Annual Report 2013-14

NHS
North Lincolnshire
Clinical Commissioning Group

Contents

Introduction

Welcome to the inaugural Annual Report and Accounts of NHS North Lincolnshire Clinical Commissioning Group (CCG) for 2013/14. All NHS organisations are required to publish an annual report and financial accounts at the end of each financial year.

This report provides an overview of the work of NHS North Lincolnshire CCG between 1 April 2013 and 31 March 2014.

The report is made up of two parts. The first part is a summary of our business, performance and projects over the past year, as well as commentary on wider events which have shaped our work and priorities as an organisation. The second part is the financial accounts for the year 2013/14.

As a publicly accountable body, NHS North Lincolnshire CCG is committed to being transparent with its staff, partners, patients and the public.

The CCG holds six Board Meetings and an Annual General Meeting each year, all of which are open to the public. For dates, times and venues, please contact us via the details below or visit our website: http://www.northlincolnshireccg.nhs.uk/the-board/our-meetings/

Information contained in this report can also be requested in other languages – and alternative formats, including Braille, please see pages 149 to 150 for details. If you would like additional copies of this report, please contact us via the details below. An electronic copy of this report is also available online at www.northlincolnshireccg.nhs.uk

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Welcome from Chair and Chief Officer

We are delighted to share with you NHS North Lincolnshire Clinical Commissioning Group's Annual Report for 2013-14.

In the report, you will find a summary of the work we have taken forward in 2013/14 with regard to our key local priorities. This includes the development of our Experience Led Commissioning work to shape the services we commission and Healthy Lives Healthy Futures which sets out our vision for future sustainable services in North Lincolnshire. Our delivery in terms of national priorities is also included.

The CCG was established following authorisation, without conditions, on 1 April 2013. As we look back over our first year as a Clinical Commissioning Group (CCG), a considerable amount has been achieved.

In the 18 months prior to the CCG's establishment, work was undertaken to establish some core values and principles by which, as a clinically led organisation, the CCG wanted to work. A key one was to find ways to ensure patient experience is used to drive better outcomes for our patients, carers and communities. A second was to take an evidence based approach to all our work. The development of our Experience Led Commissioning (ELC) portfolio has been a key tenant to securing those values.

The principles of ELC are simple - local insight is gathered direct from service users, carers and front line professionals across Health, Social Care and the Voluntary Sector in North Lincolnshire focusing on a particular pathway or service area. In addition, the evidence base in terms of insight information is also drawn together from a national academic source. Facilitated workshops are held to enable the insight to be gathered and to understand and outline what needs to change. To support the embedding of this approach in North Lincolnshire, the CCG has secured ELC practitioners within the CCG, our Commissioning Support Unit (CSU), and other key partners. To date, the areas covered have included Keeping Well, (how can people be supported to keep well), End of Life, Long Term Conditions and Dementia. Throughout the programme to date we have carried out engagement with over 200 members of the local population across 14 different events.

In recognition of the importance the CCG places on the contribution ELC makes to the work of the CCG and the insight it brings to the heart of our decision making, the CCG entered the HSJ awards for 2013 under the category of 'Securing compassionate care', reaching the national finals.

Our first year as an authorised CCG started with the launch of an Experience Led Commissioning Programme (ELC™) to give us a better understanding of how we can support people to keep well. We also wanted to gain a deeper insight into how

best to re-design services to align with these principles which culminated in a PATH Plan event. Feedback from this engagement was invaluable and will help to support our Healthy Lives Healthy Futures principles, focusing on self-care and providing care in the community to ultimately reduce the need for acute care services.

2013 also saw the launch of Healthy Lives Healthy Futures, a review of health and care services across North and North East Lincolnshire. This programme will see a significant shift in the way that we offer services in the future, with a greater emphasis on self-care and independence, and more treatment being made available within the local community, consequently reducing reliance on hospital based care. We carried out two periods of engagement in summer 2013 and winter 2014 to test our ideas as widely as possible and gather public and stakeholder feedback on our proposed vision for the future.

Our vision is one where people are supported and enabled to manage their own health and accept responsibility for their lifestyle choices. There will be a strong focus on ensuring people have the knowledge to self-care, supported by care delivered in community settings where it is clinically safe and appropriate to do so. We do acknowledge that there will be times when people need care which can only be delivered by clinicians working in a hospital setting, and this will continue locally where appropriate. We also recognise that, for some types of hospital based care, it will be necessary for this to be delivered in centres of excellence to maintain high quality and deliver the best health outcomes for patients.

Over the next five years, NHS services will continue through a process of transformation. The whole health economy needs to live within a tight financial envelope whilst also meeting the needs of an ageing population, improving outcomes and delivering high quality care. This means we need to commission better co-ordinated, more integrated care across providers, who work together effectively to deliver person-centred care, avoiding duplication, unnecessary delays and hand offs. The CCG can only achieve better outcomes from integrated care through closer working with our social care colleagues and other partners. We are currently moving towards this through the Better Care Fund and the mobilisation of the Joint Strategy for the Frail Elderly.

All this progress has been made against an extremely challenging background. We are immensely proud of the hard work of our staff, member practices, partners and the CSU and for the way they have supported each other in meeting these challenges and continuing to improve the health and wellbeing of all the communities that we serve. We appreciate the coming years will continue to test us, but by maintaining this close working relationship, we can ensure that we continue to meet the future needs of the people of North Lincolnshire.

Finally we would like to thank you for taking the time to read this report. We hope you find it to be interesting and informative and we would be particularly pleased to receive any feedback or suggestions you may have for how we can improve the information that is presented. Details of ways to contact us can be found on page 3.

Allison Cooke

Chief Officer

Margaret Sanderson

Chair

1 Member Practices Introduction

The Governing Body on behalf of North Lincolnshire Clinical Commissioning Group (CCG) is responsible for producing this report, and is pleased to inform you that the CCG has progressed well against national and local priorities during the first year, despite some key challenges. An increase in the number and proportion of the local population who are ageing has meant a rising prevalence of long-term conditions alongside rising complexity and comorbidity of health needs. In addition, the local health system has looked to address significant quality challenges as part of the Keogh Review of North Lincolnshire and Goole Foundation Trust (NLAGFT) as well as continuing to meet the Nicholson challenge in terms of managing the funding envelope available.

At the beginning of the year, the CCG set out its commissioning plans based on the needs of local communities. The plan was agreed with our local Health and Well Being Board (HWBB).

The CCG achieved all its main statutory financial duties whilst focusing on the areas of greatest need to improve service quality and performance, improve efficiency and secure integrated working.

Improving the Unplanned Care pathway, implementing the urgent care model, including NHS 111

From October 2013, the CCG commissioned a new, integrated, unplanned care service. The service is based around an integrated urgent care centre located at Scunthorpe General Hospital where all urgent unplanned health care needs, including primary care out of hours are managed. The service includes an integrated health and social care single point of contact which will support the on-going enhancement of North Lincolnshire's seven day services offer.

A clinical decision unit is now fully operational at Scunthorpe General Hospital replacing the previous Medical Admissions Unit. This service is an effective assessment facility that works with primary and community services to deliver ambulatory care, helping to reduce avoidable admissions to hospital. The service is increasingly ensuring that people are only admitted to hospital when it is clinically appropriate and necessary. This approach in effect means that we are able to provide the patient with the 'right care' in the 'right place' and improve the quality of patient experience.

Improving outcomes for children

The CCG is establishing a short stay paediatric assessment unit that works alongside the urgent care centre and is supported by an enhanced community

children's nursing team. The service will offer quick assessment, triage and treatment of children.

Improving outcomes for people with long-term conditions

During 2014/15, as part of delivering the Better Care Fund, services for the frail and elderly are being transformed to offer a more integrated health and social care service that provides enhanced care and support. The result of this re-design will culminate in:

- The creation of Health and Wellbeing hubs in each of the five localities of North Lincolnshire
- A co-ordinated single point of access for health and social care services, including rapid assessment and response services; primary, community and mental health services
- The introduction of risk profiling, care planning and case management supported by care co-ordinators and integrated practice care teams in each locality for people with long-term conditions, including dementia

Improving the quality of care

The Healthy Lives Healthy Futures vision will see a significant change in the future provision of services, including the development of support services to see people keep well and maintain independence, as well as have more of their care needs met within primary care and the community. During 2013/14, the CCG engaged with local communities to communicate our long-term vision and short-term proposals. Implementation of agreed short-term proposals, following public consultation throughout summer 2014, will take place imminently.

Governance

A number of committees have been established, together with the appointment of key officers, and feedback from external assurance to ensure the on-going evaluation of Membership and Governing Body effectiveness throughout 2013/14.

Governing Body: Responsible for the clear commitment and direction for Risk Management within the organisation delegating responsibility for risk and non-clinical risk to the Audit Group and operational and clinical risk management to the Quality Group.

Audit Group: The Audit Group is responsible for providing an independent overview of risk management arrangements with specific responsibility for financial risk management.

Quality Group: The Quality Group has overarching responsibility for clinical risk management, providing assurance to the Governing Body that appropriate clinical risk management arrangements are in place across the organisation.

CCG Assurance instead of undertaking a formal discretionary evaluation of the members body in its first year of operation, the CCG has undertaken quarterly Assurance Reviews with the Area Team of NHS England. Throughout 2013/14 all reviews have been positive, strengthening the co-commissioning relationship with NHS England. All reviews have covered authorisation domains and the national CCG assurance framework.

Production of Accounts

The accounts which are produced at the end of this report have been prepared under a Direction issued by the NHS Commissioning Board under the National Health Service Act 2006(as amended, and on the basis that the CCG is "a going concern". In addition:

Chief Officer: As Accountable Officer, the Chief Officer is accountable for achieving organisational objectives within an appropriate business framework.

Chief Financial Officer (Business): As the Senior Responsible Officer for NHS finances, the Chief Financial Officer, Business is accountable for compliance with Standing Financial Instructions to achieve balance.

2 Strategic Report

2.1 Nature, Objectives and Strategies of the Clinical Commissioning Group

2.1.1 Who We Are

The implementation of the Health and Social Care Act 2012 introduced significant changes to the infrastructure of the NHS. PCTs were abolished and many but not all of the PCT's commissioning and other functions were transferred to new Clinical Commissioning Groups (CCGs). CCGs are not responsible for directly commissioning primary care health services; they retain the responsibility for commissioning the vast majority of NHS health services; including hospital care, mental health and community services, for their population.

As part of these changes, NHS North Lincolnshire CCG was formally established on 1st April 2013, having been authorised without conditions. Based at Health Place, Brigg, we are a clinically-led organisation in which local GPs, other clinicians, CCG management, commissioning support and members of the public work together to improve health in our area. Central to the CCG is our Governing Body, which has responsibility for ensuring that we operate effectively, efficiently and economically and in accordance with the CCG's principles of good governance. We are accountable to our members, our patients and the public and we are overseen by the executive, non-departmental public body for the Department of Health, NHS England.

Our CCG represents 21 GP practices across North Lincolnshire serving a population of approximately 168,400 with an annual budget to commission health services of approximately £204 million and a budget for running costs of approximately £4m. This budget is set by central government and is based on a complex funding formula which takes into account the overall health and wellbeing of people living in the area.

The CCG shares in large parts the same administrative boundary as North Lincolnshire Council, covering an area of approximately 328 square miles (850 km2). North Lincolnshire has a distinct settlement pattern. The large urban area of Scunthorpe and Bottesford is the main population settlement for employment and the main shopping centre, and is home to just under half, (48%) of North Lincolnshire residents. The remaining 52% live in the 6 market towns of Barton, Brigg, Crowle, Epworth, Winterton and Kirton Lindsey and in the 80 surrounding villages.

The latest mid-year population estimates for, (2012, ONS), suggest that 168,400 people live in North Lincolnshire; this represents a 10% growth since 2001 and an annual growth of between 1000 and 1400 more people a year. This is a faster rate of population growth than experienced by our regional and sub-regional neighbours, with the local population projected to grow by a further 8% between now and 2021.

Compared with the national average, North Lincolnshire has an older population, with more people in their middle years and a growing number of people aged 85 years and older. Rising life expectancy means that the number of the 'oldest old' is increasing faster in North Lincolnshire than nationally, and is projected to rise further.

The Black and Minority Ethnic population has grown (from 2.5% in 2001 to 7.1% in 2011, compared with 16.1% nationally), including young economic migrants who have settled in the Scunthorpe area from Eastern Europe.

Public health and wellbeing in North Lincolnshire continues to improve, with current life expectancy for males and females at 78.3 years and 82.6 years respectively. This represents an improvement of more than 4 and a half years for men and almost 3 years for women since 1991, though local rates are still behind the national average and mask some significant inequalities.

While Life expectancy has improved for all social groups in North Lincolnshire over the last decade women continue to live longer than men, the gap between male and female life expectancy is narrowing. In 2010-12, there was a 4 and a half year gap in male and female life expectancy in North Lincolnshire, compared with a 6 year gap in 1992. The social gap in life expectancy is also narrowing. However the difference in health outcomes for men and women living in our most and least deprived neighbourhoods remains significant, at 7 years for men and 10 years for women, with an increasing proportion of this gap accounted for by lifestyle related diseases.

As our older population has increased we have also witnessed a growth in the number of people with disabilities, including complex or chronic long-term conditions. We have higher than average rates of detection of diabetes and heart disease in our GP practices and we have witnessed a continued decline in premature death rates from the major killers of heart disease, stroke and cancer.

However, we face continued challenges to sustaining improvements in health and wellbeing outcomes with higher than average smoking and obesity rates and lower than average rates of physical inactivity and healthy eating across North Lincolnshire. In addition, these lifestyle risk factors are highest in the most deprived areas where health inequalities are evident.

2.1.2 What We Do

The CCG commissions a range of NHS health services including:

- Acute secondary care services including emergency and urgent care (The Integrated urgent care service includes GP OOH).

- Routine/planned hospital treatment on an outpatient, day case and inpatient basis, across a range of medical and surgical specialities
- Maternity Care
- Mental health services including community and inpatient care
- Community nursing learning disability services
- Community Services, including district nursing, rapid response service, Emergency Care Practitioners

Where appropriate, the CCG will jointly commission services with partners such as neighbouring North East Lincolnshire CCG for healthcare or North Lincolnshire Council for social care services

The vast majority of the acute hospital and community services are delivered by one main provider, i.e. Northern Lincolnshire and Goole Foundation Trust (NLAG). The majority of specialist acute care is provided by Hull and East Yorkshire Hospital Trust (HEYHT) and the mental health services provider is Rotherham, Doncaster and South Humber Foundation Trust (RDaSH).

Other functions we undertake include:

- Engaging with local people to understand their health needs and to receive feedback on local services
- Monitoring the quality of health services
- Planning services to meet future health needs based upon the Joint Strategic Needs Assessment and the Health and Wellbeing Strategy

We also work co-operatively with a number of partners and organisations to achieve our aims including other NHS trusts and provider organisations, local authorities, voluntary sector groups, patients, carers and the wider public.

2.1.3 Our Mission, Values and Aims

The **Mission** of NHS North Lincolnshire Clinical Commissioning Group is:

"To achieve the best health and well-being that is possible, for the residents of North Lincolnshire, within the resources available to the CCG."

Our patients are at the heart of everything we do and we want to work closely with our local communities to help us achieve our goals.

To achieve our mission, we have five core strategic **Aims**:

- Continue to improve the quality of services
- Reduce unwarranted variations in services
- Deliver the best outcomes for every patient
- Improve patient experience
- Reduce the inequalities gap in North Lincolnshire

In order to achieve these we will:

- Increase effectiveness, efficiency and value for money
- Tackle waste & duplication across all areas of health care
- Use the evidence base when commissioning
- Review services and pathways to streamline them
- Develop new and existing partnerships across practices and with other health and social care organisations to:
  - Join up services and build on strengths
  - Change culture
  - Influence socio-economic factors
  - Support lifestyle changes

We are a values driven organisation. We try to ensure that we genuinely adhere to these values in every aspect of our work, whether we are engaging with the public, developing service improvement plans with providers, or managing contracts and performance.

The **Values** that lie at the heart of the CCG's work are to:

- Preserve and uphold the values set out in the NHS Constitution
- Treat colleagues, patients, and carers, with dignity and respect
- Value the input of patients and their carers into the design and delivery of services we commission
- Value individuality and diversity and promote equality of access to services based on need
- Work with all our Partners for the benefit of North Lincolnshire residents
- Encourage innovation and promote "a can do attitude" by all, to solve health challenges

2.1.4 Our Workforce

We have small team of 15 staff, directly employed by the CCG. We commission the majority of our support services, such as human resources, IT, communications and business support, from NHS North Yorkshire and the Humber Commissioning Support Unit.

- The number of persons of each sex who are on the Governing Body;

  Male – **6** Female – **4**

- The number of other senior managers of each sex who were a grade VSM (other than persons falling within the above disclosure);

  Male – **0** Female – **1**

- The number of persons of each sex who were employees of the clinical commissioning group.

  Male – **5** Female – **10**

2.1.5 Sickness Absence Data

The average number of days taken as sickness absence by employees of North Lincolnshire CCG in 2013/14 year was 3.13 days per full time equivalent post. This is well below the average for the NHS workforce as a whole.

NHS North Lincolnshire CCG regularly reviews reasons for absence and all sickness is managed in line with the organisation's Absence Management Policy.

	2013/14	2012/13
	CCG Number	CCG Number
Total days lost	55	0
Total staff years	18	0
Average working days lost	3.13	0

This data is based on 9 months payroll data.

2.1.6 A review of our development and performance in 2013/14 and forward plans

The CCG's Commissioning Strategy 2012 – 2017 sets out the aims and objectives of the CCG and describes how these will be achieved through the delivery of programmes of work that have been prioritised and developed by the clinical leaders of the CCG. There are a number of notable achievements against this strategy during 2013/14, which include:

Experience Led Commissioning and Keeping Well

North Lincolnshire CCG, with the support of its partners, has undertaken significant work during 2013/14 to understand what the local population feel they need to keep healthy and well. You can read our report about this work on our website:

http://www.northlincolnshireccg.nhs.uk/data/uploads/publications/experience-led-commissioning/north-lincolnshire-ccg-keeping-well-commissioning-insights-report.pdf

This process of engagement with over 200 members of the local population across 14 different events culminated in a PATH Plan event where interested parties came together and produced a graphic illustration of future health and care services.

The output of this work closely fits with Healthy Lives, Healthy Futures in that it focuses on keeping people well within their own communities, significantly reducing the requirement for acute care services, underpinned by:

- a single main trusted contact to co-ordinate care,
- joined up care,
- adequate and easy to access peer support and
- tools to support self-care.

This is in addition to patient experience work around specific areas of end of life, dementia and long term conditions. The insights from this work will form the basis for future commissioning intentions which are radically different, sustainable and meet the needs of the population as they describe them.

Health and Well-Being Board

The CCG is a member of the North Lincolnshire Health and Well-Being Board (HWBB), and has been fully involved in the development of the Joint Health and Well-Being Strategy.

The HWBB is supported by two subgroups. These are the 'Integrated Commissioning Partnership', comprising of health and social care commissioners and chaired by the CCG; and the 'Integrated Working Partnership', chaired by North Lincolnshire Council, comprising of commissioners and the main providers for social care, acute, mental health and community along with Healthwatch. There is a strong focus in both partnership groups on commissioning and the shaping of the delivery of services to ensure they are delivered in an integrated way.

Healthy Lives Healthy Futures

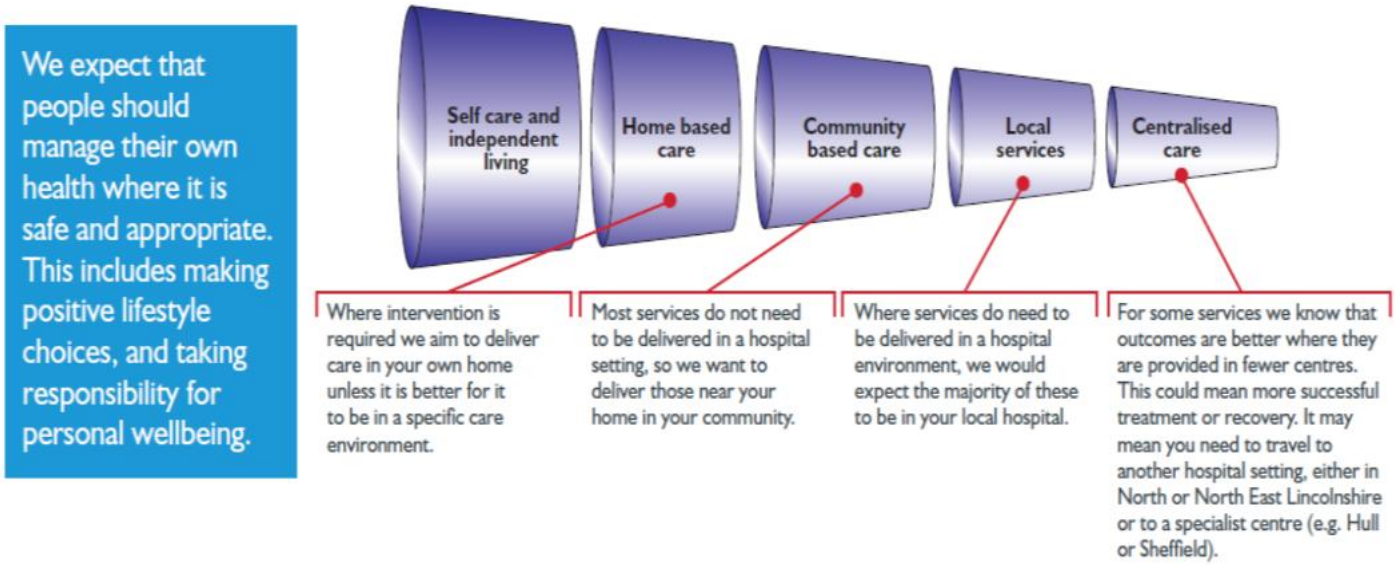
Healthy Lives, Healthy Futures is the on-going Northern Lincolnshire programme aimed at achieving an affordable and sustainable health model for the future. This joint partnership with North East Lincolnshire CCG and Northern Lincolnshire and Goole Foundation Trust is currently developing proposals for public consultation to redesign and centralise some services in order to make these sustainable in terms of both quality and cost.

North Lincolnshire Clinical Commissioning Group set out its mission statement in 2013/14:

"To achieve the best health and well-being that is possible, for the residents of North Lincolnshire, within the resources available to the CCG".

The Healthy Lives, Healthy Futures programme aims to secure high quality, safe and sustainable services for the local populations now and for the next 10 years. During 2012/13, a comprehensive 'Case for Change' was developed as the underpinning rationale for the transformation and an identification of focus for areas of work.

Our vision can be described in the diagram below which is drawn from our system wide transformation programme, Healthy Lives, Healthy Futures.



Within the Healthy Lives, Healthy Futures vision, there is a strong thread of self-care and self-management. This will require the health and social care community to support people to develop health literacy and self-care skills. This includes support and advice on lifestyle choices, skills to recognise and manage minor ailments and injuries and on-going support and education to enable people living with long-term conditions to manage their own condition. To support this, staff will need to develop the skills and competencies to deliver consultations using motivational interviewing techniques.

