



Department
of Health



Ashton, Leigh and Wigan Primary Care Trust

2012-13 Annual Report and Accounts

October 2013

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Ashton, Leigh and Wigan Primary Care Trust

2012-13 Annual Report

**Ashton, Leigh and Wigan Primary Care Trust
Annual Report and Accounts
2012/2013**

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Chapter 1 ~ Message from Chairman and Chief Executive

Welcome to our Annual Report for 2012/13

This will be the final annual report for Primary Care Trusts, as the Health and Social Care Bill was implemented on 1 April 2013. For the ten Primary Care Trusts this was the concluding year for organisations that were established in 2001 and which have worked individually and collaboratively to improve the health of the population of Greater Manchester.

Over the last year NHS Greater Manchester has supported the individual Primary Care Trusts to close, as well as the successor organisations to prepare to assume their new responsibilities. This has been in addition to maintaining and improving healthcare in a year that saw the publication of the Francis Report with a fundamental challenge to the NHS on service quality and safety.

NHS Greater Manchester was formed in May 2011 when the ten Primary Care Trusts (PCTs) were 'clustered'. This enabled the establishment of a single Board of Directors for all ten PCTs.

This final transitional year has inevitably been challenging, in maintaining services, whilst preparing the new system to establish. However, we can confirm that PCT statutory duties have been fulfilled over the final year of 2012/13.

Our PCTs have been focused on maintaining commissioning activities and ensuring readiness for the shadow Clinical Commissioning Groups to achieve authorisation. All such new organisations have been focused on reaching full staffing complements and general preparedness for going live on 1 April 2013. This has meant that all staff affected by the changes have had to endure the uncertainty of where and if they will have a post in the new configuration of services. In this context we particularly want to acknowledge everything that PCT staff have achieved over the life of the PCT and most especially over the last year.

Further into this report you will read about the local achievements made by our locality PCTs in 2012/13, which have individually and collectively ensured that safe, efficient and effective systems have been maintained.

The new system of commissioning healthcare services will build on the work of Primary Care Trusts and will focus on ensuring safe and effective services are provided to our population. The legacy of the old system has provided a good foundation on which to build.



Chapter 2 ~ Details of the Directors

The NHS Greater Manchester Board

The 10 PCTs in Greater Manchester formed the Greater Manchester Cluster on 3 May 2011, with a single Board of Directors becoming the embodiment of the Board of each of the 10 PCTs.

For 2012/13 the members of the Board of Directors of Ashton, Leigh and Wigan PCT were:

Prof Eileen Fairhurst	Chairman	Mr David Edwards	Non-Executive Director
Dr. Mike Burrows	Chief Executive	Mr Paul Horrocks*	Non-Executive Director
Dr Raj Patel	Medical Director	Mr Alan Stephenson*	Non-Executive Director
Mr Terry Atherton	Non-Executive Director (Vice-Chairman)	Dr Julie Higgins	Director of Commissioning & Development (from 1.4.12 to 31.8.12)
Mr Michael Greenwood	Non-Executive Director (Vice-Chairman)	Ms Andrea Anderson+	Director of HR & OD (on maternity leave during 2012/13)
Mr Riaz Ahmad*	Non-Executive Director (Audit Committee Chairman)	Mr Kevin Moynes+	Director of HR & OD
Ms Evelyn Asante-Mensah*	Non-Executive Director	Mr Rob Bellingham+	Board Secretary
Dr Kailash Chand+	Associate Non-Executive Director	Mrs Hilary Garratt	Director of Nursing, Quality & Performance (from 1.4.12 to 30.6.12)
		Mrs Anita Rolfe	Director of Nursing, Quality & Performance (from 1.7.12 to 31.10.12)
		Mrs Trish Bennett	Director of Nursing, Quality & Performance (from 1.10.12 onwards)
		Mr Warren Heppolette+	Director of Policy & External Relations

Ms Mel Sirotkin Director of Public Health
Ms Leila Williams+ Director of Service Transformation
Mrs Claire Yarwood Director of Finance

** Denotes member of the Audit Committee
'+' non voting member

Chapter 3 ~ Our Readiness for Organisational Change

2012/13 was the final year of transition from Ashton, Leigh and Wigan PCT to Wigan Borough Clinical Commissioning Group. The transition to the CCG in Wigan has presented the NHS in the area with significant challenges, but also an opportunity to refocus our efforts on some of the considerable health challenges Wigan faces as a result of its demography, geography and industrial legacy.

In preparing for the transition, we have been working within Organisational Development priorities to see the CCG safely in to the future:

1. Understand the needs of our patients and population through our locality groups and member practices

Patient Participation Groups are active in all of the six localities and a Patients' Forum is planned that will have a direct link with the Board via the lay members. The PPGs and Patient Forum will have responsibilities to engage with the CCG on decisions that impact on the Wigan public. There has also been a clear priority to ensure public accountability and involvement and the two lay members of the Board have duties on the Governance and Audit Committees, as well as roles in patient engagement.

2. Develop a shared vision, values and priorities

Our vision is to 'deliver excellent health outcomes for the people of Wigan, maintaining clinical excellence and value for money'. We want to do this within a framework of commitment to quality care, compassion and improving lives. Our clinical priorities include: Alcohol, Dementia, Falls and Fractures, Long Term Conditions, Obesity and Cardio-vascular Disease.

3. Promote a culture of continuous improvement and engagement with clinicians, patients and partners

The new commissioning model means a lot of changes to working practices with a greater emphasis on collaboration and the need to ensure that all GP practices are better connected into the business planning and decision-making processes. Wigan is fortunate to have a strong platform to build upon with well-developed relationships within the borough and a proactive clinical workforce.

4. Plan and deliver effective change

As with all changes, there are risks associated with the transition. Within the authorisation documentation, an Organisational Development Plan 2012-16 was produced that lays out the risks and the actions being taken to mitigate these risks. Being open and honest about the potential issues makes the plans for the future more robust and reduces the negative impact of transition.

The robustness of the planning and Wigan's readiness for the transition was recognised by the authorisation panel that authorised Wigan Borough CCG in Wave 4 with no conditions attached.

Chapter 4 ~ Our Performance

Ashton, Leigh and Wigan PCT outlined 6 key objectives for 2012/13 to ensure we delivered a seamless, well-managed transition as well as improving health outcomes for our population.

Objective 1: The Delivery of Key National Initiatives and Priorities including delivery of the NHS Operating Framework and transition to the new NHS system.

Objective 2: Development of an Effective and Efficient Clinical Commissioning Group (CCG) including authorisation and embedding the principle of clinical leadership.

Objective 3: Development of a Commissioning System that Embeds the NHS Constitution and the Principle of "No Decision about Me Without Me" by creating a robust system of patient engagement

Objective 4: Delivery of the QIPP Requirements Across all Levels

Objective 5: Delivering Improved Outcomes for our Population and Reduced Health Inequalities

Objective 6: Commissioning the Highest Quality Services

Delivery of these objectives throughout the year was supported by a strong performance against the key indicators and achievement of our financial duties.

Key performance indicators are nationally agreed and all PCTs are measured against them. Each indicator has a target for the PCT to achieve – mostly the targets are set by the Department of Health, but some are agreed between DH and the PCT. Achievement of the targets demonstrates that the PCT is delivering a high quality service.

The performance review of 2012/13 highlights the achievement of the majority of our key performance objectives. These included:

- Cancer Patients Treated Within 62 Days Of An Urgent GP Referral
- Cancer Patients Treated Within 31 Days Of A Decision To Treat
- Mental Health: Psychological Therapies Treatment & Recovery Rates
- Long Term Conditions: People Who Feel In Control Of Their Condition
- Referral To Treatment: Admitted, Non-Admitted and Incomplete Pathways
- Waiting Time In Accident & Emergency
- Cancer Patients Seen Within 14 Days
- Mixed Sex Accommodation Breach Rate

The following key performance indicators were not achieved in 2012/13:

- Emergency Admissions to Hospital for Ambulatory Care Sensitive Conditions

Although the number of emergency admissions to hospital did not increase in 2012/13, challenging plans to reduce the

number of admissions were not fully achieved for all conditions.

- **Number Of MRSA Bacteraemia**

10 bacteraemia were reported in 2012/13, against a target of 7 (2011/12: 9 bacteraemia were reported). Local actions have been implemented to deliver a reduced number of bacteraemia in 2013/14.

- **Number Of Clostridium Difficile Infections**

122 infections were reported in 2012/13, against a target of 91 (2011/12:123 infections were reported). Local actions have been implemented to deliver a reduced number of infections in 2013/14.

Achievement of Financial Duties

We are pleased to report all of our statutory financial duties in 2012-13 have been achieved.

Dealing with Concerns

ALW PCT ensures that through a rigorous review process, lessons are learned and improvements are made to NHS services as a direct result of complaints. In line with the Parliamentary and Health Service Ombudsman document 'Principles for Remedy', we always aim to put things right on the occasions that they go wrong and to provide fair and proportionate remedies to complainants. Learning lessons from complaints so that we understand exactly what

caused problems and how such issues can be avoided in future, is extremely important to us. A record of all complaints is taken to the Corporate Governance Committee for discussion and oversight.

Equal Opportunities

We recognise the high standards and quality of the services we provide are dependent upon the contribution, effort and loyalty of the staff we employ. The Equality & Diversity Policy – covering the policy on disabled employees – ensures that all employees will be treated fairly and equally. As with all PCT policies, it is now under review by the CCG.

Chapter 5 ~ Sustainability Report

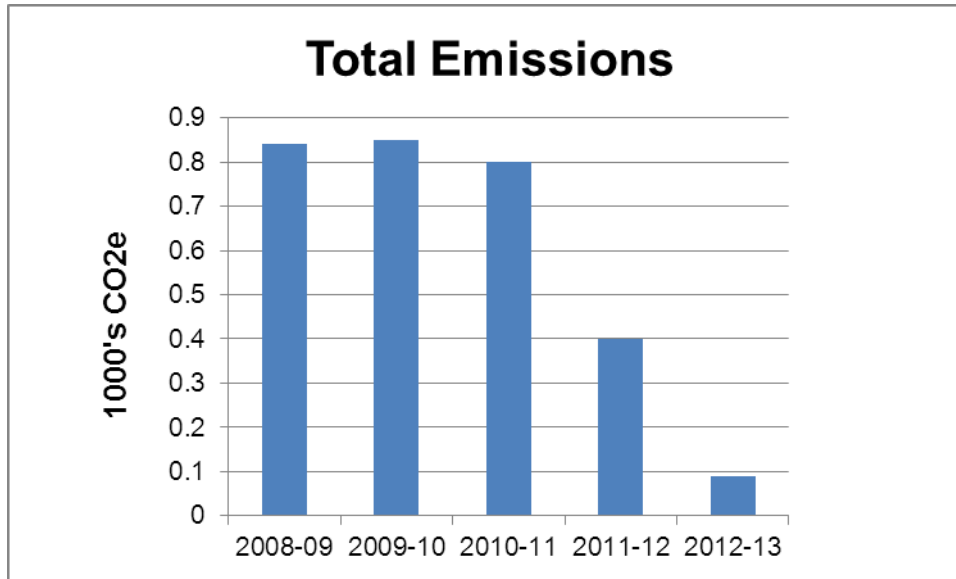
The Sustainability Report is produced in line with guidelines laid down by HM Treasury in 'Public Sector Sustainability Reporting' published at www.financial-reporting.gov.uk

The table below details our emissions, waste and consumption data for 2012/13.

		2008-09	2009-10	2010-11	2011-12	2012-13	
Greenhouse Gas Emissions Non Financial Indicators (1,000 tCO2e)	Total Gross Emissions (1000's CO2e)	0.84	0.85	0.8	0.4	0.09	
	Total Net Emissions	0.84	0.85	0.8	0.4	0.09	
	Gross emissions Scope 1 (direct)	0.1	0.1	0.11	0.02	0.01	
	Gross emissions Scope 2 (in-direct)	0.71	0.72	0.67	0.36	0.08	
	Gross emissions Scope 3 (in-direct)	0.03	0.03	0.02	0.02	0	
Related Energy Consumption (million KWh)	Electricity: Non-Renewable	1.31	1.33	1.24	0.68	0.08	
	Electricity: Renewable	0	0	0	0	0	
	Gas	0.53	0.54	0.59	0.18	0.25	
	LPG	0	0	0	0	0	
	Other	0	0	0	0	0	
Greenhouse Gas Emissions Financial Indicators (£)	Expenditure on Energy £						593,268.47
	CRC License Expenditure (2010 onwards)	0	0	0	0	0	
	Expenditure on Accredited Offsets (e.g. GCOF)						
	Expenditure on Official Business Travel						
Estate Waste	Amount (tonnes)*						
	Expenditure on Clinical and non-Clinical Waste (£)						41,875.22
Estate Water	Consumption (m3)*						
	Expenditure on Water Consumption (£)						110,526.83

* Rollout of processes to measure water and waste were on-going throughout 2012/13, therefore the data for the year not reportable.

Graphical Analysis of Greenhouse Gas Emissions



Performance Commentary (including measures on Greenhouse Gases)

Ashton, Leigh and Wigan PCT ceased to exist on 1st April 2013 and therefore reduction targets are no longer relevant, however, it exceeded its target of making a 10% reduction in all sustainable measures it had been measuring in previous years, including Greenhouse Gas Emissions and energy consumption.

Controllable Impacts Commentary

The main emissions impact arose from electricity and gas consumption. A series of measures were implemented over the last few years to improve the energy efficiency of buildings and to minimise wastage, including the rollout of a recycling plan, more energy efficient IT equipment and the identification of excessive use of energy. In 2012/13 several properties experienced significant reductions in staff and buildings were closed across 2011/12 and 2012/13 leading to a significant reduction in energy use.

Overview of Influenced Impacts

Since 2009, ALW PCT has overseen a joint approach to environmental management across the whole of Wigan Health Economy which includes Wrightington, Wigan and Leigh NHS Foundation Trust and the Wigan Division of Bridgewater Community Healthcare NHS Trust. This ability to influence the environmental management of these organisations led to the introduction of formal processes to secure accreditation to the formal environmental management system ISO14001 by both these organisations. Bridgewater Community Healthcare NHS Trust has achieved accreditation.

Summary of Future Strategy

ALW PCT closed on the 1st April 2013, so has no future strategy, but Wigan Borough CCG is committed to continuing to work with the Wigan Health Economy on its sustainability.

Sustainable Procurement

NHS Wigan Borough CCG has a duty to consider the environmental and social sustainability through its actions as a commissioner and corporate body; sustainable procurement is a vital element of delivering this.

People

As part of its closure, ALW PCT saw a reduction in its number of staff and also the relocation of several of its offices. The relocations have been in to new, shared buildings which reduce the environmental impact. Staff have been supported through the change with access to health and wellbeing and HR advice.

Environmental Management System (EMS)

Following acceptance of a business case in 2008, the Wigan Health Economy has had a joint approach to EMS. A specialist company, Groundwork West Lancashire and Wigan, is employed to measure and record relevant data across the whole of the health economy and to undertake Legal Compliance Audits.

Governance

Wigan Health Economy employed Groundwork to support the management of sustainable performance. They collected data across all the health buildings in Wigan, primarily through the use of installed meters. Governance structures were created to ensure the robustness of the system. Groundwork reported to the Wigan Health Economy Sustainability Board which in turn reported in to ALW PCT Board and also the shadow CCG Board. The reports included recommendations on further action that could be taken and the impact of decisions, as well as updates on consumption and data.

Chapter 6 ~ Financial Review

We are pleased to report that all of our statutory financial duties in 2012-13 have been achieved. As the local leader of your NHS, we have:

- Achieved 'operational financial balance' and reported a revenue under-spend of £2,807,000 (£2,726,000 in 2011/12) in line with agreed surplus (this surplus will be carried forward for investment in to the provision of health services for the people of Ashton, Leigh and Wigan in 2013/14);
- Utilised a capital resource to invest £2,379,000 in the quality of our facilities, reporting a £147,000 (£3,000 in 2011/12) surplus against the Capital Resource Limit;
- Managed within our cash limits;
- Met the 'Better Payment Practice Code' (BPPC) targets by paying 95% of creditors within 30 days of receiving a valid invoice.

