risk management are effective.

Significant Issues

NHS Gloucestershire had planned to transfer community services currently provided by Gloucestershire Care Services (arms-length managed provider arm) to a social enterprise, Gloucestershire Care Services Community Interest Company (GCS CIC) following a right to request from staff. This was subject to a legal challenge in 2011/12 and NHS Gloucestershire agreed actions formalised in a draft Court order which included reconsidering the most appropriate way for the PCT to divest itself of its community services in accordance with the Department of Health policy.

Following an engagement exercise the Board decided to ask the SHA to seek approval from the Department of Health to establish Gloucestershire Care Services as a stand-alone NHS Trust. This new Trust was legally established on 22nd March 2013 and will become operational on 1st April 2013.

Whilst Gloucestershire Care Services have remained statutorily part of NHS Gloucestershire, the Board have monitored the provider arm is through the NHS Gloucestershire Care Services sub-committee. In addition to this GCS have their own Integrated Governance and Audit committees and the minutes of these committees are reported to the main PCT Cluster Board sub-committees.

During the year there have been no Serious Incidents (SIs) reported in relation to the functions of NHS Gloucestershire.

However, NHS Gloucestershire has reported two SIs via the STEIS account, both of which related to private hospitals. NHS Gloucestershire has reported as responsible commissioner and worked with the providers to follow up on the investigations and lessons learned so these can be shared as appropriate with the wider health community.

Gloucestershire Care Services (GCS), as the provider arm of the PCT, reported 16 SIs during 2012/13. The majority (12) of these relate to pressure ulcers. All cases are subject to a Root Cause Analysis with findings and actions reported to GCS Integrated Governance Committee, as well as the PCT Cluster Board Integrated Governance Sub-Committee.

Transitional Arrangements and Transfer of Commissioning Responsibility

NHS Gloucestershire has a single Clinical Commissioning Group (CCG) for its Practices. The NHS Commissioning Board confirmed Gloucestershire CCG were authorised in December 2012.

A Shadow Board has been operating as a sub-committee of the PCT Cluster Board and work has been taking place to develop and strengthen the governance structure for the CCG to take over its commissioning responsibilities on 1st April 2013.

The PCTs in the Cluster have been also working with others to develop

the Central Southern Commissioning Support Unit (CSCSU) to provide commissioning support to 14 CCGs across the South of England.

Accountable Officer: Jan Stubbings

Organisation: NHS Gloucestershire

A handwritten signature in black ink that reads "Jan Stubbings". The signature is written in a cursive style with a large, looped initial 'J'.

Signature:

Date: 28 March 2013

INDEPENDENT AUDITOR'S REPORT TO THE DEPARTMENT OF HEALTH'S ACCOUNTING OFFICER IN RESPECT OF GLOUCESTERSHIRE PRIMARY CARE TRUST

We have audited the financial statements of Gloucestershire Primary Care Trust for the year ended 31 March 2013 under the Audit Commission Act 1998. The financial statements comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is 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, being:

- the table of salaries and allowances of senior managers and related narrative notes on page 26 of the Annual Report;
- the table of pension benefits of senior managers on page 27 of the Annual Report; and
- the pay multiples narrative on page 27 of the Annual Report.

This report is made solely to the Department of Health's accounting officer in respect of Gloucestershire Primary Care Trust in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 45 of the Statement of Responsibilities of Auditors and Audited Bodies published by the Audit Commission in March 2010. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Department of Health's accounting officer and the Trust as a body, for our audit work, for this report, or for opinions we have formed.

Respective responsibilities of the signing officer, finance signing officer and auditor

As explained more fully in the Statement of Responsibilities, the signing officer and finance signing officer are responsible for overseeing the preparation of the financial statements and for being satisfied that they 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 Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trust; 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.

In addition, we are required to obtain evidence sufficient to give reasonable assurance that the expenditure and income reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Opinion on regularity

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 financial statements

In our opinion the financial statements:

- give a true and fair view of the financial position of Gloucestershire Primary Care Trust as at 31 March 2013 and of its net operating costs 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 other matters

In our opinion:

- the part of the Remuneration Report subject to audit has been prepared properly in accordance with the requirements 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 annual report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we report by exception

We report to you if:

- in our opinion the governance statement does not reflect compliance with the Department of Health's Guidance;
- we refer the matter to the Secretary of State under section 19 of the Audit Commission Act 1998 because we have a reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency; or
- we issue a report in the public interest under section 8 of the Audit Commission Act 1998.

We have nothing to report in these respects.

Other matters on which we are required to conclude

We are required under Section 5 of the Audit Commission Act 1998 to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are also required by the Audit Commission's Code of Audit Practice 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 and, having regard to the guidance issued by the Audit Commission, 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 the results of the work have an impact on our responsibilities; and
- our locally determined risk based work on the transition to new commissioning arrangements

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

Certificate

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



Elizabeth Cave
Senior Statutory Auditor, for and on behalf of Grant Thornton UK LLP
Hartwell House
55-61 Victoria Street
Bristol BS1 6FT

7 June 2013

Statement of Comprehensive Net Expenditure for year ended 31 March 2013

	NOTE	2012-13 £000	2011-12 £000
Administration Costs and Programme Expenditure			
Gross employee benefits	7.1	85,645	85,602
Other costs	5.1	918,265	889,758
Income	4	(42,657)	(44,906)
Net operating costs before interest		961,253	930,454
Investment income	9	0	0
Other (Gains)/Losses	10	(323)	0
Finance costs	11	7	67
Net operating costs for the financial year		960,937	930,521
Transfers by absorption -(gains)		0	0
Transfers by absorption - losses		0	0
Net (gain)/loss on transfers by absorption		0	0
Net Operating Costs for the Financial Year including absorption transfers		960,937	930,521
Of which:			
Administration Costs			
Gross employee benefits	7.1	11,530	12,529
Other costs	5.1	10,118	12,367
Income	4	(1,122)	(1,477)
Net administration costs before interest		20,526	23,419
Investment income	9	0	0
Other (Gains)/Losses	10	0	0
Finance costs	11	0	0
Net administration costs for the financial year		20,526	23,419
Programme Expenditure			
Gross employee benefits	7.1	74,115	73,073
Other costs	5.1	908,147	877,391
Income	4	(41,535)	(43,429)
Net programme expenditure before interest		940,727	907,035
Investment income	9	0	0
Other (Gains)/Losses	10	(323)	0
Finance costs	11	7	67
Net programme expenditure for the financial year (i)		940,411	907,102
Other Comprehensive Net Expenditure			
		2012-13 £000	2011-12 £000
Impairments and reversals put to the Revaluation Reserve		4,001	1,260
Net (gain) on revaluation of property, plant & equipment		(294)	(820)
Net (gain) on revaluation of intangibles		0	0
Net (gain) on revaluation of financial assets		0	0
Net (gain)/loss on other reserves		0	0
Net (gain)/loss on available for sale financial assets		0	0
Net (gain) /loss on Assets Held for Sale		0	0
Release of Reserves to Statement of Comprehensive Net Expenditure		0	0
Net actuarial (gain)/loss on pension schemes		166	(223)
Reclassification Adjustments			
Reclassification adjustment on disposal of available for sale financial assets		0	0
Total comprehensive net expenditure for the year*		964,810	930,738

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

		31 March 2013	31 March 2012
	NOTE	£000	£000
Non-current assets:			
Property, plant and equipment	12	96,642	93,937
Intangible assets	13	109	157
investment property	15	0	0
Other financial assets	21	0	0
Trade and other receivables	19	0	0
Total non-current assets		96,751	94,094
Current assets:			
Inventories	18	0	0
Trade and other receivables	19	15,977	16,342
Other financial assets	36	0	0
Other current assets	22	0	0
Cash and cash equivalents	23	478	183
Total current assets		16,455	16,525
Non-current assets held for sale	24	3,910	5,590
Total current assets		20,365	22,115
Total assets		117,116	116,209
Current liabilities			
Trade and other payables	25	(52,725)	(49,905)
Other liabilities	26,28	0	0
Provisions	32	(1,564)	(1,109)
Borrowings	27	0	0
Other financial liabilities	36.2	0	0
Total current liabilities		(54,289)	(51,014)
Non-current assets plus/less net current assets/liabilities		62,827	65,195
Non-current liabilities			
Trade and other payables	25	(371)	(205)
Other Liabilities	28	0	0
Provisions	32	(972)	(2,051)
Borrowings	27	0	0
Other financial liabilities	36.2	0	0
Total non-current liabilities		(1,343)	(2,256)
Total Assets Employed:		61,484	62,939
Financed by taxpayers' equity:			
General fund		53,843	50,855
Revaluation reserve		8,012	12,289
Other reserves		(371)	(205)
Total taxpayers' equity:		61,484	62,939

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

The financial statements on pages 1 to 4 were approved under delegated arrangements by the Audit Committee on 6th June 2013 and signed on its behalf by

Area Team Director:

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
Balance at 1 April 2012	50,855	12,289	(205)	62,939
Changes in taxpayers' equity for 2012-13				
Net operating cost for the year	(960,937)			(960,937)
Net gain on revaluation of property, plant, equipment		294		294
Net gain on revaluation of intangible assets		0		0
Net gain on revaluation of financial assets		0		0
Net gain on revaluation of assets held for sale		0		0
Impairments and reversals		(4,001)		(4,001)
Movements in other reserves			0	0
Transfers between reserves*	570	(570)		0
Release of Reserves to SOCNE		0		0
Reclassification Adjustments				
Transfers between Revaluation Reserve & General Fund in respect of assets transferred under absorption	0	0		0
Net actuarial gain/(loss) on pensions	0		(166)	(166)
Total recognised income and expense for 2012-13	(960,367)	(4,277)	(166)	(964,810)
Net Parliamentary funding	963,355			963,355
Balance at 31 March 2013	53,843	8,012	(371)	61,484
Balance at 1 April 2011	44,459	12,729	18	57,206
Changes in taxpayers' equity for 2011-12				
Net operating cost for the year	(930,521)			(930,521)
Net Gain / (loss) on Revaluation of Property, Plant and Equipment		820		820
Net Gain / (loss) on Revaluation of Intangible Assets		0		0
Net Gain / (loss) on Revaluation of Financial Assets		0		0
Net Gain / (loss) on Assets Held for Sale		0		0
Impairments and Reversals		(1,260)		(1,260)
Movements in other reserves		0	0	0
Transfers between reserves*	0	0		0
Release of Reserves to Statement of Comprehensive Net Expenditure		0		0
Reclassification Adjustments				
Transfers to/(from) Other Bodies within the Resource Account Boundary	0	0	0	0
On disposal of available for sale financial assets	0	0	0	0
Net actuarial gain/(loss) on pensions	0		(223)	(223)
Total recognised income and expense for 2011-12	(930,521)	(440)	(223)	(931,184)
Net Parliamentary funding	936,917			936,917
Balance at 31 March 2012	50,855	12,289	(205)	62,939

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

	NOTE	2012-13 £000	2011-12 £000
Cash Flows from Operating Activities			
Net Operating Cost Before Interest		(961,253)	(930,454)
Depreciation and Amortisation		3,356	3,107
Impairments and Reversals		6,200	5,376
Other Gains / (Losses) on foreign exchange		0	0
Donated Assets received credited to revenue but non-cash		(25)	0
Government Granted Assets received credited to revenue but non-cash		0	0
Interest Paid		0	0
Release of PFI/deferred credit		0	0
(Increase)/Decrease in Inventories		0	0
(Increase)/Decrease in Trade and Other Receivables		365	(3,313)
(Increase)/Decrease in Other Current Assets		0	0
Increase/(Decrease) in Trade and Other Payables		3,521	1,483
(Increase)/Decrease in Other Current Liabilities		(166)	(223)
Provisions Utilised		(2,388)	(766)
Increase/(Decrease) in Provisions		1,757	763
Net Cash Inflow/(Outflow) from Operating Activities		(948,633)	(924,027)
Cash flows from investing activities			
Interest Received		0	0
(Payments) for Property, Plant and Equipment		(20,981)	(12,783)
(Payments) for Intangible Assets		0	0
(Payments) for Other Financial Assets		0	0
(Payments) for Financial Assets (LIFT)		0	0
Proceeds of disposal of assets held for sale (PPE)		6,554	120
Proceeds of disposal of assets held for sale (Intangible)		0	0
Proceeds from Disposal of Other Financial Assets		0	0
Proceeds from the disposal of Financial Assets (LIFT)		0	0
Loans Made in Respect of LIFT		0	0
Loans Repaid in Respect of LIFT		0	0
Rental Revenue		0	0
Net Cash Inflow/(Outflow) from Investing Activities		(14,427)	(12,663)
Net cash inflow/(outflow) before financing		(963,060)	(936,690)
Cash flows from financing activities			
Capital Element of Payments in Respect of Finance Leases and On-SoFP PFI and LIFT		0	0
Net Parliamentary Funding		963,355	936,917
Capital Receipts Surrendered		0	0
Capital grants and other capital receipts		0	0
Cash Transferred (to)/from Other NHS Bodies (free text note required)		0	0
Net Cash Inflow/(Outflow) from Financing Activities		963,355	936,917
Net increase/(decrease) in cash and cash equivalents		295	227
Cash and Cash Equivalents (and Bank Overdraft) at Beginning of the Period		183	(44)
Effect of Exchange Rate Changes in the Balance of Cash Held in Foreign Currencies		0	0
Cash and Cash Equivalents (and Bank Overdraft) at year end		478	183

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.

Going Concern

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

The Department of Health has made detailed arrangements for the transfer of balances (assets / liabilities / contractual commitments) at their recognised carrying value such that there will be no surplus or deficit arising from this transfer. It is for the successor body to consider whether, in 2013/14, it is necessary to review these for impairment.

The PCT has a Transfer Agreement showing the expected destination of these balances but the final details have not yet been confirmed. The Department's arrangements ensure that all assets, liabilities and contractual obligations of the PCT will be transferred to other bodies within the public sector.

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

Acquisitions and Discontinued Operations

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

Critical accounting judgements and key sources of estimation uncertainty

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

Critical judgements in applying accounting policies

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

1. Accounting policies (continued)

Key sources of estimation uncertainty

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

The critical estimates and judgements made in applying the PCT's accounting policies are detailed in the notes to the annual financial statements, as listed below:

- Valuation assumptions for property, plant & equipment - note 12
- impairments recognised during 2012-13 - note 14
- provisions recognised at 31st March 2013 - note 32
- contingencies as at 31st March 2013 - note 33
- Accruals for FHS Services (Prescribing, Pharmacy and QOF)
- Secondary Healthcare service costs

1.2 Revenue and Funding

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

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

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

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

1.3 Pooled budgets

The PCT has entered into a pooled budget with Gloucestershire County Council. Under the arrangement funds are pooled under S75 of the NHS Act 2006 for community activities and a memorandum note to the accounts provides details of the joint income and expenditure.

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

1.4 Taxation

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

1.5 Administration and Programme Costs

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

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

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

1. Accounting policies (continued)

1.6 Property, Plant & Equipment

Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the PCT;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has cost of at least £5,000; or
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

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

Valuation

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

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

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

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

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

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

The District Valuer has undertaken a revaluation exercise as at 1st March 2013. They are RICS qualified and have performed valuations using Modern Equivalent Asset Valuation (MEAV) technique. The total valuation of land and buildings valued was £68,809,000.

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)

1.7 Intangible Assets

Recognition

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

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

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

Measurement

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

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

1.8 Depreciation, amortisation and impairments

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

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

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

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

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

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

1. Accounting policies (continued)

1.9 Donated assets

Following the accounting policy change outlined in the Treasury FREM for 2011-12, a donated asset reserve is no longer maintained. Donated non-current assets are capitalised at their fair value on receipt, with a matching credit to Income. They are valued, depreciated and impaired as described above for purchased assets. Gains and losses on revaluations, impairments and sales are as described above for purchased assets. Deferred income is recognised only where conditions attached to the donation preclude immediate recognition of the gain.

1.10 Government grants

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

1.11 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather 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.

1.12 Inventories

NHS Gloucestershire holds a minimal value of raw materials and consumables and therefore does not report a value for stock.

Work-in-progress comprises goods in intermediate stages of production. Partially completed contracts for patient services are not accounted for as work-in-progress. Expenditure is accrued however in respect of part-completed treatment episodes at the balance sheet date.

1.13 Cash and cash equivalents

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

1.14 Losses and Special Payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or 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).

1.15 Clinical Negligence Costs

From 1 April 2000, the NHS Litigation Authority (NHSLA) took over the full financial responsibility for all Existing Liabilities Scheme (ELS) cases unsettled at that date and from 1 April 2002 all Clinical Negligence Scheme for Trusts (CNST) cases. Provisions for these 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)

1.16 Employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees,

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.

Some employees are members of the Local Government Superannuation Scheme, which is a defined benefit pension scheme. The scheme assets and liabilities attributable to those employees can be identified and are recognised in the PCT's accounts. The assets are measured at fair value and the liabilities at the present value of the future obligations. The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The expected gain during the year from scheme assets is recognised within finance income. The interest cost during the year arising from the unwinding of the discount on the scheme liabilities is recognised within finance costs. Actuarial gains and losses during the year are recognised in the General Fund and reported on the Statement of Changes in Taxpayers' Equity.

1.17 Research and Development

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

1.18 Other expenses

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

1.19 Grant making

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

1.20 EU Emissions Trading Scheme

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

1. Accounting policies (continued)

1.21 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or 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.

1.22 Leases

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

1.23 Foreign exchange

There are no foreign exchange transactions to disclose

1.24 Provisions

Provisions are recognised when the PCT has a present legal or constructive obligation as a result of a past event, it is probable that the PCT 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)

1.25 Financial Instruments

Financial assets

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

Financial assets are initially recognised at fair value.

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

Financial assets at fair value through profit and loss

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

Held to maturity investments

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

Available for sale financial assets

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

Loans and receivables

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

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

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

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

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

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

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.

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.

1.26 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 19 (Revised 2011) Employee Benefits - subject to consultation
- IAS 32 Financial Instruments: Presentation - subject to consultation
- IAS 32 Financial Instruments: Disclosures - subject to consultation
- IAS 27 Separate Financial Statements - subject to consultation
- IAS 28 Investments in Associates and Joint Ventures - subject to consultation
- IFRS 7 Financial Instruments - 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

Gloucestershire PCT recognised two main operating segments its commissioning arm and Care Services. Revenue results, including surplus or deficit, for each of these segments were reported and monitored separately each month by the PCT Board.

Gloucestershire Care Services Community NHS Trust was established on the 22nd March 2013. The Trust was established prior to its operational start date of 1st April 2013. The period from 22nd March 2013 to 31st March 2013 was a preparatory period for the trust to take on limited functions so that it was ready to take on its full functions on its operational date. During the period from the 22nd March 2013 to the 31st March 2013 the PCT provided the full functions that the Trust took on as at 1st April 2013 and also operated the buildings which legally transferred to the Trust on the 22nd March 2013. Any risks and liabilities associated with the buildings during this period fell to the PCT. Any liabilities incurred by the Trust during the period 22nd March 2013 to 31st March 2013 will fall to the PCT. As such, the economic substance of the transactions during this period is such that in order to properly represent the true position to readers of the accounts these transactions and the associated assets should be accounted for within the PCT's accounts and not the Trust accounts for the period between 22nd March 2013 to 31st March 2013. This meant that although legally assets transferred to the Trust on the 22nd March 2013 the PCT continued to account for the assets until 1st April 2013, the point at which the Trust was able to fulfil its full functions. The Trust will account for its functions at the operational date of 1st April 2013 and assets and liabilities will be accounted for within the Trust books from this date.