This approach has been built on locally in the development of the North Lincolnshire Better Care Fund plan, where there is a strong emphasis on prevention and maximising independence to deliver the outcomes people say they want (Keeping Well and Living Independently, NLCCG, 2013)

Stakeholder sign up to Healthy Lives, Healthy Futures and the Better Care fund has been achieved through the Health and Wellbeing Board and the sub-groups of this board; the Integrated Commissioning Partnership and the Integrated Working Partnership. This is underpinned by the North Lincolnshire HWBB Integration Statement.

In addition, there are a number of future challenges which also contribute to shaping the CCGs commissioning intentions:

- Rising inequalities and widening health inequalities
- Rising prevalence of long-term conditions
- Rising complexity and comorbidity
- Shaping the market for home based/personalised care
- Flexibility & choice – equity of access
- Strengthening voluntary and community sector

CCG Quality Performance

The CCG in consultation with its members, the public and the Health and Wellbeing Board agreed three local priorities for the CCG Quality premium

- Increasing the diagnosis of dementia – our target was 44% for 2013/14. During 2013/14 through the Dementia Strategy for North Lincolnshire we have worked with practices and other partners in supporting them to identify patients. Dementia 2013/14 rates will not be available until October 2014.

- Increasing thrombolysis where appropriate following stroke – the rates for our population were low with only 26.7% receiving in part due to the limited availability of services. A target of 80% was set for 2013/14. Following the temporary centralisation of hyper acute stroke services at Scunthorpe General Hospital from November 2013 24/7 support for thrombolysis is available. As a result rates have increased significantly to 66.7 % at Quarter 3. Quarter 4 data will not be available until September 2014.

- Reducing readmissions rates to hospital – in 2012/13 there were 2,209 emergency re-admissions. In 2013/14 there were 1,698 equating to a reduction of 23%, against a target of 2% reduction

Current performance issues
North Lincolnshire CCG performance against the rights and pledges set out in the NHS Constitution is reported to its Governing Body at each meeting through a set of defined key indicators and associated targets. We are meeting most of the targets; however there remain a number of challenges:

Ambulance response times
The current provider is East Midlands Ambulance Service and whilst local performance against the targets is reasonable, the CCG is judged on overall EMAS Trust performance which is below target. NL CCG is currently part of a collaborative commissioning arrangement across all EMAS commissioners, with Erewash CCG as the lead commissioner. The CCG continues to work with the collaborative to secure continuing improvements in response times in North Lincolnshire.

A&E 4 hour wait
This target has been significantly challenging during 2013/14, with NLAG not achieving the Q3 target position. However, performance has improved and there is significant focus via the Urgent Care Working Group (which brings together representation from the acute and community services: EMAS; local authority; East Riding CCG and NHS England Area Team) to understand and address the issues impacting on performance against this target. The implementation of the new, integrated urgent care model in October 2013 and embedding this whole system change will contribute to sustained improvement in performance in 2014/15 and beyond.

Performance against the 5 domains in the NHS Outcomes Framework highlights a number of challenges for North Lincolnshire:

- Prevent people dying prematurely – local challenges regarding respiratory disease, liver disease and cancer
- Recover quickly and successfully – issues regarding the number of non-elective admissions for conditions that should not normally require admission
- Great experience of care – local challenges regarding response rate for Friends and Family test, experience of hospital and out of hours care
- Kept safe from avoidable harm- There have been 3 cases of MRSA attributed to North Lincolnshire CCG patients in 2013/14 (against a target of zero). The target for C Diff has not been achieved – 34 actual against a target of 32.

2.2 Resources, principal risks and uncertainties and relationships that may affect the CCG's long term value

The CCG has had a small capital allocation of £25k for IT which is the only capital assets on its balance sheet.

The CCG did not inherit any significant balances (tangible or intangible) from the former PCT which are held or inherited instead by other bodies per the 2012/13 Annual report and Accounts.

There have been no significant changes to Accounting policies that have affected the accounts in 2013/14

The revenue resources available to the CCG at the start of the year were set out in the CCGs 2013/14 Financial Plan as part the overall Operational plan. Throughout the year the CCG has reported publicly through its Governing body against these budgets. The CCG has had to manage a number of financial risks in the year especially the growth, cost and acuity of continuing health care cases and activity above planned with our local Trust, NLAG FT. In addition, there were added uncertainties regarding CCG financial flows in the new NHS landscape caused by the Health and Social Care Act. This has been covered by underspends in other areas of healthcare, contract and non-contract as well as use of contingency and reserves.

A Joint Health and Social Care Board for the Frail and Elderly has been established under the HWBB to work with North Lincolnshire Council and a Frail and Elderly Implementation Group established including Providers e.g. NLAG FT to deliver the Better Care and Frail Elderly vision. The Better Care Fund is a national policy which in part protects social care for local residents and supports transformation of the health and social care system. The implementation of this policy and its consequences, should this not reduce demand on Hospital services, is the principle financial risk for the CCG over the next 2-5 years.

As outlined in its Risk Management Strategy, the CCG has adopted a risk management process where logical steps are taken to manage risks effectively. More detail on our approach to risk management is within the Governance Statement, which commences at page 63.

Performance against financial duties

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

Statutory Duties Revenue Resource Limit

A resource, funding limit or allocation, is set annually for the NHS by Parliament and each CCG receives a share of that total to spend on delivering its responsibilities.

It is expected that those funds are spent in full, but they must not be exceeded. I am pleased to report that the CCG managed to operate within its revenue resource limit of £208.409m.

Capital Resource Limit

The CCG lived within its capital limit of £25,000.

Running Cost Allowance

The CCG has lived within its Running Cost Allowance of £4.23m with a small underspend of £38k.

All other 'administrative' financial duties are shown in the Annual Accounts - see note 6 on page 128 and note 20 on page 135.

Forward Look

The CCG is also expected to achieve an annual surplus of 1%, which equated to £2m for 2013/14. However due to the more challenging years to come, the CCG decided midway through the year to increase this by £2m to £4m. This surplus has been achieved along with challenging efficiency savings and ensuring that key performance targets have been delivered and access to services improved.

This surplus will be used during the next two years to fund new investment to provide 'Better Care', and cover the consequent increased financial risk in the health system.

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

2.3 Sustainability Report

Sustainability has become increasingly important as the impact of peoples' lifestyles and business choices are changing the world in which we live. We acknowledge this responsibility to our patients, local communities and the environment by working hard to minimise our footprint. We are committed to shaping a more sustainable NHS by:

1. Developing a “whole systems” approach to commissioning;
2. Understanding our role in improving the sustainability of healthcare;
3. Using the commissioning cycle to increase sustainability and to implement the NHS Carbon Reduction Strategy.

One of the ways in which an organisation can embed sustainability is through the use of a Sustainability Development Management Plan (SDMP). Our Governing Body approved our SDMP in December 2013 so our plans for a sustainable future are well known within the organisation and clearly laid out. In order to fulfil our responsibilities for the role we play, NLCCG has the following sustainability mission statement located in our sustainable development management plan (SDMP):

"The CCG recognises that the resources available to support the health of the population of North Lincolnshire are limited and is therefore committed to make the best use of all resources to improve the health of the population."

We are also setting out our commitments as a socially responsible employer.

Sustainability is particularly embedded within the following business processes and procedures:

Area	Is sustainability considered?
Travel	Yes
Procurement (environmental)	Yes
Procurement (social impact)	Yes
Suppliers' impact	Yes

In addition, we have developed and implemented a Sustainability Impact Assessment tool and guidance for use by staff to help identify the likely sustainability implications of either:

- The introduction of a new policy, project, or function or

- The implementation of an existing policy, project, or function within the organisation

Once sustainability implications have been identified, steps can be taken to amend the proposed policy, project or function or amend the way in which it is currently implemented to ensure it is inclusive and does not discriminate (either deliberately or accidentally).

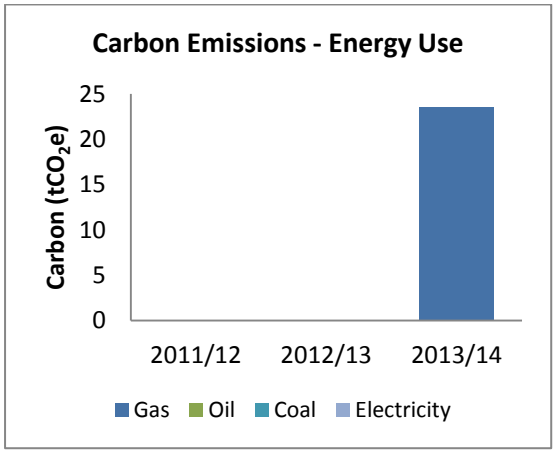
As a part of the NHS, it is our duty to contribute towards the goal set in 2009 of reducing the carbon footprint of the NHS by 10% (from a 2007 baseline) by 2015. We are required to report our progress in delivering against sustainable development indicators. However, since the 2007 baseline year, the NHS has undergone a significant restructuring process and, as our CCG was only established in April 2013, we do not currently have an established baseline.

Therefore, we are working with NHS Property Services – the organisation which owns the property where we house our headquarters – to ensure systems are in place to gather information on waste, water and energy use. It is our aim to reduce our carbon emissions and here is how we have done this year:

Organisational Context

Context info	2007/08	2011/12	2012/13	2013/14
Floor Space (m^2)	0	0	0	434.34
Number of Staff	0	0	0	15

Energy Use



Waste

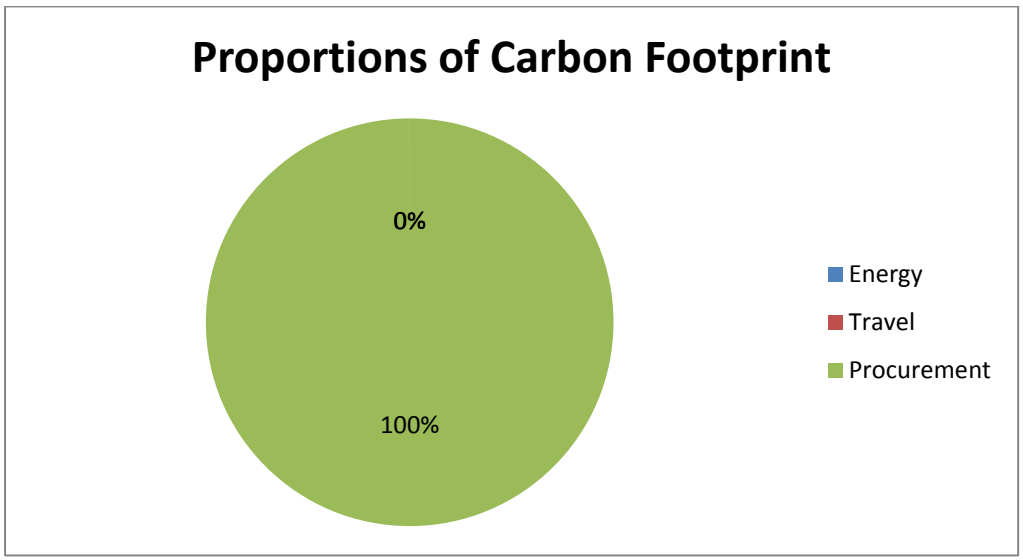
There has been no charge to the CCG for waste disposal in 2013/14.

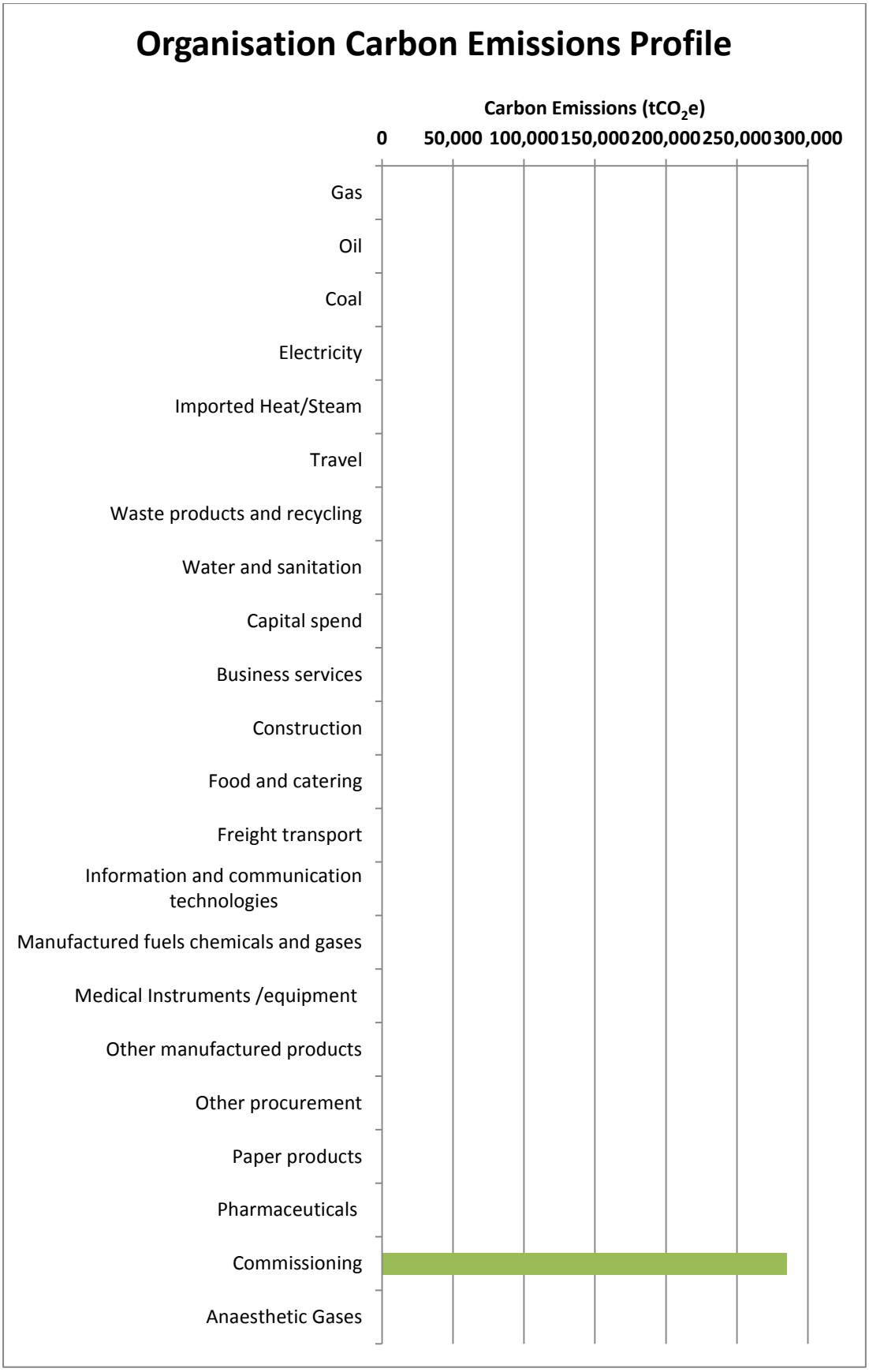
Water

Water		2011/12	2012/13	2013/14
Mains	m^3	0	0	254
	tCO_2e	0	0	0
Water & Sewage Spend		£ - N/A	£ - N/A	£ 0 (no charge to CCG in 13/14)

Modelled Carbon Footprint

The information provided in the previous sections of this sustainability report uses the ERIC returns as its data source. However, we are aware that this does not reflect our entire carbon footprint. Therefore, the following information uses a scaled model based on work performed by the NHS Sustainable Development Unit (SDU) in 2009/10 resulting in an estimated total carbon footprint of 285,173 tonnes of equivalent carbon emissions.




Organisation Carbon Emissions Profile
Carbon Emissions (tCO2e)
0
50,000
100,000
150,000
200,000
250,000
300,000
Gas
Oil
Coal
Electricity
Imported Heat/Steam
Travel
Waste products and recycling
Water and sanitation
Capital spend
Business services
Construction
Food and catering
Freight transport
Information and communication technologies
Manufactured fuels chemicals and gases
Medical Instruments /equipment
Other manufactured products
Other procurement
Paper products
Pharmaceuticals
Commissioning
Anaesthetic Gases

Through this work, we will ensure we comply with our obligations under the Climate Change Act 2008, including the Adaptation Reporting power, and the Public Services (Social Value) Act 2012.

2.4 Equality Report

Promoting Equality

At North Lincolnshire CCG, we fully believe in fairness and equity, and above all value diversity in all matters as a commissioner of health services, and as an employer.

As a commissioner of the majority of health services in the area, we are committed to eliminating any form of discrimination and aim to commission services that are accessible and delivered in a way that respects the needs of each individual, whilst being inclusive to everyone.

To achieve this, we work with other health care providers and contractors to ensure that valuing diversity and promoting fair access to services are core elements of care and that full consideration is given to all equalities issues when planning or redesigning services and when assessing the health needs of our local population. In partnership with local communities and other local organisations in the health and social care sector, we aim to reduce inequalities in health.

Our Equality and Diversity Plan, which was approved in August 2013, reinforces these commitments and is the first step in outlining our approach to equality and diversity, whilst ensuring compliance with the Equality Act 2010 and the Human Rights Act 1998. We published our plan and objectives in October 2013, in line with the requirements of the Public Sector Equality Duty:

Objective 1

- Increasing input from representatives of the protected groups in the commissioning process and ensuring systems are in place to embed equality in all our commissioning decisions.

Objective 2

- Ensuring that appropriate Equality and Diversity initiatives are taken forward in current year's work plan.

To achieve these, we have a number of key delivery actions in place and a full update is available on the equality pages of our website. A summary of the key highlights, in terms of progress made to achieve these objectives in 2013/14, follows:

Leadership and Commitment

Whilst it is not a specific legal requirement, in August 2013, Governing Body members approved the publication of their personal equality and diversity data. This demonstrates their commitment to good leadership and fairness in decision making in relation to promoting equality and diversity.

During December 2013, Governing Body members completed a simple questionnaire covering the 9 protected characteristics identified under the Equality Act 2010. The outcome report provides an anonymous summary of the responses received and is available on the CCG's website at:
http://www.northlincolnshireccg.nhs.uk/equality-and-diversity/publishing-information/

Staff Awareness and Training

All CCG staff have access to a computer based training package which includes Equality and Diversity training. This is mandatory for all staff to complete and, by the end of March 2014, 100% of staff had completed this training. This is in addition to bespoke equality impact analysis training which was undertaken in September 2013 and training for the Council of Members (which includes General Practitioners) in November 2013.

Provider Compliance

Systems are in place to monitor healthcare provider compliance with the Equality Act. This starts at the service specification development stage, is checked as part of procurement and monitored through regular and robust contract monitoring arrangements.

Complaints/Incidents

Systems are in place to monitor complaints and incidents both at the CCG and occurring at service provider level. These are specifically monitored in relation to equality and diversity issues. In 2013/14, there have not been any complaints or incidents relating to accessibility issues.

Stonewall Assessment

This year, the CCG is proud to have taken part in Stonewall's Healthcare Equality Index 2014. The Stonewall Assessment helps healthcare organisations benchmark and track their progress on equality for lesbian, gay and bisexual patients and communities. Out of the forty four healthcare organisations that took part, eight were CCGs and we are pleased to have scored well in comparison to other CCGs, especially in relation to policy and practice, staff training and communications and engagement. There is still much work to do and the CCG welcomes Stonewall's support in this area.

Publishing Information
One of the ways to help the CCG demonstrate its commitment to embedding a culture of inclusiveness has been to establish an area on its website that is dedicated to promoting Equality and Diversity: http://www.northlincolnshireccg.nhs.uk/publications/equality-and-diversity/. It is intended to build up this resource and add in links to local support groups as these become known through the work of the CCG.

As an employer, we recognise and value people as individuals and accommodate differences wherever possible by making adjustments to working arrangements or practices. We actively work to remove any discriminatory practices, eliminate all forms of harassment and promote equality of opportunity in our recruitment, training, performance management and development practices.

Policies and processes in place to support this include:

- Managing Performance
- Disciplinary / Conduct
- Grievance
- Staff Induction
- Bullying and Harassment
- Flexible working
- NHS Code of Conduct for Managers
- Job descriptions (including statements regarding equality and diversity expectations)
- Health policies
- Annual appraisals with staff
- Employment equality monitoring forms

We actively encourage people with disabilities to apply for positions in our organisation. Applicants applying for roles within the CCG, who declare a disability, will be eligible for a guaranteed interview, providing they meet the minimum criteria within the person specification for the particular vacancy. We also support staff and offer Occupational Health Support and adjustments that may be required within the role in which they are employed. All policies and procedures that are developed for our CCG include advice on how to obtain the policies in different formats, e.g. in Braille.

We also routinely provide Equality and Diversity training which is mandatory for all our staff - as at the end of March 2014 our completion rate for Equality and Diversity training was 100%. This is in addition to bespoke equality impact analysis training which was undertaken in September 2013 and training for the Council of Members (which includes General Practitioners) in November 2013. Enhanced training is available, as appropriate to individual staff roles.

For more information, and to see our full year end equality report, please visit the equality pages of our website at:

http://www.northlincolnshireccg.nhs.uk/publications/equality-and-diversity/

Or see page 3 for more ways to contact us.

2.5 Legislative Requirements

'We certify that the clinical commissioning group has complied with the statutory duties laid down in the NHS Act 2006 (as amended)'

Detailed explanations on how the Clinical Commissioning Group has discharged its duties laid down in the Act follow below.

*14Z15(2)(a): Explain how the clinical commissioning group has discharged its duties under section 14R (duty as to **improvement in quality** of services);*

The CCG has an established Quality Group whose remit on behalf of the Governing Body is to monitor and review the quality of services commissioned by the CCG and promote a culture of continuous improvement and innovation in:

- The safety of treatment and care received by patients
- The effectiveness of treatment and care received by patients
- The experience patients and their carers' have of treatment and care received

The Quality Group is chaired by the CCG's Director of Risk & Quality Assurance and the Lay Member for Patient Involvement is the vice chair.

Examples of how the CCG has fulfilled its duty include:

- The review and revision of the CCG's incident reporting system to include a greater focus on organisational learning, safety improvements and assurance on the implementation of agreed incident action plans.
- Support for the Keogh mortality plan for North Lincolnshire & Goole Foundation Trust - the Trust has demonstrated significant recent improvements in its performance.

- Establishing a programme of focused visits to provider organisations giving the CCG contextual information on quality initiatives and challenges faced by providers; information that is tri-angulated with other assurance data to provide a more comprehensive picture of performance.

- Successfully securing national project monies to trial the Friends and Family Test along the stroke pathway; working with patients, voluntary groups, Healthwatch and local provider organisations to ensure that the patient voice is central to planning and reviewing services.

- Funding and supporting General Practice participation in the Productive General Practice initiative, which is designed to help practices continue to deliver high quality care while meeting increasing levels of demand and diverse expectations.

- Ensuring that the CCG discharges its statutory responsibilities appropriately with regard to safeguarding children and young people, safeguarding vulnerable adults (including deprivation of liberty safeguards), domestic violence, multi-agency protection arrangements and other relevant guidance.

- Approving and regularly reviewing locally agreed quality indicators and metrics, including QIPP and CQUINs, to demonstrate continual improvement in safety and outcomes across provider services and support innovation and the sharing of best practice.