Analysis of our expenditure

We received £613.4 million (£605.9 million in 2011/12) of revenue funding in 2012-13 as follows:

- Parliamentary funding £594.2 million (£585.5 million in 2011/12);
- Miscellaneous income £19.2 million (£20.4 million in 2011/12).

We spent the allocation as follows:

Purchase of Primary Healthcare (the cost of services provided by GPs, dentists, pharmacists and opticians on behalf of ALW PCT) - £83.7m;

Purchase of Secondary Healthcare (the cost of contracts we have with hospitals to provide services for the residents in our community such as Accident and Emergency, maternity, learning difficulties, mental illness, general and acute services) - £354.2m;

Purchase of Community Healthcare (the cost of the services provided by us in a community setting, such as Health Visitors, School Nurses, Physiotherapy and Community Clinics) - £75.4m;

Prescribing costs (the cost of drugs prescribed by GPs as part of the service they provide for ALW PCT residents) - £56.1m;

Other costs (the departments which support the process of commissioning the healthcare services described above) - £21.9m.

By understanding the needs of our community, we strive to obtain high quality and value services. We also ensure the management of those contracts throughout the lifecycle of a service is of the highest possible standard.

A full set of financial statements and the PCT Annual Governance Statement are available through the Department of Health website - www.dh.gov.uk.

Chapter 7 ~ Remuneration Report

For each VSM and other members of Board who have served during the financial year 2012/13, remuneration and pension benefits are shown in the tables below.

Remuneration Report

Ashton, Leigh and Wigan PCT Board

10 PCTs contribute to a single board which has taken on the statutory functions of each of the ten PCTs across Greater Manchester. All board members have a contract of employment with a PCT in Greater Manchester. Full remuneration costs are apportioned across the 10 PCTs at the midpoint between equal shares and a split based entirely on capitation.

		2012-13	2012-13	2012-13	2012-13	2012-13	2011-12	2011-12	2011-12	2011-12
		Salary (bands of £5,000)	Salary (bands of £5,000)	Other Payments bands of £5,000	Bonus Payments (bands of £5,000)	Benefits in kind (bands of £100)	Salary (bands of £5,000)	Other Payments bands of £5,000	Bonus Payments (bands of £5,000)	Benefits in kind (bands of £100)
		Full cost	Proportion for ALW							
Prof Eileen Fairhurst*+	Chairman	35 - 40	0 - 5	-	-	-	0 - 5	-	-	-
Dr Mike Burrows*+	Chief Executive	130 - 135	15 - 20	-	-	-	10 - 15	-	-	-
Mrs Claire Yarwood*	Director of Finance	100 - 105	10 - 15	-	-	-	10 - 15	-	-	-
Dr Julie Higgins*	Director of Commissioning Development	115 - 120	05 - 10	-	-	-	10 - 15	-	-	-
Mrs Hilary Garratt*	Director of Nursing, Quality and Performance to 30 June 12	95 - 100	0 - 5	-	-	-	10 - 15	-	-	-
Mrs Anita Rolfe	Director of Nursing, Quality and Performance from 1 July 12 to 31 Oct 12		0 - 5	-	-	-	n/a	n/a	n/a	n/a
Mrs Patricia Bennett	Director of Nursing, Quality and Performance from 1 Oct 12		0 - 5	-	-	-	n/a	n/a	n/a	n/a
Dr Raj Patel*	Medical Director	20 - 25	0 - 5	-	-	-	0 - 5	n/a	n/a	n/a
Ms Melanie Sirotkin	Lead Director of Public Health (from 1 Nov 12)		10 - 15	-	-	-	n/a	-	-	-
Ms Jan Hutchinson*	Lead Director of Public Health (11/12 only)	20 - 25	-	-	-	-	0 - 5	n/a	n/a	n/a
Mr Rob Bellingham	Board Secretary		5 - 10	-	-	-	n/a	n/a	n/a	n/a
Mr Warren Heppolette	Director of Policy and External Relations		10 - 15	-	-	-	n/a	n/a	n/a	n/a
Ms Leila Williams^	Director of Service Transformation	75 - 80	10 - 15	-	-	-	5 - 10	-	-	0 - 1
Mr Kevin Moynes	Director of HR and OD (from 1 April 12)		5 - 10	-	-	-	n/a	n/a	n/a	n/a
Mrs Andrea Anderson^	Director of HR and OD (on Maternity leave in period)	65 - 70	0 - 5	-	-	-	5 - 10	n/a	n/a	n/a

		2012-13	2012-13	2012-13	2012-13	2012-13	2011-12	2011-12	2011-12	2011-12
		Salary (bands of £5,000)	Salary (bands of £5,000)	Other Payments bands of £5,000	Bonus Payments (bands of £5,000)	Benefits in kind (bands of £100)	Salary (bands of £5,000)	Other Payments bands of £5,000	Bonus Payments (bands of £5,000)	Benefits in kind (bands of £100)
		Full cost	Proportion for ALW							
Mr Terry Atherton*+	Non-Executive Director	30 - 35	0 - 5	-	-	-	0 - 5	-	-	-
Mr Riaz Ahmad*+	Non-Executive Director	30 - 35	0 - 5	-	-	-	0 - 5	-	-	-
Dr Kailash Chand*+	Associate Non-Executive Director	30 - 35	0 - 5	-	-	-	0 - 5	-	-	-
Mr David Edwards*+	Non-Executive Director	30 - 35	0 - 5	-	-	-	0 - 5	-	-	-
Mr Alan Stephenson*+	Non-Executive Director	30 - 35	0 - 5	-	-	-	0 - 5	-	-	-
Ms Evelyn Asante-Mensah*+	Non-Executive Director	40 - 45	0 - 5	-	-	-	0 - 5	-	-	-
Mr Michael Greenwood*+	Non-Executive Director	30 - 35	0 - 5	-	-	-	0 - 5	-	-	-
Mr Paul Horrocks*+	Non-Executive Director	30 - 35	0 - 5	-	-	-	0 - 5	-	-	-
Mrs Pam Senior*+	Non-Executive Director (to Jan 12)	25 - 30	n/a	n/a	n/a	n/a	0 - 5	-	-	-
Mr Rob Bellingham^	Board Secretary (0.6 WTE for GM)	45 - 50	5 - 10	-	-	-	5 - 10	n/a	n/a	n/a
Mr Warren Heppolette^	Director of Policy and External Relations	70 - 75	5 - 10	-	-	-	5 - 10	n/a	n/a	n/a
Ms Leila Williams^	Director of Service Transformation	75 - 80	5 - 10	-	-	0 - 1	5 - 10	n/a	n/a	n/a
Mrs Andrea Anderson^	Director of HR and OD (0.7 WTE)	65 - 70	5 - 10	-	-	-	5 - 10	n/a	n/a	n/a

NHS Greater Manchester was formed in 2011/12, and the Board of Ashton, Leigh and Wigan PCT delegated its powers to NHS GM on 3.5.11.

+ Remuneration of Terms of Service Committee Members / Attendees

- Audit Committee Members / Attendees

NHS Wigan Borough CCG Shadow Board

		From 2 May 2011 to 31 March 2012							
		2012-13	2012-13	2012-13	2012-13	2011-12	2011-12	2011-12	2011-12
		Salary (bands	Other Payments	Bonus	Benefits in	Salary	Other Payments	Bonus	Benefits in
		of £5,000)	bands of £5,000	Payments	kind	(bands	bands of £5,000	Payments	kind
				(bands of £5,000)	(bands of £100)	of £5,000)		(bands of £5,000)	(bands of £100)
Executive board members									
T Anderson*	Chief Executive (from 1 April 2012 *)	See note below				See note below			
Mike Tate	Director of Finance & Performance Management	100 - 105	0	0	36 - 37	75-80	0	0	42-43
M Dolan (2011/12 only)	Exec Director of Commissioning & Partnerships	0	0	0	0	80-85	175-180	0	13-14
J Southworth	Chief Operating Officer	85 - 90	0	0	0	80-85	0	0	0
K Ardern	Director of Public Health	100 - 105	0	0	0	90-95	0	0	0
Dr D Valentine	Medical Director & Director of Primary Care	115 - 120	0	0	0	100-105	5-10	0	1-2
Dr T Dalton - from 1.11.11	Chairman - Wigan Borough CCG	25 - 30	0	0	0	15-20	0	0	0
Alison McKenzie Folan*	Director of Organisational Development	See note below				See note below			
Lay Members									
M Smith	Lay Member	10 - 15	0	0	0	10-15	0	0	0
P Halsall	Lay Member (to 31 May 2012)	0 - 5	0	0	0	5-10	0	0	0
F Costello	Lay Member	5 - 10	0	0	0	5-10	0	0	0
D Molyneux	Lay Member (to 31 May 2012)	0 - 5	0	0	0	5-10	0	0	0
Other senior managers (CCG Shadow Board)									
Dr Ashok Atrey **	2012/13 only	5 - 10	0	0	0	5-10	0	0	0
Dr Mo Kumar **	2012/13 only	See note below	na	na	na	na	na	na	na
Dr Deepak Trividi **	2012/13 only	See note below	na	na	na	na	na	na	na
Dr Pete Marwick **	2012/13 only	See note below	na	na	na	na	na	na	na
Dr Sanjay Wahie **	2012/13 only	See note below	na	na	na	na	na	na	na
Dr Tony Ellis **	2012/13 only	See note below	na	na	na	na	na	na	na

Comparative figures are for the period from 2 May 2012 to 31 March 2012.

*Wigan Council employs the Chief Executive, Trish Andersen, who works full time for the NHS.

*The Council recharged 100% of Trish Andersen's employment costs, which were in the range £130k to £135k (2011/12 - 100% recharge - £130k and £135).

*The Council recharged 30% of Alison McKenzie Folan's employment costs, which were in the range £25k to £30k (2011/12 - £Nil).

**The GP's practice is reimbursed for expenses incurred in filling the GPs post when attending shadow board meetings. Details of related party transactions with GP practices are set out in the notes to the financial statements.

Remuneration Pensions Report Ashton, Leigh and Wigan PCT Board

Name	Title	Real increase in pension at age 60 (bands of £2,500)	Real increase in pension lump sum at aged 60 (bands of £2,500)	Total accrued pension at age 60 at 31 March 2013 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2013 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2013	Cash Equivalent Transfer Value at 31 March 2012		Real increase in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension
		£000	£000	£000	£000	£000	£000		£000	£000
Dr Mike Burrows	Chief Executive	0-2.5	0-2.5	45-50	145-150	900	842		14	N/A
Mrs Claire Yarwood	Director of Finance	0-2.5	10-12.5	35-40	105-110	623	578		15	N/A
Dr Julie Higgins	Director of Commissioning Development	0-2.5	5-7.5	25-30	85-90	502	455		23	N/A
Mrs Hilary Garratt	Director of Nursing, Quality and Performance	0-2.5	2.5-5	15-20	50-55	301	271		16	N/A
Mrs Anita Rolfe	Director of Nursing, Quality and Performance	N/A	N/A	20-25	70-75	383	N/A		N/A	N/A
Mrs Patricia Bennett	Director of Nursing, Quality and Performance	N/A	N/A	20-25	65-70	388	N/A		N/A	N/A
Dr Raj Patel	Medical Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ms Melanie Sirotkin	Lead Director of Public Health	N/A	N/A	35-40	105-110	706	N/A		N/A	N/A
Mr Rob Bellingham (0.6 WTE for GM)	Board Secretary	0 - 2.5	0 - 2.5	20-25	65-70	359	334		8	N/A
Mr Warren Heppollette	Director of Policy and External Relations	0 - 2.5	0 - 2.5	20-25	0-5	223	193		20	N/A
Ms Leila Williams	Director of Service Transformation	0 - 2.5	0 - 2.5	25-30	80-85	491	452		15	N/A
Mr Kevin Moynes	Director of HR and OD	N/A	N/A	20-25	60-65	410	N/A		N/A	N/A
Mrs Andrea Anderson	Director of HR and OD	12.5 - 15	0 - 2.5	15-20	0-5	150	32		116	N/A

It is not possible to assign a CETV across a cluster and therefore only the full values are shown.

NHS Wigan Borough CCG Shadow Board

Name	Title	Real increase in pension at age 60 (bands of £2,500) for year ended 31 March 2013 £000	Real increase in pension lump sum at aged 60 (bands of £2,500) £000	Total accrued pension at age 60 at 31 March 2013 (bands of £5,000) £000	Lump sum at age 60 related to accrued pension at 31 March 2013 (bands of £5,000) £000	Cash Equivalent Transfer Value at 31 March 2013 £000	Cash Equivalent Transfer Value at 31 March 2012 £000	Real increase (actual) £000	Real increase in Cash Equivalent Transfer Value £000	Employer's contribution to stakeholder pension £000
T Anderson	Chief Executive	No direct NHS pension as contributory payment is made to Wigan Council MBC								
M Tate	Director of Finance & Performance Management	0-2.5	15 - 17.5	35-40	115-120	744	683	40	40	N/A
J Southworth	Chief Operating Officer	0-2.5	2.5 - 5	20-25	60-65	426	385	29	29	N/A
K Ardern	Director of Public Health	0-2.5	2.5 - 5	30-35	100-105	640	599	22	22	N/A
Timothy Dalton	Chair from 1 April 2013	N/A	N/A	20-25	70-75	338				
Alison McKenzie Folan	Director of Human Resources	No direct NHS pension as contributory payment is made to Wigan Council MBC								
Dr D Valentine	Medical Director & Director of Primary Care	0-2.5	2.5 - 5	30-35	95-100	473	439	20	20	N/A

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

Trish Anderson and Alison McKenzie Folan are employed by Wigan MBC and any pension that they hold is related to their MBC employment. They do not participate in the NHS Pension Scheme.

As GP board members pensions are largely made up from their GP remuneration rather than Board remuneration, their pensions are excluded from this note.

Full details of how pension liabilities are accounted for can be found in notes 7.5 of the PCT's Annual Accounts.

Cash Equivalent Transfer Values

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

Real Increase in CETV

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

Pay Multiples

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their

organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest paid director in Ashton, Leigh and Wigan PCT in the financial year 2012/13 was £150k - £155k covering for a post funded on a shared basis across Greater Manchester. The highest paid director post resulted in a 10.7% cost to Ashton, Leigh and Wigan which equated to £16,317. This shared out cost is lower than the PCT's median remuneration of the workforce, which was £29,464. Remuneration ranged from £1,600 to £111,000 (2011/12 - £3,765 to £111,000.).

The ratio of the cost to the PCT of the highest paid director to the median salary is £16,318 / £29,464, which equates to 0.55 (2011/12 £19,120 / £28,822, which equates to 0.66). This ratio is markedly out of line with similar sized organisations and solely reflects the cost of the highest paid director at NHS Greater Manchester shared out across 10 organisations. The decrease in the ratio reflects a fall in the share of the cost.

If the highest paid director was not shared across 10 PCTs (that is the full time equivalent cost) then an indicative determination would be £152,500 / £29,464, giving a multiple of 5.17 median earnings. (2011/12 £147,000 / £28,822, giving a multiple of 5.10 median earnings). The principal reason for the increase in this multiple is that previous year's remuneration for the highest paid director was for a period of 11 months.

Total director's remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include

employer pension contributions and the cash equivalent transfer value of pensions.

Due to changes in the governance structure as a result of NHS reform, the highest paid director is employed by NHS Greater Manchester.

Off Payroll Engagements

The Treasury Paper PES2012/17 requires the PCT to disclose all off payroll engagements. ALW PCT had no off payroll engagements during 2012/13.

Sickness Absence Data

The following sickness absence data was reported in 2012/13.

Average Sickness	Full Time Equivalent Staff	Full time Staff Days Available	Days Lost to Sickness Absence	Average Sick Days per Full Time Equivalent
2.9%	204	45,865	1,353	6.6



Department
of Health



Ashton, Leigh and Wigan Primary Care Trust

2012-13 Accounts

October 2013

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Ashton, Leigh and Wigan Primary Care Trust

2012-13 Accounts

FOREWORD TO THE ACCOUNTS

Ashton, Leigh and Wigan PCT

These accounts for the year ended 31 March 2013 have been prepared by Ashton, Leigh and Wigan PCT under section 98 (2) of the National Health Service Act 2006 in the form which the Secretary of State has, with the approval of the Treasury, directed.