The PCT's commissioning segment commissions healthcare services from a variety of providers, primarily in the South of England, for people registered with Gloucestershire GPs. In terms of value the Gloucestershire Hospitals NHS Foundation Trust is the main provider of healthcare with a total contract value of £339.9m for 2012/13 (2011/12 £335.3m). The commissioning segment is mainly funded by a resource limit from the Department of Health with further sources of income for the commissioning segment from dental and prescription patient charge revenue.

Corporate services, such as finance, human resources, IM&T, clinical governance are apportioned between the commissioner and provider segments on an agreed basis.

	Commissioning		Care Services		Total	
	2012-13 £000	2011-12 £000	2012-13 £000	2011-12 £000	2012-13 £000	2011-12 £000
Income						
Income from Comm	-	-	85,986	84,917	-	-
Income from FT	1,562	506	6,589	7,216	8,151	7,723
Prescription Charge	5,481	5,077	3	17	5,484	5,094
Dental Patient Chgs	6,554	6,479	2	18	6,556	6,497
Other Income	13,209	11,501	10,357	14,089	23,566	25,590
Total Income	26,805	23,563	102,937	106,258	43,756	44,904
Expenditure						
Employee Benefits	12,871	14,018	72,774	71,583	85,646	85,602
Other Costs	889,968	855,149	29,351	34,675	919,048	889,823
Comm Ct with GCS	85,986	84,917	-	-	-	-
Total Expenditure	988,555	954,084	102,125	106,258	1,004,694	975,425
Parliamentary Funding						
Resource Limit	969,915	939,206	-	-	969,915	939,206
Total Funding						
Total Surplus	8,165	8,685	812	-	8,977	8,685

NHS Gloucestershire has significant expenditure with Gloucestershire Hospitals NHS Foundation Trust relating to the provision of both healthcare and non healthcare services. In 2012/13, this was £342.6m (2011/12 - £335.3). The proportion relating to operating is shown below.

	Commissioning		Care Services		Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Gloucestershire Hospitals NHS Foundation Trust	339,919	331,497	2,717	3,852	342,636	335,349

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	960,937	930,521
Net operating cost plus (gain)/loss on transfers by absorption	0	0
Adjusted for prior period adjustments in respect of errors	969,914	939,206
Revenue Resource Limit	8,977	8,685
Under/(Over)spend Against Revenue Resource Limit (RRL)		

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	15,205	12,983
Charge to Capital Resource Limit	14,215	12,966
(Over)/Underspend Against CRL	990	17

3.3 Provider full cost recovery duty

The PCT is required to recover full costs in relation to its provider functions.

	2012-13 £000	2011-12 £000
Provider gross operating costs	102,125	106,258
Provider Operating Revenue	(16,951)	(21,341)
Net Provider Operating Costs	85,174	84,917
Costs Met Within PCTs Own Allocation	(85,986)	(84,917)
Under/(Over) Recovery of Costs	(812)	0

3.4 Under/(Over)spend against cash limit

	2012-13 £000	2011-12 £000
Total Charge to Cash Limit	963,355	936,917
Cash Limit	983,435	938,873
Under/(Over)spend Against Cash Limit	20,080	1,956

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

	2012-13 £000
Total cash received from DH (Gross)	850,012
Less: Trade Income from DH	(37)
Less/(Plus): movement in DH working balances	0
Sub total: net advances	849,975
(Less)/plus: transfers (to)/from other resource account bodies (free text note required)	0
Plus: cost of Dentistry Schemes (central charge to cash limits)	17,776
Plus: drugs reimbursement (central charge to cash limits)	95,604
Parliamentary funding credited to General Fund	963,355

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	6,422	0	6,422	6,360
Dental Charge income from Trust-Led GDS & PDS	134	0	134	137
Prescription Charge income	5,484	0	5,484	5,094
Strategic Health Authorities	135	29	106	0
NHS Trusts	0	0	0	6
NHS Foundation Trusts	8,151	0	8,151	7,722
Primary Care Trusts Contributions to DATs	0	0	0	0
Primary Care Trusts - Other (1)	1,493	343	1,150	1,907
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	25	0	25	8
Recoveries in respect of employee benefits	0	0	0	0
Local Authorities (2)	13,094	483	12,611	15,714
Patient Transport Services	0	0	0	0
Education, Training and Research	3,944	58	3,886	3,531
Non-NHS: Private Patients	4	0	4	12
Non-NHS: Overseas Patients (Non-Reciprocal)	0	0	0	0
NHS Injury Costs Recovery	274	0	274	281
Other Non-NHS Patient Care Services	1,498	2	1,496	1,893
Charitable and Other Contributions to Expenditure	249	0	249	334
Receipt of donated assets	25	0	25	0
Receipt of Government granted assets	0	0	0	0
Rental revenue from finance leases	0	0	0	0
Rental revenue from operating leases	106	0	106	147
Other revenue	1,619	207	1,412	1,760
Total miscellaneous revenue	42,657	1,122	41,535	44,906

(1) The income relating to Primary Care Trusts - Other relates to income from Oxford PCT in support of Commissioning Support Unit costs and Swindon PCT contribution towards Board Costs

(2) Income from Local Authorities relates primarily to Occupational Therapy and management support, Section 75 and joint funded Learning Disability placements

5. Operating Costs

5.1 Analysis of operating costs:

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000	2011-12 Total £000
Goods and Services from Other PCTs				
Healthcare	69,643	0	69,643	61,689
Non-Healthcare	391	0	391	262
Total	70,034	0	70,034	61,951
Goods and Services from Other NHS Bodies other than FTs				
Goods and services from NHS Trusts	41,781	0	41,781	44,336
Goods and services (other, excl Trusts, FT and PCT))	86	0	86	186
Total	41,867	0	41,867	44,522
Goods and Services from Foundation Trusts	457,251	2,619	454,632	436,246
Purchase of Healthcare from Non-NHS bodies	75,361	0	75,361	76,558
Social Care from Independent Providers	0	0	0	0
Expenditure on Drugs Action Teams	0	0	0	0
Non-GMS Services from GPs	0	0	0	0
Contractor Led GDS & PDS (excluding employee benefits)	24,262	0	24,262	22,798
Salaried Trust-Led PDS & PCT DS (excluding employee benefits)	689	0	689	746
Chair, Non-executive Directors & PEC remuneration	41	41	0	97
Executive committee members costs	490	490	0	350
Consultancy Services	128	106	22	37
Prescribing Costs	86,824	0	86,824	89,921
G/PMS, APMS and PCTMS (excluding employee benefits)	79,159	21	79,138	76,040
Pharmaceutical Services	5,047	0	5,047	4,494
Local Pharmaceutical Services Pilots	0	0	0	0
New Pharmacy Contract	22,743	0	22,743	21,404
General Ophthalmic Services	4,857	0	4,857	4,924
Supplies and Services - Clinical	10,451	5	10,446	12,453
Supplies and Services - General	1,865	28	1,837	1,710
Establishment	3,859	992	2,867	3,218
Transport	465	46	419	514
Premises	8,393	2,188	6,205	7,522
Impairments & Reversals of Property, plant and equipment	6,963	0	6,963	5,376
Impairments and Reversals of non-current assets held for sale	(771)	0	(771)	0
Depreciation	3,316	0	3,316	3,067
Amortisation	40	0	40	40
Impairment & Reversals Intangible non-current assets	8	0	8	0
Impairment and Reversals of Financial Assets	0	0	0	0
Impairment of Receivables	(3)	0	(3)	10
Inventory write offs	0	0	0	0
Research and Development Expenditure	0	0	0	0
Audit Fees	138	138	0	203
Other Auditors Remuneration	0	0	0	0
Clinical Negligence Costs	317	0	317	523
Education and Training	3,133	2,787	346	3,247
Grants for capital purposes	4,688	0	4,688	2,792
Grants for revenue purposes	0	0	0	0
Impairments and reversals for investment properties	0	0	0	0
Other	6,650	657	5,993	8,995
Total Operating costs charged to Statement of Comprehensive Net Expenditure	918,265	10,118	908,147	889,758

5.1 Analysis of operating costs (continued):

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000	2011-12 Total £000
Employee Benefits (excluding capitalised costs)				
Employee Benefits associated with PCTMS	3,818	0	3,818	3,593
Trust led PDS and PCT DS	2,404	0	2,404	2,651
PCT Officer Board Members	643	0	643	698
Other Employee Benefits	78,780	11,530	67,250	78,660
Total Employee Benefits charged to SOCNE	85,645	11,530	74,115	85,602
Total Operating Costs	1,003,910	21,648	982,262	975,360

Analysis of grants reported in total operating costs For capital purposes

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000	2011-12 Total £000
Grants to fund Capital Projects - GMS	974	0	974	92
Grants to Local Authorities to Fund Capital Projects	3,700	0	3,700	2,700
Grants to Private Sector to Fund Capital Projects	14	0	14	0
Grants to Fund Capital Projects - Dental	0	0	0	0
Grants to Fund Capital Projects - Other	0	0	0	0
Total Capital Grants	4,688	0	4,688	2,792
Grants to fund revenue expenditure				
To Local Authorities	0	0	0	0
To Private Sector	0	0	0	0
To Other	0	0	0	0
Total Revenue Grants	0	0	0	0
Total Grants	4,688	0	4,688	2,792

	Total	Commissioning Services	Public Health
PCT Running Costs 2012-13			
Running costs (£000s)	20,526	18,326	2,200
Weighted population (number in units)*	542,572	542,572	542,572
Running costs per head of population (£ per head)	38	34	4
PCT Running Costs 2011-12			
Running costs (£000s)	23,419	21,210	2,209
Weighted population (number in units)	542,572	542,572	542,572
Running costs per head of population (£ per head)	43	39	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.