*14Z15(2)(a): Explain how the clinical commissioning group has discharged its duties under section 14T (duties as to **reducing inequalities**)*

The CCG is committed to reducing health inequalities through commissioning services that meet the needs of the local population. The CCG strategic commissioning plans are underpinned by the findings of the Joint Strategic Needs Assessment (JSNA) which identifies local health need, gaps and inequalities. The CCG are members of the JSNA working group and we ensure that commissioning priorities are informed by the latest up-dates from public health population profiles and the JSNA. In addition, through our commitment to ELC (detailed earlier in the report), we are actively seeking the views of service users, carers and partners to ensure that health care services locally are shaped by the views of local people.

Equality Impact Assessments are undertaken on the development of all new commissioned services and routinely as part of service reviews / re-design; they are also embedded as part of the policy development process to ensure that no service is commissioned or policy implemented without a full consideration of the impact it may have on equity of access and health inequalities.

The CCG is a statutory member of the Health and Wellbeing Board and as such has committed to the delivery of the joint health and well-being strategy. An Integrated Impact Assessment has been undertaken alongside the development of the Joint Health and Wellbeing Strategy suite of documents. As part of this, consideration has been given to a range of factors, including environmental, community safety, health, geographical, economic and social inclusion, diversity and human rights, statutory legal processes, risk, procurement and child poverty, all of which take account of the wider determinants of health and inequalities and deliver improved outcomes.

*14Z15(2)(a): Explain how the clinical commissioning group has discharged its duties under section 14Z2 (**public involvement and consultation** by clinical commissioning groups)*

Working alongside other NHS trusts, partners and members of the public the North Lincolnshire Clinical Commissioning Group is working to shape and define the NHS in North Lincolnshire. The CCG's clinical leaders believe the only way it can succeed in delivering high quality services for the community and improving the health of our population is by involving members of the public, partner organisations and of course, our member GP practices in the development of services. Therefore it is vital that the public and clinical community are not only informed of the process but engaged in it and offered the opportunity to be involved. In order to be trusted and valued it is vital that the CCG is transparent and open in its approach, and effective communications and engagement form the cornerstone of this.

How we engage the public

North Lincolnshire CCG needs to ensure that the right local services are provided in the right place, at the right time for local people. In order to do this we need to involve the local community. To support effective engagement the following mechanisms are in place:

Community Champions

The CCG is committed to involving all people in North Lincolnshire to improve the health services now and in the future. Community Champions are people who want to be more involved with NL CCG and their role is to liaise with people in their local community and learn from other people's experiences, both positive and negative. Community Champions provide a mechanism for feeding information into NLCCG and out to the local population. During the year, around 12 Community Champions volunteered and the aim, during 2014/15, is to enhance this by establishing a number of community champions across all localities. We also have a number of trained community cancer champions volunteering to raise awareness of this condition. With the support of Community Champions there will be improvements in support networks and in communication and sharing of information amongst everyone in North Lincolnshire.

Stakeholder list

We have a well-established wide ranging stakeholder list of local community groups, voluntary groups and organisations, including those that represent groups with protected characteristics. This is maintained and utilised to identify those people who may be interested in being involved in particular projects. In addition our stakeholder list was used to identify and recruit community representatives onto the Area Prescribing Committee and the Clinical Governance and Quality Assurance group.

Below, we have given a flavour of some of the things we have done in the past year to gain views and involve patients, the public, staff and other people with an interest in local healthcare developments.

North Lincolnshire Public and Patient Engagement Network (Embrace)

It is very important to seek views when ideas and developments for local health services are at a very early stage so that involvement can genuinely influence the shaping of plans.

To help us to enhance how we achieve this, we are building on our stakeholder list and have now set up the North Lincolnshire Public and Patient Engagement Network (Embrace) membership database to capture the contact details and particular interests of patients and the public within our area.

The purpose behind Embrace is to establish a strong network of local people, patients, carers, voluntary sector representatives and other partners who have an interest in service developments, learning more about the NHS and being more closely involved in shaping local services. The official launch starts in May 2014. To join up, please contact us or visit our website www.northlincolnshireccg.nhs.uk/

An overview of engagement and consultation in North Lincolnshire 2013-14

There has been significant service user and public engagement in shaping our priorities, our plans and feeding back their views on services including:

Healthy Lives, Healthy Futures

North Lincolnshire CCG is working in partnership with North East Lincolnshire CCG and the Northern Lincolnshire & Goole Hospitals NHS Foundation Trust to develop a vision for how health care services will look in Northern Lincolnshire in the future. This vision is outlined as Healthy Lives, Healthy Futures. The plans that are currently being developed will ensure the Northern Lincolnshire area has a health service that is high quality, meets the needs of its population.

The first stage of engagement started in July 2013 over a 3 month period and the aim of the review was to help our local community gain an understanding of the challenges faced by the local NHS and the vision for the future and to explore whether there were other areas that local people felt should be considered.

Information about the review was widely promoted to local stakeholders who in turn shared this information with their wider networks. Regular media updates, briefings and social media updates were on-going throughout and a dedicated website was developed to provide an online opportunity to take part in the review.

Local people were offered the opportunity to feed back their views on the review document and to suggest other areas they felt might need to be looked at. The review document and the 'Have Your Say' questionnaire were widely distributed at public events, at meetings, by email and post and copies were available at all GP Practices and many public buildings.

What did we find out?

Local people understood the need for changes and gave many ideas on how health and social care services can be developed for the future. Five key themes were developed out of the review of public feedback which shaped the second phase of engagement 'Moving the conversation on' from February to March 2014. There were 7 road shows and 3 public events across North Lincolnshire were residents and staff had the opportunity to give their views and complete the questionnaire. The CCG will continue to involve local people in these plans throughout 2014 and more information, including the feedback reports, is available on our website at www.healthyliveshealthyfutures.nhs.uk

Developing our Strategic Commissioning Plans

In January 2014 the CCG hosted a workshop event in which around 40 representatives from the local community, voluntary organisations, the local authority and the NHS participated. The purpose of the event was to provide attendees with the opportunity to discuss and consider the CCG's 5-year strategic commission plans to meet the needs of the population both now and in the future.

What did we find out?

- The event utilised a variant of the open space approach with workstations for each life stage:
- *Starting well* (maternity and birth to 5 years) and *Growing well* (5 to 18 years)
- *Living and working well* (adult working age population)
- *Ageing well* (retired age population – includes long term conditions)
- *Dying well* (those with life limiting conditions in the last years of life – all conditions)

The specific for each area was used to inform the further development of the strategic plans. The feedback provided at this event will be used to review current plans and will provide additional detail for discussions and further refinement of the commissioning plans. NL CCG welcomes the contributions from those attending this event in providing further insight, particularly in relation to the barriers to implementation.

Diabetes Review

Service users were involved in focus groups to developing the service specification and care pathway for Diabetes Services, the CCG worked closely with Diabetes UK to develop wider public engagement in the process.

Friends and Family Test for Stroke Services

North Lincolnshire CCG is working in partnership with local organisations including GP practices, Northern Lincolnshire and Goole Hospitals NHS Trust and the Stroke Association, to help NHS England pilot the Friends and Family Test (FFT) for the stroke services pathway.

The Friends and Family Test has been introduced to the NHS as a way to assess how well services are performing and to do this we are asking the following question: "How likely are you to recommend our stroke services to a friend or family member if they needed similar care or treatment?"

The stroke services pathway is the journey taken through different parts of the health service by a stroke patient on the road to recovery and the transfer between the different parts of the service.

We involved partners, the Stroke Association and stroke survivors in developing the surveys and approach to implementing the pilot which runs from March 2014 to May 2014. The results will be used to inform whether or not this type of approach will be rolled out nationally in the future.

You can find out more about the Friends and Family Test through the national website at: www.nhs.uk/friendsandfamily

Experience Led Commissioning

The CCG is working in partnership with Georgina Craig Associates to implement an Experience Led Commissioning (ELC) research based approach, putting people's experiences at the heart of co-designing services. Key parts of the ELC Approach are the five events where patients and their carers come together with health professionals to co-design the care that the CCG will go on to commission. In 2013/14, the ELC Approach was used to provide a foundation for the future work around a range of sustainable services:

End of Life Care

To explore the question ***"How can we improve people's experience of living with dying across North Lincolnshire?"***

Keeping Well

To explore the question ***"What needs to happen in your community so that you and yours feel confident about keeping well and living an independent life to the full?"***

Long-term conditions

To explore the question ***"How do we improve the quality (experience and effectiveness) of outpatient care for people living with multiple long-term conditions?"***

Dementia Services

To explore the question ***"How do we improve peoples' experience of living with dementia across North Lincolnshire?''***

What did we find out?

People suggested how current good services could be improved to be excellent services, through group work and discussion. The events also informed the development of ways to measure success to ensure the services deliver the outcomes patients and their carers want.

We will apply experience led commissioning (ELC); a highly novel person centred approach to co-produce our strategies with the relevant 'community of interest' in North Lincolnshire CCG.

This work also provides available learning about embedding collaborative commissioning management and partnership working across: North Lincolnshire CCG, NLAG, RDaSH, the commissioning support service, public health (as it moves into the local authority), integrated health and social care teams and social care, primary care (GP practices), local people and the voluntary sector.

GP Surgeries

GP practices actively engage with their patients using online surveys, paper surveys and electronic equipment which captures patient views on the service they receive in order to identify areas for improvement. Patient surveys were carried out in Ashby Turn, Trent View and Cambridge Avenue as part of the Patient Participation Directed Enhanced Service (DES) to explore patients' views of access to primary care services.

Stonewall Healthcare Equality Index Patient Survey

NLCCG took part in this year's Stonewall Healthcare Equality Index, a tool that is used to evaluate organisations on their approach to sexual orientation equality. Lesbian, gay and bisexual patients, families and carers who use GP and other health services in North Lincolnshire were asked about their experiences of health services and their views provided valuable insight for Stonewall to take into consideration.

Staff engagement

NLCCG staff are kept informed of developments through staff bulletins and team meetings.

*14Z15(2)(b): Review the extent to which the clinical commissioning group has contributed to the delivery of any **joint health and wellbeing strategy** to which it was required to have regard under section 116B(1)(b) of the Local Government and Public Involvement in Health Act 2007.*

The Chief Officer of the CCG has statutory membership of the Health and Wellbeing Board (HWBB) which oversees the development and delivery of the joint health and wellbeing strategy. The HWBB concluded that effective commissioning and robust provision will contribute to the successful delivery of the strategy. Under the auspices of the HWBB, and to ensure it fulfils its statutory responsibility to increase the use of joint commissioning and pooled budgets, the Integrated Commissioning Partnership (ICP) will develop existing joint commissioning arrangements (where they remain fit for purpose) and identify further opportunities for joint commissioning, where they will deliver added value. This will be achieved by:

- ensuring that the commissioning of health and wellbeing services for North Lincolnshire are managed across all partners to meet the Joint Health and Wellbeing Strategy vision and the needs of local people
- seeking opportunities to align commissioning
- ensuring effective use of resources
- exploring joint contracting between the CCG and the Local Authority
- reviewing existing agreements and making recommendations to Health and Wellbeing Board for improvements

- developing, implementing and monitoring the ICP work-plan to aid the implementation of appropriate joint commissioning

The CCG, through membership of the HWBB, is committed to working in partnership to ensure there is appropriate system leadership to make certain that resources and investment are focused on improving health and wellbeing and tackling inequalities. As part of this, the CCG will work with partners to ensure that resources are deployed appropriately and investment is made where it will address the priorities and deliver improved outcomes.

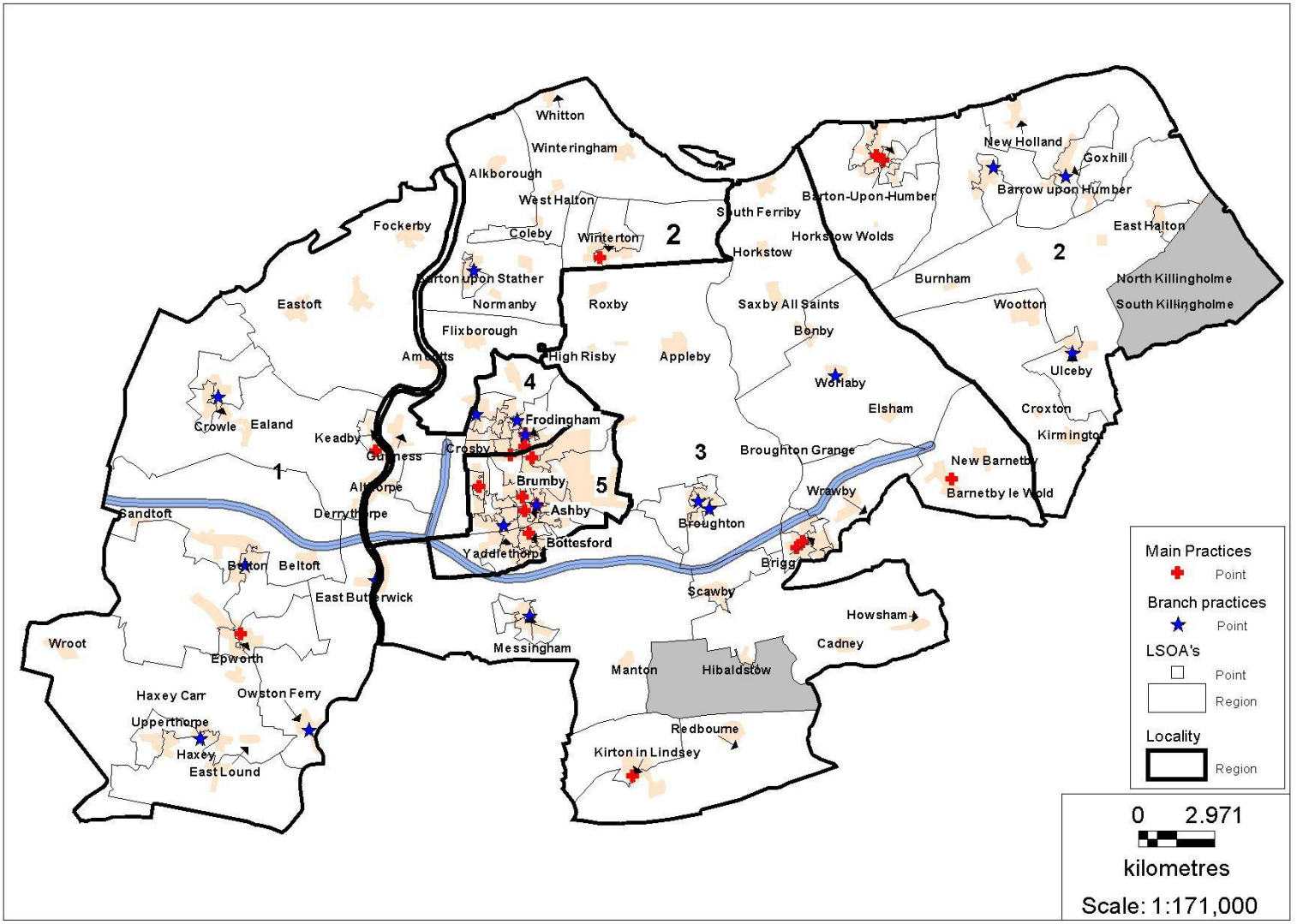
Allison Cooke
Accountable Officer

2 June 2014

3 Members Report

3.1 Our Member Practices

NHS North Lincolnshire CCG represents 21 member GP practices distributed across the area's 5 localities. The locations and names of these practices are detailed below:



"We have 21 member GP practices, a budget of £204.2m, and serve a registered practice population of approximately 168,000."

THE 21 MEMBER PRACTICES OF NORTH LINCOLNSHIRE CCG.

- Ashby Clinic & Children's Centre, Ashby, Scunthorpe
- The Surgery, South Killingholme
- Cedar Medical Practice, Scunthorpe
- Trent View Medical Practice, Keadby
- Ancora Medical Practice, Scunthorpe
- Ashby Turn Primary Care Partners, Scunthorpe
- Church Lane Medical Centre, Scunthorpe
- Cambridge Avenue Medical Centre, Bottesford
- The Oswald Road Medical Centre, Scunthorpe
- The Medical Centre, Barnetby
- Bridge Street Surgery, Brigg
- The Birches Medical Practice, Scunthorpe
- Riverside Surgery, Brigg
- South Axholme Practice, Epworth
- West Common Lane Teaching Practice, Scunthorpe
- Central Surgery Barton, Barton on Humber
- Ironstone Centre, Scunthorpe
- West Town Surgery, Barton on Humber
- Kirton Lindsey Surgery, Kirton Lindsey
- Cauvery Medical Practice, Scunthorpe
- Winterton Medical Practice, Winterton

3.2 How we work and make decisions

We work closely with our GP practices and partners to decide on the best and most appropriate services to commission for local people.

To help guide our work we have regular meetings with service providers to ensure the services they are providing are of a high quality and represent value for money.

As we are a membership organisation representing 21 GP Practices, we have established a Council of Members, which is a forum for representatives from these GP practices to oversee the strategy of the CCG, discuss issues and provide a clinical perspective on all areas of the CCG's work.

When a significant decision needs to be made it will be presented at our Governing Body meeting. These meetings are held in public and provide an opportunity for questions to be raised by members of the public to be addressed at the end of the meeting.

The role of the Governing Body is to look at all available information relating to particular issues, such as the views of the Council of Members, business intelligence and the views of patients and the public, and make decisions about what action to take.

If the Governing Body doesn't feel they have sufficient information available to make an informed decision, they may defer the decision and ask for more work to be undertaken.

A number of other committees have been established, together with the appointment of key officers, and feedback from external assurance to ensure the on-going evaluation of Membership and Governing Body effectiveness throughout 2013/14.

Audit Group: This committee is responsible for providing an independent overview of risk management arrangements with specific responsibility for financial risk management.

Quality Group: This committee has overarching responsibility for clinical risk management providing assurance to the Governing Body that appropriate clinical risk management arrangements are in place across the organisation.

Chief Officer: As Accountable Officer, the Chief Officer is accountable for achieving organisational objectives within an appropriate business framework.

Chief Financial Officer and Business Support: As Senior Responsible Officer for NHS finances, the Chief Financial Officer is accountable for compliance with the prime financial policies in the CCG's Constitution to achieve balance.

NHS England Area Team: Quarterly Assurance Reviews are held quarterly with the Area Team of NHS England. Throughout 2013/14 all reviews have been positive, strengthening the co-commissioning relationship with NHS England. All reviews have covered authorisation domains and the national CCG assurance framework.

More information can be found in our Constitution, which is available on our website http://www.northlincolnshireccg.nhs.uk/data/uploads/publications/board-meetings/10-january-2013/item-7.8-ccg-constitution.pdf

3.3 Members of the Governing Body

Our Governing Body included the following membership throughout the year and up to the signing of the Annual Report & Accounts (including advisory and non-executive members):

- Dr Margaret Sanderson, **Chair**
- Allison Cooke, Chief Officer / Accountable Officer
- Catherine Wylie, Director of Risk & Quality Assurance / Nurse Member
- Therese Paskell, Chief Financial Officer and Business Support
- Caroline Briggs, Director of Commissioning Support and Service Change (non-voting member)
- Dr Andy Lee, GP Member
- Dr Nick Stewart, GP Member
- Dr Robert Jaggs-Fowler, Medical Director / GP Member
- Frances Cunning, Director of Public Health North Lincolnshire (non-voting member)
- Dr Fergus MacMillan, GP Member
- Dr James Mbugua, GP Member
- Dr Jagrit Shah, Secondary Care Doctor
- Paul Evans, Lay Member
- Ian Reekie, Lay Member, **Vice Chair**

Our Audit Group included the following membership throughout the year and up to the signing of the Annual Report & Accounts:

- Paul Evans, Lay Member Governance (Chair), NHS North Lincolnshire CCG
- Ian Reekie, Lay Member Patient & Public Involvement, NHS North Lincolnshire CCG
- Benita Jones, Director of Audit Services, East Coast Audit Consortium
- John Prentice replaced Paul Lundy, Director, KPMG during 2013
- Shaun Fleming, Counter Fraud Manager, East Coast Audit Consortium
- Jackie Rae, Manager, Public Sector Audit, KPMG
- Dr Tehmina Mubarika, GP Member, Ancora Medical Practice
- Dr Satpal Shekhawat, GP Member, Traingate Surgery

The members are supported by:

- Therese Paskell, Chief Financial Officer and Business Support, NHS North Lincolnshire CCG
- John Pougher, Assistant Senior Officer - Quality & Assurance, NHS North Lincolnshire CCG
- Jon Cooke, Business Service Director, North Yorkshire and Humber Commissioning Support Unit
- Barry Jackson, Information Governance Lead, North Yorkshire and Humber Commissioning Support Unit

For details of members of other committees and sub-committees and details on all committees and sub-committees, please refer to the Governance Statement from page 65 onwards.

For details of Governing Body and senior management profiles and declarations / conflicts of interest, please refer to *Annex 1 of the Governance Statement* from page 86 onwards and the Membership Body and Governing Body Profiles section of the Remuneration Report from page 50 onwards.

3.4 Pension liabilities

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The Scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. As a consequence, it is not possible for the Clinical Commissioning Group to identify its share of the underlying scheme assets and liabilities. Therefore the Scheme is accounted for as a defined contribution scheme and the cost of the Scheme is equal to the contributions payable to the Scheme for the accounting period.

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.

Further details on pension liabilities can be found at Note 4.5 within the Annual Accounts on page 126 of this document, and section 4.2.8 of the Remuneration Report on pages 57 to 59.

3.5 Sickness Absence Data

A table detailing sickness absence data is included in Note 4.3 within the Annual Accounts at page 125 in this document.

3.6 External Audit

External Audit Services in 2013/14 were provided by KPMG, who do not provide any other non-audit services to the CCG. The cost of work performed by the auditor in the reporting period was £66,000 for audit services. There was no further assurance services provided not related to the CCGs financial statements.

3.7 Disclosure of Serious Untoward Incidents (SUIs)

We place high importance on ensuring that patient safety is paramount in the care our population receives. Robust systems and processes are in place to help protect patients and their families and in particular, to ensure an immediate response to any failings.

We have established a framework of monitoring assurance on the quality of the services we commission; this includes working with all Providers of care to undertake comprehensive investigation and to demonstrate that lessons have been learnt where things have gone wrong.

All Serious Incidents (Sis) are investigated and the reports scrutinised and challenged with assurance established on service improvement, an open and transparent culture and improved quality of care. A programme of Provider visits is undertaken where concerns are raised by SIs.

A dedicated forum; a sub group of the Quality Group, reviews each case monthly and a report is also submitted to the Governing Body. Exception reports are submitted to the Engine Room where required to ensure escalation of risks.

In 2013/14 there were no serious information governance issues to disclose.

3.8 Setting of charges for information

‘We certify that the clinical commissioning group has complied with HM Treasury's guidance on cost allocation and the setting of charges for information.’

3.9 Access to Information

During the period 1 April 2013 to 31 March 2014, the CCG processed the following requests for information under the Freedom of Information Act (FOI) 2000:

	2013/2014
Number of FOI requests processed	202
Percentage of requests responded to within 20 working days	99%
Average time taken to respond to an FOI request	13.8

Two requests took longer to comply with, in agreement with the requester, due to their complex nature.