Ten PCTs within Greater Manchester formed a cluster on 3 May 2011, with a single Board of Directors becoming the embodiment of the Board of each of the ten individual PCTs. The cluster is known as NHS Greater Manchester. Each Director of NHS Greater Manchester carries statutory accountability as a Director of each of the ten constituent PCTs. Ashton, Leigh and Wigan PCT remained a statutory body until it was abolished on 1.4.13.

After the abolition of the PCT, the functions will transfer to various organisations, with the main functions transferring to Wigan Borough Clinical Commissioning Group, NHS England and Wigan Metropolitan Borough Council. Estates and property will transfer to NHS Property Services Ltd, Community Health Partnerships and Bridgewater NHS Trust. The Department of Health will also inherit some short term assets and liabilities.

As the transfer happened on 1st April 2013, these changes will be reflected in 2013/2014 annual accounts. Therefore the 2012/2013 accounts of the PCT have been prepared as a going concern which does not reflect the effect of the changes.

However, a post balance sheet note gives details of the organisations that will be receiving PCT assets and liabilities after the balance sheet date.



Grant Thornton

**INDEPENDENT AUDITOR'S REPORT TO THE DEPARTMENT OF HEALTH'S
ACCOUNTING OFFICER IN RESPECT OF ASHTON, LEIGH AND WIGAN PRIMARY
CARE TRUST**

We have audited the financial statements of Ashton, Leigh and Wigan 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 pages 15 to 19;
- the table of pension benefits of senior managers and related narrative notes on pages 20-23; and
- the table of pay multiples and related narrative notes on page 22.

This report is made solely to the Department of Health's accounting officer in respect of Ashton, Leigh and Wigan 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 Ashton, Leigh and Wigan 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 arrangements for the demising Primary Care Trust.

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 Ashton, Leigh and Wigan Primary Care Trust in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.



Mark Heap
Senior Statutory Auditor, for and on behalf of Grant Thornton UK LLP
4 Hardman Square
Spinningfields
Manchester
M3 3EB

7 June 2013

2012-13 Annual Accounts of Ashton, Leigh and Wigan Primary Care Trust

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

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

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

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

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

Name: Mike Burrows

Date: 6 June 2013

2012-13 Annual Accounts of Ashton, Leigh and Wigan Primary Care Trust

STATEMENT OF RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

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

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

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

By order of the Permanent Secretary.

6 June 2013..........Signing Officer (Mike Burrows)

6 June 2013..........Finance Signing Officer (Claire Yarwood)

Statement of Comprehensive Net Expenditure for year ended 31st March 2013

	NOTE	2012-13 £000	2011-12 £000
Administration Costs and Programme Expenditure			
Gross employee benefits	7.1	12,344	12,867
Other costs	5.1	595,498	587,616
Income	4	(19,160)	(20,267)
Net operating costs before interest		588,682	580,216
Investment income	9	(133)	(145)
Other (Gains)/Losses	10	6	0
Finance costs	11	2,885	2,741
Net operating costs for the financial year		591,440	582,812
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		591,440	582,812
Of which:			
Administration Costs			
Gross employee benefits	7.1	8,788	11,147
Other costs	5.1	7,168	8,316
Income	4	(2,960)	(3,980)
Net administration costs before interest		12,996	15,483
Investment income	9	0	0
Other (Gains)/Losses	10	0	0
Finance costs	11	0	0
Net administration costs for the financial year		12,996	15,483
Programme Expenditure			
Gross employee benefits	7.1	3,556	1,720
Other costs	5.1	588,330	579,300
Income	4	(16,200)	(16,287)
Net programme expenditure before interest		575,686	564,733
Investment income	9	(133)	(145)
Other (Gains)/Losses	10	6	0
Finance costs	11	2,885	2,741
Net programme expenditure for the financial year		578,444	567,329
Other Comprehensive Net Expenditure			
		2012-13	2011-12
		£000	£000
Impairments and reversals put to the Revaluation Reserve	14	1,403	422
Net (gain) on revaluation of property, plant & equipment	12.1	(57)	(1,378)
Net (gain) on revaluation of intangibles		0	0
Net (gain) on revaluation of financial assets		0	0
Net (gain)/loss on other reserves		0	0
Net (gain)/loss on available for sale financial assets		0	0
Net (gain) /loss on Assets Held for Sale		0	0
Release of Reserves to Statement of Comprehensive Net Expenditure		0	0
Net actuarial (gain)/loss on pension schemes		0	0
Reclassification Adjustments		0	0
Reclassification adjustment on disposal of available for sale financial assets		0	0
Total comprehensive net expenditure for the year*		592,786	581,856

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

Note 1 to Note 42 also form part of this account.

Statement of Financial Position at 31st March 2013

		31 March 2013	31 March 2012
	NOTE	£000	£000
Non-current assets:			
Property, plant and equipment	12	58,281	60,069
Intangible assets	13	200	11
Investment property	15	0	0
Other financial assets	21	1,010	1,021
Trade and other receivables	19	0	0
Total non-current assets		59,491	61,101
Current assets:			
Inventories	18	0	0
Trade and other receivables	19	2,631	4,462
Other financial assets	36	0	0
Other current assets	22	0	0
Cash and cash equivalents	23	361	267
Total current assets		2,992	4,729
Non-current assets held for sale	24	557	455
Total current assets		3,549	5,184
Total assets		63,040	66,285
Current liabilities			
Trade and other payables	25	(23,109)	(30,821)
Other liabilities	26	(31)	(30)
Provisions	32	(2,623)	(1,781)
Borrowings	27	(1,632)	(1,631)
Other financial liabilities	36.2	0	0
Total current liabilities		(27,395)	(34,263)
Non-current assets plus/less net current assets/liabilities		35,645	32,022
Non-current liabilities			
Trade and other payables	25	0	0
Other Liabilities	26	(668)	(700)
Provisions	32	(2,364)	(61)
Borrowings	27	(47,122)	(48,755)
Other financial liabilities	36.2	0	0
Total non-current liabilities		(50,154)	(49,516)
Total Assets Employed:		(14,509)	(17,494)
Financed by taxpayers' equity:			
General fund		(21,903)	(26,234)
Revaluation reserve		7,394	8,740
Other reserves		0	0
Total taxpayers' equity:		(14,509)	(17,494)

Note 1 to Note 42 also form part of this account.

The financial statements, including notes 1 to 42, were approved by the NHS Greater Manchester Board on 6th June 2013 and signed on its behalf by

Chief Executive:



Date:

6/6/13

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

	General fund	Revaluation reserve	Other reserves	Total reserves
	£000	£000	£000	£000
Balance at 1 April 2012	(26,234)	8,740	0	(17,494)
Changes in taxpayers' equity for 2012-13				
Net operating cost for the year	(591,440)	0	0	(591,440)
Net gain on revaluation of property, plant, equipment	0	57	0	57
Net gain on revaluation of intangible assets	0	0	0	0
Net gain on revaluation of financial assets	0	0	0	0
Net gain on revaluation of assets held for sale	0	0	0	0
Impairments and reversals	0	(1,403)	0	(1,403)
Movements in other reserves	0	0	0	0
Transfers between reserves*	0	0	0	0
Release of Reserves to SOCNE	0	0	0	0
Reclassification Adjustments				
Transfers between Revaluation Reserve & General Fund in respect of assets transferred under absorption	0	0	0	0
Net actuarial gain/(loss) on pensions	0	0	0	0
Total recognised income and expense for 2012-13	(591,440)	(1,346)	0	(592,786)
Net Parliamentary funding	595,771	0	0	595,771
Balance at 31 March 2013	(21,903)	7,394	0	(14,509)
Balance at 1 April 2011	(24,536)	7818	0	(16,718)
Changes in taxpayers' equity for 2011-12				
Net operating cost for the year	(582,812)	0	0	(582,812)
Net Gain / (loss) on Revaluation of Property, Plant and Equipment	0	1,378	0	1,378
Net Gain / (loss) on Revaluation of Intangible Assets	0	0	0	0
Net Gain / (loss) on Revaluation of Financial Assets	0	0	0	0
Net Gain / (loss) on Assets Held for Sale	0	0	0	0
Impairments and Reversals	0	(422)	0	(422)
Movements in other reserves	0	0	0	0
Transfers between reserves*	34	(34)	0	0
Release of Reserves to Statement of Comprehensive Net Expenditure	0	0	0	0
Reclassification Adjustments				
Transfers to/(from) Other Bodies within the Resource Account Boundary	0	0	0	0
On disposal of available for sale financial assets	0	0	0	0
Net actuarial gain/(loss) on pensions	0	0	0	0
Total recognised income and expense for 2011-12	(582,778)	922	0	(581,856)
Net Parliamentary funding	581,080	0	0	581,080
Balance at 31 March 2012	(26,234)	8,740	0	(17,494)

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

	2012-13 £000	2011-12 £000
Cash Flows from Operating Activities		
Net Operating Cost Before Interest	(588,682)	(580,216)
Depreciation and Amortisation	2,033	2,171
Impairments and Reversals	350	645
Other Gains / (Losses) on foreign exchange	0	0
Donated Assets received credited to revenue but non-cash	0	0
Government Granted Assets received credited to revenue but non-cash	0	0
Interest Paid	(2,885)	(2,741)
Release of PFI/deferred credit	0	0
(Increase)/Decrease in Inventories	0	0
(Increase)/Decrease in Trade and Other Receivables	1,831	(1,566)
(Increase)/Decrease in Other Current Assets	0	0
Increase/(Decrease) in Trade and Other Payables	(8,244)	1,818
(Increase)/Decrease in Other Current Liabilities	(31)	730
Provisions Utilised	(523)	(385)
Increase/(Decrease) in Provisions	3,668	1,160
Net Cash Inflow/(Outflow) from Operating Activities	(592,483)	(578,384)
Cash flows from investing activities		
Interest Received	133	124
(Payments) for Property, Plant and Equipment	(1,545)	(997)
(Payments) for Intangible Assets	(160)	0
(Payments) for Other Financial Assets	0	0
(Payments) for Financial Assets (LIFT)	0	0
Proceeds of disposal of assets held for sale (PPE)	0	0
Proceeds of disposal of assets held for sale (Intangible)	0	0
Proceeds from Disposal of Other Financial Assets	0	0
Proceeds from the disposal of Financial Assets (LIFT)	0	0
Loans Made in Respect of LIFT	0	0
Loans Repaid in Respect of LIFT	11	7
Rental Revenue	0	0
Net Cash Inflow/(Outflow) from Investing Activities	(1,561)	(866)
Net cash inflow/(outflow) before financing	(594,044)	(579,250)
Cash flows from financing activities		
Capital Element of Payments in Respect of Finance Leases and On-SoFP PFI and LIFT	(1,633)	(1,616)
Net Parliamentary Funding	595,771	581,080
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	594,138	579,464
Net increase/(decrease) in cash and cash equivalents	94	214
Cash and Cash Equivalents (and Bank Overdraft) at Beginning of the Period	267	53
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	361	267

Note - Of the above cash balance £356,000 represents the balance held by Wigan MBC relating to Ashton, Leigh and Wigan PCT's share of the cash held by the Drugs and Alcohol Team pooled budget.

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.

Under the provisions of The Health and Social Care Act 2012 (Commencement No.4, Transitional, Savings and Transitory Provisions) Order 2013, Ashton, Leigh and Wigan PCT was dissolved on 1st April 2013. The PCT's functions, assets and liabilities transferred to other public sector entities as outlined in 'Note 42 Events after the Reporting Period'. Where reconfigurations of this nature take place within the public sector, government accounting requires that the activities concerned are to be considered as continuing operations, and so the closing entity prepares accounts on a "going concern" basis.

The SOFP has therefore been drawn up at 31 March 2013 on the same basis as in previous years, reporting balances on the same basis as would a continuing entity. In particular, there has been no general revaluation of assets or liabilities, and no disclosures have been made under IFRS 5 Non-current Assets Held for Sale and Discontinued Operation.

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.

The PCT have accounted for LIFT properties under IFRIC 12, Service Concession Arrangements. This requires the PCT to make certain judgements in accounting for each property, specifically, whether it is reasonably certain that it will take up the option to purchase at the end of the term. This judgement has been made in accordance with Department of Health guidelines, using the formula in the LIFT lease to calculate the anticipated purchase price at the end of the term. This is dependant upon the anticipated market value at the end of the term, assessed by the District Valuers office. Where the anticipated price is likely to be at a significant discount from the Market Value, it is assumed that the purchase option will be taken up.

Ashton, Leigh and Wigan PCT have entered into financial arrangements with GPs involving the use of GP premises. Under IAS17 (leases), SIC27 (evaluating the substance of transactions involving the legal form of a lease) and IFRIC4 (Arrangements constituting a lease), the PCT has determined that these operating leases must be recognised. As there is no defined terms in the arrangement it is not possible to analyse the arrangements over financial years. The value included within the operating cost statement for 2012/13 is £1,461,990 (note 6).

The PCT has also assessed the use of the Clinics and Health centres by Bridgewater Community Health Trust under IFRIC 12 and IAS 17 and concluded that these are operating lease arrangements, therefore they have been accounted for as such.

Legal charges - The PCT has received legal advice stating that the legal charges it holds do not fit the criteria set out in IFRIC 12, most notably that it does not have any control in the residual interest in the properties, hence the properties are not held on the balance sheet of the PCT.

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

Provisions - The continuing care provision is based on an estimate of the likely future costs of claims against the PCT for the costs of provision of continuing care, where the individual is subsequently assessed as being eligible for funded care. The provision is based on claims made against the PCT that have not yet been assessed, and where the likelihood of success is over 50%, a provision is made. The likelihood of success is estimated by the Continuing Care team responsible for assessing claims. The costs are then estimated based on the home that the individual is in, calculating average costs of nursing care in each home. The cost of the provision for 2012/13 is £4,727,000 (note 32).

The estimate is based on the best information available at the time. However, there is a degree of uncertainty associated with this calculation and therefore a greater level of risk associated with it

The PCT has included provisions for the dilapidations on vacated buildings, where these have not yet been agreed and settled. The PCT has a present obligation, under the lease, to pay for the dilapidations on buildings which it has vacated. Dilapidations for two buildings are included, which are Bryan House, the previous administrative headquarters, and 66a Standishgate, the building previously occupied by the Public Health team. The provision for Bryan House is estimated based on legal and professional advice sought, taking in to account the landlords claim. The provision for 66a is based on professional advice as the landlord to that building has not yet formalised his position.

The PCT has accrued for two months worth of prescribing activity owed to the NHS Business Services Authority (Prescription Pricing Division) totalling £11,115,000. This relates to February and March Activity. The February figure is an actual figure notified to the PCT by the PPD, but not yet paid in cash, and the March figure is estimated. The estimate is based on information supplied by the NHS Business Services Authority, and is based on expected outturn for the PCT as advised by the Prescription Pricing Division.

1. Accounting policies (continued)

1.2 Revenue and Funding

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

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

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

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

1.3 Pooled budgets

The PCT has entered into the following pooled budgets with Wigan Metropolitan Borough under S75 of the Health Act 2006:

Community Drugs and Alcohol team - The pooled budget is hosted by Wigan MBC. As a commissioner of healthcare services, the Primary Care Trust makes contributions to the pool, which are then used to purchase healthcare services. The Primary Care Trust accounts for its share of the assets, liabilities, income and expenditure of the pool as determined by the pooled budget agreement, which is detailed in a memorandum note to the accounts.

Integrated Community Equipment Store - The pooled budget is hosted by Wigan MBC. As a commissioner of healthcare services, the Primary Care Trust makes contributions to the pool, which are then used to purchase healthcare equipment. The Primary Care Trust accounts for its share of the assets, liabilities, income and expenditure of the pool as determined by the pooled budget agreement, which is detailed in a memorandum note to the accounts.

Single Commissioning Agency - This pooled budget is hosted by the PCT. Only the elements of the pooled budget relating to the PCT are accounted for by the PCT, and the elements relating to the council are not included within the financial position of the PCT.

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
- Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

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

Valuation

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

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

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

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

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

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

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

Subsequent expenditure

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

1. Accounting policies (continued)

1.7 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; and
 - 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

Inventories are valued at the lower of cost and net realisable value using the weighted average cost formula. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

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.