5.2 Analysis of operating expenditure by expenditure classification

2012-13
£000

2011-12
£000

Purchase of Primary Health Care

GMS / PMS/ APMS / PCTMS	79,159	79,633
Prescribing costs	86,824	89,921
Contractor led GDS & PDS	24,262	22,798
Trust led GDS & PDS	689	746
General Ophthalmic Services	4,857	4,924
Department of Health Initiative Funding	0	0
Pharmaceutical services	5,047	4,494
Local Pharmaceutical Services Pilots	0	0
New Pharmacy Contract	22,743	21,404
Non-GMS Services from GPs	0	0
Other	0	0
Total Primary Healthcare purchased	223,581	223,920

Purchase of Secondary Healthcare

Learning Difficulties	20,494	21,054
Mental Illness	87,384	86,917
Maternity	21,481	20,761
General and Acute	407,772	386,515
Accident and emergency	16,162	13,725
Community Health Services	129,777	133,026
Other Contractual	31,966	31,443
Total Secondary Healthcare Purchased	715,036	693,441

Grant Funding

Grants for capital purposes	4,688	2,792
Grants for revenue purposes	0	0
Total Healthcare Purchased by PCT	943,305	920,153

PCT self-provided secondary healthcare included above	85,986	84,917
Social Care from Independent Providers	0	0
Healthcare from NHS FTs included above	455,319	430,723

6. Operating Leases

In September 2008 NHS Gloucestershire entered into a 15 year lease for 5220 Valiant Court, Brockworth which is the PCT Headquarters

NHS Gloucestershire has no contractual rights to renew this lease or any purchase options.

6.1 PCT as lessee				2012-13	2011-12
	Land £000	Buildings £000	Other £000	Total £000	£000
Payments recognised as an expense					
Minimum lease payments				0	1,442
Contingent rents				0	0
Sub-lease payments				0	0
Total				0	1,442
Payable:					
No later than one year	0	1,058	441	1,499	1,442
Between one and five years	0	3,334	616	3,950	3,746
After five years	0	4,362	0	4,362	5,356
Total	0	8,754	1,057	9,811	10,544

Total future sublease payments expected to be received 0 0

6.2 PCT as lessor

Gloucestershire PCT has an operating lease with UKSH for a ward at Cirencester Hospital

	2012-13 £000	2011-12 £000
Recognised as income		
Rental Revenue	106	147
Contingent rents	0	0
Total	106	147
Receivable:		
No later than one year	0	147
Between one and five years	0	588
After five years	0	0
Total	0	735

Gloucestershire PCT has entered into certain financial arrangements involving the use of GP premises. These have been considered 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 these are operating leases that must be recognised, but, as there is no defined term in the arrangements entered into, it is not possible to analyse the arrangements over financial years. The financial value included in the Operating Cost Statement for 2012/13 is £4.5m (2011/12 was £4.9m).

Independent Sector Treatment Centres were opened in November 2009 at Emerson's Green, South Gloucestershire and at Cirencester Hospital, Gloucestershire. There is a service agreement between UKSH, the service provider, and the Department of Health to provide an agreed range of treatments for the term of the contract. This activity is provided to and purchased by NHS Gloucestershire and PCTs adjacent to the area. An assessment of the contract against IFRIC 12, IFRIC 4 and IAS 17 has determined that an operating lease exists. The price within the service contract uses the NHS tariff for secondary care. The service payment to UKSH in 2012/13 was £5.0m (£2.4m for 2011/12)

7. Employee benefits and staff numbers

7.1 Employee benefits

	2012-13			Permanently employed			Other		
	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000
Employee Benefits - Gross Expenditure									
Salaries and wages	72,625	9,080	63,545	68,585	8,431	60,154	4,040	649	3,391
Social security costs	4,702	893	3,809	4,702	893	3,809	0	0	0
Employer Contributions to NHS BSA - Pensions Division	8,198	1,557	6,641	8,198	1,557	6,641	0	0	0
Other pension costs	120	0	120	120	0	120	0	0	0
Other post-employment benefits	0	0	0	0	0	0	0	0	0
Other employment benefits	0	0	0	0	0	0	0	0	0
Termination benefits	0	0	0	0	0	0	0	0	0
Total employee benefits	85,645	11,530	74,115	81,605	10,881	70,724	4,040	649	3,391
Less recoveries in respect of employee benefits (table below)	0	0	0	0	0	0	0	0	0
Total - Net Employee Benefits including capitalised costs	85,645	11,530	74,115	81,605	10,881	70,724	4,040	649	3,391
Employee costs capitalised	0	0	0	0	0	0	0	0	0
Gross Employee Benefits excluding capitalised costs	85,645	11,530	74,115	81,605	10,881	70,724	4,040	649	3,391
Recognised as:									
Commissioning employee benefits	12,871			11,849			1,022		
Provider employee benefits	72,774			69,756			3,018		
Gross Employee Benefits excluding capitalised costs	85,645			81,605			4,040		

	2012-13			Permanently employed			Other		
	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000
Employee Benefits - Revenue									
Salaries and wages	0	0	0	0	0	0	0	0	0
Social Security costs	0	0	0	0	0	0	0	0	0
Employer Contributions to NHS BSA - Pensions Division	0	0	0	0	0	0	0	0	0
Other pension costs	0	0	0	0	0	0	0	0	0
Other Post Employment Benefits	0	0	0	0	0	0	0	0	0
Other Employment Benefits	0	0	0	0	0	0	0	0	0
Termination Benefits	0	0	0	0	0	0	0	0	0
TOTAL excluding capitalised costs	0	0	0	0	0	0	0	0	0

Employee Benefits - Prior- year

	Total £000	Permanently employed £000	Other £000
Employee Benefits Gross Expenditure 2011-12			
Salaries and wages	71,530	68,337	3,193
Social security costs	4,370	4,370	0
Employer Contributions to NHS BSA - Pensions Division	8,314	8,314	0
Other pension costs	124	124	0
Other post-employment benefits	0	0	0
Other employment benefits	0	0	0
Termination benefits	1,264	1,264	0
Total gross employee benefits	85,602	82,409	3,193
Less recoveries in respect of employee benefits	0	0	0
Total - Net Employee Benefits including capitalised costs	85,602	82,409	3,193
Employee costs capitalised	0	0	0
Gross Employee Benefits excluding capitalised costs	85,602	82,409	3,193
Recognised as:			
Commissioning employee benefits	12,529		
Provider employee benefits	73,073		
Gross Employee Benefits excluding capitalised costs	85,602		

7.2 Staff Numbers

	2012-13			2011-12		
	Total Number	Permanently employed Number	Other Number	Total Number	Permanently employed Number	Other Number
Average Staff Numbers						
Medical and dental	41	39	1	44	43	1
Ambulance staff	0	0	0	0	0	0
Administration and estates	574	537	37	628	603	25
Healthcare assistants and other support staff	113	112	0	130	128	2
Nursing, midwifery and health visiting staff	966	942	24	1,003	973	30
Nursing, midwifery and health visiting learners	11	5	6	4	3	1
Scientific, therapeutic and technical staff	432	422	10	422	410	12
Social Care Staff	0	0	0	0	0	0
Other	5	5	0	10	10	0
TOTAL	2,141	2,062	79	2,241	2,170	71
Of the above - staff engaged on capital projects	0	0	0	0	0	0

7.3 Staff Sickness absence and ill health retirements

	2012-13 Number	2011-12 Number
Total Days Lost	32,737	20,755
Total Staff Years	2,105	2,275
Average working Days Lost	15.55	9.12

These figures are provided by the Department of Health and cover the calendar years rather than the financial years ending on the 31st March.

	2012-13 Number	2011-12 Number
Number of persons retired early on ill health grounds	5	4
Total additional pensions liabilities accrued in the year	£000s 227	£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	Total number of exit packages by cost band	
	Number	Number	Number	Number	Number	Number	Number
Lees than £10,000	0	0	0	1	3	4	4
£10,001-£25,000	3	0	3	3	9	12	12
£25,001-£50,000	3	1	4	1	7	8	8
£50,001-£100,000	4	0	4	0	2	2	2
£100,001 - £150,000	2	0	2	2	2	4	4
£150,001 - £200,000	1	0	1	1	0	1	1
>£200,000	2	0	2	0	0	0	0
Total number of exit packages by type (total cost)	15	1	16	8	23	31	31
Total resource cost	£s 1,393,536	£s 30,000	£s 1,423,536	£s 455,000	£s 809,000	£s 1,264,000	£s 1,264,000

7.5 Pension costs

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

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

a) Full actuarial (funding) valuation

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

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

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

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

b) Accounting valuation

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

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

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

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

c) Scheme provisions

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

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

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

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

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

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

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

7.5 Pension costs Cont.d

Local Government Pension Scheme

As part of the s75 Integrated Services arrangements, NHS Gloucestershire took on staff from Gloucestershire County Council half way through the financial year 2004/05. As part of the TUPE transfer, former local authority staff could elect to remain in the Local Government Pension Scheme (LGPS)

The LGPS is a defined benefit statutory scheme administered by the County Council, in accordance with the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007, the Local Government Pension Scheme (administration) Regulations 2008 and the Local Government Pension Scheme (Transitional Provisions) Regulations 2008. It is contracted out of the State Second Pension.