Our publication scheme contains documents that are routinely published; this is available on our website:http://www.northlincolnshireccg.nhs.uk/freedom-of-information-new/publication-scheme/

3.10 Principles for Remedy

The CCG endeavours to comply with the Parliamentary and Health Service Ombudsman's Principles of Remedy when considering complaints. The guidance has been developed to ensure public bodies seek to resolve situations in which groups or individuals have suffered harm or injustice, and is based upon six core principles. These principles underpin much of our day-to-day work including complaints handling and how we learn from our mistakes.

The CCG works to meet the 6 principles as follows:

1. Getting it right – the CCG aims to acknowledge and put right cases of maladministration and poor service that have led to injustice and hardship by considering all the relevant factors, ensuring fairness to the complainant and any others who have suffered from the same maladministration or poor service.

2. Being customer focused – the CCG aims to deal with patient complaints professionally and sensitively, where appropriately apologising and explaining poor service and maladministration.

3. Being open and accountable – the CCG aims to explain clearly in its response to any complaint its findings and the reasons for upholding or not upholding the complaint and any associated remedy.

4. Acting fairly and proportionately – the CCG aims to treat all complaints without bias, unlawful discrimination or prejudice.

5. Putting things right – where a complaint is upheld, the CCG aims to offer an appropriate remedy including an apology, an explanation and details of any remedial action to be undertaken. The CCG will consider any remedy that returns the complainant to the position they would have been in and where that is not possible, compensation will be considered.

6. Seeking continuous improvement – the CCG learns from complaints and ensures that where identified, changes are made to policies, procedures and systems and any associated staff training is carried out.

Number of complaints received	Not upheld	Upheld	On-going
9	6	0	3

Complaints received by the CCG are handled in accordance with the CCG's policy on managing complaints, which is currently being revised to reflect recent guidance and reports on NHS complaints handling, including Francis 2 and the Hart Clwyd report.

An annual report of the CCG complaints will be published later this year, which will include more detail on the complaints received.

3.11 Employee Consultation

Recognising the benefits of partnership working, North Lincolnshire Clinical Commissioning Group is an active member of the Joint Trade Union Partnership Forum organised by the Workforce Team within North Yorkshire and Humber Commissioning Support Unit.

The aim of the Joint Trade Union Partnership Forum is to provide a formal negotiation and consultation group for the CCGs and the Unions to discuss and debate issues in an environment of mutual trust and respect. In particular it:

- Engages employers and trade union representatives in meaningful discussion on the development and implications of future policy

- Provides a forum for the exchange of comments and feedback on issues that have a direct or indirect effect on the workforce

- Promotes effective and meaningful communication between all parties that can be subsequently disseminated across the membership

The CCG has introduced a new Whistleblowing policy which provides a framework for raising concerns at work. The policy is based on the existing Public Interest Disclosure Act 1998 and also incorporates recent revisions in requirements. Staff had the opportunity to contribute to its development. The CCG also has a Grievance Policy, transferred from the PCT, which provides a formal mechanism for raising concerns. Staff are also encouraged to discuss concerns with their managers informally where this is appropriate and this is advised in the policy.

There have been no major organisational changes that have taken effect in the financial year. All staff have an opportunity to participate in consultation on policy development.

3.12 Disabled Employees

North Lincolnshire Clinical Commissioning Group's policy on disabled employees is incorporated within the equality report within the Governance Statement at page 72, in this document.

3.13 Emergency Preparedness, Resilience and Response

Under the Health and Social Care Act 2012, the Civil Contingencies Act 2004 (CCA 2004) and the NHS CB Emergency Preparedness Framework 2013, the CCG is required to develop sufficient plans to ensure that the organisation and all commissioned services are well prepared to respond effectively to major incidents/emergencies, so that they can mitigate the risk to public and patients and maintain a functioning health service. NHS NL CCG is a designated Category 2 responder under the CCA 2004 and their main role will be in support of Category 1 responders, under the direction of Public Health England (PHE) and NHS England (Area Team), depending on the nature of the major incident/emergency.

North Yorkshire and Humber Area Team has incident response plans in place, which are compliant with the NHSCB Emergency Preparedness Framework 2013. The CCG is assured that the North Yorkshire and Humber Local Area Team regularly reviews and makes improvements to its major incident plan and has a programme for regularly testing this plan locally. As a Category 2 Responder NHS NL CCG is required to have an up-to-date Business Continuity Plan which supports with capacity and control plans for incidents.

NHS NL CCG have up-dated their Business Continuity Plan and EPRR Policy. Taken together, these two policies provide an overview of key functions, roles and responsibilities of the new Emergency Preparedness, Resilience and Response (EPRR) system and North Lincolnshire CCG's arrangements for EPRR response and Business Continuity; the two policies should be read in conjunction and provide assurance that NHS North Lincolnshire CCG have robust processes in place to meet its statutory duties.

'We certify that the CCG has incident response plans in place, which are fully compliant with the NHSCB Emergency Preparedness Framework 2013. The CCG regularly reviews and makes improvements to its EPRR plan and has a programme for regularly testing this plan, the results of which are reported to the Governing Body.'

3.14 Head of Internal Audit Opinion

In accordance with Public Sector Internal Audit Standards, the Head of Internal Audit (HoIA) is required to provide an annual opinion, based upon and limited to the work performed, on the overall adequacy and effectiveness of the organisation's risk management, control and governance processes (i.e. the organisation's system of internal control). This is achieved through a risk-based plan of work, agreed with management and approved by the Audit Group, which should provide a reasonable level of assurance subject to the inherent limitations described below.

The purpose of this Head of Internal Audit Opinion is to contribute to the assurances available to the Accountable Officer and the Governing Body which underpin the Governing Body's own assessment of the effectiveness of the organisation's system of internal control. This Opinion will assist the Governing Body in the completion of its Annual Governance Statement.

My overall opinion is:

Significant Assurance can be given that that there is a generally sound system of internal control designed to meet the organisation's objectives, and that controls are generally being applied consistently. However, some weaknesses in the design or inconsistent application of controls put the achievement of particular objective at risk with regard to continuing healthcare and aspects of CSU contract management.

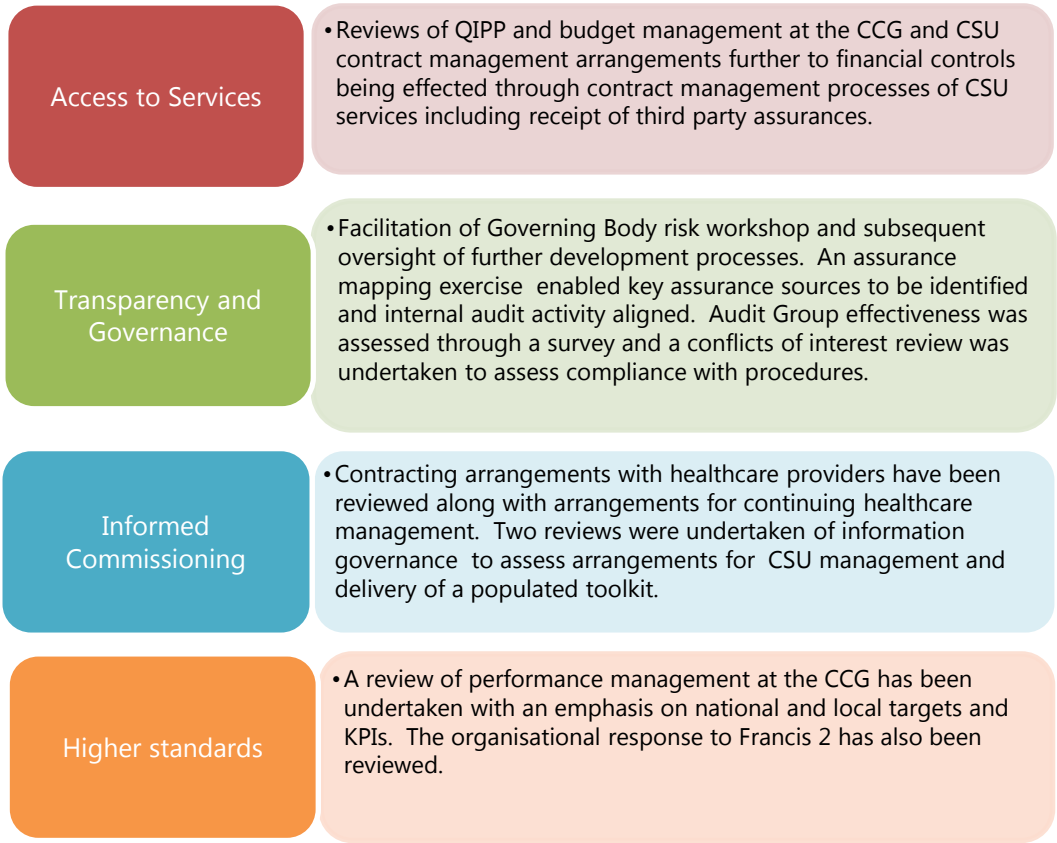
The basis for forming my opinion is as follows:

Assurance Framework

An Assurance Framework (AF) exists to meet the requirements of the Annual Governance Statement and provide reasonable assurance that there is an effective system of internal control to manage the principal risks identified by the organisation. The CCG has actively developed its processes which were in place during its shadow period and this development process continues with active engagement from the Governing Body. The construction of the AF is identical to the risk register and as such represents the higher scoring risks attracting organisational focus.

Whilst there is no prescription in format, the continued reference to a BAF needs review as this requires linking risks to organisational objectives. This level of analysis below overarching organisational aims is not yet undertaken which would provide a clearer focus for performance management of certain risks and their mitigation.

An assurance mapping process has also been undertaken to set out the CCG's assurance landscape and will be further developed as systems, processes and partner relationships embed.



Assurance across the organisation's business areas

Contribution to Governance, Risk Management and Internal Control enhancements:

- Specific audit review of CSU Contract Management and review of the audit readiness report providing third party assurances to the CCG;
- Insight into the overall Governance and Assurance processes gained from liaison throughout the year with the Senior Management Team (e.g. facilitation of Governing Body session on risk register review and update) and subsequent work to develop the Assurance Framework including assurance mapping;
- Review and advice on CCG policies, Committee effectiveness (Audit Group) and corporate governance documentation in respect of conflicts of interest;
- Involvement and relationship with the organisation e.g. attendance at meetings of Audit Group, CSU (for finance and IGT) Governing Body and Executive Team (as required);
- On-going discussion with lead officers and Lay Members throughout the year;
- Effective utilisation of internal audit including in year communication, and changes to the audit plan in respect of continuing healthcare and IT reviews (covered by the CSU audits);
- Follow up, demonstrating progress against recommendations to improve systems and controls;
- Provision of briefings and CCG involvement through the MIAA partnership.

The Opinion does not imply that Internal Audit have reviewed all risks and assurances relating to the organisation. The opinion is substantially derived from the conduct of risk-based plans generated from a robust and organisation-led Assurance Framework. As such, it is one component that the Governing Body takes into account in making its Annual Governance Statement.

Benita Jones

Director of Audit Services, April 2014

3.15 Statement as to Disclosure to Auditors

Each individual who is a member of the Governing Body at the time the Members' Report is approved confirms:

- So far as the member is aware, that there is no relevant audit information of which the clinical commissioning group's external auditor is unaware; and

- That the member has taken all the steps that they ought to have taken as a member in order to make them self-aware of any relevant audit information and to establish that the clinical commissioning group's auditor is aware of that information.

Allison Cooke

Accountable Officer

2 June 2014

4 Remuneration Report

4.1 Remuneration Committee

The Remuneration Committee is responsible for approving the remuneration and contractual arrangements of the clinical commissioning group's executives. It has delegated responsibility from the Governing Body for advising it on all aspects of salary not covered by Agenda for Change, arrangements for the termination of employment, monitoring and evaluating the performance of Governing Body members and approving human resources policies and procedures.

Membership of the Remuneration Committee, including Declarations of Interest

Name of Member	Position / Job Title	Profile	Declarations of Interest
Mr Paul Evans	Lay Member (Governance) (GB)	Paul Evans is retired Director of Finance and Support Services for Association of the British Pharmaceutical Industry. Paul is an experienced Finance Director of medium sized organisations, including businesses in the pharmaceutical and professional services sector. Paul qualified as a Chartered Accountant in 1972 whilst with Andersen, specialising in computer audit, before spending ten years at Cadbury Schweppes and at BHS in development roles. Following this Paul made a lifestyle move and has since held director level positions in medium sized and small cap organisations.	Honorary Treasurer and Trustee of UK Environmental Law Association. Membership of Pharmaceutical Industry Pensions: Bausch & Lomb Nelson's (Homeopathy) Association of British Pharmaceutical Industry

Name of Member	Position / Job Title	Profile	Declarations of Interest
Dr Andrea Dexter	GP Member	A partner at South Axholme Practice for 24 years. Qualifications MB, ChB , FP Certificate and DRCOG GP Registrar trainer working with the VTS in Doncaster. Active role in research studies both commercial and non-commercial	Member of SAGPEC
Dr James Mbugua	GP Member (GB)	Dr Mbugua (MBChB MRCGP) qualified as a GP locally five years ago. He has worked in North Lincolnshire as a salaried GP first in the town of Winterton and currently at Trent View, Scunthorpe He is an accredited GP with a Specialist Interest in Dermatology and was instrumental in helping to establish a community dermatology service in North Lincolnshire. Dr Mbugua is also the clinical lead for Equality and Diversity within North Lincolnshire Clinical Commissioning Group.	Member of SAGPEC which is a Not for Profit company, which conducts business with the NHS. Work in Dermatology at Northern Lincolnshire & Goole NHS Foundation Trust.

Name of Member	Position / Job Title	Profile	Declarations of Interest
Mr Ian Reekie	Lay Member (PPI) (GB) **Remuneration Committee Chair**	Ian Reekie is a former Chief Leisure Officer with both Scunthorpe Borough and North Lincolnshire Councils. Since his retirement in 2004 Ian has become increasingly involved in health issues from a patient perspective. Prior to its abolition in March 2008 he chaired North Lincolnshire PCT's Patient and Public Involvement Forum and was subsequently the first Chair of Who Cares, the local health and social care involvement network for North Lincolnshire. Ian was appointed by North Lincolnshire PCT as a Non-Executive Director in October 2008 and chaired its Quality and Governance Committee before taking on the role of Lay Member on the Clinical Commissioning Group governing body with responsibility for championing patient and public involvement in September 2012. In pursuing his particular interest in health improvement and the reduction of health inequalities, Ian has served as a community member on National Institute for Health and Clinical Excellence (NICE) development groups that have produced guidance on the prevention of cardiovascular disease and managing obesity.	Member of the Board of Trustees of Voluntary Action North Lincolnshire. Wife works as a receptionist at the private Spire - Hull & East Riding Hospital.

For details of membership of other CCG bodies, committees and sub-committees by members of the Remuneration Committee, see *Annex 1 to the Governance Statement* from page 86.

During the past year, the Remuneration Committee met twice and was quorate at both meetings. A meeting held on 14/3/13 dealt with 2013/14 business, including contractual issues linked to VSM, noting transfer of employees to CCG and payments for Lay membership and GPs.

Attendance of members at meetings of the Remuneration Committee

Name of Member	Number of meetings attended
Mr Paul Evans – Lay Member (Governance) (GB)	3
Dr Andrea Dexter – GP Member	2
Dr James Mbugua – GP Member (GB)	2
Mr Ian Reekie – Lay Member (PPI) (GB) – **Committee Chair**	3

4.2 Remuneration of senior managers at NHS North Lincolnshire CCG

4.2.1 Policy on remuneration of senior managers

The CCG does not have a remuneration policy or performance related pay framework for senior managers. The CCG follows national guidance in relation to remuneration for very senior managers (VSMs). Our Remuneration Committee made up of Lay Members and a GP determines the appropriate remuneration for VSMs including any reference to performance targets.

When determining basic salary levels both population size and complexity factors were taken into account. Both the Chief Officer and Chief Finance Officer salaries were set at the bottom of the pay band. However a value was attributed to the level of experience the current Chief Officer would bring to the CCG. This was recognised in a retention premia applied to match the post holder's existing salary.

There is no specific CCG guidance for the remuneration of other directors therefore the principles of the VSM Pay Framework were applied to determine the salaries of the CCG's other 2 Senior Officers: Senior Officer Quality and Assurance (also exec nurse) and Senior Officer Commissioning Support and Service Change Nurse. Their salaries were set at a proportionate level to the Chief Officer's salary. Again a retention premia was applied to ensure both salaries were competitive against Agenda for Change band 9 and to recognise their experience.

The Senior Officer for Quality and Assurance subsequently left the CCG and the same principles were applied to the remuneration for the Director of Quality and Risk assurance (also nurse member). Similarly the salary was set to match Agenda for Change and consideration was given to the experience of the new appointee.

4.2.2 Senior manager's performance related pay

The CCG does not apply performance related pay for its senior managers, therefore there were no performance related payments made to senior managers in 2013/14.

4.2.3 Policy on senior manager's contracts

All senior managers (Directors – including the Chief Officer and Chief Financial Officer) are employed on VSM contracts on a permanent basis.

4.2.4 Senior managers service contracts

VSM contracts have been issued to those directors appointed on or since 01.04.2013 and they contain the following clause:

'You are entitled to three months written notice from the CCG and you may at any time terminate your employment with three months' notice, except in the case of summary or immediate dismissal. The CCG may exercise its discretion to pay you in lieu of all or part of your notice period in accordance with clause 18.4. In the event of termination of employment contracts a payment may be required in lieu of untaken annual leave.'

GP members are usually appointed for a term of office of 4 years – with the exception of the first term of office which is up to 6 years to ensure corporate continuity during the establishment of the CCG. At the present time, GP members have between 3 and 5 years left of their term in office. There is no agreed severance payment for early termination of their membership.

Lay members are also usually appointed for a term of office of 4 years. Their first term of office can be up to 5 years to ensure corporate continuity as per the GP members. At the present time, Lay Members have 3 – 4 years left of their term of office and there is no agreed severance payment for early termination of their membership.

4.2.5 Payments to past senior managers

No payments were made to past senior managers in 2013/14.

Please note that all the information disclosed in section 4.2 above is disclosed subject to Audit.

4.2.6 Salaries & allowances

Name	Title	Period In Office	Salary (bands of £5000)	Taxable Benefits (bands of £5000)	Annual Performance Related bonuses (bands of £5000)	Long-Term Performance Related Bonuses (bands of £100)	All Pension Related Benefits (bands of £2500)	Total (bands of £5000)
			£000's	£000's	£000's	£00's	£000's	£000's
Dr Margaret Sanderson	Chair	1 April 2013- 31 March 2014	85-90	0	0		0	85-90
Dr James Mbugua	CCG GP Member	1 April 2013- 31 March 2014	50-55	0	0		0	50-55
Dr Andrew Lee	CCG GP Member	1 April 2013- 31 March 2014	50-55	0	0		0	50-55
Dr Nicholas Stewart	CCG GP Member	1 April 2013- 31 March 2014	50-55	0	0		0-2.5	50-55
Dr Fergus MacMillan	CCG GP Member	1 April 2013- 31 March 2014	45-50	0	0		0	45-50
Paul Evans	Lay Member NLCCG	1 April 2013- 31 March 2014	5-10	0	0		0	5-10
Ian Reekie	Lay Member NLCCG	1 April 2013- 31 March 2014	5-10	0	0		0	5-10
Allison Cooke	Chief Officer	1 April 2013- 31 March 2014	115-120	0	0		-10- -7.5	110-115
Therese Paskell	Chief Financial Officer and Business Support	1 April 2013- 31 March 2014	65-70	0	0		20-22.5	90-95
Catherine Wylie	Director of Quality and Risk Assurance	1 Sept 2013- 31 March 2014	40-45	0	0		67.5-70	110-115
Karen Rhodes	Senior Officer Quality & Assurance	1 April 2013- 6 Sept 2013	25-30	0	0		-10- -7.5	15-20
Caroline Briggs	Director of Commissioning	1 April 2013- 31 March 2014	80-85	0	0		30-32.5	110-115
Dr Robert Jaggs-Fowler	CCG GP Member	1 April 2013- 31 March 2014	85-90	0	0		0	85-90
Dr Jag Shah	Secondary Care Doctor	1 April 2013- 31 March 2014	0-5	0	0		0	0-5

The figures quoted in this table are subject to Audit.

Notes

Taxable benefits relate to travel reimbursement and are rounded to the nearest £100s.

Pension related benefits is the increase in the annual pension entitlement determined in accordance with the HMRC method. This compares the accrued pension and the lump sum at age 60 at the end of the financial year against the same figures at the beginning of the financial year adjusted for inflation. The difference is then multiplied by 20 which represents the average number of years an employee receives their pension (20 years is a figure set out in the CCG Annual Reporting Guidance).

4.2.7 Payments for loss of office

There were no payments for loss of office during 2013/14.

Please note that the information disclosed above, is subject to Audit.

4.2.8 Pension benefits

Name	Title	Period In Office	Real Increase in pension at age 60 (bands of £2500)	Real increase in pension lump sum at aged 60 (bands of £2500)	Total accrued pension at age 60 at 31 March 2014 (bands of £5000)	Lump sum at age 60 related to accrued pension at 31 March 2014 (bands of £5000)	Cash Equivalent Transfer Value at 31 March 2014	Cash Equivalent transfer value at 31 March 2013	Real increase in Cash Equivalent transfer value	Employer's contribution to partnership pension
			£000's	£000's	£000's	£000's	£000's	£000's	£000's	£00
Dr Margaret Sanderson	Chair	1 April 2013- 31 March 2014	0	0	0	0	0	0	0	0
Dr James Mbugua	CCG GP Member	1 April 2013- 31 March 2014	0	0	0	0	0	0	0	0
Dr Andrew Lee	CCG GP Member	1 April 2013- 31 March 2014	0	0	0	0	0	0	0	0
Dr Nicholas Stewart	CCG GP Member	1 April 2013- 31 March 2014	-2.5 - 0	-2.5 - 0	7.5-10	25-30	546	458	66	0
Dr Fergus MacMillan	CCG GP Member	1 April 2013- 31 March 2014	0	0	0	0	0	0	0	0
Paul Evans	Lay Member NLCCG	1 April 2013- 31 March 2014	0	0	0	0	0	0	0	0
Ian Reekie	Lay Member NLCCG	1 April 2013- 31 March 2014	0	0	0	0	0	0	0	0
Allison Cooke	Chief Officer	1 April 2013- 31 March 2014	-2.5 - 0	-5- 2.5	55-60	165-170	1,233	1,153	23	0
Therese Paskell	Chief Financial Officer and Business Support	1 April 2013- 31 March 2014	0-2.5	0-2.5	15-20	50-55	262	230	21	0
Catherine Wylie	Director of Quality and Risk Assurance	1 Sept 2013- 31 March 2014	2.5-5	7.5-10	25-30	85-90	546	458	46	0
Karen Rhodes	Senior Officer Quality & Assurance	1 April 2013- 6 Sept 2013	-2.5 - 0	-2.5 - 0	30-35	95-100	0	616	-647	0
Caroline Briggs	Director of Commissioning	1 April 2013- 31 March 2014	0-2.5	2.5-5	30-35	90-95	521	464	31	0
Dr Robert Jaggs-Fowler	CCG GP Member	1 April 2013- 31 March 2014	0	0	0	0	0	0	0	0
Dr Jag Shah	Secondary Care Doctor	1 April 2013- 31 March 2014	0	0	0	0	0	0	0	0

The figures in the above table are subject to Audit.