The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

Retirement benefit costs

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

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

1.17 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

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

1.24 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. [Disclose how fair value is determined]

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 operating cost statement on de-recognition. The PCT only has LIFT investments as available for sale financial assets. Fair value is the value of the outstanding investment, based on its original cost less subsequent repayment of the principal of the loan.

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 Private Finance Initiative (PFI) and NHS LIFT transactions

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

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

- a) Payment for the fair value of services received;
- b) Payment for the PFI asset, including finance costs; and
- c) Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

a) Services received

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

b) PFI and LIFT assets, liabilities, and finance costs

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the PCT's approach for each relevant class of asset in accordance with the principles of IAS 16.

LIFT assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value or the present value of the minimum lease payments in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the PCT's approach for each relevant class of asset in accordance with the principles of IAS 16.

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

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

1. Accounting policies (continued)

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Net Expenditure.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

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

c) Lifecycle replacement

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

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

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

Assets contributed by the PCT to the operator for use in the scheme

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

Other assets contributed by the PCT to the operator

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

1. Accounting policies (continued)

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

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

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

2 Operating segments

The segments reported are in line with the NHS and Commissioning Architecture guidance, published on 7th February 2012, which will be effective from the 1st April 2013. As part of the transition to this structure, the PCT will be running in shadow format in 2012/13, and began reporting to the Board under these segments in 2011/12.

	Wigan Borough Clinical Commissioning Group (CCG)		Public Health		National Health England		Other including administration and property costs		Total	
	2012-13 £000	2011-12 £000	2012-13 £000	2011-12 £000	2012-13 £000	2011-12 £000	2012-13 £000	2011-12 £000	2012-13 £000	2011-12 £000
Expenditure	441,348	402,686	19,758	25,704	124,063	135,518	6,272	18,904	591,441	582,812
Surplus/(Deficit)	2,094	1,883	94	120	589	634	30	89	2,807	2,726

All transactions are accounted for directly by each segment. Administration costs for each section are directly charged and are included within the expenditure shown as CCG, Public Health, NCB above. However, in the 2011/12 account, as the future of administrative functions of the CCG and National Health England were not clearly defined and agreed, these were accounted for separately and included above within 'Other' in 2011/12.

The assets and liabilities of the PCT are not reported at segmental level to the Board, therefore have not been included within this note.

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	591,440	582,812
Net operating cost plus (gain)/loss on transfers by absorption	591,440	582,812
Adjusted for prior period adjustments in respect of errors	0	0
Revenue Resource Limit	<u>594,247</u>	<u>585,538</u>
Under/(Over)spend Against Revenue Resource Limit (RRL)	<u>2,807</u>	<u>2,726</u>

3.2 Capital Resource Limit

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

	2012-13 £000	2011-12 £000
Capital Resource Limit	2,379	794
Charge to Capital Resource Limit	<u>2,232</u>	<u>791</u>
(Over)/Underspend Against CRL	<u>147</u>	<u>3</u>

3.3 Provider full cost recovery duty

Ashton, Leigh and Wigan PCT no longer have a provider function. The provider function was previously carried out by Bridgewater NHS Trust, who became a separate legal entity in 2010.

3.4 Under/(Over)spend against cash limit

	2012-13 £000	2011-12 £000
Total Charge to Cash Limit	595,771	581,080
Cash Limit	<u>595,771</u>	<u>582,480</u>
Under/(Over)spend Against Cash Limit	<u>0</u>	<u>1,400</u>

The cash underdrawing in 2011-12 was at the request of NHS Greater Manchester and NHS North West. No such requirement was placed on the PCT in 2012-13 due to the need to clear balances in preparation for the closedown of the PCT.

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

	2012-13 £000
Total cash received from DH (Gross)	509,163
Less: Trade Income from DH	0
Less/(Plus): movement in DH working balances	<u>0</u>
Sub total: net advances	509,163
(Less)/plus: transfers (to)/from other resource account bodies (free text note required)	0
Plus: cost of Dentistry Schemes (central charge to cash limits)	17,203
Plus: drugs reimbursement (central charge to cash limits)	<u>69,405</u>
Parliamentary funding credited to General Fund	<u>595,771</u>

4 Miscellaneous Revenue

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000	2011-12 £000
Fees and Charges	0	0	0	0
Dental Charge income from Contractor-Led GDS & PDS	4,546	0	4,546	4,430
Dental Charge income from Trust-Led GDS & PDS	0	0	0	0
Prescription Charge income	3,131	0	3,131	3,223
Strategic Health Authorities	458	301	157	334
NHS Trusts	361	361	0	629
NHS Foundation Trusts	58	58	0	409
Primary Care Trusts Contributions to DATs	0	0	0	0
Primary Care Trusts - Other	1,809	1,452	357	2,955
Primary Care Trusts - Lead Commissioning	0	0	0	0
English RAB Special Health Authorities	0	0	0	0
NDPBs and Others (CGA)	0	0	0	0
Department of Health - SMPTB	0	0	0	0
Department of Health - Other	0	0	0	28
Recoveries in respect of employee benefits	433	297	136	692
Local Authorities	19	19	0	177
Patient Transport Services	0	0	0	0
Education, Training and Research	881	0	881	726
Non-NHS: Private Patients	0	0	0	0
Non-NHS: Overseas Patients (Non-Reciprocal)	0	0	0	0
NHS Injury Costs Recovery	0	0	0	0
Other Non-NHS Patient Care Services	0	0	0	0
Charitable and Other Contributions to Expenditure	0	0	0	0
Receipt of donated assets	0	0	0	0
Receipt of Government granted assets	0	0	0	0
Rental revenue from finance leases	0	0	0	0
Rental revenue from operating leases	6,884	0	6,884	6,176
Other revenue	580	472	108	488
Total miscellaneous revenue	19,160	2,960	16,200	20,267

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	53,748	0	53,748	50,999
Non-Healthcare	134	134	0	949
Total	53,882	134	53,748	51,948
Goods and Services from Other NHS Bodies other than FTs				
Goods and services from NHS Trusts	51,189	265	50,924	50,722
Goods and services (other, excl Trusts, FT and PCT)	106	106	0	1,198
Total	51,295	371	50,924	51,920
Goods and Services from Foundation Trusts	274,075	235	273,840	263,588
Purchase of Healthcare from Non-NHS bodies	52,602	0	52,602	49,225
Social Care from Independent Providers	0	0	0	0
Expenditure on Drugs Action Teams	5,768	0	5,768	5,357
Non-GMS Services from GPs	1,156	1,156	0	1,662
Contractor Led GDS & PDS (excluding employee benefits)	21,838	0	21,838	21,459
Salaried Trust-Led PDS & PCT DS (excluding employee benefits)	0	0	0	0
Chair, Non-executive Directors & PEC remuneration	97	97	0	141
Executive committee members costs	0	0	0	34
Consultancy Services	1,833	1,786	47	478
Prescribing Costs	56,141	0	56,141	60,841
G/PMS, APMS and PCTMS (excluding employee benefits)	41,109	0	41,109	43,872
Pharmaceutical Services	111	0	111	210
Local Pharmaceutical Services Pilots	0	0	0	0
New Pharmacy Contract	15,694	0	15,694	15,090
General Ophthalmic Services	3,001	0	3,001	3,010
Supplies and Services - Clinical	1,673	0	1,673	2,153
Supplies and Services - General	47	20	27	505
Establishment	2,033	813	1,220	2,128
Transport	16	9	7	8
Premises	7,845	1,128	6,717	8,271
Impairments & Reversals of Property, plant and equipment	336	0	336	335
Impairments and Reversals of non-current assets held for sale	14	0	14	310
Depreciation	2,022	215	1,807	2,000
Amortisation	11	11	0	171
Impairment & Reversals Intangible non-current assets	0	0	0	0
Impairment and Reversals of Financial Assets	0	0	0	0
Impairment of Receivables	0	0	0	0
Inventory write offs	0	0	0	0
Research and Development Expenditure	0	0	0	0
Audit Fees	96	96	0	148
Other Auditors Remuneration	15	15	0	46
Clinical Negligence Costs	33	0	33	32
Education and Training	246	152	94	215
Grants for capital purposes	71	0	71	0
Grants for revenue purposes	0	0	0	0
Impairments and reversals for investment properties	0	0	0	0
Lift Associated costs	223	0	223	110
Framework for External Support to Commissioning (Note a)	0	0	0	565
Public Health Network	617	530	87	524
GP Trainees	202	0	202	182
Subscriptions (Advancing Quality Alliance)	0	0	0	40
Health Promotion Campaigns	21	0	21	37
Safeguarding Children	11	0	11	70
Insurance premiums	21	15	6	83
Transitional support costs	385	385	0	0
Other	958	0	958	848
Total Operating costs charged to Statement of Comprehensive Net Expenditure	595,498	7,168	588,330	587,616
Employee Benefits (excluding capitalised costs)				
Employee Benefits associated with PCTMS	0	0	0	0
Trust led PDS and PCT DS	0	0	0	0
PCT Officer Board Members	699	699	0	2,175
Other Employee Benefits	11,645	8,390	3,255	10,692
Total Employee Benefits charged to SOCNE	12,344	9,089	3,255	12,867
Total Operating Costs	607,842	16,257	591,585	600,483

Note - in 2012/2013 no elements of the Locality Board are included in Board costs, they are within other employee benefits, as they are no longer the Board of the PCT.

Analysis of grants reported in total operating costs**For capital purposes**

Grants to fund Capital Projects - GMS	71	0	71	0
Grants to Local Authorities to Fund Capital Projects	0	0	0	0
Grants to Private Sector to Fund Capital Projects	0	0	0	0
Grants to Fund Capital Projects - Dental	0	0	0	0
Grants to Fund Capital Projects - Other	0	0	0	0
Total Capital Grants	71	0	71	0
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	71	0	71	0

PCT Running Costs 2012-13

	Total	Commissioning Public Health Services	
Running costs (£000s)	13,377	11,075	2,302
Weighted population (number in units)*	346,863	346,863	346,863
Running costs per head of population (£ per head)	38.57	31.93	6.64

PCT Running Costs 2011-12

Running costs (£000s)	15,715	13,397	2,318
Weighted population (number in units)	346,863	346,863	346,863
Running costs per head of population (£ per head)	45.31	38.62	6.68

* 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	2011-12
	£000	£000
Purchase of Primary Health Care		
GMS / PMS/ APMS / PCTMS	41,109	43,872
Prescribing costs	56,141	60,841
Contractor led GDS & PDS	21,838	21,459
Trust led GDS & PDS	0	0
General Ophthalmic Services	3,001	3,010
Department of Health Initiative Funding	0	0
Pharmaceutical services	111	210
Local Pharmaceutical Services Pilots	0	0
New Pharmacy Contract	15,694	15,090
Non-GMS Services from GPs	1,156	1,662
Other	783	709
Total Primary Healthcare purchased	<u>139,833</u>	<u>146,853</u>
Purchase of Secondary Healthcare		
Learning Difficulties	4,742	4,899
Mental Illness	37,756	37,878
Maternity	15,555	15,230
General and Acute	234,543	222,292
Accident and emergency	10,192	9,156
Community Health Services	75,402	77,223
Other Contractual	51,417	48,711
Total Secondary Healthcare Purchased	<u>429,607</u>	<u>415,389</u>
Grant Funding		
Grants for capital purposes	71	0
Grants for revenue purposes	0	0
Total Healthcare Purchased by PCT	<u>569,511</u>	<u>562,242</u>
PCT self-provided secondary healthcare included above	0	0
Social Care from Independent Providers	0	0
Healthcare from NHS FTs included above	273,840	263,360

6. Operating Leases

Ashton, Leigh and Wigan PCT have entered into financial arrangements with GPs involving the use of GP premises. As there is no defined terms in the arrangement it is not possible to analyse the arrangements over financial years. The value is included within the minimum lease payments above, and included within the operating cost statement, which equates to £1,461,990

Other leases relate mainly to car leases for staff.

6.1 PCT as lessee

	Land £000	Buildings £000	Other £000	Total £000	2011-12 £000
Payments recognised as an expense					
Minimum lease payments				3,255	3,186
Contingent rents				0	0
Sub-lease payments				0	0
Total				3,255	3,186
Payable:					
No later than one year	31	1,607	31	1,669	1,730
Between one and five years	124	6,338	25	6,487	6,510
After five years	1,240	22,123	0	23,363	25,027
Total	1,395	30,068	56	31,519	33,267

Total future sublease payments expected to be received 0 0

6.2 PCT as lessor

The lease income received relates to occupation within PCT property by GPs and other Healthcare Providers. The PCT also has a lease with a pharmacy at Leigh LIFT site.

	2012-13 £000	2011-12 £000
Recognised as revenue in year		
Rental Revenue	6,884	6,176
Contingent rents	0	0
Total	6,884	6,176
Receivable:		
No later than one year	6,883	6,186
Between one and five years	24,660	22,180
After five years	80,415	77,062
Total	111,958	105,428

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	9,099	7,351	1,748	8,589	6,841	1,748	510	510	0
Social security costs	711	588	123	711	588	123	0	0	0
Employer Contributions to NHS BSA - Pensions Division	1,027	849	178	1,027	849	178	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	1,507	0	1,507	1,507	0	1,507	0	0	0
Total employee benefits	12,344	8,788	3,556	11,834	8,278	3,556	510	510	0
Less recoveries in respect of employee benefits (table below)	(433)	(297)	(136)	(433)	(297)	(136)	0	0	0
Total - Net Employee Benefits including capitalised costs	11,911	8,491	3,420	11,401	7,981	3,420	510	510	0
Employee costs capitalised	0	0	0	0	0	0	0	0	0
Gross Employee Benefits excluding capitalised costs	12,344	8,788	3,556	11,834	8,278	3,556	510	510	0
Recognised as:									
Commissioning employee benefits	12,344			11,834			510		
Provider employee benefits	0			0			0		
Gross Employee Benefits excluding capitalised costs	12,344			11,834			510		

	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	369	253	116	369	253	116	0	0	0
Social Security costs	26	18	8	26	18	8	0	0	0
Employer Contributions to NHS BSA - Pensions Division	38	26	12	38	26	12	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	433	297	136	433	297	136	0	0	0

Employee Benefits - Prior- year

	2011-12		
	Total £000	Permanently employed £000	Other £000
Employee Benefits Gross Expenditure 2011-12			
Salaries and wages	10,122	9,554	568
Social security costs	745	745	0
Employer Contributions to NHS BSA - Pensions Division	1,116	1,116	0
Other pension costs	0	0	0
Other post-employment benefits	0	0	0
Other employment benefits	0	0	0
Termination benefits	884	884	0
Total gross employee benefits	12,867	12,299	568
Less recoveries in respect of employee benefits	(692)	(692)	0
Total - Net Employee Benefits including capitalised costs	12,175	11,607	568
Employee costs capitalised	0	0	0
Gross Employee Benefits excluding capitalised costs	12,867	12,299	568
Recognised as:			
Commissioning employee benefits	12,867		
Provider employee benefits	0		
Gross Employee Benefits excluding capitalised costs	12,867		

Note - staff costs include the PCT's share of NHS Greater Manchester staffing costs.

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	19	19	0	5	5	0
Ambulance staff	0	0	0	0	0	0
Administration and estates	176	167	9	209	202	7
Healthcare assistants and other support staff	0	0	0	0	0	0
Nursing, midwifery and health visiting staff	0	0	0	16	16	0
Nursing, midwifery and health visiting learners	0	0	0	0	0	0
Scientific, therapeutic and technical staff	8	8	0	9	9	0
Social Care Staff	0	0	0	0	0	0
Other	0	0	0	0	0	0
TOTAL	203	194	9	239	232	7
Of the above - staff engaged on capital projects	0	0	0	0	0	0

Note - staff numbers do not include NHS Greater Manchester staff as they are not employed by the PCT.