The latest formal valuation of the Fund for the purpose of setting employers' actual contributions was as at 31 March 2010

During the Financial Period 1/04/2012 to 31/03/2013 employer's contributions totalled £124k (£128k 2011/12) and Employee's totalled £42k (£43k 2011/12)

The following financial assumptions were made by the Actuary in their valuations of the scheme.

Assumptions as at	31.03.13 % p.a.		31.03.12 % p.a.
Pension Increase Rate (CPI)	2.80%		2.50%
Salary increases	4.60%		4.30%
Expected Return on Assets	4.50%		5.50%
Discount rate	4.50%		4.80%

The inflation assumption has been derived by considering the difference in gross redemption yields of traditional and index-linked gilt-edged securities as at 31 March 2013. The pension increase rate is now based on the Consumer Price Index (CPI), previously this figure was based on the Retail Price Index (RPI)

In preparing the Statement of Financial Position as at 31 March 2013 and the revenue account to 31 March 2013 allowance is included for the removal of the "Rule of 85" for new entrants from 1 October 2006, to the extent that any such new entrants were included in the membership data for the formal valuation at 31 March 2007. No allowance is made for the effect of the abolition of the "Rule of 85" for new entrants since 31 March 2007.

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. Additional pension liabilities arising from early retirement are not funded by the scheme except where the retirement is due to ill-health. For early retirements not funded by the scheme, the full amount of the liability for the additional costs is charged to the Operating Cost Statement account at the time the Primary Care Trust commits itself to the retirement, regardless of the method of payment.

The Scheme provides the opportunity to members to increase their benefits through money purchase Additional Voluntary Contributions (AVCs) provided by an approved panel of life companies. Under the arrangement the employee/member can make contributions to enhance an employee's pension benefits. The benefits payable relate directly to the value of the investments made.

The fair value of employer assets of the whole Fund as at 31 March 2013 is as shown in the table below

Assets (Whole Fund)	Asset 31 March 2013		Asset 31 March 2012	
	£000	%	£000	%
Equities	4,006	76%	3,196	71%
Bonds	843	16%	945	21%
Property	316	6%	270	6%
Cash	105	2%	90	2%
Total	5,270		4,501	

The details of the PCT's share of assets and the net position as included in the accounts are as follows;

Assets (Employer)	Long Term Return At		Long Term Return At		Assets At		Assets At	
	31 March 2013	% p.a.	31 March 2013	31 March 2012	31 March 2012	31 March 2011	31 March 2011	31 March 2011
			£ 000	% p.a.	£ 000	£ 000	£ 000	£ 000
Equities	4.5%		4,006	6.2%	3,196	2,996		
Bonds	4.5%		843	3.8%	945	999		
Property	4.5%		316	4.4%	270	261		
Cash	4.5%		105	3.5%	90	87		
Net Pension Asset as at								
			31 March 2013		31 March 2012			
			£ 000		£ 000			
Fair Value of Employee Assets			5,270		4,501			
Present Value of Funded Obligations (i)			(5,641)		(4,706)			
Net (Under)/Overfunding in Funding Plans			(371)		(205)			
Present Value of Unfunded obligations			-		-			
Net Asset (Liability)			(371)		(205)			
Amount in the balance Sheet								
Liabilities			371		205			
Assets (Employer)								
Net Asset (Liability)			(371)		(205)			

7.5 Pension costs Cont.d

Liabilities

(i) This liability Comprises of approximately £4,430,000 , £324,000 and £887,000 in respect of employee members, deferred

Movement in Surplus/Deficit During the Year	Period to 31 March 2013 £'000	Period to 31 March 2012 £'000
Surplus/(deficit) at beginning of period	(205)	18
Current Service Cost	(129)	(130)
Employer Contributions	124	128
Contributions in respect of Unfunded Benefits		
Other income		
Other outgo (e.g. expenses, etc)		
Past service costs		
Impact of settlements and curtailments		
Net return on assets	21	53
Actuarial gains/(losses)	(182)	(274)
Surplus/(deficit) at end of year	(371)	(205)

LGPS Surplus/(Deficit)

	Value at 31/03/13 £'000	Value at 31/03/12 £'000
Total Market Value of Assets	5,270	4,501
Present Value of Scheme Liabilities	(5,641)	(4,706)
(Deficit)/Surplus in the scheme	(371)	(205)

8. Better Payment Practice Code

8.1 Measure of compliance

	2012-13 Number	2012-13 £000	2011-12 Number	2011-12 £000
Non-NHS Payables				
Total Non-NHS Trade Invoices Paid in the Year	56,540	132,472	46,195	128,858
Total Non-NHS Trade Invoices Paid Within Target	50,664	124,433	43,414	111,654
Percentage of NHS Trade Invoices Paid Within Target	<u>89.61%</u>	<u>93.93%</u>	<u>93.98%</u>	<u>86.65%</u>
NHS Payables				
Total NHS Trade Invoices Paid in the Year	5,326	586,086	4,158	567,429
Total NHS Trade Invoices Paid Within Target	4,788	583,217	3,761	563,853
Percentage of NHS Trade Invoices Paid Within Target	<u>89.90%</u>	<u>99.51%</u>	<u>90.45%</u>	<u>99.37%</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

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

9. Investment Income

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

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)	323	0	323	0
Gain/(Loss) on disposal of assets other than by sale (intangibles)	0	0	0	0
Gain/(Loss) on disposal of Financial Assets - other than held for sale	0	0	0	0
Gain (Loss) on disposal of assets held for sale	0	0	0	0
Gain/(loss) on foreign exchange	0	0	0	0
Change in fair value of financial assets carried at fair value through the SoCNE	0	0	0	0
Change in fair value of financial liabilities carried at fair value through the SoCNE	0	0	0	0
Change in fair value of investment property	0	0	0	0
Recycling of gain/(loss) from equity on disposal of financial assets held for sale	0	0	0	0
Total	323	0	323	0

11. Finance Costs

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000	2011-12 £000
Interest				
Interest on obligations under finance leases	0	0	0	0
Interest on obligations under PFI contracts:				
- main finance cost	0	0	0	0
- contingent finance cost	0	0	0	0
Interest on obligations under LIFT contracts:				
- main finance cost	0	0	0	0
- contingent finance cost	0	0	0	0
Interest on late payment of commercial debt	0	0	0	0
Other interest expense	0	0	0	0
Total interest expense	0	0	0	0
Other finance costs	0	0	0	0
Provisions - unwinding of discount	7		7	67
Total	7	0	7	67

12.1 Property, plant and equipment

	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account £000	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
2012-13									
Cost or valuation:									
At 1 April 2012	21,131	74,075	0	3,662	9,381	257	5,535	1,158	115,199
Additions of Assets Under Construction				13,427					13,427
Additions Purchased	0	2,782	0		1,449	160	252	2,376	7,019
Additions Donated	0	0	0	0	25	0	0	0	25
Additions Government Granted	0	0	0	0	0	0	0	0	0
Additions Leased	0	0	0	0	0	0	0	0	0
Reclassifications	1,162	(1,162)	0	0	0	0	0	0	0
Reclassifications as Held for Sale	0	0	0	0	0	0	0	0	0
Disposals other than for sale	(3,655)	(125)	0	0	0	0	0	0	(3,780)
Upward revaluation/positive indexation	193	101	0	0	0	0	0	0	294
Impairments/negative indexation	(88)	(3,913)	0	0	0	0	0	0	(4,001)
Reversal of Impairments	0	0	0	0	0	0	0	0	0
Transfers (to)/from Other Public Sector Bodies	0	0	0	0	0	0	0	0	0
At 31 March 2013	18,743	71,758	0	17,089	10,855	417	5,787	3,534	128,183
Depreciation									
At 1 April 2012	921	7,129	0	3,397	5,382	238	3,928	267	21,262
Reclassifications	0	0	0	0	0	0	0	0	0
Reclassifications as Held for Sale	0	0	0	0	0	0	0	0	0
Disposals other than for sale	0	0	0	0	0	0	0	0	0
Upward revaluation/positive indexation	0	0	0	0	0	0	0	0	0
Impairments	432	4,086	0	1,524	378	0	172	371	6,963
Reversal of Impairments	0	0	0	0	0	0	0	0	0
Charged During the Year	0	2,194	0	0	559	5	463	95	3,316
Transfers (to)/from Other Public Sector Bodies	0	0	0	0	0	0	0	0	0
At 31 March 2013	1,353	13,409	0	4,921	6,319	243	4,563	733	31,541
Net Book Value at 31 March 2013	17,390	58,349	0	12,168	4,536	174	1,224	2,801	96,642
Purchased	17,390	56,579	0	12,168	4,174	174	1,224	2,801	94,510
Donated	0	1,770	0	0	362	0	0	0	2,132
Government Granted	0	0	0	0	0	0	0	0	0
Total at 31 March 2013	17,390	58,349	0	12,168	4,536	174	1,224	2,801	96,642
Asset financing:									
Owned	17,390	58,349	0	12,168	4,536	174	1,224	2,801	96,642
Held on finance lease	0	0	0	0	0	0	0	0	0
On-SOFP PFI contracts	0	0	0	0	0	0	0	0	0
PFI residual interests	0	0	0	0	0	0	0	0	0
Total at 31 March 2013	17,390	58,349	0	12,168	4,536	174	1,224	2,801	96,642

Revaluation Reserve Balance for Property, Plant & Equipment

	Land	Buildings	Dwellings	Assets under construction & payments on account £000's	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
At 1 April 2012	3,018	9,117	0	0	154	0	0	0	12,289
Movements (specify)	(274)	(3,979)	0	0	(24)	0	0	0	(4,277)
At 31 March 2013	2,744	5,138	0	0	130	0	0	0	8,012