The accounting policy note can be found on page 19 in the accounts.

Certain Members do not receive pensionable remuneration therefore there will be no entries in respect of pensions for certain Members.

It is important to note that the pension values for the GPs of the Governing Body relate to their Non Practitioner employment only as provided by the Business Services Authority. Whilst this will include, from 1st April 2013, the work undertaken in their capacity as a senior manager of the CCG it might also include other, non-practitioner work. These pension values will also include contributions made in previous employments in a non-practitioner role.

Lay Members do not receive pensionable remuneration and hence there are no entries in respect of pensions for Lay Members.

Cash Equivalent Transfer Values

"A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies."

The CETV figures and the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real Increase in CETV

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

4.2.9 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 (i.e. the middle remuneration value in a rank order sorted list of numbers) of the organisation's workforce.

The banded remuneration of the highest paid Director in North Lincolnshire CCG in the financial year 2013/14 was £165k to £170k being 2.69 times the median remuneration of the workforce (£62.15k).

No employees received remuneration in excess of the highest paid Director, and as this is the first year of the CCG's existence there are no comparative figures for 2012/13 to act as comparisons for the figures disclosed in 2013/14.

Total remuneration includes: basic salary, additional pay premiums (such as pay protection and retention premia), non-consolidated related pay and benefits in kind. It does not however include severance payments, employer pension contributions and the cash equivalent transfer values of pensions, which are separately disclosed in the annual report for Directors.

It should be noted that the median salary calculation is based on annualised figures for full time equivalent staff so that the figures quoted do not necessarily indicate figures which have been actually paid by the CCG to individuals in 2013/14. The remuneration which has actually been paid has therefore also been shown for clarity.

The CCG has a remuneration policy of paying a flat all inclusive rate to all the GP members of the Governing Body, including the chair, which is calculated inclusive of employer national insurance and pension contributions. However, the median salary calculation explicitly excludes these costs.

In identifying the CCG's highest paid director, some adjustments to the salary figures were required to take account of employer contributions which have not been recovered yet from the GP members of the Governing body. This has had no impact on the organisation's median salary, but has marginally reduced the median pay ratio down from 2.78 to 2.69.

2013/14 Pay Multiple Calculation	Director's Salary (Bands Of £5k)	Clinical Duties (Bands Of £5k)	Total Duties (Bands Of £5k)	Annualised Remuneration (Bands Of £5k)
Highest Paid : CCG GP member of Governing Body.	15-20	35-40	**55-60**	**165-70 Mid-Point £167.5k**
Median Salary in £s				**£62,155**
Pay Multiple Ratio				**2.69**

Please note, that the information in section 4.2.10 is disclosed, subject to Audit.

4.2.10 Off-payroll engagements

Table 1

For all off-payroll engagements as of 31 March 2014, for more than £220 per day and that last longer than six months:

	Number
Number of existing engagements as of 31 March 2014	21
Of which, the number that have existed :	
for less than one year at the time of reporting	21
for between one and two years at the time of reporting	
for between 2 and 3 years at the time of reporting	
for between 3 and 4 years at the time of reporting	
for 4 or more years at the time of reporting	

Confirmation that all existing off-payroll engagements have at some point been subject to a risk based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought

Table 2

For all *new off-payroll engagements between 1 April 2013 and 31 March 2014, for more than £220 per day and that last longer than six months:

	Number
Number of new engagements between 1 April 2013 and 31 March 2014	1
Number of new engagements which include contractual clauses giving North Lincolnshire CCG the right to request assurance in relation to income tax and National Insurance obligations	1
Number for whom assurance has been requested	
Of which :	
Assurance has been received	
Assurance has not been received **	1
Engagements terminated as a result of assurance not being received, or ended before assurance received	

Notes:

* North Lincolnshire CCG is a new organisation which commenced operation on 1st April 2013

** The CCG is still waiting for information from the individual at the time of reporting

Allison Cooke
Accountable Officer

2 June 2014

5 Statement of Accountable Officer's Responsibilities

The National Health Service Act 2006 (as amended) states that each Clinical Commissioning Group shall have an Accountable Officer and that Officer shall be appointed by the NHS Commissioning Board (NHS England). NHS England has appointed Allison Cooke to be the Accountable Officer of the Clinical Commissioning Group.

The responsibilities of an Accountable Officer, including responsibilities for the propriety and regularity of the public finances for which the Accountable Officer is answerable, for keeping proper accounting records (which disclose with reasonable accuracy at any time the financial position of the Clinical Commissioning Group and enable them to ensure that the accounts comply with the requirements of the Accounts Direction) and for safeguarding the Clinical Commissioning Group's assets (and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities), are set out in the Clinical Commissioning Group Accountable Officer Appointment Letter.

Under the National Health Service Act 2006 (as amended), NHS England has directed each Clinical Commissioning Group to prepare for each financial year financial statements in the form and on the basis set out in the Accounts Direction. The financial statements are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Clinical Commissioning Group and of its net expenditure, changes in taxpayers' equity and cash flows for the financial year.

In preparing the financial statements, the Accountable Officer is required to comply with the requirements of the Manual for Accounts issued by the Department of Health and in particular to:

- Observe the Accounts Direction issued by NHS England, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis

- Make judgements and estimates on a reasonable basis

- State whether applicable accounting standards as set out in the Manual for Accounts issued by the Department of Health have been followed, and disclose and explain any material departures in the financial statements; and

- Prepare the financial statements on a going concern basis

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my Clinical Commissioning Group Accountable Officer Appointment Letter.

Allison Cooke
Accountable Officer

2 June 2014

6 Governance Statement

Introduction & Context

North Lincolnshire CCG was licenced from 1 April 2013 under provisions enacted in the Health & Social Care Act 2012, which amended the National Health Service Act 2006.

North Lincolnshire CCG operated in shadow form prior to 1 April 2013, to allow for the completion of the licencing process and the establishment of function, systems and processes prior to the North Lincolnshire CCG taking on its full powers.

As at 1 April 2013, the North Lincolnshire CCG was licensed without conditions.
North Lincolnshire CCG was formally established on the 1st April 2013 having been authorised in November 2012 without conditions.

North Lincolnshire CCG comprises 21 practices covering a population of about 167,400 (2012) - an increase of 10% since 2001. It is served by one main acute provider, including Community Services (Northern Lincolnshire and Goole Foundation Trust, NLAG), one specialist acute provider (Hull and East Yorkshire Trust, HEYHT) and one Mental Health provider (Rotherham, Doncaster and South Humber Foundation Trust, RDaSH).

North Lincolnshire CCG is largely coterminous with the Local Authority (North Lincolnshire Council). For 2013/14 it had a total budget of £208,409 million.

North Lincolnshire CCG area is geographically large, with more than half of its population living in rural areas. This creates distinct neighbourhoods and localities, each with their own unique characteristics and sense of identity, with different population profiles and needs. For example, the Scunthorpe North locality comprises mainly younger citizens, high levels of rented accommodation, with higher levels of BME residents than elsewhere in the CCG area. Whereas the Axholme locality comprises higher number of more affluent, older people, living in private accommodation, with a higher incidence of long term conditions associated with the older population.

Scope of Responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of North Lincolnshire CCG's policies, aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money. I also acknowledge my responsibilities as set out in my Clinical Commissioning Group Accountable Officer Appointment Letter.
I am responsible for ensuring that the North Lincolnshire CCG is administered prudently and economically and that resources are applied efficiently and effectively, safeguarding financial propriety and regularity.

Compliance with the UK Corporate Governance Code

Whilst the detailed provisions of the UK Corporate Governance Code are not mandatory for public sector bodies, compliance with relevant principles of the Code is considered to be good practice. This Governance Statement is intended to demonstrate how the clinical commissioning group had regard to the principles set out in the Code considered appropriate for clinical commissioning groups

The Clinical Commissioning Group Governance Framework

The National Health Service Act 2006 (as amended), at paragraph 14L(2)(b) states:
The main function of the governing body is to ensure that the group has made appropriate arrangements for ensuring that it complies with such generally accepted principles of good governance as are relevant to it.

The Governance Framework

North Lincolnshire CCG has a constitution that has been agreed by the Council of Members and sets out the responsibilities and arrangements in place to commission services for the residents of North Lincolnshire. The Constitution includes the Scheme of Delegation and Reservation, Authority to Act and Standing Orders. It identifies the governing principles, rules and procedures to ensure accountability and probity for the running of the CCG ensuring that decisions are taken in a transparent and open manner promoting the best interests for the people for who we commission services.

The North Lincolnshire CCG Constitution includes:

- Our membership.
- The geographical area we cover.
- The arrangements for the discharge of our functions and those of our Governing Body.
- The procedures we will follow in making decisions and securing transparency in decision making.
- Arrangements for discharging our duties in relation to Registers of Interests and managing Conflicts of Interests.

Governing Body and Committee Structure

The Governance structure of North Lincolnshire CCG is headed up by the Governing Body. The Governing Body has its functions identified as set out in the Constitution which has been agreed by member practices.

The Governing Body has met 6 times during the year and was quorate at each meeting. The Governing Body held one extraordinary meeting during the year to discuss the financial accounts in April 2013.

During 2012/13 the Governing Body had an Organisational Development Plan delivered with external support that helped secure CCG authorisation without conditions. In 2013/14 the Governing Body has focused on the application of the plan and building the team. Work that helped promote Governing Body assurance and effectiveness included:

- Full and active participation in the Health and Wellbeing Board and its supporting working groups, working as part of the Better Care Fund Joint Board and the establishment of the Health and Social Care Board (Frail and Elderly) with equal membership between the LA and North Lincolnshire CCG
- Healthy Lives Healthy Futures Programme Board.
- Review at each meeting of the Board Assurance Framework.

- Training for the Governing Body in; Governance, Conflicts of Interest, Equality and Diversity and Accounts.

- Training for the Council of Members on Conflicts of Interest and Equality and Diversity

It is intended to refresh the OD plan for 2014/15 and the plan will include an integral evaluation of Governing Body effectiveness.

To support the Governing Body four strategic groups have been established as set out below

The Audit Group

Chaired by the Lay Member for Governance, the Audit Group has met 4 times during the year and was quorate at each meeting. It has delegated responsibility for oversight of risk management and internal control, internal audit, external audit, reviewing the findings of other significant assurance functions, counter fraud and financial reporting.

Highlights of its work include:

- Jointly with the Governing Body, training event around the 2012/13 accounts that received positive feedback from External Audit on best practice.

- New chair and GP members (from wider membership of CCG) and their development.

- Approval of updated North Lincolnshire CCG corporate policies including whistleblowing, procurement, counter fraud as well as updated financial policies underneath those incorporated in the CCGs Constitution.

- Tackling compliance issues e.g. taxation, legal and constitutional (e.g. waivers) issues and gaining relevant assurances.

- Increasing involvement in the Audit Group and internal/ external assurance from North Yorkshire & Humber CSU (NY&H CSU) throughout the year on internal controls which included financial services and continuing healthcare old year claims for example. Concerns around frequency and recording of actions from CSU budget meetings have been addressed by the end of the year.

- Understanding the SIRO role, incorporating actions to the IG toolkit for reporting Information risks and incidents, maintaining an Information Asset Risk Register and Information Asset Owners & Controllers List. North Lincolnshire CCG has worked with CSU on IG issues around Information governance including the establishment of a separate Information Governance Group to ensure completion/compliance of IG toolkit.

- Where it is recognised that areas require further development these will be built in the work plan for 2014/15.

The Engine Room

It has met 27 times during the year and has been quorate at each meeting other than two occasions.

The Engine Room is chaired by the CCG Chair with delegated authority from the Council of Members. Its remit is to support clinical leadership working with managers for the mobilisation of service changes in-year, promote working with the Council of Members and act as a forum for discussion and agreement on clinical, financial and operational matters including commissioning principles and issues.

Highlights of its work include:

- Setting the strategic direction- Healthy Lives Healthy Futures.

- Development of the Operating plan.

- Overview and selection of clinical pathway redesign and management of QIPP.

- Overseeing contracting and delivery of operations and strategy.

- Invitation of speakers to inform and share information and understanding regarding the new NHS architecture, identifying support available and building relationships.
- Holds the CSU and other relevant organisations to account for operational, financial and performance issues.

The Quality Group

The Quality Group is chaired by the CCG's Director of Risk & Quality Assurance and the Lay Member for Patient Involvement is vice chair. It has met 12 times during the year and the meetings were quorate. Its remit is on behalf of the Governing Body to monitor and review the quality of services commissioned by the CCG and promote a culture of continuous improvement and innovation in:

- The safety of treatment and care received by patients.
- The effectiveness of treatment and care received by patients.
- The experience patients and their carers' have of treatment and care received.

Highlights of the Quality Groups' work include:

- Obtaining wide ranging assurances on provider service quality & patient safety.
- Supporting the implementation of the Keogh mortality plan for North Lincolnshire & Goole NHS Foundation Trust.
- Establishing a programme of focussed visits to provider organisations giving commissioners contextual information on quality initiatives and challenges faced by providers – information that is tri-angulated with other assurance data.
- Invitations to providers to attend Quality Group meetings to discuss and probe specific concerns and review actions being taken to strengthen service safety and quality.
- Review and revision of the incident reporting system to include a greater focus on organisational learning and assurance on implementation of agreed incident plans.
- Ensuring that the CCG discharged its statutory responsibilities appropriately with regard to safeguarding children and young people, safeguarding vulnerable adults (including deprivation of liberty safeguards), domestic violence, multi-agency protection arrangements and other relevant guidance.
- Approve and regularly review locally agreed quality indicators and metrics including QIPP and CQUINs to demonstrate continual improvement in safety,
- Clinical effectiveness and patient experience of commissioned services.

- Independent review and challenge of IG issues and work of the CSU IG lead/IG Group.

The Remuneration Committee

The Remuneration Committee met twice during the year and was quorate at both meetings. A meeting held on 14/3/13 dealt with 2013/14 business including contractual issues linked to VSM, noting transfer of employees to North Lincolnshire CCG and payments for Lay membership and GPs.

The Remuneration Committee is chaired by the Lay member for Patient Involvement. The Group has delegated responsibility from the Governing Body for advising it on all aspects of salary not covered by Agenda for Change, arrangements for the termination of employment, monitoring and evaluating the performance of Governing Body members and approving human resources policies and procedures.

Highlights of its work/performance include:

- Review of remuneration, terms and conditions for all posts not subject to Agenda for Change.

- Approval of a significant number of Human Resource Policies.

- Salaries and contracts for any new employees not covered by Agenda for Change.

The Clinical Commissioning Group Risk Management Framework

As outlined in its Risk Management Strategy, North Lincolnshire CCG has adopted a risk management process where logical steps are taken to manage risks effectively. Following on from setting priorities, potential risks or opportunities are then identified and evaluated before a course of action is determined to address the identified risks. As few risks remain static and new issues are likely to emerge, it is essential that all risks captured are routinely monitored. Finally, reporting of risk issues and in particular reporting and reflecting on any adverse events that do occur is essential to ensure that the CCG continuously improves its risk management activities.

Risk Management is embedded within the activities of North Lincolnshire CCG through the risk process. The risk register and assurance framework are reviewed by the Executive Team monthly which ensures that the process is kept live and relevant. Staff are able to report any concerns through the incident reporting process which is openly encouraged and each incident is reviewed and investigated as applicable.

North Lincolnshire CCG is committed to eliminating any form of discrimination and aims to commission services that are accessible, delivered in a way that respects the needs of each individual whilst being inclusive to everyone.

All new policies, projects or functions have an equality impact assessments conducted on them. The CCG has developed and implemented a tool and guidance for use by staff to help identify the likely impact. Specific training has been provided to our CCG members and staff and our Governing Body will consider the results of this analysis during the decision making process.

North Lincolnshire CCG actively engages with public stakeholders for example:

- Partnership working with the Local Authority through the Health and Wellbeing Board.

- A Risk Register has been held for part of the year for the Better Care Fund, which is reviewed at least monthly.

- Council of Members which is made up of a healthcare representative from each CCG member practice. The Council of Members participate and are engaged in the development of North Lincolnshire CCG Strategy and plans.

- Governing Body meetings are held in public allowing a transparent and public decision making process.

The risk management strategy is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

Governance and internal control of the organisation is an on-going process designed to:

- Identify and prioritise the risks to the achievement of the policies, aims and objectives of North Lincolnshire CCG.

- Evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them efficiently, effectively and economically.

The Audit Group has assured itself that the organisation has adequate arrangements in place for countering fraud and reviews the outcomes of counter fraud work.
North Lincolnshire CCG implements anti-fraud prevention measures and counters fraud risks in compliance with NHS Protect Standards on countering fraud, bribery and corruption. To ensure compliance with the Standards the CCG contracts with an external provider the East Coast Audit Consortium who supply Local Counter Fraud Specialist (LCFS) services to the organisation via an annual fraud plan. The fraud plan includes initiatives to promote fraud awareness, deterrence and prevention and also to investigate suspected cases of fraud and if required apply a range of potential sanctions including criminal, civil and disciplinary measures. Progress against the Internal Audit Plan is monitored at each meeting of the Audit Group. The Local Counter Fraud Specialist is directly responsible to the Chief Financial Officer and all fraud work is reported to the CCG Audit Group.

North Lincolnshire CCG policies have been updated to reflect counter fraud policy and bribery act as standard.

The key elements of the Risk Management Strategy are:

- To support the Governing Body in carrying out its duties effectively, the Quality Group provide assurance (and Audit Group independent assurance) that the risk register and assurance framework are regularly reviewed and updated and that corresponding robust and adequately progressed risk treatment plans exist. Internal Auditors have facilitated a review in year of key strategic risks for the Board/Assurance Framework.

- The Chief Officer has overall accountability for ensuring there is a sound system in place for the management of risk and is responsible for ensuring systems and processes are implemented to comply with the strategy.

New risks identified for inclusion on the risk register and assurance framework are assessed for likelihood and consequence using a 5 x 5 risk matrix in accordance with the risk management strategy. The Assurance Framework identifies the risks to the delivery of the organisations strategic objectives whilst the Risk Register focuses on operational risks.

If the assessment of the risk is higher than the risk appetite, further action should be taken to reduce the likelihood and/or impact of the risk occurring. If this is not possible, contingency plans should be put in place to bring the risk exposure level (residual risk) back within the accepted range.

Risks to data security are managed through a suite of information governance policies and all qualifying CCG staff have undertaken the Connecting for Health Information Governance training. Any data security incidents are reported through the CCGs incident reporting system and notified to the Information Governance Manager for investigation.

The Clinical Commissioning Group Internal Control Framework

A system of internal control is the set of processes and procedures in place in North Lincolnshire CCG to ensure it delivers its policies, aims and objectives. It is designed to identify and prioritise the risks, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control allows risk to be managed to a reasonable level rather than eliminating all risk; it can therefore only provide reasonable and not absolute assurance of effectiveness.

Information Governance

The NHS Information Governance Framework sets the processes and procedures by which the NHS handles information about patients and employees, in particular personal identifiable information. The NHS Information Governance Framework is supported by an information governance toolkit and the annual submission process provides assurances to the CCG, other organisations and to individuals that personal information is dealt with legally, securely, efficiently and effectively.

North Lincolnshire CCG places high importance on ensuring there are robust information governance systems and processes in place to help protect patient and corporate information. We have established an information governance management framework that the CCG will take to the management of all information assets. The framework includes the establishment of an information governance sub group of the Quality Group. The CCG is also developing information governance processes and procedures with NY&H CSU in line with the information governance toolkit and SIRO Guidance. We have ensured all qualifying staff undertake annual information governance training and have implemented a number of measures to ensure staff are aware of their information governance roles and responsibilities.

There are policies and processes in place for information incident reporting and investigation of serious incidents. In 2013/14 there were no serious information incidents to declare.

Processes implemented allow the CCG to for fill its requirements under the Freedom of Information Act and Data Protection Act relating to the protection, use and the processing of subject access requests. We have implemented an incident reporting system that encompasses information governance incidents allowing staff a single point of reporting. The development of policies and the framework has allowed us to achieve “level two” compliance with all the relevant information governance toolkit standards.

We have included information risk within the CCG’s Risk Management Policy and have processes in place to identify information asset owners. We will establish processes where these information asset owners assess risks to assets in their areas and report regularly to the SIRO.

We are developing information risk assessment and management procedures as part of overall risk management and a programme will be established to fully embed an information risk culture throughout the organisation and the CSU who hold the majority of our confidential information sources.

Pension Obligations

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

Equality, Diversity & Human Rights Obligations

Control measures are in place to ensure that the North Lincolnshire CCG complies with the required public sector equality duty set out in the Equality Act 2010. In August 2013, North Lincolnshire CCG approved the Equality and Diversity Plan for 2013-2015 which outlined the organisation's commitment to the Equality Act 2010 and Human Rights Act 1998 and demonstrated how the CCG plans to achieve compliance with the Acts to ensure the North Lincolnshire population have equality of access to services regardless of any protected characteristics they have. The plan set out key actions required to ensure this both strategically and at a work stream level. The Equality and Diversity Plan was formally published in October 2013, in line with the requirements of the Public Sector Equality Duty. An Annual Report highlighting the equality-related activities and achievements for the period April 2013 to March 2014, including specific progress made against the agreed Objectives, is published during April 2014 and available on the CCG website.

Sustainable Development Obligations

We will ensure North Lincolnshire CCG complies with its obligations under the Climate Change Act 2008, including the Adaptation Reporting power, and the Public Services (Social Value) Act 2012. We are also setting out our commitments as a socially responsible employer.

Sustainability

North Lincolnshire CCG is committed to shaping a more sustainable NHS by:

1. Developing a "whole systems" approach to commissioning;

2. Understanding our role in improving the sustainability of healthcare;

3. Using the commissioning cycle to increase sustainability and to implement the NHS Carbon Reduction Strategy.

One of the ways in which an organisation can embed sustainability is through the use of a Sustainability Development Management Plan (SDMP). The North Lincolnshire CCG Governing Body approved our SDMP within the last 12 months so our plans for a sustainable future are well known within the organisation and clearly laid out. We are also setting out our commitments as a socially responsible employer.

Sustainability is particularly embedded within the following business processes and procedures:

Area	Is sustainability considered?
Travel	Yes
Procurement (environmental)	Yes
Procurement (social impact)	Yes
Suppliers' impact	Yes

In addition, North Lincolnshire CCG has developed and implemented a Sustainability Impact Assessment tool and guidance for use by staff to help identify the likely sustainability implications of either:

- The introduction of a new policy, project, or function or,

- The implementation of an existing policy, project, or function within the organisation.

Once sustainability implications have been identified, steps can be taken to amend the proposed policy, project or function or amend the way in which it is currently implemented to ensure it is inclusive and does not discriminate (either deliberately or accidentally).

North Lincolnshire CCG is required to report its progress in delivering against sustainable development indicators. We have systems in place to gather information on waste, water and energy use and will report on this in our annual report.

Through this work, we will ensure the North Lincolnshire CCG complies with its obligations under the Climate Change Act 2008, including the Adaptation Reporting power, and the Public Services (Social Value) Act 2012. Promoting sustainability will become an integral objective of a local Estates Working Group.