7.3 Ill health retirements

	2012-13 Number	2011-12 Number
Number of persons retired early on ill health grounds	2	0
	£000s	£000s
Total additional pensions liabilities accrued in the year by NHS Pensions Agency (Note - these do not form part of the PCT's annual financial position)	110	0

7.4 Exit Packages agreed during 2012-13

Exit package cost band (including any special payment element)	2012-13			2011-12			Total number of exit packages by cost band
	*Number of compulsory redundancies	*Number of other departures agreed	Total number of exit packages by cost band	*Number of compulsory redundancies	*Number of other departures agreed		
	Number	Number	Number	Number	Number	Number	
Less than £10,000	0	2	2	2	0	2	
£10,001-£25,000	0	10	10	2	0	2	
£25,001-£50,000	0	2	2	2	0	2	
£50,001-£100,000	0	5	5	0	0	0	
£100,001 - £150,000	1	2	3	0	0	0	
£150,001 - £200,000	1	2	3	1	0	1	
>£200,000	0	0	0	2	0	2	
Total number of exit packages by type (total cost)	2	23	25	9	0	9	
	£000s	£000s	£000s	£000s	£000s	£000s	
Total resource cost	295	1,227	1,522	884	0	884	

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

7.5 Pension costs

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

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

a) Accounting valuation

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

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

b) Full actuarial (funding) valuation

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

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

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

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

c) Scheme provisions

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

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

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

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

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

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

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

8. Better Payment Practice Code

8.1 Measure of compliance

	2012-13 Number	2012-13 £000	2011-12 Number	2011-12 £000
Non-NHS Payables				
Total Non-NHS Trade Invoices Paid in the Year	14,346	78,301	14,931	89,254
Total Non-NHS Trade Invoices Paid Within Target	13,588	74,089	14,410	87,520
Percentage of NHS Trade Invoices Paid Within Target	94.72%	94.62%	96.51%	98.06%
NHS Payables				
Total NHS Trade Invoices Paid in the Year	2,961	337,904	2,502	343,195
Total NHS Trade Invoices Paid Within Target	2,809	335,487	2,384	342,257
Percentage of NHS Trade Invoices Paid Within Target	94.87%	99.28%	95.28%	99.73%

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	133	0	133	145
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	133	0	133	145
Total investment income	133	0	133	145

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)	(6)	0	(6)	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	(6)	0	(6)	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	1,861	0	1,861	1,924
- contingent finance cost	1,024	0	1,024	817
Interest on late payment of commercial debt	0	0	0	0
Other interest expense	0	0	0	0
Total interest expense	2,885	0	2,885	2,741
Other finance costs	0	0	0	0
Provisions - unwinding of discount	0	0	0	0
Total	2,885	0	2,885	2,741

12.1 Property, plant and equipment

	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
2012-13									
Cost or valuation:									
At 1 April 2012	4,626	55,236	0	0	702	0	1,189	325	62,078
Additions of Assets Under Construction	0	0	0	0	0	0	0	0	0
Additions Purchased	0	1,850	0	0	0	0	188	0	2,038
Additions Donated	0	0	0	0	0	0	0	0	0
Additions Government Granted	0	0	0	0	0	0	0	0	0
Additions Leased	0	0	0	0	0	0	0	0	0
Reclassifications	(41)	(705)	0	0	0	0	0	0	(746)
Reclassifications as Held for Sale	(83)	(33)	0	0	0	0	0	0	(116)
Disposals other than for sale	0	0	0	0	(6)	0	0	0	(6)
Upward revaluation/positive indexation	0	57	0	0	0	0	0	0	57
Impairments/negative indexation	(100)	(1,303)	0	0	0	0	0	0	(1,403)
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	4,402	55,102	0	0	696	0	1,377	325	61,902
Depreciation									
At 1 April 2012	41	705	0	0	352	0	592	319	2,009
Reclassifications	(41)	(705)	0	0	0	0	0	0	(746)
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	43	293	0	0	0	0	0	0	336
Reversal of Impairments	0	0	0	0	0	0	0	0	0
Charged During the Year	42	1,680	0	0	106	0	194	0	2,022
Transfers (to)/from Other Public Sector Bodies	0	0	0	0	0	0	0	0	0
At 31 March 2013	85	1,973	0	0	458	0	786	319	3,621
Net Book Value at 31 March 2013	4,317	53,129	0	0	238	0	591	6	58,281
Purchased	4,281	52,950	0	0	238	0	591	6	58,066
Donated	0	0	0	0	0	0	0	0	0
Government Granted	36	179	0	0	0	0	0	0	215
Total at 31 March 2013	4,317	53,129	0	0	238	0	591	6	58,281
Asset financing:									
Owned	1,641	5,311	0	0	238	0	591	6	7,787
Held on finance lease	0	0	0	0	0	0	0	0	0
On-SOFP PFI contracts	2,676	47,818	0	0	0	0	0	0	50,494
PFI residual: interests	0	0	0	0	0	0	0	0	0
Total at 31 March 2013	4,317	53,129	0	0	238	0	591	6	58,281

Revaluation Reserve Balance for Property, Plant & Equipment

	Land	Buildings	Dwellings	Assets under construction & payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
At 1 April 2012	1,977	6,758	0	0	5	0	0	0	8,740
Movements - annual revaluation	(478)	(1,700)	0	0	0	0	0	0	(2,178)
At 31 March 2013	1,499	5,058	0	0	5	0	0	0	6,562

Additions to Assets Under Construction in 2012-13

There have been no additions to Assets under Construction in 2012-13

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	5,170	61,584	0	0	644	0	971	325	68,694
Additions - purchased	0	515	0	0	58	0	218	0	791
Additions - donated	0	0	0	0	0	0	0	0	0
Additions - government granted	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	(43)	(267)	0	0	0	0	0	0	(310)
Disposals other than by sale	0	0	0	0	0	0	0	0	0
Revaluation & indexation gains	0	1,378	0	0	0	0	0	0	1,378
Impairments	(227)	(195)	0	0	0	0	0	0	(422)
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	(274)	(7,779)	0	0	0	0	0	0	(8,053)
At 31 March 2012	4,626	55,236	0	0	702	0	1,189	325	62,078
Depreciation									
At 1 April 2011	242	6,489	0	0	245	0	432	319	7,727
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	32	302	0	0	0	0	1	0	335
Reversal of Impairments	0	0	0	0	0	0	0	0	0
Charged During the Year	41	1,693	0	0	107	0	159	0	2,000
In-year transfers to/from NHS bodies	0	0	0	0	0	0	0	0	0
Cumulative dep netted off cost following revaluation	(274)	(7,779)	0	0	0	0	0	0	(8,053)
At 31 March 2012	41	705	0	0	352	0	592	319	2,009
Net Book Value at 31 March 2012	4,585	54,531	0	0	350	0	597	6	60,069
Purchased	4,546	54,344	0	0	350	0	597	6	59,843
Donated	0	0	0	0	0	0	0	0	0
Government Granted	39	187	0	0	0	0	0	0	226
At 31 March 2012	4,585	54,531	0	0	350	0	597	6	60,069
Asset financing:									
Owned	1,832	5,675	0	0	350	0	597	6	8,460
Held on finance lease	0	0	0	0	0	0	0	0	0
On-SOFP PFI contracts	2,753	48,856	0	0	0	0	0	0	51,609
PFI residual: interests	0	0	0	0	0	0	0	0	0
At 31 March 2012	4,585	54,531	0	0	350	0	597	6	60,069
Revaluation Reserve Balance for Property, Plant & Equipment									
	Land	Buildings	Dwellings	Assets under construction & payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
At 1st April 2011	2,187	5,562	0	0	5	0	0	64	7,818
Movements - annual revaluation	(210)	1,196	0	0	0	0	0	(64)	922
At 31st March 2013	1,977	6,758	0	0	5	0	0	0	8,740

12.3 Property, plant and equipment

Valuation methodology

From 1st April 2009 the valuation methodology for Land and Buildings was Modern Equivalent Asset Value. Assets were revalued at that date by the District Valuer (Valuations Office Agency). Assets have been subsequently revalued at 31st March 2013 and the value held in the 2012/13 accounts is that provided by the Valuations Office at 31st March 2013.

Properties available for sale are valued at Open Market value, as assessed by the District Valuer at 31st March 2012.

Properties in use are defined as Non Specialised and are held at their Existing Use Value.

Properties surplus to the PCT requirements but not yet available for sale are being depreciated to the Open Market Value over the remaining useful life of the asset

Asset Lives

The life of the buildings, and fittings within the buildings, is assessed by the District Valuer as part of the revaluation carried out in 2012/13.

Other items have shorter lives and the lives are assessed based on the estimated economic useful life of the asset.

There have been no major changes to asset lives in 2012/13.

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	590	0	0	0	590
Additions - purchased	0	200	0	0	0	200
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	790	0	0	0	790
Amortisation						
At 1 April 2012	0	579	0	0	0	579
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	11	0	0	0	11
In-year transfers to NHS bodies	0	0	0	0	0	0
At 31 March 2013	0	590	0	0	0	590
Net Book Value at 31 March 2013	0	200	0	0	0	200
Net Book Value at 31 March 2013 comprises						
Purchased	0	200	0	0	0	200
Donated	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0
Total at 31 March 2013	0	200	0	0	0	200
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	590	0	0	0	590
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	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	0	0
Revaluation & indexation gains	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0
In-year transfers to/from NHS bodies	0	0	0	0	0	0
Cumulative dep netted off cost following revaluation	0	0	0	0	0	0
At 31 March 2012	0	590	0	0	0	590
Amortisation						
At 1 April 2011	0	408	0	0	0	408
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	171	0	0	0	171
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	579	0	0	0	579
Net Book Value at 31 March 2012	0	11	0	0	0	11
Net Book Value at 31 March 2012 comprises						
Purchased	0	11	0	0	0	11
Donated	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0
Total at 31 March 2012	0	11	0	0	0	11

13.3 Intangible non-current assets

Intangible assets are software or licences where the PCT has bought the right to the asset for over a year and the cost was over £5,000. Fair value is assumed to be the depreciated costs. The lives of the assets are depreciated over the life of the licence or useful life of the software, ie how long the PCT have purchased the right to use the asset. It is not thought that asset values will vary materially within the asset life.

13.4 Economic Lives of Assets

Economic Lives of Non-Current Assets

	Min Life Years	Max Life Years
Intangible Assets		
Software Licences	0	5
Licences and Trademarks	0	0
Patents	0	0
Development Expenditure	0	0
Property, Plant and Equipment		
Buildings exc Dwellings	5	50
Dwellings	0	0
Plant & Machinery	0	9
Transport Equipment	0	0
Information Technology	0	5
Furniture and Fittings	6	14

Open Market Value of Assets at 31st March 2013

	Land £000s	Buildings excl. dwellings £000s	Dwellings £000s	Total £000s
Open Market Value at 31 March 2011	500	566	0	1,066
Open Market Value at 31 March 2012	383	397	0	780

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

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000
Property, Plant and Equipment impairments and reversals taken to SoCNE			
Loss or damage resulting from normal operations	0	0	0
Over-specification of assets	0	0	0
Abandonment of assets in the course of construction	0	0	0
Total charged to Departmental Expenditure Limit	0	0	0
Unforeseen obsolescence	0	0	0
Loss as a result of catastrophe	0	0	0
Other	0	0	0
Changes in market price	336	0	336
Total charged to Annually Managed Expenditure	336	0	336
Property, Plant and Equipment impairments and reversals charged to the revaluation reserve			
Loss or damage resulting from normal operations	0	0	0
Over Specification of Assets	0	0	0
Abandonment of assets in the course of construction	0	0	0
Unforeseen obsolescence	0	0	0
Loss as a result of catastrophe	0	0	0
Other	0	0	0
Changes in market price	1,403	0	1,403
Total impairments for PPE charged to reserves	1,403	0	1,403
Total Impairments of Property, Plant and Equipment	1,739	0	1,739
Intangible assets impairments and reversals charged to SoCNE			
Loss or damage resulting from normal operations	0	0	0
Over-specification of assets	0	0	0
Abandonment of assets in the course of construction	0	0	0
Total charged to Departmental Expenditure Limit	0	0	0
Unforeseen obsolescence	0	0	0
Loss as a result of catastrophe	0	0	0
Other	0	0	0
Changes in market price	0	0	0
Total charged to Annually Managed Expenditure	0	0	0
Intangible Assets impairments and reversals charged to the Revaluation Reserve			
Loss or damage resulting from normal operations	0	0	0
Over-specification of assets	0	0	0
Abandonment of assets in the course of construction	0	0	0
Unforeseen obsolescence	0	0	0
Loss as a result of catastrophe	0	0	0
Other	0	0	0
Changes in market price	0	0	0
Total impairments for Intangible Assets charged to Reserves	0	0	0
Total Impairments of Intangibles	0	0	0

Financial Assets charged to SoCNE			
Loss or damage resulting from normal operations	0	0	0
Total charged to Departmental Expenditure Limit	0	0	0
Loss as a result of catastrophe	0	0	0
Other	0	0	0
Total charged to Annually Managed Expenditure	0	0	0
Financial Assets impairments and reversals charged to the Revaluation Reserve			
Loss or damage resulting from normal operations	0	0	0
Loss as a result of catastrophe	0	0	0
Other	0	0	0
TOTAL impairments for Financial Assets charged to reserves	0	0	0
Total Impairments of Financial Assets	0	0	0
Non-current assets held for sale - impairments and reversals charged to SoCNE.			
Loss or damage resulting from normal operations	0	0	0
Abandonment of assets in the course of construction	0	0	0
Total charged to Departmental Expenditure Limit	0	0	0
Unforeseen obsolescence	0	0	0
Loss as a result of catastrophe	0	0	0
Other	0	0	0
Changes in market price	14	0	14
Total charged to Annually Managed Expenditure	14	0	14
Total impairments of non-current assets held for sale	14	0	14
Inventories - impairments and reversals charged to SoCNE			
Loss or Damage Resulting from Normal Operations	0	0	0
Total charged to Departmental Expenditure Limit	0	0	0
Unforeseen Obsolescence	0	0	0
Loss as a Result of a Catastrophe	0	0	0
Other (Free text note required)*	0	0	0
Changes in Market Price	0	0	0
Total charged to Annually Managed Expenditure	0	0	0
Total impairments of Inventories	0	0	0
Investment Property impairments charged to SoCNE			
Loss or Damage Resulting from Normal Operations	0	0	0
Total charged to Departmental Expenditure Limit	0	0	0
Unforeseen Obsolescence	0	0	0
Loss as a Result of a Catastrophe	0	0	0
Other (Free text note required)*	0	0	0
Changes in Market Price	0	0	0
Total charged to Annually Managed Expenditure	0	0	0
Total Investment Property impairments charged to SoCNE	0	0	0
Investment Property impairments and reversals charged to the Revaluation Reserve			
Loss or Damage Resulting from Normal Operations	0	0	0
Over Specification of Assets	0	0	0
Abandonment of Assets in the Course of Construction	0	0	0
Unforeseen Obsolescence	0	0	0
Loss as a Result of a Catastrophe	0	0	0
Other (Free text note required)*	0	0	0
Changes in Market Price	0	0	0
TOTAL impairments for Investment Property charged to Reserves	0	0	0
Total Investment Property Impairments	0	0	0
Total Impairments charged to Revaluation Reserve	1,403	0	1,403
Total Impairments charged to SoCNE - DEL	0	0	0
Total Impairments charged to SoCNE - AME	350	0	350
Overall Total Impairments	1,753	0	1,753
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

The impairment losses are all a result of general price change. A valuation as at 31st March 2013 has affected the valuation of the land and buildings and resulting impairments are shown within this note.

Where buildings are in the process of being sold, but contracts have not yet been exchanged, the building has been impaired to its realisable value, ie its sale price.

The main impairments are:

Beech Hill Clinic - impaired to its realisable value as an offer was made by Bridgewater NHS Trust to purchase the clinic (£161k)

Frog Lane - major refurbishment works were undertaken to accommodate the ophthalmology suite move in to the clinic. This led to an impairment of £123k.

15 Investment property

The PCT has had no investment property during 2012-13.

16 Commitments

The PCT has no capital commitments at 31st March 2013.