Additions to Assets Under Construction in 2012-13

	£000
Land	0
Buildings excl Dwellings	12,168
Dwellings	0
Plant & Machinery	0
Balance as at YTD	12,168

Disposals other than for sale relate to the sale of:
 Horton Road
 Holly House
 Moore Cottage Hospital
 31 Park Road

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
2011-12									
Cost or valuation:									
At 1 April 2011	21,924	56,837	0	10,598	8,559	257	5,535	1,158	104,868
Additions - purchased	75	2,338	0	9,846	827	0	0	0	13,086
Additions - donated	0	0	0	0	0	0	0	0	0
Additions - government granted	0	0	0	0	0	0	0	0	0
Reclassifications	945	15,837	0	(16,782)	(5)	0	0	0	(5)
Reclassified as held for sale	(1,680)	(630)	0	0	0	0	0	0	(2,310)
Disposals other than by sale	0	0	0	0	0	0	0	0	0
Revaluation & indexation gains	155	665	0	0	0	0	0	0	820
Impairments	(288)	(972)	0	0	0	0	0	0	(1,260)
Reversals of impairments	0	0	0	0	0	0	0	0	0
In-year transfers to/from NHS bodies	0	0	0	0	0	0	0	0	0
Cumulative dep netted off cost following revaluation	0	0	0	0	0	0	0	0	0
At 31 March 2012	21,131	74,075	0	3,662	9,381	257	5,535	1,158	115,199
Depreciation									
At 1 April 2011	709	3,392	0	0	4,894	233	3,424	167	12,819
Reclassifications	0	0	0	0	0	0	0	0	0
Reclassifications as Held for Sale	0	0	0	0	0	0	0	0	0
Disposals other than for sale	0	0	0	0	0	0	0	0	0
Upward revaluation/positive indexation	0	0	0	0	0	0	0	0	0
Impairments	212	1,954	0	3,397	0	0	0	0	5,563
Reversal of Impairments	0	(187)	0	0	0	0	0	0	(187)
Charged During the Year	0	1,970	0	0	488	5	504	100	3,067
In-year transfers to/from NHS bodies	0	0	0	0	0	0	0	0	0
Cumulative dep netted off cost following revaluation	0	0	0	0	0	0	0	0	0
At 31 March 2012	921	7,129	0	3,397	5,382	238	3,928	267	21,262
Net Book Value at 31 March 2012	20,210	66,946	0	265	3,999	19	1,607	891	93,937
Purchased	20,060	64,784	0	265	3,531	19	1,607	891	91,157
Donated	150	2,162	0	0	468	0	0	0	2,780
Government Granted	0	0	0	0	0	0	0	0	0
At 31 March 2012	20,210	66,946	0	265	3,999	19	1,607	891	93,937
Asset financing:									
Owned	20,210	66,946	0	265	3,999	19	1,607	891	93,937
Held on finance lease	0	0	0	0	0	0	0	0	0
On-SOFP PFI contracts	0	0	0	0	0	0	0	0	0
PFI residual: interests	0	0	0	0	0	0	0	0	0
At 31 March 2012	20,210	66,946	0	265	3,999	19	1,607	891	93,937

13.1 Intangible non-current assets

	Software internally generated £000	Software purchased £000	Licences & trademarks £000	Patents £000	Development expenditure £000	Total £000
2012-13						
At 1 April 2012	0	226	0	0	0	226
Additions - purchased	0	0	0	0	0	0
Additions - internally generated	0	0	0	0	0	0
Additions - donated	0	0	0	0	0	0
Additions - government granted	0	0	0	0	0	0
Additions Leased	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	0	0
Revaluation & indexation gains	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0
In-year transfers to/from NHS bodies	0	0	0	0	0	0
At 31 March 2013	0	226	0	0	0	226
Amortisation						
At 1 April 2012	0	69	0	0	0	69
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	8	0	0	0	8
Reversal of impairments charged to operating expenses	0	0	0	0	0	0
Charged during the year	0	40	0	0	0	40
In-year transfers to NHS bodies	0	0	0	0	0	0
At 31 March 2013	0	117	0	0	0	117
Net Book Value at 31 March 2013	0	109	0	0	0	109
Net Book Value at 31 March 2013 comprises						
Purchased	0	109	0	0	0	109
Donated	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0
Total at 31 March 2013	0	109	0	0	0	109

Revaluation reserve balance for intangible non-current assets

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

13.2 Intangible non-current assets

	Software internally generated £000	Software purchased £000	Licences & trademarks £000	Patents £000	Development expenditure £000	Total £000
2011-12						
At 1 April 2011	0	221	0	0	0	221
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
Reclassifications	0	5	0	0	0	5
Reclassified as held for sale	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	0	0
Revaluation & indexation gains	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0
In-year transfers to/from NHS bodies	0	0	0	0	0	0
Cumulative dep netted off cost following revaluation	0	0	0	0	0	0
At 31 March 2012	0	226	0	0	0	226
Amortisation						
At 1 April 2011	0	29	0	0	0	29
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	40	0	0	0	40
In-year transfers to NHS bodies	0	0	0	0	0	0
Less cumulative dep written down on revaluation	0	0	0	0	0	0
At 31 March 2012	0	69	0	0	0	69
Net Book Value at 31 March 2012	0	157	0	0	0	157
Net Book Value at 31 March 2012 comprises						
Purchased	0	157	0	0	0	157
Donated	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0
Total at 31 March 2012	0	157	0	0	0	157

13.3 Intangible non-current assets

Economic Lives of Non-Current Assets

	Min Life Years	Max Life Years
Intangible Assets		
Software Licences	0	3
Licences and Trademarks	0	0
Patents	0	0
Development Expenditure	0	0
Property, Plant and Equipment		
Buildings exc Dwellings	0	78
Dwellings	0	0
Plant & Machinery	0	12
Transport Equipment	0	3
Information Technology	0	5
Furniture and Fittings	0	12

Open Market Value of Assets at balance sheet date	Land	Buildings excl. dwellings	Dwellings	Total
	£000s	£000s	£000s	£000s
Open Market Value at 31 March 2013	0	0	0	0
Open Market Value at 31 March 2012	0	0	0	0

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

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000
Property, Plant and Equipment impairments and reversals taken to SoCNE			
Loss or damage resulting from normal operations	0	0	0
Over-specification of assets	0	0	0
Abandonment of assets in the course of construction	0	0	0
Total charged to Departmental Expenditure Limit	0	0	0
Unforeseen obsolescence	0		0
Loss as a result of catastrophe	0		0
Other	1,806		1,806
Changes in market price	5,157		5,157
Total charged to Annually Managed Expenditure	6,963		6,963
Property, Plant and Equipment impairments and reversals charged to the revaluation reserve			
Loss or damage resulting from normal operations	0		
Over Specification of Assets	0		
Abandonment of assets in the course of construction	0		
Unforeseen obsolescence	0		
Loss as a result of catastrophe	0		
Other	0		
Changes in market price	4,001		
Total impairments for PPE charged to reserves	4,001		
Total Impairments of Property, Plant and Equipment	10,964	0	6,963
Intangible assets impairments and reversals charged to SoCNE			
Loss or damage resulting from normal operations	0	0	0
Over-specification of assets	0	0	0
Abandonment of assets in the course of construction	0	0	0
Total charged to Departmental Expenditure Limit	0	0	0
Unforeseen obsolescence	0		0
Loss as a result of catastrophe	0		0
Other	0		0
Changes in market price	8		8
Total charged to Annually Managed Expenditure	8		8
Intangible Assets impairments and reversals charged to the Revaluation Reserve			
Loss or damage resulting from normal operations	0		
Over-specification of assets	0		
Abandonment of assets in the course of construction	0		
Unforeseen obsolescence	0		
Loss as a result of catastrophe	0		
Other	0		
Changes in market price	0		
Total impairments for Intangible Assets charged to Reserves	0		
Total Impairments of Intangibles	8	0	8

Financial Assets charged to SoCNE			
Loss or damage resulting from normal operations	0	0	0
Total charged to Departmental Expenditure Limit	<u>0</u>	<u>0</u>	<u>0</u>
Loss as a result of catastrophe	0		0
Other	0		0
Total charged to Annually Managed Expenditure	<u>0</u>		<u>0</u>
Financial Assets impairments and reversals charged to the Revaluation Reserve			
Loss or damage resulting from normal operations	0		
Loss as a result of catastrophe	0		
Other	0		
TOTAL impairments for Financial Assets charged to reserves	<u>0</u>		
Total Impairments of Financial Assets	<u>0</u>	<u>0</u>	<u>0</u>
Non-current assets held for sale - impairments and reversals charged to SoCNE.			
Loss or damage resulting from normal operations	0	0	0
Abandonment of assets in the course of construction	0	0	0
Total charged to Departmental Expenditure Limit	<u>0</u>	<u>0</u>	<u>0</u>
Unforeseen obsolescence	0		0
Loss as a result of catastrophe	0		0
Other	0		0
Changes in market price	(771)		(771)
Total charged to Annually Managed Expenditure	<u>(771)</u>		<u>(771)</u>
Total impairments of non-current assets held for sale	<u>(771)</u>	<u>0</u>	<u>(771)</u>
Inventories - impairments and reversals charged to SoCNE			
Loss or Damage Resulting from Normal Operations	0	0	0
Total charged to Departmental Expenditure Limit	<u>0</u>	<u>0</u>	<u>0</u>
Unforeseen Obsolescence	0		0
Loss as a Result of a Catastrophe	0		0
Other (Free text note required)*	0		0
Changes in Market Price	0		0
Total charged to Annually Managed Expenditure	<u>0</u>		<u>0</u>
Total impairments of Inventories	<u>0</u>	<u>0</u>	<u>0</u>
Investment Property impairments charged to SoCNE			
Loss or Damage Resulting from Normal Operations	0	0	0
Total charged to Departmental Expenditure Limit	<u>0</u>	<u>0</u>	<u>0</u>
Unforeseen Obsolescence	0		0
Loss as a Result of a Catastrophe	0		0
Other (Free text note required)*	0		0
Changes in Market Price	0		0
Total charged to Annually Managed Expenditure	<u>0</u>		<u>0</u>
Total Investment Property impairments charged to SoCNE	<u>0</u>	<u>0</u>	<u>0</u>
Investment Property impairments and reversals charged to the Revaluation Reserve			
Loss or Damage Resulting from Normal Operations	0		
Over Specification of Assets	0		
Abandonment of Assets in the Course of Construction	0		
Unforeseen Obsolescence	0		
Loss as a Result of a Catastrophe	0		
Other (Free text note required)*	0		
Changes in Market Price	0		
TOTAL impairments for Investment Property charged to Reserves	<u>0</u>		
Total Investment Property Impairments	<u>0</u>	<u>0</u>	<u>0</u>
Total Impairments charged to Revaluation Reserve	4,001		
Total Impairments charged to SoCNE - DEL	0	0	0
Total Impairments charged to SoCNE - AME	6,200		6,200
Overall Total Impairments	<u>10,201</u>	<u>0</u>	<u>6,200</u>
Of which:			
Impairment on revaluation to "modern equivalent asset" basis	0	0	0
Donated and Gov Granted Assets, included above -			
PPE - Donated and Government Granted Asset Impairments: amount charged to SoCNE - DEL*	0	0	0
Intangibles - Donated and Government Granted Asset Impairments: amount charged to SoCNE -AME*	0	0	0