Risk Assessment in Relation to Governance, Risk Management & Internal Control

North Lincolnshire CCG recognises the need for a robust focus on the identification and management of risks and therefore places risk within an integral part of our overall approach to governance. Therefore risk management is an explicit process in every activity the CCG and its' staff takes part in.

North Lincolnshire CCG has a robust process for identification and mitigation of risks and where there have been serious incidents, responding to them quickly and ensuring that lessons learnt from them are implemented swiftly across the CCG

The Risk Management Strategy reflects the risk management processes within the CCG and its responsibilities for management of risks.

Those risks which were deemed to be a strategic risk have been allocated to the assurance framework and risk owners asked to identify assurances on control; positive assurances; gaps in control and gaps in assurance. The operational risks remain on the risk register.

The assurance framework has been developed throughout the year and provides a structure and process to enable the organisation to focus on the risks that might compromise the achievement of its strategic objectives. It maps out the key controls to mitigate the risks and provide a mechanism to inform the Governing Body of the assurances received about the effectiveness of these controls.

It will be a dynamic tool and will be reviewed bimonthly by the Governing Body and monthly by the Quality Group. The Audit Group provides independent assurance. The assurance framework provides an effective focus on strategic and reputational risk rather than operational issues, and highlights any gaps in control and assurances. It provides the Governing Body with confidence that systems and processes are in place and that it operates in a way that is safe and effective.

Each risk on the Assurance Framework is owned by a lead director who regularly reviews and updates the risk.

Risk Profile

	Low risk (rated 1 - 3)	**Moderate risk (rated 4 - 6)**	**High risk (rated 7 - 12)**	**Extreme risk (rated 13 - 25)**	**Total**
Risk Register	0	4	9	2	**15**
Assurance Framework	0	0	6	4	**10**
Total	**0**	**4**	**15**	**6**	**25**

The high level risks (rated 15 and above) are summarised in the following table:

Risk	**Current risk rating**
Risk of failure to improve levels of Patient Safety, Clinical Excellence or Patient Experience resulting in unnecessary harm.	15
Risk of delayed delivery of Continuing Care services due to workforce capacity which may impact on the ability to conduct timely assessments (including retrospectives) and increased challenges through Independent Review Panel (IRP) and ombudsman resulting in a reputational risk to the CCG.	16
The shift of funding from the Acute Sector necessary to establish the Better Care Fund without the equivalent reduction in demand for hospital services may impact on the remaining hospital sector. This might impact negatively on the improvements secured to date in terms of hospital mortality rates, achievement of NHS Constitution performance targets (A&E/waiting times) and the financial stability of the Foundation Trust and/or CCG.	15
Failure to agree an acceptable / affordable option for Health Lives Healthy Future in a timely manner which meets the needs of the population.	16

Each risk is owned by a lead director and is reviewed and updated monthly at the Senior Management Team. The Quality Group review the risk register and assurance framework monthly. The Governing Body review the assurance framework bimonthly. The Audit Group review the assurance framework and risk register at every meeting and provides independent assurance to the Governing Body. This gives significant assurance that systems are now in place and that there is a clear audit trail.

North Lincolnshire CCG recognises that it is on a journey of improvement and intends to review, improve and strengthen its approach with a range of Improvements next year. This work will include;

- A more pro-active approach to risk in end to end service by the CSU identifying risks and wider ownership issues.
- A wider review of the Risk Register to include CCG Team Meetings/COM.
- Provision of more links to strategic risks that identify full range of mitigating actions being taken by the CCG.
- A stronger focus on partnership risks.

Review of Economy, Efficiency & Effectiveness of the Use of Resources

The Governing Body has overarching responsibility for ensuring that North Lincolnshire CCG has appropriate arrangements in place to exercise its functions effectively, efficiently and economically and in accordance with the Groups principles of good governance (its main function). Our Constitution allows for the delegation of responsibility to ensure appropriate arrangements are in place for the CCG to fulfil this duty to the Audit Group and requires that it undertakes functions as set out in its Terms of Reference as agreed by the Governing Body. The Audit Group receives regular reports on financial governance and reviews the Annual Accounts, Annual Governance Statement and Head of Internal Audit opinion. The Governing Body receives a Finance Report from the Chief Finance Officer and Business Support at every meeting, where open challenge takes place.

The Chief Finance Officer and Business Support is a member of the Governing Body and is responsible for providing financial advice to the Group and for ensuring financial control and accounting systems are in place. This role of Chief Finance Officer includes:

- Being the Governing Body's professional expert on finance and ensuring, through robust systems and processes, the regularity and propriety of expenditure is fully discharged;

- Making appropriate arrangements to support and monitor the CCG's finances;

- Overseeing robust audit and governance arrangements leading to propriety in the use of the CCG's resources;

- Being able to advise the Governing Body on the effective, efficient and economic use of the CCG's allocation to remain within that allocation and deliver required financial targets and duties; and

- Producing the financial statements for audit and publication in accordance with the statutory requirements to demonstrate effective stewardship of public money and accountability to NHS England;

- Being the Governing Body lead officer for Business Intelligence.

North Lincolnshire CCG has an SLA in place with NY&H CSU for its financial services and financial management arrangements and therefore the CSU Business Services Director is also held accountable via the CSU SLA to the Chief Officer at executive meetings and to the Audit Group.

In terms of annual accounts, for 2013/14 a clear process was identified which followed the guidance and largely mirrored or strengthened PCT arrangements in 2012/13, which ensured that CCG accounts were effectively closed down and accounts produced. Accounts scrutiny and sign-off is via the Audit Group in June, with the accounts having first been reviewed in detail by an extra ordinary CCG meeting and Audit Group in April.

Systems of financial control have been reviewed by Internal Audit, which resulted in an outcome of significant assurance.

Review of the Effectiveness of Governance, Risk Management & Internal Control

As Accounting Officer I have responsibility for reviewing the effectiveness of the system of internal control within the North Lincolnshire CCG.

Capacity to Handle Risk

An interactive risk management workshop session was held with the Governing Body on 12 September 2013 facilitated by East Coast Audit Consortium. The aim of the workshop was to review and reassess the CCG risks on both the assurance framework and risk register. Voting equipment was used to update and refine the CCGs risks (including clarifying, updating and re-scoping some of the risk descriptions. The workshop was very productive and generated significant discussion around the risks and their implications as part of the debates surrounding the impact and likelihood scoring from real-time analysis of the voting results.

Review of Effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers and clinical leads within North Lincolnshire CCG who have responsibility for the development and maintenance of the internal control framework. I have drawn on performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports.

The Board Assurance Framework itself provides me with evidence that the effectiveness of controls that manage risks to North Lincolnshire CCG achieving its principles objectives have been reviewed.

I have been advised on the implications of my review of the effectiveness of the system of internal control by the Governing Body, the Audit Group and Quality Group, and where appropriate a plan is in place to address weaknesses and ensure continuous improvement of the system.

My review is also informed by:

- External Audit providing progress reports to the Audit Group, the Annual Audit Letter, Annual Governance Report and overview of cost effectiveness within North Lincolnshire CCG.

- Internal Audit reviews of systems of internal control and progress reports to the Audit Group, especially the annual Assurance Framework Internal Audit Report.

- Assurance reports on risk and governance received from the Audit Group.

- Performance management systems.

- Internal committee structure with delegated responsibility for risk identification, evaluation, control, review and assurance.

- Review of the Assurance Framework. Action plan to address any identified weaknesses and ensure continuous improvement of the system are in place via the Assurance Framework action plan and also via action plans embedded within the Risk Register.

- The Risk Register.

- Initial part in year self-assessment of Audit Group effectiveness by questionnaire.

- The North Lincolnshire CCG Strategy which captures clear clinical priorities, QIPP (Quality, Innovation, Productivity & Prevention) priorities and key risks.

The following Committees and Officers have played a significant part in maintaining and reviewing the effectiveness of the system of internal control in 2013/14 and have managed risks assigned to them.

Governing Body: Responsible for providing clear commitment and direction for Risk Management within the organisation. The Governing Body delegates responsibility for oversight and independent assurance on risk management to the Audit Group and delegates responsibility for operational and clinical risk management to the Quality Group.

Audit Group: Responsible for providing an independent assurance of the arrangements for risk management within the organisation, with specific responsibilities for financial risk management. It undertakes its own annual self-assessment of its effectiveness and reviews Internal and External Audits, the Assurance Framework and financial governance reports.

Quality Group: As the Committee with overarching responsibility for risk management, it provides assurance to the Governing Body that appropriate clinical risk management arrangements are in place across the organisation. The Quality Group is underpinned by various sub groups covering areas including safeguarding, infection control, quality in contracts, incidents and medicines management.

Chief Officer: As Accountable Officer for the whole of North Lincolnshire CCG, the Chief Officer is responsible for achieving the organisational objectives in the context of sound and appropriate business processes and reporting risks to the Governing Body.

Chief Finance Officer Business Support: As Senior Responsible Officer for NHS finances across North Lincolnshire CCG, the Chief Finance Officer is responsible for ensuring that the organisation complies with the CCG's Constitution to achieve financial balance and reports financial risks to the Governing Body.

NHS England Area Team: We have quarterly Assurance Reviews with the local Area Team of NHS England. All reviews in 2013/14 have been positive, and have also served to strengthen the co-commissioning relationship with NHS England. The reviews have covered authorisation domains and the national CCG assurance framework.

Head of Internal Audit Opinion

Following completion of the planned audit work for the financial year for North Lincolnshire CCG, the Head of Internal Audit issued an independent and objective opinion on the adequacy and effectiveness of the CCG's system of risk management, governance and internal control. The Head of Internal Audit concluded that:

Significant assurance can be given that there is a generally sound system of internal control designed to meet the organisation's objectives, and that controls are generally being applied consistently. However, some weaknesses in the design or inconsistent application of controls put the achievement of particular objective at risk with regard to continuing healthcare and aspects of CSU contract management.
During the year the Internal Audit issued the following audit reports with a conclusion of limited assurance:

Limited Assurance Reviews

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

Continuing Healthcare and Mental Health Placements

The main objective of this review was to provide assurance to North Lincolnshire CCG of the robustness of processes and ensure that the CCG receives the service for administering continuing healthcare applications in line with the SLA/specification and process map agreed with the CSU. This was brought forward in the audit plan for 2013/14 following the Annual Governance Report for 2012/13 from the external auditors. The review found service specifications needed updating and inconsistencies in process management.

Subsequent to the review:

- An action plan to address identified weaknesses has been implemented

- The format of the report on outstanding continuing healthcare claims to the Audit Group will be updated to reflect agreed action following the audit findings and agreed management action including further data validation work building on the work done in 2013/14.

- The report is also now received and discussed and actions recorded at each meeting of the Vulnerable Adults Group.

- Progress against the actions will be included within the CCGs monthly financial commentary and other relevant reports to the governing body and its subcommittees.

- There will also be follow up work in this area by Internal Audit as part of the 2014/15 plan.

- The CCG has asked the CSU to identify and share best practice within their wider business network for implementation in 2014/15.

CSU Contract Management

The purpose of this review was to provide an opinion on North Lincolnshire CCG's management of the commissioning support services contract with the CSU; including an evaluation of KPI management and value for money monitoring. The review found the need to update service specifications and revise KPIs. This report is to be discussed with Internal Audit to clarify basis for limited assurance. Subsequent to the review:

- The CCG will work with the CSU to strengthen services specifications.

- KPI's will be developed to ensure that the CSU can respond to weaknesses identified.

- Progress will be reviewed by the lead director with input from the Audit Group
  During the year the Internal Audit issued the following audit reports with a conclusion of "no assurance":

Data Quality

Data is collated and managed by NY&H CSU on behalf of North Lincolnshire CCG. Data presented to North Lincolnshire Governing Body and sub committees is sourced from national systems and local data sources. Where possible data is triangulated to alternate sources to ensure accuracy. The CSU has in place internal procedures and controls in order to ensure data presented is of the best quality possible. Any data issues noted in source data is reviewed and identified with the source provider. Should data issues arise resulting from internal CSU processes, a root cause analysis is undertaken, corrective actions put in place and on-going learning identified.

Business Critical Models

North Lincolnshire CCG and its key partner NY& H CSU recognise the principles as captured in the Macpherson report as a direction of travel for business modelling in respect of service analysis, planning and delivery. Currently quality assurance systems are in place including risk registers and logs to manage business risks.

Data Security

North Lincolnshire CCG have submitted a satisfactory level of compliance with the information governance toolkit assessment following completion of remedial actions from the internal audit report. Further work required is highlighted in the Audit group/information governance section of this statement.

North Lincolnshire CCG had no lapses of data security during 2013/14.

Discharge of Statutory Functions

During establishment, the arrangements put in place by the North Lincolnshire CCG and explained within the *Corporate Governance Framework* were developed with extensive expert external legal input, to ensure compliance with the all relevant legislation. That legal advice also informed the matters reserved for Membership Body and Governing Body decision and the scheme of delegation.

In light of the Harris Review, North Lincolnshire CCG has reviewed all of the statutory duties and powers conferred on it by the National Health Service Act 2006 (as amended) and other associated legislative and regulations. As a result, I can confirm that North Lincolnshire CCG is clear about the legislative requirements associated with each of the statutory functions for which it is responsible, including any restrictions on delegation of those functions.

Responsibility for each duty and power has been clearly allocated to a lead Director. Directorates have confirmed that their structures provide the necessary capability and capacity to undertake all of North Lincolnshire CCG's statutory duties.

Conclusion

The first year of establishment for North Lincolnshire CCG has proved challenging yet rewarding. Good progress has been made in consolidating the governance arrangements for through the course of the year. The CCG understands the platform from which it needs to meet the challenges of commissioning improved quality of care and health outcomes from finite resources.

Through the course of the year no significant internal control issues have been identified. This statement identifies two reviews were limited assurance has been given and I am confident that actions are being taken as a consequence.

I look forward to our continued progress in 2014/15

Allison Cooke
Accountable Officer
19th May 2014

Annex 1 to Governance Statement: Details of membership of Governing Body, Membership Body (Council of Members), committees, sub-committees and joint committees (including Declarations / Conflicts of Interest)

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Mrs A Cooke	√	√ Chair			
Position / Job Title: Chief Officer					
Profile: Allison has worked within the NHS for over 30 years, ten of which have been as an NHS Chief Executive in both NHS Trust and PCT organizations. In April 2001 she established Bebington and the Wirral PCT, which achieved three star status in the 2004 NHS Performance ratings. Allison subsequently moved to Warrington PCT, which had been awarded zero stars. During 2007 Allison worked in Western Australia as part of the Western Australia Country Health Service, managing health services in a rural regional setting. She moved back to the UK to take up the post of Chief Executive of NHS North Lincolnshire.					
Declarations of Interest: Partner Governor at RDaSH					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr M L Sanderson	√ Chair	√			
Position / Job Title: CCG Chair Partner at Trent View Medical Practice					
Profile: Dr Margaret Sanderson graduated from the University of Leicester Medical School in 1983. She initially pursued a career in Obstetrics and Gynaecology, working in Leicester and Edinburgh, before moving into General Practice. She completed her trainee year as a GP in Manchester and then worked as a locum for a while before taking up a post on the GP retainer scheme in South Manchester. Dr Sanderson has been a partner in Trent View Medical Practice since September 1992 with a special interest in drug misuse and child health. She became involved with the original North Lincolnshire PCG via the GP Forum, before being voted onto the PCG/T Board. She was a member and Vice-Chair of the Clinical Executive Committee since its beginning before becoming Chair in November 2006.					
Declarations of Interest: Husband is a Consultant employed by Northern Lincolnshire & Goole Hospitals NHS Foundation Trust. Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Mrs C Wylie	√	√			√ Chair

Director of Quality & Assurance and Nurse Member

Profile:
Catherine has worked as a nurse and midwife in the NHS for over 35yrs. She trained as a Registered General Nurse at Stobhill General Hospital, Glasgow in 1980 and then continued her career by training as a Midwife at The Queen Mother's Hospital, a pioneering fetal medicine unit, where Catherine then worked as a senior labour ward Sister for a number of years before moving to Lincolnshire in 1995.

Catherine enjoyed her role as a Clinical Midwife Specialist, working subsequently as Head of Midwifery at Scunthorpe General Hospital until 2001, when she moved to Lincolnshire health services. Specialising in NHS Risk and Quality, she was Associate Director of Risk and Quality in East Lincolnshire PCT for a number of years, working with a range of clinical services to improve quality and ensure that Governance and risk processes were effective. She has a particular interest in claims and complaints handling and investigation of patient safety issues to ensure that patients receive the best possible care.

Latterly, she worked in the provision of community health services and was General Manager for the East Lindsey area of Lincolnshire, managing two community hospitals and a wide range of clinical services.

As a nurse and midwife, Catherine is passionate about ensuring that patient care is central to decisions made and, as the nurse member on the Board, she is also keen to ensure that nurses and allied health professionals are represented progressively.

Declarations of Interest: Nil

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Mrs T Paskell	√	√		√ (support)	√

Chief Finance Officer & Business Support

Profile:
Therese has worked in NHS Finance since 1989 throughout the Yorkshire/Humber and Lincolnshire/Nottinghamshire area.

During this time, she has worked in a number of different health sectors; these include Primary Care Trusts, regional health authority, a number of Acute Trusts, Mental Health, community organisations and the ambulance service.

This is her third board position, the second in a commissioning organisation.
Therese has two teenage children and is a lay minister in the Church of England in her spare time. Her husband also works in NHS finance.

Declarations of Interest:
Husband is Deputy Director of Finance at Doncaster and Bassetlaw Hospitals NHS Foundation Trust.
Governor for Sheffield Teaching Hospitals.

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr R M Jaggs-Fowler	√	√			√

GP Member/Medical Director
Partner in Dr Jaggs-Fowler & Partners, Barton & Humber.

Profile:
Dr Jaggs-Fowler qualified in 1985 from the Charing Cross Hospital Medical School, London. A former Major in the Royal Army Medical Corps, he became a GP Principal in 1990 and is now the senior partner in a large rural, dispensing, teaching practice in Barton upon Humber. As well as his appointment to the CCG Board of Governance, he is the Medical Director for the CCG, the Named Doctor for Safeguarding (Children & Adults), and the Clinical Lead for Mental Health Services. He also undertakes work as a GP Appraiser for NHS England.

Robert has a Master of Laws degree in medical law and ethics, and is currently reading for a Masters of Arts degree at Durham University, looking at the impact of spirituality & theology on health issues. Outside of medicine, he writes columns for two regional newspapers and a county magazine, as well as pursuing interests in the worlds of poetry, music, hill-walking and travel. His website can be found at www.robertjaggsfowler.com

Declarations of Interest:
Director and majority / controlling shareholder of Barton Health Care - which runs a Village Surgery at Goxhill.
Senior volunteer in St John Ambulance
Member of SAGPEC

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr A Lee	√	√	√		√

GP Member
Partner of West Common Lane Teaching Practice, Scunthorpe

Profile:
Dr Andrew Lee qualified as a GP at the University of Sheffield in 1983. He completed an MSc degree in Evidence Based Healthcare at the University of Oxford in 2010 and continues studies there part-time as a doctorate research student. He has been a GP in Scunthorpe since 1987, jointly founding a new practice at West Common Lane in 1991. The practice soon formed the first patient participation group in North Lincolnshire. At the West Common Lane Teaching Practice, along with colleagues, he provides teaching and supervision to undergraduate medical students, foundation doctors and doctors undertaking specialist GP training and is also a GP appraiser. He has a special interest in headache and runs a headache clinic, taking referrals from GPs in North Lincolnshire.

He led the foundation of the North Lincolnshire GP out of hours service, the North Lincolnshire Protected Learning Time scheme for GPs and their staff and the foundation of the Lindsey Health consortium of GP practices that was involved in commissioning and now undertakes joint training and quality development, including currently the Royal College of General Practitioners' Quality Practice Award scheme. He was also lead GP for the first PMS pilot in North Lincolnshire. Amongst other things, the pilot introduced nurse practitioner roles for the first time in this area.

Dr Lee was Medical Director in the management team that established the NHS Direct service in this region and went on to become National Medical Director for NHS Direct. He currently works part-time for NHS Direct as Associate Medical Director for the West Yorkshire Urgent Care service. Other roles have included Medical Secretary and Chairman of the Humberside Local Medical Committee, Postgraduate Medical Education Tutor for North Lincolnshire, Complaints Advisor and membership of many local and national NHS advisory and guidance development groups.

Declarations of Interest:
Director of Lindsey Healthcare Ltd, and Lindsey Health LLP.
Associate Medical Director of NHS Direct.
GPwSI Headache.
Member of SAGPEC

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr F Macmillan	√	√			

GP Member
Partner in Dr Jaggs-Fowler & Partners, Barton & Humber.

Profile:
Dr MacMillan is an Aberdeen graduate (1980), and did his GP Training in the Doncaster VTS (1981-1984). He worked in Liverpool Sefton Park Area from 1984 to 1996 as a GP principal and Student Health Medical Officer. He spent his last 2 years in Liverpool developing a new practice for The University of Liverpool Students and inner city young people (Based at Liverpool Royal Infirmary building).

Dr MacMillan then joined Barton Central Surgery as a GP principal in 1996. He has been a GP trainer and the practice lead for Coronary Heart Disease / Strokes. He has gained a diploma in Heart Disease Prevention and Dermatology.

He has worked as a practice based commissioner when Central Surgery started as its own PBC group and became involved with unplanned care. He has continued this when gaining a place on the North Lincolnshire Clinical Commissioning Group's committee.

Dr MacMillan believes in working together in partnership within North Lincolnshire people and the Health & Social Community to make the very best use of resources possible, through transparency and information in the form that people can digest and make practical use of.

Declarations of Interest:
Director and majority / controlling shareholder of Barton Health Care - which runs a Village Surgery at Goxhill.
Member of SAGPEC
Wife works for "Skills for Care".

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr N Stewart	√	√	√		

GP Member
Partner in Church Lane Medical Centre, Scunthorpe

Profile:
Dr Stewart is a partner at the Church Lane Medical Centre, Scunthorpe. He has lived and worked in the town as a GP for the past 22 years.

He has an interest in Long-term Conditions.

Declarations of Interest:
Wife works as a Community Staff nurse for Northern Lincolnshire & Goole NHS Foundation Trust.
Member of SAGPEC

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr J Mbugua	√	√			

GP Member
Partner in Trent View Medical Centre, Scunthorpe

Profile:
Dr Mbugua (MBChB MRCGP) qualified as a GP locally five years ago. He has worked in North Lincolnshire as a salaried GP first in the town of Winterton and currently at Cambridge Avenue, Scunthorpe.

He is an accredited GP with a Specialist Interest in Dermatology and was instrumental in helping to establish a community dermatology service in North Lincolnshire.

Dr Mbugua is also the clinical lead for Equality and Diversity within North Lincolnshire Clinical Commissioning Group.

Declarations of Interest:
Member of SAGPEC
Work in Dermatology at Northern Lincolnshire & Goole NHS Foundation Trust.

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr Jagrit Shah	√				

Secondary Care Doctor

Profile:
Dr Jagrit Shah BSc (Hons), MBBS, MBA, MRCP, FRCR

Dr Shah was appointed to the role of Consultant Neuro-radiologist and Head & Neck Radiologist at Queen's Medical Centre in Nottingham in 2006. He is also the clinical lead for the Neuroradiology team and secretary for the British Society of Head and Neck Imaging.