16.2 Other financial commitments

The PCT has entered into non-cancellable contracts (which are not leases or PFI contracts or other service concession arrangements), for Equitable Access in Primary Care and Clinical Assessment and Treatment Services. The payments to which the PCT is committed are as follows:

	31 March 2013 £000	31 March 2012 £000
Not later than one year	3,403	0
Later than one year and not later than five year	0	0
Later than five years	0	0
Total	3,403	0

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	817	0	917	0
Balances with Local Authorities	196	0	588	0
Balances with NHS bodies outside the Departmental Group	0	0	0	0
Balances with NHS Trusts and Foundation Trusts	106	0	1,447	0
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with bodies external to government	1,512	0	20,157	0
At 31 March 2013	2,631	0	23,109	0
prior period:				
Balances with other Central Government Bodies	1,325	0	926	0
Balances with Local Authorities	808	0	2,148	0
Balances with NHS Trusts and Foundation Trusts	1,716	0	3,923	0
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with bodies external to government	613	0	23,824	0
At 31 March 2012	4,462	0	30,821	0

18 Inventories

The PCT hold no accountable stores at 31st March 2013.

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	214	2,515	0	0
NHS receivables - capital	0	0	0	0
NHS prepayments and accrued income	39	196	0	0
Non-NHS receivables - revenue	173	93	0	0
Non-NHS receivables - capital	0	0	0	0
Non-NHS prepayments and accrued income	1,550	429	0	0
Provision for the impairment of receivables	0	0	0	0
VAT	588	315	0	0
Current/non-current part of PFI and other PPP arrangements prepayments and accrued income	0	0	0	0
Interest receivables	66	66	0	0
Finance lease receivables	0	0	0	0
Operating lease receivables	0	0	0	0
Other receivables	1	848	0	0
Total	2,631	4,462	0	0
Total current and non current	2,631	4,462		
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.

Of the receivables past their due date but not impaired, £60,313 are NHS balances. The PCT still believe these to be payable as no bodies have formally disputed balances as part of the year end agreement of balances process.

19.2 Receivables past their due date but not impaired

	31 March 2013 £000	31 March 2012 £000
By up to three months	145	585
By three to six months	5	133
By more than six months	2	27
Total	152	745

19.3 Provision for impairment of receivables

The PCT has no provision for the impairment of receivables at the balance sheet date.

20 NHS LIFT investments

	Loan £000	Share capital £000	Total £000
Balance at 1 April 2012	868	153	1,021
Additions	0	0	0
Disposals	0	0	0
Loan repayments	(11)	0	(11)
Revaluations	0	0	0
Loans repayable within 12 months	0	0	0
Balance at 31 March 2013	857	153	1,010
Balance at 1 April 2011	873	153	1,026
Additions	0	0	0
Disposals	0	0	0
Loan repayments	(5)	0	(5)
Revaluations	0	0	0
Loans repayable within 12 months	0	0	0
Balance at 31 March 2012	868	153	1,021

21.1 Other financial assets - Current

The PCT has no other current financial assets at 31st March 2013.

21.2 Other Financial Assets - Non Current

	31 March 2013 £000	31 March 2012 £000
Opening balance 1 April	1,021	1,026
Additions	0	0
Revaluation	0	0
Impairments	0	0
Impairment Reversals	0	0
Transferred to current financial assets	0	0
Loan repayments	(11)	(5)
Transfers (to)/from Other Public Sector Bodies in year	0	0
Total Other Financial Assets - Non Current	1,010	1,021

21.3 Other Financial Assets - Capital Analysis

The PCT has no other capital financial assets at 31st March 2013.

22 Other current assets

The PCT has no other current financial assets at 31st March 2013.

23 Cash and Cash Equivalents

	31 March 2013 £000	31 March 2012 £000
Opening balance	267	53
Net change in year	94	214
Closing balance	361	267
Made up of		
Cash with Government Banking Service	5	267
Commercial banks	356	0
Cash in hand	0	0
Current investments	0	0
Cash and cash equivalents as in statement of financial position	361	267
Bank overdraft - Government Banking Service	0	0
Bank overdraft - Commercial banks	0	0
Cash and cash equivalents as in statement of cash flows	361	267

No patients monies are held by the PCT

The above cash balance includes £356,000 cash held by Wigan MBC as part of a section 75 Pooled Budget. The PCT has accounted for its share of the pooled budget cash and incorporated the balance in its annual position.

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	263	192	0	0	0	0	0	0	0	455
Plus assets classified as held for sale in the year	83	33	0	0	0	0	0	0	0	116
Less assets sold in the year	0	0	0	0	0	0	0	0	0	0
Less impairment of assets held for sale	(10)	(4)	0	0	0	0	0	0	0	(14)
Plus reversal of impairment of assets held for sale	0	0	0	0	0	0	0	0	0	0
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	0	0	0	0	0
Transfers (to)/from other public sector bodies	0	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0	0
Balance at 31 March 2013	336	221	0	0	0	0	0	0	0	557
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	263	192	0	0	0	0	0	0	0	455
Plus assets classified as held for sale in the year	43	267	0	0	0	0	0	0	0	310
Less assets sold in the year	0	0	0	0	0	0	0	0	0	0
Less impairment of assets held for sale	(43)	(267)	0	0	0	0	0	0	0	(310)
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	263	192	0	0	0	0	0	0	0	455
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 2013 832

The PCT is holding several buildings for sale. These are:

College Street Health Centre and Incefield House - being marketed on an ongoing basis but buyers not yet found.

Atherton Health Centre Land and adjacent property - taken off the active market whilst negotiating a potential sale, but now available for sale again.

Beech Hill - an offer has been made to buy the property by Bridgewater Trust. This has been accepted and will complete in 2013/14.

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	608	1,135	0	0
NHS payables - capital	0	0	0	0
NHS accruals and deferred income	975	3,191	0	0
Family Health Services (FHS) payables	15,019	18,836	0	0
Non-NHS payables - revenue	756	856	0	0
Non-NHS payables - capital	734	202	0	0
Non_NHS accruals and deferred income	4,161	4,707	0	0
Social security costs	7	108	0	0
VAT	0	0	0	0
Tax	97	192	0	0
Payments received on account	0	0	0	0
Other	752	1,594	0	0
Total	23,109	30,821	0	0
Total payables (current and non-current)	23,109	30,821		

Other payables include £41 (pounds) in respect of outstanding pensions contributions (nil in 2011/12) in respect of small payments made through a March supplementary payroll.

There are no creditors included in the above to buy out pension liabilities over 5 years.

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	31	30	668	700
Other	0	0	0	0
Total	31	30	668	700
Total other liabilities (current and non-current)	699	730		

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	0
Bank overdraft - commercial banks	0	0	0	0
PFI liabilities:				
Main liability	0	0	0	0
Lifecycle replacement received in advance	0	0	0	0
LIFT liabilities:				
Main liability	1,632	1,631	47,122	48,755
Lifecycle replacement received in advance	0	0	0	0
Finance lease liabilities	0	0	0	0
Other (describe)	0	0	0	0
Total	1,632	1,631	47,122	48,755
Total other liabilities (current and non-current)	48,754	50,386		

Borrowings/Loans - Payment of Principal Falling Due in:

	DH £000s	Other £000s	Total £000s
0 - 1 Years	0	1,669	1,669
1 - 2 Years	0	1,684	1,684
2 - 5 Years	0	4,833	4,833
Over 5 Years	0	40,568	40,568
TOTAL	0	48,754	48,754

28 Other financial liabilities

The PCT had no other financial liabilities at 31st March 2103.

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	92	199	0	0
Deferred income addition	0	92	0	0
Transfer of deferred income	(92)	(199)	0	0
Current deferred Income at 31 March 2013	0	92	0	0
Total other liabilities (current and non-current)	0	92		

30 Finance lease obligations

The PCT has no finance lease obligations at 31st March 2013.

31 Finance lease receivables as lessor

The PCT has no finance lease receivables at 31st March 2013.

32 Provisions

Comprising:

	Total £000s	Pensions to Former Directors £000s	Pensions Relating to Other Staff £000s	Legal Claims £000s	Restructuring £000s	Continuing Care £000s	Equal Pay £000s	Agenda for Change £000s	Other £000s	Redundancy £000s
Balance at 1 April 2012	1,842	0	128	10	0	1,207	0	0	173	324
Arising During the Year	4,005	0	0	1	0	3,971	0	0	33	0
Utilised During the Year	(523)	0	(66)	(9)	0	(123)	0	0	(1)	(324)
Reversed Unused	(337)	0	0	0	0	(328)	0	0	(9)	0
Unwinding of Discount	0	0	0	0	0	0	0	0	0	0
Change in Discount Rate	0	0	0	0	0	0	0	0	0	0
Transferred (to)/from other Public Sector bodies	0	0	0	0	0	0	0	0	0	0
Balance at 31 March 2013	4,987	0	62	2	0	4,727	0	0	196	0
Expected Timing of Cash Flows:										
No Later than One Year	2,623	0	62	2	0	2,363	0	0	196	0
Later than One Year and not later than Five Years	2,364	0	0	0	0	2,364	0	0	0	0
Later than Five Years	0	0	0	0	0	0	0	0	0	0

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

As at 31 March 2013	89
As at 31 March 2012	138

The PCT has included a provision for Continuing care due to claims made as a result of changes in the threshold regarding eligibility for continuing care. A provision is included where a claim for restitution costs has been made to the PCT, and the probability of the success of the claim is greater than 50%. It is based on the anticipated costs if the claim is successful.

Other provisions - A provision has been made to cover the cost of dilapidations at previous administrative building, now vacated. The PCT are required to make good the cost of dilapidations on the building since the inception of the leases. One lease expired in 2011 but the claim is not yet settled as the PCT are currently contesting this cost and have made an estimate of the likely costs based on a weighting of the landlords claim and the professional advice provided to the PCT (£162,500). The other lease has just expired and the landlord has not formalised the claim, so the provision is based on professional advice provided (£32,000).

33 Contingencies

	31 March 2013 £000	31 March 2012 £000
Contingent liabilities		
Equal Pay	0	0
Other	(2,277)	(789)
Amounts Recoverable Against Contingent Liabilities	0	0
Net Value of Contingent Liabilities	(2,277)	(789)
Contingent Assets		
Contingent Assets	0	0
Net Value of Contingent Assets	0	0

The PCT has included a contingent liability for the cost of legal claims that have been provided for, based on the difference between the full potential value of the claim and the weighted value of the claim based on its likelihood of success. £2,163,000 of the above contingent liability relates to continuing care claims. The Continuing Care panel at the PCT assess the likelihood of the success of a claim, and if it is over 50% a provision is made. The balance of the contingent liability is for other legal claims, mainly the ongoing dilapidations claim not yet settled on the PCT's previous administration headquarters.

34 PFI and LIFT - additional information

The PCT has no PFI schemes.

The PCT have 8 LIFT schemes. These include clinics at Worsley Mesnes, Lower Ince, Frog Lane, Atherton, Golborne, Platt Bridge, Pemberton and Leigh. The Pemberton scheme consists of the original building, contracted under a PFI scheme, but subsequently renegotiated and transferred to the LIFT Company (in 2005). There has also been an extension to the scheme which is under a LIFT lease agreement. The extension was funded by the PCT and this payment in year 1 of the contract has been included as an 'up front' lease payment in accordance with the guidelines. The subsequent lease costs relate to the service element only, with the exception of the assumed purchase at the end of the period.

A LIFT scheme at Leigh became operational in Nov 2010. This is a Health Centre on the site of Leigh Infirmary. The land for the scheme belongs to Wrightington, Wigan and Leigh NHS Foundation Trust, who charge a ground rent, hence the LIFT scheme covers the building only.

In accordance with the LIFT plus agreement the PCT has the right to buy at the end of the term at a price dependant on the residual value, built in to the financial model, compared to the market value at the time. The District Valuer has provided the PCT with expected future market values and these have been used to calculate the expected purchase price. Where the expected purchase price is less than the expected market value the PCT has assumed the option will be exercised. This will be reassessed over the life of the asset as future market values fluctuate. The only variation to this is the Pemberton original building, where the building reverts to the PCT at the end of the lease period, under the original terms of the PFI agreement. The PCT also has the option to re lease or to leave each building at the end of the term if the purchase option is not exercised.

All schemes, except Pemberton, are 25 year leases. The original Pemberton scheme was a 30 year lease, but was renegotiated with the PCT LIFTco at year 5, hence had a 25 year lease put in place at that time. The extension lease was set up to run to the remaining life of the original building, which was a 23 year time period.

The lease costs also include charges for the Life Cycle costs of the building. These costs are those that keep the building at a standard fit to carry out the appropriate services. These will be capitalised as and when they occur. In addition the lease costs include maintenance and general management of the building, that will be expensed as they occur.

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

	31 March 2013 £000	31 March 2012 £000
Total Charge to Operating Expenses in year - OFF SOFP LIFT	0	0
Service element of on SOFP LIFT charged to operating expenses in year	2,320	2,331
Total	2,320	2,331

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

	31 March 2013 £000	31 March 2012 £000
LIFT Scheme Expiry Date:		
No Later than One Year	2,391	2,316
Later than One Year, No Later than Five Years	10,284	9,989
Later than Five Years	42,970	45,547
Total	55,645	57,852

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

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

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

	31 March 2013 £000	31 March 2012 £000
No Later than One Year	3,473	3,496
Later than One Year, No Later than Five Years	13,124	13,446
Later than Five Years	55,720	58,472
Subtotal	72,317	75,414
Less: Interest Element	(23,563)	(25,028)
Total	48,754	50,386

35 Impact of IFRS treatment - 2012-13

	Total £000	Admin £000	Programme £000
Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g LIFT/PFI)			
Depreciation charges	1,496	0	1,496
Interest Expense	2,752	0	2,752
Impairment charge - AME	145	0	145
Impairment charge - DEL	0	0	0
Other Expenditure	2,293	0	2,293
Revenue Receivable from subleasing	0	0	0
Total IFRS Expenditure (IFRIC12)	6,686	0	6,686
Revenue consequences of LIFT/PFI schemes under UK GAAP / ESA95 (net of any sublease income)	(7,235)	0	(7,235)
Net IFRS change (IFRIC12)	(549)	0	(549)

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

Capital expenditure 2012-13	406
UK GAAP capital expenditure 2012-13 (Reversionary Interest)	0

36 Financial Instruments

Financial risk management

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

Currency risk

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

Interest rate risk

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

Credit Risk

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

Liquidity Risk

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

36.1 Financial Assets

	At 'fair value through profit and loss' £000	Loans and receivables £000	Available for sale £000	Total £000
Embedded derivatives	0	0	0	0
Receivables - NHS	0	237	0	237
Receivables - non-NHS	0	587	0	587
Cash at bank and in hand	0	5	0	5
Other financial assets	0	0	1,010	1,010
Total at 31 March 2013	0	829	1,010	1,839
Embedded derivatives	0	0	0	0
Receivables - NHS	0	2,708	0	2,708
Receivables - non-NHS	0	1,199	0	1,199
Cash at bank and in hand	0	267	0	267
Other financial assets	0	0	1,021	1,021
Total at 31 March 2012	0	4,174	1,021	5,195

36.2 Financial Liabilities

	At 'fair value through profit and loss' £000	Other £000	Total £000
Embedded derivatives	0	0	0
NHS payables	0	1,583	1,583
Non-NHS payables	0	20,971	20,971
Other borrowings	0	0	0
PFI & finance lease obligations	0	48,754	48,754
Other financial liabilities	0	194	194
Total at 31 March 2013	0	71,502	71,502
Embedded derivatives	0	0	0
NHS payables	0	4,326	4,326
Non-NHS payables	0	26,103	26,103
Other borrowings	0	0	0
PFI & finance lease obligations	0	50,386	50,386
Other financial liabilities	0	173	173
Total at 31 March 2012	0	80,988	80,988

37 Related party transactions

The following are members of Ashton, Leigh and Wigan PCT Board, who have declared interests with organisations that the PCT have business with.