15 Investment property

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

16 Commitments

16.1 Capital commitments

Gloucestershire PCT has no capital commitments as at 31st March 2013. There was a transfer of properties as assets under construction to Gloucester Care Services for Tewkesbury Hospital, North Cotswold Community Hospital and Vale Hospital

	31 March 2013 £000	31 March 2012 £000
Property, plant and equipment	0	0
Intangible assets	0	0
Total	<u>0</u>	<u>0</u>

16.2 Other financial commitments

The PCT has no financial commitments other than those included in these financial statements.

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	592	0	863	0
Balances with Local Authorities	0	0	0	0
Balances with NHS bodies outside the Departmental Group	0	0	0	0
Balances with NHS Trusts and Foundation Trusts	7,129	0	8,179	0
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with bodies external to government	0	0	0	0
At 31 March 2013	<u>7,721</u>	<u>0</u>	<u>9,042</u>	<u>0</u>
prior period:				
Balances with other Central Government Bodies	1,309	0	532	0
Balances with Local Authorities	4,313	0	0	0
Balances with NHS Trusts and Foundation Trusts	1,896	0	7,331	0
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with bodies external to government	8,824	0	42,042	205
At 31 March 2012	<u>16,342</u>	<u>0</u>	<u>49,905</u>	<u>205</u>

18 Inventories

The PCT has no 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	7,721	2,493	0	0
NHS receivables - capital	0	0	0	0
NHS prepayments and accrued income	0	0	0	0
Non-NHS receivables - revenue	2,650	7,325	0	0
Non-NHS receivables - capital	0	0	0	0
Non-NHS prepayments and accrued income	2,663	3,711	0	0
Provision for the impairment of receivables	(171)	(227)	0	0
VAT	472	712	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	2,642	2,328	0	0
Total	15,977	16,342	0	0
Total current and non current	15,977	16,342		
Included above:				
Prepaid pensions contributions	0	0		

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

19.2 Receivables past their due date but not impaired

	31 March 2013 £000	31 March 2012 £000
By up to three months	5,034	2,701
By three to six months	154	217
By more than six months	13	213
Total	5,201	3,131

19.3 Provision for impairment of receivables

	2012-13 £000	2011-12 £000
Balance at 1 April 2012	(227)	(238)
Amount written off during the year	53	21
Amount recovered during the year	87	77
(Increase)/decrease in receivables impaired	(84)	(87)
Balance at 31 March 2013	(171)	(227)

20 NHS LIFT investments

	Loan £000	Share capital £000	Total £000
Balance at 1 April 2012	0	0	0
Additions	0	0	0
Disposals	0	0	0
Loan repayments	0	0	0
Revaluations	0	0	0
Loans repayable within 12 months	0	0	0
Balance at 31 March 2013	0	0	0
Balance at 1 April 2011	0	0	0
Additions	0	0	0
Disposals	0	0	0
Loan repayments	0	0	0
Revaluations	0	0	0
Loans repayable within 12 months	0	0	0
Balance at 31 March 2012	0	0	0

21.1 Other financial assets - Current

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

21.2 Other Financial Assets - Non Current

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

21.3 Other Financial Assets - Capital Analysis

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

22 Other current assets

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

23 Cash and Cash Equivalents

	31 March 2013 £000	31 March 2012 £000
Opening balance	183	(44)
Net change in year	295	227
Closing balance	478	183
Made up of		
Cash with Government Banking Service	471	175
Commercial banks	0	8
Cash in hand	7	0
Current investments	0	0
Cash and cash equivalents as in statement of financial position	478	183
Bank overdraft - Government Banking Service	0	0
Bank overdraft - Commercial banks	0	0
Cash and cash equivalents as in statement of cash flows	478	183
Patients' money held by the PCT, not included above	1	1

24 Non-current assets held for sale

	Land	Buildings, excl. dwellings	Dwellings	Asset Under Construction and Payments on Account	Plant and Machinery	Transport and Equipment	Information Technology	Furniture and Fittings	Intangible Assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Balance at 1 April 2012	3,913	1,677	0	0	0	0	0	0	0	5,590
Plus assets classified as held for sale in the year	0	0	0	0	0	0	0	0	0	0
Less assets sold in the year	(1,981)	(470)	0	0	0	0	0	0	0	(2,451)
Less impairment of assets held for sale	(50)	(100)	0	0	0	0	0	0	0	(150)
Plus reversal of impairment of assets held for sale	921	0	0	0	0	0	0	0	0	921
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	0	0	0	0	0
Transfers (to)/from other public sector bodies	0	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0	0
Balance at 31 March 2013	2,803	1,107	0	0	0	0	0	0	0	3,910
Liabilities associated with assets held for sale at 31 March 2013	0	0	0	0	0	0	0	0	0	0
Balance at 1 April 2011	2,303	1,097	0	0	0	0	0	0	0	3,400
Plus assets classified as held for sale in the year	1,660	650	0	0	0	0	0	0	0	2,310
Less assets sold in the year	(50)	(70)	0	0	0	0	0	0	0	(120)
Less impairment of assets held for sale	0	0	0	0	0	0	0	0	0	0
Plus reversal of impairment of assets held for sale	0	0	0	0	0	0	0	0	0	0
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	0	0	0	0	0
Balance at 31 March 2012	3,913	1,677	0	0	0	0	0	0	0	5,590
Liabilities associated with assets held for sale at 31 March 2012	0	0	0	0	0	0	0	0	0	0

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

At 31 March 2012	0
At 31 March 2013	0

Assets Held For Sale

Property	
Berkeley Hospital, Marybrook Street, Berkeley	Transferred to NHS Property Services 1st April 2013
Moreton in Marsh Hospital	Transferred to NHS Property Services 1st April 2013
Standish Hospital site, Stonehouse	Transferred to NHS Property Services 1st April 2013

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	0	0
NHS payables - revenue	9,042	7,863	0	0
NHS payables - capital	0	0	0	0
NHS accruals and deferred income	0	0	0	0
Family Health Services (FHS) payables	25,092	24,819	0	0
Non-NHS payables - revenue	9,939	9,014	0	0
Non-NHS payables - capital	2,940	3,475	0	0
Non_NHS accruals and deferred income	4,786	3,584	0	0
Social security costs	20	37	0	0
VAT	0	0	0	0
Tax	207	28	0	0
Payments received on account	0	0	0	0
Other	699	1,085	371	205
Total	52,725	49,905	371	205
Total payables (current and non-current)	53,096	50,110		

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	0	0	0	0
Other	0	0	0	0
Total	0	0	0	0
Total other liabilities (current and non-current)	0	0		

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		0
Bank overdraft - commercial banks	0	0		0
PFI liabilities:				
Main liability	0	0	0	0
Lifecycle replacement received in advance	0	0	0	0
LIFT liabilities:				
Main liability	0	0	0	0
Lifecycle replacement received in advance	0	0	0	0
Finance lease liabilities	0	0	0	0
Other (describe)	0	0	0	0
Total	0	0	0	0
Total other liabilities (current and non-current)	0	0		

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28 Other financial liabilities

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

29 Deferred income

	Current		Non-current	
	31 March 2013 £000	31 March 2012 £000	31 March 2013 £000	31 March 2012 £000
Opening balance at 1 April 2012	0	0	0	0
Deferred income addition	0	0	0	0
Transfer of deferred income	0	0	0	0
Current deferred Income at 31 March 2013	0	0	0	0
Total other liabilities (current and non-current)	0	0		

30 Finance lease obligations**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	0	0	0	0
Between one and five years	0	0	0	0
After five years	0	0	0	0
Less future finance charges	0	0	0	0
Present value of minimum lease payments	0	0	0	0
Included in:				
Current borrowings			0	0
Non-current borrowings			0	0
			0	0

Amounts payable under finance leases (Land)

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

Amounts payable under finance leases (Other)

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

Finance leases as lessee

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

31 Finance lease receivables as lessor

There are no finance lease obligations

32 Provisions

Comprising:

	Total £000s	Pensions to Former Directors £000s	Pensions Relating to Other Staff £000s	Legal Claims £000s	Continuing Care £000s	Other £000s	Redundancy £000s
Balance at 1 April 2012	3,160	0	1,821	377	570	0	392
Arising During the Year	1,887	0	0	53	1,114	720	0
Utilised During the Year	(2,388)	0	(1,821)	(21)	(154)	0	(392)
Reversed Unused	(130)	0	0	(130)	0	0	0
Unwinding of Discount	7	0	0	7	0	0	0
Change in Discount Rate	0	0	0	0	0	0	0
Transferred (to)/from other Public Sector bodies	0	0	0	0	0	0	0
Balance at 31 March 2013	2,536	0	0	286	1,530	720	0

Expected Timing of Cash Flows:

No Later than One Year	1,564	0	0	34	1,530	0	0
Later than One Year and not later than Five Years	58	0	0	58	0	0	0
Later than Five Years	914	0	0	194	0	720	0

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

As at 31 March 2013	3,170
As at 31 March 2012	2,853

Continuing Healthcare Provisions - the provision of £1.530m is for costs expected to be incurred in relation to claims received by the PCT for continuing healthcare which have yet to be assessed. Claims are assessed for eligibility using the national guidance and toolkit. The provision is in two parts:

- £0.466m routine claims arising during the year. This has been calculated by taking claims outstanding as at 31 March, making an assessment of the likely financial value based on the average cost of eligible cases in 2011/12 and applying a conversion factor based on the historic eligibility rate.