He obtained his MBBS from Guys and St Thomas' Hospitals in London and then went on to obtain Membership of the Royal College of Physicians (MRCP London). His primary Radiology training was at St Mary's Hospitals NHS trust, London. He completed his subspecialty training in Neuroradiology from the National Hospital for Neurology and Neurosurgery rotation in London. He obtained a Masters in Business Administration (MBA) from Nottingham University in 2012. He is passionate about providing high quality patient centred care. His special interests are in patient safety and organisational culture.

Declarations of Interest:
Director of Jagrit Shah Ltd – a personal private practice in radiology reporting company in Nottingham
Consultant Neuro-radiologist in Nottingham University Hospitals NHS Trust
External Auditor and Reporter for 4 Ways Healthcare – Radiology Reporting Company

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Mr I Reekie	√			√	√

Lay Member (Patient and Public Involvement and Governing Body)
Remuneration Committee Chair

Profile:
Ian Reekie is a former Chief Leisure Officer with both Scunthorpe Borough and North Lincolnshire Councils. Since his retirement in 2004 Ian has become increasingly involved in health issues from a patient perspective. Prior to its abolition in March 2008 he chaired North Lincolnshire PCT's Patient and Public Involvement Forum and was subsequently the first chair of Who Cares, the local health and social care involvement network for North Lincolnshire.

Ian was appointed by North Lincolnshire PCT as a Non-Executive Director in October 2008 and chaired its Quality and Governance Committee before taking on the role of Lay Member on the Clinical Commissioning Group governing body with responsibility for championing patient and public involvement in September 2012.

In pursuing his particular interest in health improvement and the reduction of health inequalities, Ian has served as a community member on National Institute for Health and Clinical Excellence (NICE) development groups that have produced guidance on the prevention of cardiovascular disease and managing obesity.

Declarations of Interest:
Member of the Board of Trustees of Voluntary Action North Lincolnshire.
Wife works as a receptionist at the private Spire - Hull & East Riding Hospital.

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Mr Paul Evans	√			√ Chair	

Lay Member (Governance)

Profile:
Paul Evans is retired Director of Finance and Support Services for Association of the British Pharmaceutical Industry.

Paul is an experienced Finance Director of medium sized organisations, including businesses in the pharmaceutical and professional services sector.

Paul qualified as a Chartered Accountant in 1972 whilst with Andersen, specialising in computer audit, before spending ten years at Cadbury Schweppes and at BHS in development roles. Following this Paul made a lifestyle move and has since held director level positions in medium sized and small cap organisations.

Declarations of Interest:
Honorary Treasurer and Trustee of UK Environmental Law Association.
Membership of Pharmaceutical Industry Pensions:
Bausch & Lomb
Nelson's (Homeopathy)
Association of British Pharmaceutical Industry

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Mrs Caroline Briggs - VSM	√ Non-Voting	√			

Director of Commissioning

Profile:
Caroline was formerly Director of Strategy and Commissioning for the PCT from April 2007. Prior to that she was Director of Finance and Commissioning at Eastern Wakefield PCT. She originally qualified as an Accountant whilst working in Local Government for Wakefield MDC.

Declarations of Interest:
Partner Governor for North Lincolnshire and Goole Foundation Trust.

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr Gary Armstrong			√		

Member
South Axholme Practice & The Birches Medical Practice

Declarations of Interest:
Director Serenity Healthcare (UK) LLP
Director Serenity-Sequel Healthcare Ltd
Member of SAGPEC

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr John Gallagher			√		

Deputy Representative
South Axholme Practice

Declarations of Interest:
Director of Serenity Healthcare
Member of SAGPEC

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr S Balasanthiran			√		

Member
Ashby Clinic & Children's Centre

Declarations of Interest:
Member of SAGPEC

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr D Wellings			√		
Member Central Surgery Barton Upon Humber					
Declarations of Interest: Director and shareholder of Barton Health Care Services - which runs a Village Surgery at Goxhill. Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr T Blumenthal			√		
Deputy Representative Central Surgery Barton Upon Humber					
Declarations of Interest: Director and shareholder of Barton Health Care Services - which runs a Village Surgery at Goxhill. Local GP Appraiser Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr N Samuel			√		
Member Winterton Medical Practice					
Declarations of Interest: Director of Stather Ltd (Non-Trading/Dormant) Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr A Clark			√		
Deputy Representative Winterton Medical Practice					
Declarations of Interest: Director of Stather Ltd (Non-Trading/Dormant) Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr A Muraleedharan			√		
Member West Town Surgery Barton Upon Humber Member of SAGPEC					
Declarations of Interest: Obtain rent from hire of treatment rooms in surgery					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr S Naveenchandar			√		
Deputy Representative West Town Surgery Barton Upon Humber Member of SAGPEC					
Declarations of Interest: Locum work Clinical Assistant Private work (aesthetic work, acupuncture, alternative medicine) Member of SAGPEC					
Name / Title / Declaration(s)	**Governing Body Member**	**Engine Room Member**	**Council of Members**	**Audit Group**	**Quality Group**
Dr C Hall			√		
Deputy Representative West Common Lane Teaching Practice					
Declarations of Interest: HYMS Primary Care Director of Clinical Studies for North Lincolnshire Member of SAGPEC					
Name / Title / Declaration(s)	**Governing Body Member**	**Engine Room Member**	**Council of Members**	**Audit Group**	**Quality Group**
Dr M Nasim			√		
Member Ashby Turn Primary Care Centre Member of SAGPEC					
Declarations of Interest: Director Green Flag Consulting Ltd **Member of SAGPEC**					
Name / Title / Declaration(s)	**Governing Body Member**	**Engine Room Member**	**Council of Members**	**Audit Group**	**Quality Group**
Kath Terreros			√		
Deputy Representative Ashby Turn Primary Care Centre					
Declarations of Interest: Lindsey Health LLP (inactive company) via Husband					
Name / Title / Declaration(s)	**Governing Body Member**	**Engine Room Member**	**Council of Members**	**Audit Group**	**Quality Group**
Dr BT Elango			√		
Member Cambridge Avenue Medical Centre					
Declarations of Interest: Director Cambridge Avenue Medical Services Ltd - trading as Unity Pharmacy Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr TJ Tarigopula			√		
Deputy Representative Cambridge Avenue Medical Centre					
Declarations of Interest: Practice and LES/NES/DES Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr S ul Ahmed			√		
Member Barnetby Medical Practice					
Declarations of Interest: Director Dr Sami Ahmed Ltd Occasional locum work at West Town Surgery Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr A Vora			√		
Deputy Representative Barnetby Medical Practice					
Declarations of Interest: Practice and LES/NES/DES Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr S Rajkumar			√		
Member Oswald Road Medical Centre					
Declarations of Interest: Director of Lindsey Healthcare Ltd (inactive company) Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr S Kurien-George			√		
Deputy Representative Oswald Road Medical Centre					
Declarations of Interest: Member of Lindsey Health LLP Husband working as consultant & clinical lead in Anaesthesia at Northern Lincolnshire & Goole Foundation Trust Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr J Taylor			√		
Member Ancora Medical Practice					
Declarations of Interest: Director Ancora Health Care Ltd Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr E Ryan			√		
Deputy Representative Ancora Medical Practice					
Declarations of Interest: Director Ancora Health Care Ltd Director of SAGPEC Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr J Ojidu			√		
Member Trent View Medical Practice					
Declarations of Interest: Director ISL CCL Ltd Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr R Chisabingo			√		
Deputy Member Trent View Medical Practice					
Declarations of Interest: Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr H Gandhi			√		
Member Cedar Medical Practice					
Declarations of Interest: Director of Ashadeep Ltd Wife work for Northern Lincolnshire & Goole Foundation Trust in Obs & Gynae Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr P Tandon			√		
Deputy Representative Cedar Medical Practice					
Declarations of Interest: Director/Owner of PLT Medical services Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr G Bhorchi			√		
Member South Killinghome Medical Practice					
Declarations of Interest: Practice and LES/NES/DES Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Mrs A Elsom			√		
Deputy Representative South Killinghome Medical Practice					
Declarations of Interest: Nil					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr S Shekawat			√	√	
Member Kirton Lindsey Surgery					
Declarations of Interest: DPoW Hospital OOH Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr T Turner			√		
Deputy Representative Kirton Lindsey Surgery					
Declarations of Interest: Practice and LES/NES/DES Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr N Shambhulingappa			√		
Member Cauvery Medical Practice					
Declarations of Interest: Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr R Ugargol			√		
Deputy Representative Cauvery Medical Practice					
Declarations of Interest: Locum Work 6 hpw Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr D Oplopoiadis			√		
Member Market Hill Centre					
Declarations of Interest: Locum OOH work in North Yorkshire Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Ms S Sykes			√		
Deputy Representative Market Hill Centre					
Declarations of Interest: Nil					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr A Pillai			√		
Member Riverside Surgery					
Declarations of Interest: Director/Owner of Damian Limited - Pharmacy Occasional Locum GP work Member of SAGPEC					

Name / Title / Declaration(s)	Governing Body Member	Engine Room Member	Council of Members	Audit Group	Quality Group
Dr S Modan			√		
Deputy Representative Riverside Surgery					
Declarations of Interest: Director/Owner of Damian Ltd - Pharmacy Director/Owner of Modan Medical Services SAGPEC Locum work OOH Service in East Riding Member of SAGPEC					
Name / Title / Declaration(s)	**Governing Body Member**	**Engine Room Member**	**Council of Members**	**Audit Group**	**Quality Group**
Ms J Steers			√		
Deputy Representative Church Lane Medical Centre					
Declarations of Interest: Nil					
Name / Title / Declaration(s)	**Governing Body Member**	**Engine Room Member**	**Council of Members**	**Audit Group**	**Quality Group**
Dr E Willis			√		
Member Bridge Street Surgery					
Declarations of Interest: Member of SAGPEC					
Name / Title / Declaration(s)	**Governing Body Member**	**Engine Room Member**	**Council of Members**	**Audit Group**	**Quality Group**
Dr A Whitaker			√		
Deputy Representative Bridge Street Surgery					
Declarations of Interest: Medical Director of SAGPEC Member of SAGPEC					
Name / Title / Declaration(s)	**Governing Body Member**	**Engine Room Member**	**Council of Members**	**Audit Group**	**Quality Group**
Dr Tehmina Mubarika				√	
Ancora Medical Practice					
Declarations of Interest: Locum Work Member of SAGPEC					

Related Party Transactions 2013-14 -

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

Details of related party transactions with individuals are as follows:

	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£'000	£'000	£'000	£'000
Board Members:				
Mrs A Cooke				
Chief Officer				
Partner Governor for Rotherham, Doncaster & South Humber NHS Foundation Trust	13,742	46	0	0
Dr M L Sanderson				
CCG Chair				
Partner at Trent View Medical Practice.	1,993	1	6	0
Husband is a Consultant employed by Northern Lincolnshire & Goole Hospitals NHS Foundation Trust.	100,597	0	1,251	0
Member of SAGPEC which is a Not for Profit company, which conducts business with the NHS.	1,003	0	0	0
Mrs C Wylie				
Director of Quality & Risk Assurance and Nurse Member				
Nil Declaration of Interest	0	0	0	0

	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£'000	£'000	£'000	£'000
Board Members (continued):				
Mrs T Paskell				
Chief Finance officer & Business Support				
Governor at Sheffield Teaching Hospitals Foundation Trust	1,072	0	42	0
Dr R M Jaggs-Fowler				
GP Member/Medical Director				
Partner in Dr Jaggs-Fowler & Partners, Barton & Humber.	2,775	0	0	0
Director and shareholder of Barton Health Care - which runs a Village Surgery at Goxhill.	0	0	0	0
Senior volunteer in St John Ambulance	9	0	0	0
Member of SAGPEC which is a Not for Profit company, which conducts business with the NHS.	1,003	0	0	0
Dr A Lee				
GP Member				
Partner of West Common Lane Teaching Practice, Scunthorpe	534	0	1	0
Director of Lindsey Healthcare Ltd, and Lindsey Health LLP.	0	0	0	0
Associate Medical Director of NHS Direct.	9	0	0	0
Member of SAGPEC which is a Not for Profit company, which conducts business with the NHS.	1,003	0	0	0

	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£'000	£'000	£'000	£'000
Board Members (continued):				
Dr F Macmillan				
GP Member				
Partner in Dr Jaggs-Fowler & Partners, Barton & Humber.	2,775	0	0	0
Director and shareholder of Barton Health Care - which runs a Village Surgery at Goxhill.	0	0	0	0
Member of SAGPEC which is a Not for Profit company, which conducts business with the NHS.	1,003	0	0	0
Wife works for "Skills for Care".	0	0	0	0
Dr N Stewart				
GP Member				
Partner in Church Lane Medical Centre, Scunthorpe	1,483	0	0	0
Wife works as a Community Staff nurse for Northern Lincolnshire & Goole NHS Foundation Trust	100,597	0	1,251	0
Member of SAGPEC which is a Not for Profit company, which conducts business with the NHS.	1,003	0	0	0
Dr J Mbugua				
GP Member				
Partner at Trent View Medical Practice.	1,993	0	0	0
Member of SAGPEC which is a Not for Profit company, which conducts business with the NHS.	1,003	0	0	0
Work in Dermatology at Northern Lincolnshire & Goole NHS Foundation Trust	100,597	0	1,251	0
Partner works at Northern Lincolnshire & Goole NHS Foundation Trust	100,597	0	1,251	0

	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£'000	£'000	£'000	£'000
Board Members (continued):				
Dr J Shah				
Secondary Care Doctor				
Director of Jagrit Shah Ltd – a personal private practice in radiology reporting company in Nottingham	0	0	0	0
Consultant Neuro-radiologist in Nottingham University Hospitals NHS Trust	123	0	27	0
External Auditor and Reporter for 4 Ways Healthcare – Radiology Reporting Company	0	0	0	0
Medical Director Balborough Treatment Centre, Chesterfield	0	0	0	0
Mr I Reekie				
Lay Member				
Member of the Board of Trustees of Voluntary Action North Lincolnshire.	0	0	0	0
Wife works as a receptionist at Spire Healthcare - Hull & East Riding Hospital.	576	0	0	0
Mr P Evans				
Lay Member				
Honorary Treasurer and Trustee of UK Environmental Law Association.	0	0	0	0
Membership of Pharmaceutical Industry Pensions:	0	0	0	0
Bausch & Lomb	0	0	0	0
Nelson's (Homeopathy)	0	0	0	0
Association of British Pharmaceutical Industry	0	0	0	0

	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£'000	£'000	£'000	£'000
Board Members (continued):				
Mrs C Briggs*				
Director of Commissioning				
Nil Return	0	0	0	0
Partner Governor at Northern Lincolnshire & Goole Hospitals Foundation Trust	100,597	0	1,251	0
Mrs F Cunning				
Director of Public Health				
Employed by North Lincolnshire Council as a joint appointment	5,578	2,721	83	145

*Non-voting member

FOREWORD TO THE ACCOUNTS

NORTH LINCOLNSHIRE CLINICAL COMMISSIONING GROUP

These accounts for the year ended 31 March 2014 have been prepared by the North Lincolnshire Clinical Commissioning Group under section 232 (schedule 15,3(1)) of the National Health Service Act 2006 in the form which the Secretary of State has, within the approval of the Treasury, directed.

Statement of Comprehensive Net Expenditure for the Year Ended 31 March 2014

	Note	2013-14 CCG £'000	2012-13 CCG £'000
Commissioning			
Other Operating Revenue	2	**(3,150)**	0
Gross Employee Benefits	4	**1,093**	0
Other Costs	5	**206,463**	0
Net Operating Costs before Financing		204,406	0
Financing			
Investment Revenue	8	**0**	0
Other Gains & Losses	9	**0**	0
Finance Costs	10	**0**	0
Net Operating Costs for the Financial Year		204,406	0
Net Gain (Loss) on Transfer by Absorption	11	**0**	0
Retained Net Operating Costs for the Financial Year		**204,406**	0
Of which:			
Administration Costs			
Other operating revenue	2	**(107)**	
Gross employee benefits	4	**993**	
Other costs	5	**3,306**	
Net administration costs before interest		**4,192**	
Programme Expenditure			
Other operating revenue	2	**(3,043)**	
Gross employee benefits	4	**100**	
Other costs	5	**203,157**	
Net programme expenditure before interest		**200,214**	
Other Comprehensive Net Expenditure			
Impairments & reversals		**0**	0
Net gain (loss) on revaluation of property, plant & equipment		**0**	0
Net gain (loss) on revaluation of intangibles		**0**	0
Net gain (loss) on revaluation of financial assets		**0**	0
Movements in 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
Re-measurement of the defined benefit liability		**0**	0
Reclassification Adjustments:			
On disposal of available for sale financial assets		**0**	0
Total Comprehensive Net Expenditure for the Financial Year		**204,406**	0

The notes on pages 110 to 145 form part of main statements within pages 106 to 109.

There are no figures shown for 2012 -13, as 2013 -14 is the inaugural year for North Lincolnshire Clinical Commissioning Group

Statement of Financial Position as at 31 March 2014

	Note	31-Mar-14 CCG £'000	31-Mar-13 CCG £'000
Non-current Assets			
Property, Plant & Equipment	13	**25**	0
Intangible Assets	14	**0**	0
Investment Property	15	**0**	0
Trade & Other Receivables	17	**0**	0
Other Financial Assets	18	**0**	0
Total Non-current Assets		**25**	0
Current Assets			
Inventories	16	**1**	0
Trade & Other Receivables	17	**710**	0
Other Financial Assets	18	**0**	0
Other Current Assets	19	**0**	0
Cash & Cash Equivalents	20	**205**	0
		916	0
Non-current Assets held for Sale	21	**0**	0
Total Current Assets		**916**	0
Total Assets		**941**	0
Current Liabilities			
Trade & Other Payables	23	**(12,157)**	0
Other Financial Liabilities	24	**0**	0
Other Liabilities	25	**0**	0
Borrowings	26	**0**	0
Provisions	30	**0**	0
Total Current Liabilities		**(12,157)**	0
Total Assets less Current Liabilities		**(11,217)**	0
Non-current Liabilities			
Trade & Other Payables	23	**0**	0
Other Financial Liabilities	24	**0**	0
Other Liabilities	25	**0**	0
Borrowings	26	**0**	0
Provisions	30	**0**	0
Total Non-current Liabilities		**0**	0
Total Assets Employed		**(11,217)**	0
Financed by Taxpayers' Equity			
General Fund		**(11,217)**	0
Revaluation Reserve		**0**	0
Other Reserves		**0**	0
Charitable Reserves		**0**	0
Total Taxpayers' Equity		**(11,217)**	0

There are no figures shown for 2012 -13, as 2013 -14 is the inaugural year for North Lincolnshire Clinical Commissioning Group

The notes on pages 110 to 145 form part of main statements within pages 106 to 109.

The financial statements on pages 106 to 109 were approved by the Governing Body on 4th June 2014 and signed on its behalf by:

Allison Cooke
Accountable Officer

Statement of Changes in Taxpayers' Equity for the Year Ended 31 March 2014

CCG 2013-14	General Fund £'000	Revaluation Reserve £'000	Other Reserves £'000	Total £'000
CCG Balance at 1 April 2013	**0**	**0**	**0**	**0**
Transfer of assets and liabilities from closed NHS bodies as a result of the 1 April 2013 transition	**1**			**1**
Transfer between reserves in respect of assets transferred from closed NHS bodies	**0**	**0**	**0**	**0**
Adjusted CCG Balance at 1 April 2013	**1**	**0**	**0**	**1**
Changes in CCG Taxpayers' Equity for 2013-14				
Net operating costs for the financial year	**(204,406)**			**(204,406)**
Net gain (loss) on revaluation of property, plant & equipment	**0**	**0**		**0**
Net gain (loss) on revaluation of intangible assets	**0**	**0**		**0**
Net gain (loss) on revaluation of financial assets	**0**	**0**		**0**
Net gain (loss) on revaluation of assets held for sale	**0**	**0**		**0**
Impairments and reversals	**0**	**0**		**0**
Movements in other reserves	**0**	**0**	**0**	**0**
Transfers between reserves	**0**	**0**	**0**	
Release of reserves to the Statement of Comprehensive Net Expenditure	**0**	**0**		**0**
Reclassification adjustment on disposal of available for sale financial assets	**0**	**0**		**0**
Transfers by absorption to (from) other bodies	**0**	**0**		**0**
Transfer between reserves in respect of assets transferred under absorption	**0**	**0**	**0**	
Reserves eliminated on dissolution	**0**	**0**	**0**	**0**
Re-measurement of the defined benefit liability			**0**	**0**
Net Recognised CCG Expenditure for the Financial Year	**(204,405)**	**0**	**0**	**(204,405)**
Net funding	**193,189**			**193,189**
CCG Balance at 31 March 2014	**(11,217)**	**0**	**0**	**(11,217)**

Statement of Cash Flows for the Year Ended 31 March 2014

	Note	2013-14 CCG £'000	2012-13 CCG £'000
Cash Flows from Operating Activities			
Net operating costs for the financial year		**(204,406)**	0
Depreciation and amortisation		**0**	0
Impairments and reversals		**0**	0
Other gains (losses) on foreign exchange		**0**	0
Donated assets received credited to revenue but non-cash		**0**	0
Government granted assets received credited to revenue but non-cash		**0**	0
Interest paid		**0**	0
Release of PFI deferred credit		**0**	0
Increase (decrease) in inventories		**0**	0
(Increase) decrease in trade & other receivables		**(710)**	0
(Increase) decrease in other current assets		**0**	0
Increase (decrease) in trade & other payables		**12,157**	0
Increase (decrease) in other current liabilities		**0**	0
Provisions utilised		**0**	0
Increase (decrease) in provisions		**0**	0
Net Cash Inflow (Outflow) from Operating Activities		**(192,959)**	0
Cash Flows from Investing Activities			
Interest received		**0**	0
(Payments) for property, plant and equipment		**(25)**	0
(Payments) for intangible assets		**0**	0
(Payments) for investments with the Department of Health		**0**	0
(Payments) for other financial assets		**0**	0
(Payments) for financial assets (LIFT)		**0**	0
Proceeds from disposal of assets held for sale: property, plant and equipment		**0**	0
Proceeds from disposal of assets held for sale: intangible assets		**0**	0
Proceeds from disposal of investments with the Department of Health		**0**	0
Proceeds from disposal of other financial assets		**0**	0
Proceeds from disposal of financial assets (LIFT)		**0**	0
Loans made in respect of LIFT		**0**	0
Loans repaid in respect of LIFT		**0**	0
Rental revenue		**0**	0
Net Cash Inflow (Outflow) from Investing Activities		**(25)**	0
Net Cash Inflow (Outflow) before Financing		**(192,984)**	0
Cash Flows from Financing Activities			
Net parliamentary funding received		**193,189**	0
Other loans received		**0**	0
Other loans repaid		**0**	0
Capital element of payments in respect of finance leases and on Statement of Financial Position PFI and LIFT		**0**	0
Capital grants and other capital receipts		**0**	0
Capital receipts surrendered		**0**	0
Net Cash Inflow (Outflow) from Financing Activities		**193,189**	0
Net Increase (Decrease) in Cash & Cash Equivalents		**205**	0
Cash & Cash Equivalents at the Beginning of the Financial Year		**0**	0
Effect of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies		**0**	0
Cash & Cash Equivalents (including bank overdrafts) at the End of the Financial Year	20	**205**	0

There are no figures shown for 2012 -13, as 2013 -14 is the inaugural year for North Lincolnshire Clinical Commissioning Group

Notes to the Financial Statements

1. Accounting Policies

NHS England has directed that the financial statements of clinical commissioning groups shall meet the accounting requirements of the Manual for Accounts issued by the Department of Health. Consequently, the following financial statements have been prepared in accordance with the Manual for Accounts 2013-14 issued by the Department of Health. The accounting policies contained in the Manual for Accounts follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to clinical commissioning groups, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the Manual for Accounts permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of North Lincolnshire Clinical Commissioning Group for the purpose of giving a true and fair view has been selected. The particular policies adopted by North Lincolnshire Clinical Commissioning Group are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

In accordance with the Directions issued by NHS England comparative information is not provided in these Financial Statements.