	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£000s	£000s	£000s	£000s
Ann Talbot - husband is a consultant at Salford Royal NHS Foundation Trust	13,719	147	132	0
Hamish Stedman - wife runs the diabetes team at SRFT	as above	as above	as above	as above
Chris Duffy - wife is a Consultant at Pennine Acute	2504	0	1	0
Riaz Ahmad - family member a Trainee Doctor at Pennine Acute Hospital.	as above	as above	as above	as above
Dr M Burrows has relatives who work for Pennine Acute Hospitals NHS Trust.	as above	as above	as above	as above
David Edwards - Hospital Manager Manchester Mental Health Trust	30	0	0	0
Ian Williamson - wife an employee of Central Manchester Hospital	7,655	0	83	0
Dr Kiran Patel is a medical consultant for ABL Healthcare and is related to a shareholder at ABL Healthcare	287	0	0	0
Ann Talbot - husband is a consultant at Stockport Foundation Trust (see above)	112	0	0	0
Bill Tamkin - wife is unscheduled care lead for Salford PCT	40	140	32	57
Alan Dow - wife is an anaesthetist at Tameside Hospital	9	0	0	0

The following are members of the Wigan Borough Clinical Commissioning Group Shadow Board, who have declared interests with organisations that the PCT have business with.

T Anderson & K Ardern are senior officers jointly employed by the Local Authority and the PCT.

T Anderson's husband is a consultant at Mersey Care NHS Trust

Dr T Dalton and Dr D Trivedi are partners in GP practices that are founder members of Health First ALW Community Interest Company.

Dr S Wahie is a GP at Lower Ince Surgery, Claire House and is related to an employee at Royal Preston and Durham Hospital.

Dr A Atrey is a GP at Meadowview Surgery, Atherton.

M Tate is related to an employee of 5 Boroughs Partnership NHS Foundation Trust.

	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£000's	£000's	£000's	£000's
5 Boroughs Partnership NHS Foundation Trust	22,604	37	0	0
Wigan Council	19,050	226	588	176
Royal Preston Hospital - Lancashire Teaching Hospitals	1,765	0	0	0
Health First ALW Community Interest Company	218	0	7	0
Mersey Care NHS Trust	13	0	2	0
Durham Hospital - North County Durham	7	0	0	0

The PCT has a number of Board members who are members of the General Medical Services (GMS) or Personal Medical Services (PMS) practices, with whom the PCT incurred expenditure during 2012/13. Payments made to these practices are as follows:

	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£000s	£000s	£000s	£000s
Higher Ince (Dr S Wahie)	360	0	3	0
Beech Hill Medical Centre (Dr P Marwick)	1,479	0	28	0
Atrey PMS Practice (Dr A Atrey)	661	0	3	0
RUP Russell & Partners (Dr M Kumar)	559	0	3	0
Ellis & Partner (Dr A Ellis)	499	0	3	0
Shakespeare Surgery (Dr T Dalton)	409	0	2	0
Trivedi & Partner (Dr D Trivedi)	465	0	3	0

The GPs on the Board represent all GP practices who are members of Wigan Borough Clinical Commissioning Group. The table below represents the payments made to these practices (in addition to those directly reported above).

	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£000s	£000s	£000s	£000s
All other GP practices within Ashton, Leigh and Wigan PCT	33,980	0	285	0

Other Government bodies

The Department of Health is regarded as a related party. During the year Ashton, Leigh & Wigan 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. Expenditure with these bodies is recorded below (other than those listed above as a direct related party).

	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£000s	£000s	£000s	£000s
Wrightington, Wigan and Leigh NHS Foundation Trust	186,715	3	134	0
Bridgewater Community Healthcare NHS Trust	43,865	4,275	125	74
Western Cheshire PCT (Specialist Commissioning)	39,004	4	0	0
Royal Bolton Hospitals NHS Foundation trust	20,340	0	625	0
Blackpool PCT (North West Ambulance Service)	9,793	1	0	0
The Christie Hospital NHS Foundation Trust	7,729	0	0	0
Central Manchester University Hospital	7,655	0	83	0
University Hospitals of South Manchester NHS Foundation Trust	5,007	0	20	0
Warrington and Halton NHS Foundation Trust	3,434	0	0	0

The Primary Care Trust has had a significant number of material transactions with other Government Departments. The material ones are the National insurance Fund, in respect of employers national insurance (£710,000) and NHS Business Services Authority in respect of employers contributions for PCT employees and GPs (£1,027,000).

Prior year comparators 2011/12

The following are members of Ashton Leigh and Wigan PCT Board, who have declared interests with organisations that the PCT have business with.

	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£000s	£000s	£000s	£000s
Dr H Steadmans is related to an employee of Salford Royal Foundation Trust	11,627	350	12	215
Dr M Burrows and Dr I Williamson have relatives who work for Central Manchester NHS Fo	6,455	0	202	11
Dr M Burrows has relatives who work for Pennine Acute Hospitals NHS Trust.	2,678	0	0	5
Mr A Stephenson is on the PCT Network Board of the NHS Confederation	1	0	0	0

The following are members of the Wigan Borough Clinical Commissioning Group Shadow Board, who have declared interests with organisations that the PCT have business with.

J Redfern, T Anderson & K Ardern are senior officers jointly employed by the Local Authority and the PCT.

Dr T Dalton and Dr D Trivedi are partners in GP practices that are founder members of Health First ALW Community Interest Company.

M Tate is a member of 5 Borough Partnerships Trust and is related to an employee of 5 Boroughs Partnership NHS Foundation Trust.

Dr A Atrey and Dr A Ellis hold positions within Wigan LMC (Secretary and Chair respectively) - no transactions in 2011/12

Dr T Dalton and Dr P Marwick are employed as Out of Hours GPs. This service is run by Bridgewater Community Healthcare NHS Trust.

	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£000's	£000's	£000's	£000's
Bridgewater Community Healthcare NHS Trust	43,533	4,367	1,465	1,167
5 Boroughs Partnership NHS Foundation Trust	23,014	0	120	0
Wigan Council	20,796	255	2,148	802
Health First ALW Community Interest Company	174	5	0	5

The PCT has a number of Board members who are members of the General Medical Services (GMS) or Personal Medical Services (PMS) practices, with whom the PCT incurred expenditure during 2011/12. Payments made to these practices are as follows:

	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£000s	£000s	£000s	£000s
SSP Health (Dr Pitalia)	2,431	0	160	0
Beech Hill Medical Centre (Dr Marwick)	1,335	0	114	0
Atrey PMS Practice (Dr Atrey)	615	0	36	0
RUP Russell & Partners (Dr Kumar)	464	0	38	0
Ellis & Partner (Dr Ellis)	437	0	38	0
Shakespeare Surgery (Dr Dalton)	412	0	23	0
Trivedi & Partner (Dr Trivedi)	448	0	45	0

The GPs on the Board represent all GP practices who are members of Wigan Borough Clinical Commissioning Group. The table below represents the payments made to these practices (in addition to those directly reported above).

	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£000s	£000s	£000s	£000s
All other GP practices within Ashton, Leigh and Wigan PCT	30,455	0	2,478	0

Other Government bodies

The Department of Health is regarded as a related party. During the year Ashton, Leigh & Wigan 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. Expenditure with these bodies is recorded below (other than those listed above as a direct related party)

	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£000s	£000s	£000s	£000s
Blackpool PCT (North West Ambulance Service)	9,557	0	3	21
Stockport PCT (Collaborative Commissioning)	10,214	517	581	0
Western Cheshire PCT (Specialist Commissioning)	28,800	208	3	0
The Christie Hospital NHS Foundation Trust	10,261	0	0	49
Royal Bolton Hospitals NHS Foundation trust	20,032	16	4	418
University Hospitals of South Manchester NHS Foundation Trust	3,412	0	0	0
Warrington and Halton NHS Foundation Trust	3,382	0	43	0
Wrightington, Wigan and Leigh NHS Foundation Trust	178,026	45	9	1,161

The Primary Care Trust has had a significant number of material transactions with other Government Departments. The material ones are the National insurance Fund, in respect of employers national insurance (£745,000) and NHS Business Services Authority in respect of employers contributions for PCT employees and GPs (£1,116,000).

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	715	6
Special payments - PCT management costs	15,000	5
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	<u>715</u>	<u>6</u>
Total special payments	<u>15,000</u>	<u>5</u>
Total losses and special payments	<u>15,715</u>	<u>11</u>

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	0	0
Special payments - PCT management costs	36,050	5
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	<u>0</u>	<u>0</u>
Total special payments	<u>36,050</u>	<u>5</u>
Total losses and special payments	<u>36,050</u>	<u>5</u>

39 Third party assets

The PCT have no third party assets at 31st March 2103.

40.Wigan Metropolitan Borough Council Pooled Budgets

Ashton, Leigh and Wigan PCT has 2 pooled budget arrangements with Wigan Metropolitan Borough Council, as follows:

Substance Misuse - The PCT has included within its accounts 95% of the total balances of cash and creditors, equating to £355,633. There was no over or underspend associated with the pooled budget.

Community Equipment Store - The PCT has included within its accounts 32% of the total costs of the pooled budget within its financial position. There were no balances held by this budget at the balance sheet date, and as the budget broke even, no element of over or underspend is included within the PCT's financial position.

The PCT hosts a Pooled budget for the Single Commissioning Agency. The Pooled budget is also with Wigan MBC. The elements of the pooled budget relating to the council are accounted for by the council and are not included within the financial position of the PCT.

41 Cashflows relating to exceptional items

There were no cash flows relating to exceptional items.

42 Events after the end of the reporting period

The PCT has been abolished at 1st April 2013. The assets and liabilities of the PCT have been transferred to successor organisations using the following principles.

Estates and Property - all assets and liabilities relating to estates have been transferred to either:

Bridgewater Community Healthcare NHS Trust - all owned properties and related reserves, that are used for patient care and are occupied in the majority by Bridgewater NHS Trust have been transferred to them.

Community Health Partnerships - all LIFT buildings, liabilities, associated borrowings and investments are being transferred to Community Health Partnerships. This includes lease arrangements, lease income, shareholdings, equity investments and associated reserves. Any equipment fixed within the buildings will also transfer with the building.

NHS Property Services - All other buildings, leases and property contracts have been transferred to NHS PS, including associated reserves. This also includes liabilities on buildings previously vacated.

All other property, plant and equipment, such as IT and equipment will transfer with the service it relates to. IT property will transfer to the NHS England who are hosting the Commissioning Support Unit, who will provide IT services in the future. Public Health assets will transfer to Wigan MBC who will be taking over Public Health Services from 1st April.

As all of these assets are considered operational at year end, they have not been impaired. It is up to the successor body to decide whether to review the need for impairment in 2013-14. They have been transferred at their net book value.

Cash

The bank accounts and cash balances have all been transferred to the Department of Health. The balances are being settled on behalf of the receiving organisation by the Department of Health.

Current Assets and liabilities

All assets and Liabilities are transferring to the organisation taking over the function. The Department of Health will only inherit balances where an employee has left prior to 1st April 2013, residual liabilities such as VAT or tax and liabilities of the NHSLA where they have not transferred under the property transfer scheme.

Provisions

The early retirement provision will transfer to the Department of Health, as these are for staff who left the NHS many years ago and are no longer in service, therefore there is no alternative successor.

Continuing care liabilities are expected to be discharged over a 2 year period so the liability will transfer to the Wigan Borough CCG who will be responsible for the function in the future.

Legal Claims are not expected to settle in 3 months, so the liability will transfer with the service, the main ones being property related claims transferring to NHS Property Services.

Transfer of Income and Expenditure

The approximate revenue values transferring to each of these organisations can be seen within note 2, which shows the revenue of the PCT split by the above receiving organisations.

NHS Property Services and Community Health Partnerships will not have any revenue values transferring as their revenue will be derived from charging existing occupiers for the use of the buildings, with any subsidies being funded from CCG and NHS England allocations.

The Department of Health will not inherit any ongoing revenues or costs, other than the balance sheet items noted above.

Bridgewater NHS Trust have received a transfer of revenue funding of £890,000 to cover the ongoing running costs of the buildings in line with the requirements of transfer.

ANNUAL GOVERNANCE STATEMENT (2012/2013)

Scope of Responsibility

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

The ten PCTs within Greater Manchester formed the NHS Greater Manchester Cluster on 3 May 2011, with a single Board of Directors becoming the embodiment of the Board of each of the ten individual PCTs i.e. each Director carries statutory accountability as a Director of each of the ten constituent PCTs.

Operational management of the PCT continued at a local level. Following sign off of an Accountability Agreement by shadow Clinical Commissioning Groups (CCGs), Locality Boards were abolished and CCGs were accountable to the NHS Greater Manchester Board. The annual report and accounts of the PCT were approved by the NHS Greater Manchester sub-committee of the Department of Health Audit and Risk Committee and certified by the Cluster Chief Executive and Director of Finance on 6 June 2013. This was done following the provision of appropriate assurance from the External Auditor and Locality Director of Finance to the Audit Committee on 6 June 2013.

As Accountable Officer, I work closely with internal and external stakeholders, including local people in order to deliver healthcare services that make a difference to local peoples' lives. In this role as Accountable Officer, I have overall responsibility for the management of the PCT, including corporate, financial and human resource management, health and safety, service commissioning, provision and communication.

Key working relationships are with:

- *Local Residents;*
- *Staff within the PCT;*
- *Executive Directors;*
- *Non Executive Directors;*
- *Members of the Clinical Commissioning Group;*
- *Local Authority and the Association of Greater Manchester Authorities (AGMA);*
- *North of England Specialist Commissioning Team;*
- *The Media;*
- *Local Members of Parliament;*
- *Local Foundation Trusts;*
- *Local NHS Trusts;*
- *Local Independent Contractors;*
- *Voluntary/not for profit sector;*
- *NHS North;*
- *Department of Health.*
- *Care Quality Commission*
- *Monitor*

There are structures in place to ensure appropriate accountability and partnership working. These include:

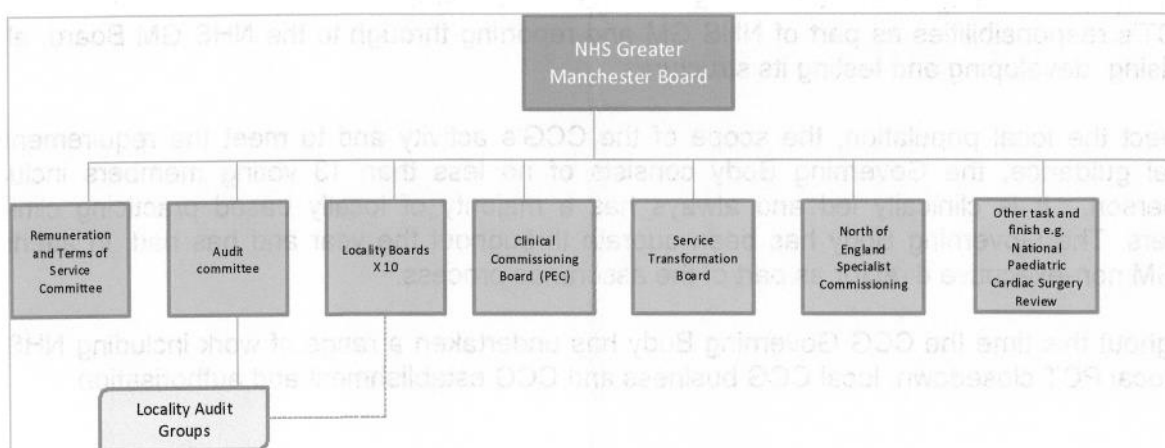
- Standing Orders, Standing Financial Instructions and delegation arrangements which specifically address governance; the role of the board and its subcommittees; the role of the chairman, chief executive and senior staff; accountability arrangements; and partnership working arrangements;
- Open meetings of the board and the publication of board meetings and related board reports;
- The publication and dissemination of performance reports, our annual report and accounts, annual audit letters, equality and diversity policies, public health reports, joint strategic needs assessments, service strategies, Care Quality Commission Standards declarations and other key documents, many of which are produced jointly with partners;
- The monitoring and accountability arrangements between NHS North and the PCT (via the accountable officer) are exercised by the monitoring of the annual operating plan;
- Regular meetings between NHS North and the accountable officer that include regular review of performance;
- Formal mid-year and year-end reviews between the NHS North and NHS Greater Manchester take place to review performance and development issues;
- The PCT accounts for its contribution to the health economy through strategic partnerships, public meetings and the publication of documents such as Trust Board papers and the Annual Report;
- The PCT can demonstrate compliance with the Code of Practice and openness in the NHS.