- £1,064m relating to the expected costs of backdated claims received during 2012/13 prior to the cut off deadline of 31.03.2013. This has been calculated by taking all claims outstanding as at 31 March 2013, making an assessment of the likely financial value based on the average cost of eligible cases in 2012/13 and applying a conversion factor of 20% based on initial guidance from the DH and reviews of those cases that have been assessed.

The estimation of the rate of conversion of backdated claims submitted due to the cut off deadline is extremely difficult and it is recognised that there is significant uncertainty associated with the estimate and it could prove to be inaccurate. Although the PCT are confident that the actual liability will not be significantly in excess of the provision made it is possible that the actual costs incurred could be significantly different than the costs provided for. For example if 50% of the cases not provided for turned out to be valid claims the additional costs could be in the region of £2.2m higher than expected, although the PCT does not think this will be the case.

The claims outstanding at 31st March 2013 will be assessed within the 2013/14 financial year.

Other Provisions

Fertility treatment provision - this provision is for the potential cost of fertility treatments for those who met the eligibility criteria. Those eligible are entitled to a number of cycles, the provision takes account of the likelihood of success for each cycle.

33 Contingencies

	31 March 2013 £000	31 March 2012 £000
Contingent liabilities		
Equal Pay	0	0
Other - NHS Litigation Authority	(4)	(4)
Amounts Recoverable Against Contingent Liabilities	0	0
Net Value of Contingent Liabilities	(4)	(4)
Contingent Assets		
Contingent Assets - Brandon Trust	7,826	7,826
Net Value of Contingent Assets	7,826	7,826

NHS Gloucestershire has contingent liabilities with the NHS Litigation Authority relating to outstanding claims

NHS Gloucestershire has a residual interest in 21 properties with an indexed current market value of £7.83m currently owned by Advance Housing and operated by Brandon Trust as part of the s75 pooled budget.

These properties were originally transferred to Corinthian Housing Association and Gloucestershire Housing Association in 1997 and were transferred to Advance Housing Trust in 2007 as part of the transfer of service provision from MEND and Mayfield Trusts to Brandon Trust. They are currently used as residential accommodation for Learning Disability clients in the community.

34 PFI and LIFT - There are no PFI and LIFT obligations

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		7,721		7,721
Receivables - non-NHS		5,292		5,292
Cash at bank and in hand		478		478
Other financial assets	0	0	0	0
Total at 31 March 2013	0	13,491	0	13,491
Embedded derivatives	0			0
Receivables - NHS		2,493		2,493
Receivables - non-NHS		9,653		9,653
Cash at bank and in hand		183		183
Other financial assets	0	0	0	0
Total at 31 March 2012	0	12,329	0	12,329

36.2 Financial Liabilities

	At 'fair value through profit and loss' £000	Other £000	Total £000
Embedded derivatives	0		0
NHS payables		9,042	9,042
Non-NHS payables		43,456	43,456
Other borrowings		0	0
PFI & finance lease obligations		0	0
Other financial liabilities	0	0	0
Total at 31 March 2013	0	52,498	52,498
Embedded derivatives	0		0
NHS payables		7,863	7,863
Non-NHS payables		41,977	41,977
Other borrowings		0	0
PFI & finance lease obligations		0	0
Other financial liabilities	0	0	0
Total at 31 March 2012	0	49,840	49,840

37 Related party transactions

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

	Payments to Related Party 2012/2013 £	Payments to Related Party 2011/2012 £
David Adams (Optometrist) Partner - David Kear Opticians	374,882	372,737
Dr Helen Miller (Chair of PEC until July 2012 and subsequent Chair of CCG) (i) Partner - The College Yard and Highnam Surgery	904,245	632,844
Dr Joanna Bayley (PEC & CCG Member) Partner Rosebank Surgery	2,255,003	2,386,826
Dr Martin Gibbs (PEC & CCG Member) Partner - Blakeney Surgery	1,047,388	575,092
Dr William Haynes (PEC & CCG Member) Partner - Hadwen Medical Practice	1,836,535	1,954,080
Dr Chris Morton (CCG Member) (i) Whitehouse Surgery	910,010	644,229
Dr Andy Seymour (CCG Member) (i) Heathville Road Surgery	1,127,331	1,288,889
Dr Caroline Bennett (CCG Member) (i) Cotswold Medical Practice	2,005,604	1,465,857
Dr Malcolm Gerald (CCG Member) (i) Romney House Surgery	1,207,860	1,093,210
Dr Charles Buckley (CCG Member) (i) Frampton Surgery	947,545	639,716
Dr Hein Le Roux (CCG Member) (i) Minchinhampton Surgery	918,491	1,074,693
Dr Jeremy Welch (CCG Member) (i) Jesmond House Surgery	542,769	607,932

The Department of Health is regarded as a related party. During the year Gloucestershire PCT 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.

In addition, the PCT has had a number of material transactions with other government departments and other central and local government bodies. Most of these transactions have been with Gloucestershire County Council in respect of joint commissioning of services.

The PCT has also received revenue and capital payments from a number of charitable funds, certain of the trustees for which are also members of the PCT board.

38 Losses and special payments

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

	Total Value of Cases £s	Total Number of Cases
Losses - PCT management costs	65,142	581
Special payments - PCT management costs	4854	9
Losses in respect of the provision of family practitioner services	0	0
Special payments in respect of the provision of family practitioner services	0	0
Total losses	65,142	581
Total special payments	4,854	9
Total losses and special payments	69,996	590

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

	Total Value of Cases £s	Total Number of Cases
Losses - PCT management costs	12,688	620
Special payments - PCT management costs	18939	7
Losses in respect of the provision of family practitioner services	0	0
Special payments in respect of the provision of family practitioner services	0	0
Total losses	12,688	620
Total special payments	18,939	7
Total losses and special payments	31,627	627

39 Third party assets

The PCT has no third party assets

40 Community Equipment Service pooled budget

Gloucestershire PCT has a pooled budget arrangement with Gloucestershire County Council and Gloucestershire Hospitals NHSFT. Gloucestershire County Council is the host. The budget is for community equipment under a section 31 agreement, which is managed by the PCT. The main contributors to the pooled budget are the PCT, Gloucestershire County Council and Gloucestershire Hospitals NHS Foundation Trust.

41 Cashflows relating to exceptional items

There are no exceptional items in the PCT's cashflow

42 Events After the Reporting Period

The PCT takes account of recent guidance from the Department of Health and decisions taken at Board and Commissioning Committee meetings and decides whether any of these need to be disclosed as post balance sheet events.

As a result of the Health and Social Care Act, the PCT will cease to exist as at 31st March 2013 and the commissioning functions of the PCT will pass to various organisations:

Receiving Body	Functions Transferring	Approximate Value of Services Transferring *
Gloucestershire Clinical Commissioning Group	Non specialist health care commissioning contracts. This amounts to the majority of the PCT's budget	£709m
National Commissioning Board	Primary care contracts, secondary care dental, military health, some public health functions & specialist commissioning contracts	£198m
Public Health England	Specified public health functions	£2m
Local Authority	Specified public health functions	£18m
NHS Property Services	Estates & landlord functions	£2.5m

* these figures have been taken from a baseline return completed by the PCT using their initial 2012/13 budgets

Gloucestershire Clinical Commissioning Group (GCCG) has been authorised by NHS England and is coterminous with Gloucestershire PCT. This group was a sub Committee of the PCT Board in 2012/13.

Accountability for Gloucestershire PCT remained with the Gloucestershire PCT Chief Executive until 31st March 2013. As of 1st April 2013, responsibility for the discharge of closedown functions, including closure of accounts, for PCTs transferred to NHS England. The NHS England Area Team Director supported by the Area Team Director of Finance are responsible for signing the accounts and supporting statements. A Department of Health Audit Committee has been constituted to review the accounts, this Audit Committee comprises former Gloucestershire PCT Non Executive members.

Unlike most previous NHS reorganisations, there is no direct successor to take responsibility for the closing balances of PCTs. Balances will transfer to a variety of receiving organisations, primarily residing where the associated function transfers.

Details of the more significant property, plant and equipment, as detailed in note 12.2, has been transferred to the following organisations:

Receiving Body	Property, plant & equipment £000's	Assets under construction £000's
NHS Property Services	29,683	
Gloucester Care Services NHS Trust	54,791	12,168