The Governance Framework of the Organisation

NHS Greater Manchester was established on 3 May 2011, becoming the embodiment of the Board of the 10 Greater Manchester PCTs. The NHS GM Board met throughout 2012/13 following its establishment, as summarised below:

- Bi-monthly, (monthly from January 2012), public Board meetings
- Bi-monthly Board Strategy sessions
- A supporting committee structure (described in more detail below)

The high level committee structure depicted below was in place during the year.



The Board has received themed governance reports throughout the year, under the heading “Managing the Transition”. An updated committee structure for 2012/2013 was implemented from 1 April 2012 with the following key changes:

- The Clinical Commissioning Board and Service Transformation Board to merge into a Clinical Strategy Board.
- The establishment of an arms-length Commissioning Support Service Development Board.
- The establishment of a Direct Commissioning Board to take responsibility for those functions that will ultimately become part of NHS England.
- Other amendments to reflect changing governance structures for 2012-13, ie cessation of Locality Boards, with shadow CCGs reporting directly to the NHS Greater Manchester Board.

Each of the committees has provided reports to the Board after each of their meetings. Clinical Commissioning Group Board meetings were held in public and following the meetings, a Clinical Commissioning Group Board Summary Document presented to the NHS Greater Manchester Board.

The NHS Greater Manchester Audit Committee has continued to monitor all audit activity and was pleased to note that all internal audit reports gained significant assurance during 2012/2013, and no significant areas of risk were presented by the Local Counter Fraud Specialist. No other major areas of risk were highlighted to the Audit Committee through the year, other than the risks represented through closedown of the organisation, and the Audit Committee and other Committees received regular updates on progress of the closedown.

The Department of Health has set up an Audit Committee to sign off the Accounts of Ashton, Leigh and Wigan PCT. A Greater Manchester Sub Committee has been set up to sign off the accounts at a local level. The Greater Manchester Audit Committee is meeting on 6th June to sign off the accounts, but will also be meeting in advance of that date to fully review each set of accounts with each Locality representative, in order to gain full assurance in advance of final sign off.

As detailed arrangements are in place to ensure that statutory functions have been discharged. Grant Thornton carries out a full audit of the accounts to ensure that they represent a true and fair view and that there are no irregularities. Audits taking place throughout the year, including Counter Fraud, Internal Audit and interim External Audit, would also highlight any irregularity issues throughout the year, and would highlight any issues where legal compliance was a risk. No such issues have been raised throughout the year. The LCFS has also reviewed all policies in terms of legal compliance specifically in relation to counter fraud and bribery laws.

During 2012/2013 the Governing Body of WBCCG has been a committee of NHS Greater Manchester (NHS GM) whilst acting in shadow form as a CCG. In this shadow form the CCG has been delivering the PCT's responsibilities as part of NHS GM and reporting through to the NHS GM Board, along with formalising, developing and testing its structures.

To reflect the local population, the scope of the CCG's activity and to meet the requirements of the national guidance, the Governing Body consists of no less than 13 voting members including the Chairperson. It is clinically led and always has a majority of locally based practicing clinicians as members. The Governing Body has been quorate throughout the year and has had, in attendance, a NHS GM non-executive director as part of the assurance process.

Throughout this time the CCG Governing Body has undertaken a range of work including NHS GM led work, local PCT closedown, local CCG business and CCG establishment and authorisation.

The performance of the CCG Governing Body as a committee of NHS GM has been monitored through regular bilateral meetings with the NHS GM board across a number of assurance prompts:

- Clinical Leadership;
- Finance;
- Performance;
- Quality;
- Communicating the vision.

In addition the performance of the Governing Body was assessed through the CCG authorisation process. Wigan Borough CCG was authorised with no conditions.

The Governing Body has also received reports regarding the arrangements for completing operational handover and closure documents including an overview of how risks related to functions transferring to other organisations, will transfer to those organisations. All risks identified were reviewed and those handed onto receiving organisations were documented and completed appropriately. This was completed on time and in line with the requirements of NHS GM.

As part of formalising, developing and testing its governance structures the CCG has held a Corporate Governance sub-committee throughout 2012/2013. It is the Board's assessment that it has complied with the Corporate Governance Code in following the standards of good practice in relation to board leadership and effectiveness, remuneration and accountability.

Each of the Committees (with the exception of the Service Design and Implementation which is a new Committee in development) has provided reports to the Board after each of their meetings. A particular challenge has continued to be ensuring that appropriate lines of communication and accountability have been in place between the CCG Shadow Boards and the NHS Greater Manchester Board. Following each CCG Shadow Board and Locality Audit Group (LAG) meeting, a summary document is presented to NHS Greater Manchester Board and Audit Committee.

NHS Greater Manchester believes it has complied with the five domains set out in the Governance Code as follows:

Leadership

- A Board is in place which is collectively responsible for the success of the Greater Manchester PCTs and for overseeing the transition to the new organisational arrangements.
- There is a clear division of responsibilities between the running of the Board and the executive responsibility for the running of the organisation. No one individual has unfettered powers of decision.
- The Chairman is responsible for leadership of the Board and ensuring its effectiveness on all aspects of its role.
- Non-Executive Directors constructively challenge and help develop proposals on strategy.

Effectiveness

- The Board and its Committees draw their membership from a broad pool of NHS staff, independent contractors and Non-Executive Directors, providing the appropriate balance of skills, experience, independence and knowledge of the organisations to enable them to discharge their respective duties and responsibilities effectively.

- There is a formal, rigorous and transparent procedure for the appointment of new directors to the Board.
- All directors are able to allocate sufficient time to discharge their responsibilities effectively.
- All directors receive induction on joining the Board and regularly update and refresh their skills and knowledge.
- The Board is supplied in a timely manner with information in a form and of a quality appropriate to enable it to discharge its duties. This has been a priority area in 2012/13, as new cluster arrangements have been implemented and is an area which is kept under continuing review and enhancement.
- The Board has reviewed its own performance and that of its committees via the regular Board Strategy sessions and via the formal governance, finance, performance and quality reports presented to board meetings. Individual directors are subject to formal assessment and appraisal processes.

Accountability

- The Board presents a balanced and understandable assessment of the organisation's position and prospects via a number of routes including:
 - Papers presented to each Board meeting, eg Finance, Performance;
 - The development and publication of an Annual Plan;
 - The development and publication of an Annual Report for each constituent PCT.
- The Board is responsible for determining the nature and extent of the significant risks it is willing to take in achieving its strategic objectives. The Board has maintained sound risk management and internal control systems as described in the "Risk and Control Framework" section below.
- The Board has established formal and transparent arrangements for considering how it should apply the corporate reporting and risk management and internal control principles and for maintaining an appropriate relationship with the Organisation's Auditor. The Audit Committee leads on this area of work, with regular feedback and reporting to the main board and a regular ongoing dialogue in place between the PCTs and their internal and external auditors.

Remuneration

- Levels of remuneration are sufficient to attract, retain and motivate directors of the quality required to run the organisation successfully. This process is overseen by the Greater Manchester Remuneration and Terms of Service Committee.
- There is a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director is involved in deciding his or her own remuneration. Again this is managed by the Remuneration and Terms of Service Committee.

Relations with Stakeholders (*described as shareholders in the Governance Code*)

- There is a dialogue with stakeholders, (eg patients, public, partner organisations), based on the mutual respect and a commitment to effective communication and engagement. The Board as a whole has responsibility for ensuring that a satisfactory dialogue with stakeholders takes place.

- The AGMs of the ten Greater Manchester PCTs, together with a wide range of other initiatives, are used to communicate with stakeholders and to encourage their participation. AGMs were held in 2012-13 in respect of the 2011-12 accounts and achievements, however due to the demise of PCTs on 31.3.13, no further AGMs will be held.

Arrangements for Managing the Transition

The Transition Programme Board was set up in April 2012 as a task and finish operational group to make collective decisions on planning and transition of staff and services to the future commissioning architecture. The Transition Programme Board is responsible for transitioning people and services to the receiving organisations by April 2013 and is responsible for ensuring that national guidance is met through achieving Clinical Commissioning Group (CCG) authorisation and accreditation of the Commissioning Support Service (CSS) by 1 April 2013. The Transition Programme Board supports the forming and discharge of the wider governance boards.

The Transition Programme Board undertakes the following functions:

- Provides assurance, monitors progress and authorises / assures programme activities through monitoring progress reporting from the sub-programmes and Professional Leads on delivery of:
 - The NHS Greater Manchester transition programme
 - The Sub-Programmes to create the four main receiving organisations in NHS Greater Manchester (NHS England, CCGs, CSS and Local Authority Public Health)
 - Transfer of Estates and Facilities Management functions to NHS Prop Co
 - Enabling work streams in support of the Transition Programme
- Provides assurance of the Transition Programme through review of the following for each receiving organisation and enabler programme:
 - Delivery plans, key milestones and inter-dependencies
 - Resources and budget controls
 - Reviewing and resolving key risks & issues, escalating as required
 - Stakeholder engagement and communications activities for the programme

The PCT Closedown Programme has been established as a sub programme of the Transition Programme Board. The Closedown Accountable Officers (the Locality Directors of Finance) and Closedown Leads at the individual PCTs will ensure that there is effective identification of the functions and associated assets, liabilities and contracts to be transferred and that there has been clear and meaningful communication of this with the 'Receiving Organisations'.

Primary care trust closedown is a standing agenda item for the NHS Greater Manchester Audit and Integrated Governance Committee and the central closedown team provides regular update reports to this Committee.

Accountability for PCT closedown programme activities resides with the PCT Cluster Chief Executive with local closedown activity currently being discharged through PCT Locality Directors of Finance up to 31 March 2013 and discharged through CCG Directors of Finance from 1st April 2013.

At 1st April the following risk management arrangements for individual stakeholders' risks currently on the Greater Manchester Board Assurance Framework will transfer as follows:

- All shadow CCGs to respective formal CCGs (subject to authorisation)

- NHS Greater Manchester to NHS England (Greater Manchester Area Team)/Commissioning Support Unit (hosted by NHS England)/NHS Property Services Ltd (as appropriate)
- Commissioning Support Unit to Commissioning Support Unit (hosted by NHS England)
- Direct Commissioning to Greater Manchester Area Team (of NHS England)
- Specific transition risks will close at the end of March 2013

It will therefore be the responsibility of receiving organisations as above (where explicitly not stated in PCT closedown transfer schemes) for the management of these risks post 1st April 2013.

Arrangements for Accounts Scrutiny and Sign off

The NHS Greater Manchester Audit and Integrated Governance Committee demised on 31 March 2013. Accordingly, in accordance with Department of Health guidance issued in Gateway reference 18561, NHS Greater Manchester has nominated five former non executives for membership of a sub-committee of the Department of Health Audit and Risk Committee. This sub-committee reviewed the draft accounts and analytical reviews in detail with the PCT Locality Director of Finance at a meeting on 16 May 2013, and a further meeting to approve the final audited accounts was held on 6 June 2013. The accounts are signed by the Local Area Team Director as Accountable Officer, and the Area Team Director of Finance.

Risk Assessment

The risk management process in place allows the Executive Management Team to identify the principal risks that threaten the achievement of the organisation's corporate objectives. Officers of Ashton, Leigh and Wigan PCT identify and assess the effectiveness of controls and assurances to manage or mitigate these risks thereby providing the Board (through the Board Committees) and the Audit Committee with a level of assurance on corporate risk management. Where insufficient control or assurance is identified, actions plans are put in place to mitigate the risk in so far as is reasonably practicable.

Risk is evaluated using an agreed risk matrix, which is identified in the approved Risk Management Strategy and Policy. Risk reduction action plans and action plans from work streams are reviewed to ensure progress and assessments are made accordingly and reported to the responsible Committee.

The Risk Management Strategy and Policy describes the roles of the Accountable Officer (Designate) Board, Directors, Senior Managers and all staff with regards to specific risk management responsibilities.

Risks are also identified by external organisations, i.e. National Patients Safety Agency (NPSA), External Audit, Health and Safety Executive (HSE).

The Committees of the Board and the Audit Committee have been key links in the governance process and have provided sound assurances to the Board that controls are in place, to ensure that known risks are mitigated in so far as is reasonably practicable. Where the risk cannot be completely eliminated progress has been monitored against the related risk reduction action plan to ensure that the risk is mitigated to a level that is tolerable to the organisation. The key risks during 2012/13 included the delivery of the organisations corporate objectives and delivery of financial balance.

Newly identified risks identified in the year 2012/2013

On review any newly identified risks have been captured within the Board Assurance Framework (BAF) 2012/2013. All significant risks identified within the BAF have been reviewed throughout the year and control measures put in place.

Lapses of data security, including any that were reported to the information commissioner.

There have been no (0) reportable incidents during the 2012/2013 financial year.

The Risk and Control Framework

During 2012/2013, NHS Greater Manchester has continued with a risk management approach to complement the work being done in localities. A key element of this approach has been the development of a NHS Greater Manchester Assurance Framework.

Each NHS Greater Manchester Board meeting receives a single page summary of the top risks from the Assurance Framework, with a locality based depiction of the position (or a single GM indicator where the risk is held at GM level). The Audit Committee receives the full Assurance Framework at each meeting.

Throughout the year, locally led risk management arrangements have been in place in each of the 10 PCT locality areas. As part of the Greater Manchester arrangements, the cluster has assessed the risk systems in place in each of the localities, particularly the operation of the locality risk registers. This has been reported to the NHS Greater Manchester Board on a regular basis.

Review of Effectiveness of Risk Management and Internal Control

The review of risk management was conducted in accordance with NHS internal audit standards and as part of the 2012/2013 internal audit programme approved by the Audit Committee.

The need to manage risks has been recognised as playing a central and essential role in maintaining a sound system of internal control. The intention of this review was to evaluate how effectively the organisation is managing risk during the transition period prior to Clinical Commissioning Groups assuming greater responsibility for NHS healthcare procurement.

Significant Assurance was awarded by Mersey Internal Audit Agency this decision was supported by the following assurances:

- Board level responsibility for risk management is clearly defined in the CCG's organisational structure. The Designate Chief Accountable Officer has overall executive responsibility for risk management on behalf of the Board, as set out in the Accountable Officer memorandum and as the Accounting Officer responsible according to statute. The Senior Management Team has corporate responsibility to ensure that the Risk Management Strategy and Policy is fit-for-purpose that it is implemented effectively and that controls are in place to illustrate that all reasonable care has been taken to manage risk proactively.
- Clinical Leads are responsible for promoting risk management processes within all CCG member practices. They should ensure that practices continuously improve the quality of primary care and report any identified risks to the CCG for assessment and mitigation. The Chief Operating Officer acts as the Corporate Lead for Quality and Safety and is responsible for progressing patient safety and clinical governance issues within the CCG. Finally, the Head of Risk Management holds the responsibility for corporate risk management, as delegated from the Chief Operating Officer.
- The organisation also has an established committee structure in place, ensuring that risks are considered and that management accountability for risks is maintained, escalating any significant risks to the Board where necessary.
- At the top level, a Board Assurance Framework (BAF) document is in place, summarising the key risks to the organisation, grouped by the six CCG strategic priorities and then by individual 'workstream'. A copy of the BAF was provided for

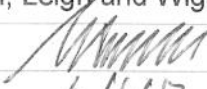
inspection, in advance of its presentation to the October Board meeting. Sitting beneath the BAF is the corporate risk register. Feeding into the corporate risk register, workstream leads are in place for around 30 workstreams which are aligned with the corporate objectives. These leads are required to complete a 'BAF Supporting Information' return on a quarterly basis, updating the status of any identified risks. During the review the returns were issued to workstream leads for completion.

The Mersey Internal Audit Agency assignment report noted that there were some weaknesses in the operation of controls which could impair the achievement of the objectives of the system, function or process. However, either their impact would be minimal or they would be unlikely to occur. Further information is detailed within the Risk Management Review Assignment Report 2012/2013.

Significant Issues

Any significant control issues would have been reported to the Audit Committee and Board. There have been no significant control issues identified during 2012/2013. All significant risks identified within the Board Assurance Framework have been reviewed quarterly in-year and control measures put in place.

I am of the view that the mechanisms and systems outlined in this document demonstrate that Ashton, Leigh and Wigan PCT has done its reasonable best to maintain a sound system of internal control to manage the risks to achieving its objectives.

Accountable Officer:	Mike Burrows
Organisation:	Ashton, Leigh and Wigan PCT
Signature:	
Date:	6/6/13