1.1 Going Concern

These accounts have been prepared on the going concern basis (despite the issue of a report to the Secretary of State for Health under Section 19 of the Audit Commission Act 1998 for the anticipated or actual breach of financial duties).

Public sector bodies are assumed to be going concerns where the continuation of the provision of a service in the future is anticipated, as evidenced by inclusion of financial provision for that service in published documents.

Where a clinical commissioning group ceases to exist, it considers whether or not its services will continue to be provided (using the same assets, by another public sector entity) in determining whether to use the concept of going concern for the final set of Financial Statements. If services will continue to be provided the Financial statements are prepared on the going concern basis.

1.2 Accounting Convention

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

1.3 Acquisitions & Discontinued Operations

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

1.4 Movement of Assets within the Department of Health Group

Transfers as part of reorganisation fall to be accounted for by use of absorption accounting in line with the Government Financial Reporting Manual, issued by HM Treasury. The Government Financial Reporting Manual does not require retrospective adoption, so prior year transactions (which have been accounted for under merger accounting) have not been restated. Absorption accounting requires that entities account for their transactions in the period in which they took place, with no restatement of performance required when functions transfer within the public sector. Where assets and liabilities transfer, the gain or loss resulting is recognised in the Statement of Comprehensive Net Expenditure, and is disclosed separately from operating costs.

Other transfers of assets and liabilities within the Department of Health Group are accounted for in line with IAS 20 and similarly give rise to income and expenditure entries.

For transfers of assets and liabilities from those NHS bodies that closed on 1 April 2013, HM Treasury has agreed that a modified absorption approach should be applied. For these transactions only, gains and losses are recognised in reserves rather than the Statement of Comprehensive Net Expenditure.

1.5 Charitable Funds

From 2013-14, the divergence from the Government Financial Reporting Manual that NHS Charitable Funds are not consolidated with bodies' own returns is removed. Under the provisions of IAS 27: Consolidated & Separate Financial Statements, those Charitable Funds that fall under common control with NHS bodies are consolidated within the entities' accounts.

1.6 Pooled Budgets

Where North Lincolnshire Clinical Commissioning Group has entered into a pooled budget arrangement under Section 75 of the National Health Service Act 2006 North Lincolnshire Clinical Commissioning Group accounts for its share of the assets, liabilities, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement.

If North Lincolnshire Clinical Commissioning Group is in a "jointly controlled operation", North Lincolnshire Clinical Commissioning Group recognises:

- The assets North Lincolnshire Clinical Commissioning Group controls;
- The liabilities North Lincolnshire Clinical Commissioning Group incurs;
- The expenses North Lincolnshire Clinical Commissioning Group incurs; and,
- North Lincolnshire Clinical Commissioning Group's share of the income from the pooled budget activities.

If North Lincolnshire Clinical Commissioning Group is involved in a "jointly controlled assets" arrangement, in addition to the above, North Lincolnshire Clinical Commissioning Group recognises:

- North Lincolnshire Clinical Commissioning Group's share of the jointly controlled assets (classified according to the nature of the assets);
- North Lincolnshire Clinical Commissioning Group's share of any liabilities incurred jointly; and,
- North Lincolnshire Clinical Commissioning Group's share of the expenses jointly incurred.

1.7 Critical Accounting Judgements & Key Sources of Estimation Uncertainty

In the application of North Lincolnshire Clinical Commissioning Group'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 and 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.

1.7.1 *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 North Lincolnshire Clinical Commissioning Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements:

1.7.2 *Secondary Care Activity*

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

1.7 Critical Accounting Judgements & Key Sources of Estimation Uncertainty

1.7.3 *Accruals*

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

* Prescribing - The full year figure is estimated on the spend for the first 10 months of the year,

* Purchase of Healthcare - The full year figure is estimated on the month 11 actual information as agreed between the provider and commissioner. Included is an adjustment for incomplete hospital spells.

* Continuing Care - This is based upon the client data base of occupancy at the financial year end.

1.8 Revenue

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 income is received for a specific activity that is to be delivered in the following year, that income is deferred.

1.9 Employee Benefits

1.9.1 *Short-term Employee Benefits*

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees, including bonuses earned but not yet taken.

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.

1.9.2 *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 North Lincolnshire Clinical Commissioning Group 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 North Lincolnshire Clinical Commissioning Group commits itself to the retirement, regardless of the method of payment.

1.10 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.

Expenses and liabilities in respect of grants are recognised when North Lincolnshire Clinical Commissioning Group has a present legal or constructive obligation, which occurs when all of the conditions attached to the payment have been met.

1.11 Property, Plant & Equipment

1.11.1 *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 North Lincolnshire Clinical Commissioning Group;

· 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.

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- 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.

1.11.2 *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 North Lincolnshire Clinical Commissioning Group's services or for administrative purposes are stated in the statement of financial position at their re-valued amounts, being the fair value at the date of revaluation less any impairment.
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.

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 re-valued and depreciation commences when they are brought into use.

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 are taken to expenditure. Gains and losses recognised in the revaluation reserve are reported as other comprehensive income in the Statement of Comprehensive Net Expenditure.

1.11 Property, Plant & Equipment

1.11.3 *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.

1.12 Intangible Assets

1.12.1 *Recognition*

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of North Lincolnshire Clinical Commissioning Group'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, North Lincolnshire Clinical Commissioning Group;
- 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 but 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.

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

1.13 Depreciation, Amortisation & 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 North Lincolnshire Clinical Commissioning Group expects to obtain economic benefits or service potential from the asset. This is specific to North Lincolnshire Clinical Commissioning Group 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.

1.13 Depreciation, Amortisation & Impairments

At each reporting period end, North Lincolnshire Clinical Commissioning Group 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 are 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.

1.14 Donated Assets

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.

1.15 Government Grants

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.

1.16 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 on the revaluation reserve is transferred to the general reserve.

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.

1.17 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.

1.17.1 North Lincolnshire Clinical Commissioning Group 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 North Lincolnshire Clinical Commissioning Group's surplus/deficit.

1.17.1 North Lincolnshire Clinical Commissioning Group as Lessee

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.

1.17.2 North Lincolnshire Clinical Commissioning Group as Lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of North Lincolnshire Clinical Commissioning Group'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 North Lincolnshire Clinical Commissioning Group'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.

1.18 Private Finance Initiative Transactions

HM Treasury has determined that government bodies shall account for infrastructure Private Finance Initiative (PFI) schemes 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. North Lincolnshire Clinical Commissioning Group 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:

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

1.18.1 *Services Received*

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

1.18.2 *PFI Asset*

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 IAS17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the Clinical Commissioning Group's approach for each relevant class of asset in accordance with the principles of IAS 16.

1.18.3 *PFI Liability*

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.

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.

1.18 Private Finance Initiative Transactions

1.18.4 *Lifecycle Replacement*

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the Clinical Commissioning Group'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.

1.18.5 Assets Contributed by the Clinical Commissioning Group 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 Clinical Commissioning Group's Statement of Financial Position.

1.18.6 Other Assets Contributed by the Clinical Commissioning Group to the Operator

Assets contributed (e.g. cash payments, surplus property) by the Clinical Commissioning Group 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 Clinical Commissioning Group, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

North Lincolnshire Clinical Commissioning Group does not have any Private Finance Initiatives

1.19 Inventories

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

1.20 Cash & 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 North Lincolnshire Clinical Commissioning Group's cash management.

1.21 Provisions

Provisions are recognised when North Lincolnshire Clinical Commissioning Group has a present legal or constructive obligation as a result of a past event, it is probable that North Lincolnshire Clinical Commissioning Group 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 as follows:

- Timing of cash flows (0 to 5 years inclusive): Minus 1.90%
- Timing of cash flows (6 to 10 years inclusive): Minus 0.65%
- Timing of cash flows (over 10 years): Plus 2.20%
- All employee early departures: 1.80%

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.

1.21 Provisions

A restructuring provision is recognised when North Lincolnshire Clinical Commissioning Group 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 on-going activities of the entity.

The accounting arrangements for balances transferred from predecessor PCTs ("legacy" balances) are determined by the Accounts Direction issued by NHS England on 12 February 2014. The Accounts Directions state that the only legacy balances to be accounted for by the Clinical Commissioning Group are in respect of property, plant and equipment (and related liabilities) and inventories. All other legacy balances in respect of assets or liabilities arising from transactions or delivery of care prior to 31 March 2013 are accounted for by NHS England. The impact of the legacy balances accounted for by the Clinical Commissioning Group is disclosed in note 1.4 to these financial statements. The Clinical Commissioning Group's arrangements in respect of settling NHS Continuing Healthcare claims are disclosed in note 30 to these financial statements."

1.22 Clinical Negligence Costs

The NHS Litigation Authority operates a risk pooling scheme under which North Lincolnshire Clinical Commissioning Group pays an annual contribution to the NHS Litigation Authority which in return settles all clinical negligence claims. The contribution is charged to expenditure. Although the NHS Litigation Authority is administratively responsible for all clinical negligence cases the legal liability remains with North Lincolnshire Clinical Commissioning Group.

1.23 Non-clinical Risk Pooling

North Lincolnshire Clinical Commissioning Group participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which North Lincolnshire Clinical Commissioning Group pays an annual contribution to the NHS Litigation Authority and, in return, receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses as and when they become due.

1.24 Carbon Reduction Commitment Scheme

Carbon Reduction Commitment and similar 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 North Lincolnshire Clinical Commissioning Group 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 amounts are valued at fair value at the end of the reporting period.

1.25 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 North Lincolnshire Clinical Commissioning Group, 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 North Lincolnshire Clinical Commissioning Group. 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.

1.26 Financial Assets

Financial assets are recognised when North Lincolnshire Clinical Commissioning Group 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 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.

1.26.1 *Financial Assets at Fair Value Through Profit & 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 calculating North Lincolnshire Clinical Commissioning Group's surplus or deficit for the year. The net gain or loss incorporates any interest earned on the financial asset.

1.26.2 *Held to Maturity Assets*

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.

1.26.3 *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 surplus/deficit on de-recognition.

1.26.4 *Loans & 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 end of the reporting period, North Lincolnshire Clinical Commissioning Group 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 expenditure and the carrying amount of the asset is reduced through a provision for impairment of receivables.

1.26.4 *Loans & 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 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.

1.27 Financial Liabilities

Financial liabilities are recognised on the statement of financial position when North Lincolnshire Clinical Commissioning Group 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 de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

Loans from the Department of Health are recognised at historical cost. Otherwise, financial liabilities are initially recognised at fair value.

1.27.1 *Financial Guarantee Contract Liabilities*

Financial guarantee contract liabilities are subsequently measured at the higher of:

The premium received (or imputed) for entering into the guarantee less cumulative amortisation; and,

The amount of the obligation under the contract, as determined in accordance with IAS 37: Provisions, Contingent Liabilities and Contingent Assets.

1.27.2 *Financial Liabilities at Fair Value Through Profit & 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 North Lincolnshire Clinical Commissioning Group's surplus/deficit. The net gain or loss incorporates any interest payable on the financial liability.

1.27.3 *Other Financial Liabilities*

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method, except for loans from Department of Health, which are carried at historic cost. 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.

1.28 Value Added Tax

Most of the activities of North Lincolnshire Clinical Commissioning Group are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.29 Foreign Currencies

North Lincolnshire Clinical Commissioning Group's functional currency and presentational currency is sterling. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March. Resulting exchange gains and losses for either of these are recognised in North Lincolnshire Clinical Commissioning Group's surplus/deficit in the period in which they arise.

1.30 Third Party Assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since North Lincolnshire Clinical Commissioning Group has no beneficial interest in them.

North Lincolnshire Clinical Commissioning Group does not hold any third party assets

1.31 Losses & 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 that individual cases are handled.

Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had North Lincolnshire Clinical Commissioning Group not been bearing its own risks (with insurance premiums then being included as normal revenue expenditure).

1.32 Subsidiaries

Material entities over which North Lincolnshire Clinical Commissioning Group has the power to exercise control so as to obtain economic or other benefits are classified as subsidiaries and are consolidated. Their income and expenses; gains and losses; assets, liabilities and reserves; and cash flows are consolidated in full into the appropriate financial statement lines. Appropriate adjustments are made on consolidation where the subsidiary's accounting policies are not aligned with North Lincolnshire Clinical Commissioning Group or where the subsidiary's accounting date is not co-terminus.

Subsidiaries that are classified as 'held for sale' are measured at the lower of their carrying amount or 'fair value less costs to sell'.

North Lincolnshire Clinical Commissioning Group does not have any subsidiaries.

1.33 Associates

Material entities over which North Lincolnshire Clinical Commissioning Group has the power to exercise significant influence so as to obtain economic or other benefits are classified as associates and are recognised in North Lincolnshire Clinical Commissioning Group's accounts using the equity method. The investment is recognised initially at cost and is adjusted subsequently to reflect North Lincolnshire Clinical Commissioning Group's share of the entity's profit/loss and other gains/losses. It is also reduced when any distribution is received by North Lincolnshire Clinical Commissioning Group from the entity.

Joint ventures that are classified as 'held for sale' are measured at the lower of their carrying amount or 'fair value less costs to sell'.
North Lincolnshire Clinical Commissioning Group does not have any associates.

1.34 Joint Ventures

Material entities over which North Lincolnshire Clinical Commissioning Group has joint control with one or more other parties so as to obtain economic or other benefits are classified as joint ventures. Joint ventures are accounted for using the equity method.

Joint ventures that are classified as 'held for sale' are measured at the lower of their carrying amount or 'fair value less costs to sell'.

North Lincolnshire Clinical Commissioning Group does not have any joint ventures.

1.35 Joint Operations

Joint operations are activities undertaken by North Lincolnshire Clinical Commissioning Group in conjunction with one or more other parties but which are not performed through a separate entity. North Lincolnshire Clinical Commissioning Group records its share of the income and expenditure; gains and losses; assets and liabilities; and cash flows.

North Lincolnshire Clinical Commissioning Group does not have any joint operations.

1.36 Research & Development

Research and development expenditure is charged 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 re-valued on the basis of current cost. The amortisation is calculated on the same basis as depreciation.

1.37 Accounting Standards that have been Issued but have not yet been Adopted

The Government Financial Reporting Manual does not require the following Standards and Interpretations to be applied in 2013-14, all of which are subject to consultation:

- IAS 27: Separate Financial Statements
- IAS 28: Investments in Associates & Joint Ventures
- IAS 32: Financial Instruments – Presentation (amendment)
- IFRS 9: Financial Instruments
- IFRS 10: Consolidated Financial Statements
- IFRS 11: Joint Arrangements
- IFRS 12: Disclosure of Interests in Other Entities
- IFRS 13: Fair Value Measurement

The application of the Standards as revised would not have a material impact on the accounts for 2013-14, were they applied in that year.

2 Other Operating Revenue

	2013-14 CCG £'000	2013-14 Admin £'000	2013-14 Programme £'000	2012-13 CCG £'000
Recoveries in respect of employee benefits	**47**	**0**	**47**	0
Patient transport services	**0**	**0**	**0**	0
Prescription fees and charges	**286**	**0**	**286**	0
Dental fees and charges	**0**	**0**	**0**	0
Education, training and research	**0**	**0**	**0**	0
Charitable and other contributions to revenue expenditure: NHS	**0**	**0**	**0**	0
Charitable and other contributions to revenue expenditure: non-NHS	**0**	**0**	**0**	0
Receipt of donations for capital acquisitions: NHS Charity	**0**	**0**	**0**	0
Receipt of Government grants for capital acquisitions	**0**	**0**	**0**	0
Non-patient care services to other bodies	**2,444**	**0**	**2,444**	0
Income generation	**0**	**0**	**0**	0
Rental revenue from finance leases	**0**	**0**	**0**	0
Rental revenue from operating leases	**0**	**0**	**0**	0
Other revenue	**373**	**107**	**266**	0
Total	**3,150**	**107**	**3,043**	0

3. Revenue

	2013-14 CCG £'000	2013-14 Admin £'000	2013-14 Programme £'000	2012-13 CCG £'000
From rendering of services	**3,150**	**107**	**3,043**	0
From sale of goods	**0**	**0**	**0**	0
Total	**3,150**	**107**	**3,043**	0

Revenue is totally from the supply of services. North Lincolnshire Clinical Commissioning Group receives no revenue from the sale of goods.

There are no figures shown for 2012 -13, as 2013 -14 is the inaugural year for North Lincolnshire Clinical Commissioning Group

4. Employee Benefits & Staff Numbers
4.1 Employee benefits

4.1.1 Employee benefits expenditure

	2013-14			2013-14			2013-14		2012-13		
	Permanent Employees	Other	Total	Admin Permanent Employees	Admin Other	Admin Total	Programme Permanent Employees	Programme Other	Permanent Employees	Other	Total
	£'000	£'000	£'000						£'000	£'000	£'000
CCG											
Salaries and wages	888	2	890	806	2	808	81	0	0	0	0
Social security costs	88	0	88	80	0	80	8	0	0	0	0
Employer contributions to the NHS Pension Scheme	115	0	115	105	0	105	11	0	0	0	0
Other pension costs	0	0	0	0	0	0	0	0	0	0	0
Other post-employment benefits	0	0	0	0	0	0	0	0	0	0	0
Other employment benefits	0	0	0	0	0	0	0	0	0	0	0
Termination benefits	0	0	0	0	0	0	0	0	0	0	0
Gross CCG employee benefits expenditure	1,091	2	1,093	991	2	993	100	0	0	0	0
Less: Recoveries in respect of employee benefits (note 4.1.2)	(47)	0	(47)	0	0	0	(47)	0	(47)	0	(47)
Net CCG employee benefits expenditure including capitalised costs	1,044	2	1,046	991	2	993	53	0	(47)	0	(47)
Less: Employee costs capitalised	0	0	0	0	0	0	0	0	0	0	0
Net CCG employee benefits expenditure excluding capitalised costs	1,044	2	1,046	991	2	993	53	0	(47)	0	(47)

4.1.2 Recoveries in respect of employee benefits

	2013-14			2012-13		
	Permanent Employees	Other	Total	Permanent Employees	Other	Total
	£'000	£'000	£'000	£'000	£'000	£'000
CCG						
Salaries and wages	(47)	0	(47)	0	0	0
Social security costs	0	0	0	0	0	0
Employer contributions to the NHS Pension Scheme	0	0	0	0	0	0
Other pension costs	0	0	0	0	0	0
Other post-employment benefits	0	0	0	0	0	0
Other employment benefits	0	0	0	0	0	0
Termination benefits	0	0	0	0	0	0
Total CCG recoveries in respect of employee benefits	(47)	0	(47)	0	0	0

There are no figures shown for 2012 -13, as 2013 -14 is the inaugural year for North Lincolnshire Clinical Commissioning Group

4.2 Average number of people employed

	2013-14			2012-13		
	Permanent Employees Number	Other Number	Total Number	Permanent Employees Number	Other Number	Total Number
Total CCG	**15**	**0**	**15**	0	0	0
Of the above:						
Number of whole time equivalent people engaged on capital projects	**0**	**0**	**0**	0	0	0

4.3 Staff sickness absence and ill health retirements

	2013-14 CCG Number	2012-13 CCG Number
Total days lost	**55**	0
Total staff years	**18**	0
Average working days lost	**3**	0

The above sickness figures are based upon 9 months of sickness returns.

	2013-14 CCG Number	2012-13 CCG Number
Number of persons retiring on ill health grounds	**0**	0

Ill-health retirement costs are met by the NHS Pension Scheme.

	2013-14 CCG £'000	2012-13 CCG £'000
Total additional pensions liability accrued in the year	**0**	**n/a**

Where North Lincolnshire Clinical Commissioning Group has agreed early retirements, the additional costs are met by North Lincolnshire Clinical Commissioning Group and not by the NHS Pension Scheme.

There are no figures shown for 2012 -13, as 2013 -14 is the inaugural year for North Lincolnshire Clinical Commissioning Group

4.4 Exit packages and severance payments agreed in the financial year

Exit package cost band (including any special payment element)	Compulsory Redundancies		Other Agreed Departures		Total		Departures where Special Payments have been made	
	Number	£'000	Number	£'000	Number	£'000	Number	£'000
Less than £10,000	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
£10,001 to £25,000	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
£25,001 to £50,000	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
£50,001 to £100,000	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
£100,001 to £150,000	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
£150,001 to £200,000	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Over £200,001	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Analysis of Other Agreed Departures		
Voluntary redundancies including early retirement contractual costs	**0**	**0**
Mutually agreed resignations (MARS) contractual costs	**0**	**0**
Early retirements in the efficiency of the service contractual costs	**0**	**0**
Contractual payments in lieu of notice	**0**	**0**
Exit payments following employment tribunals or court orders	**0**	**0**
Non-contractual payments requiring HM Treasury approval	**0**	**0**
Total	**0**	**0**

North Lincolnshire Clinical Commissioning Group has not made any exit payments as at 31 March 2014 (31 March 2013: £NIL).

4.5 Pension costs

Past and present employees are covered by the provisions of the NHS Pension 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 North Lincolnshire Clinical Commissioning Group of participating in the Scheme is taken as equal to the contributions payable to the Scheme for the accounting period.

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

4.5.1 *Full actuarial (funding) valuation*

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

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

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

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

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

4.5.2 *Accounting valuation*

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

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

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

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

4.5.3 *Scheme provisions*

The NHS Pension Scheme provides 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 HM Revenue & Customs rules. This new provision is known as "pension commutation";

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

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

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the statement of comprehensive net expenditure at the time North Lincolnshire Clinical Commissioning Group commits itself to the retirement, regardless of the method of payment; and,

Members can purchase additional service in the 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.

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.

5. Operating Expenses

	2013-14 CCG £'000	2013-14 Admin £'000	2013-14 Programme £'000	2012-13 CCG £'000
Gross Employee Benefits				
Employee benefits excluding governing body members	**660**	**560**	**100**	0
Executive governing body members	**433**	**433**	**0**	0
Total gross employee benefits	**1,093**	**993**	**100**	0
Other Costs				
Services from other CCGs and NHS England	**4,398**	**2,344**	**2,054**	0
Services from foundation trusts	**119,741**	**3**	**119,738**	0
Services from other NHS trusts	**20,852**	**0**	**20,852**	0
Services from other NHS bodies	**516**	**0**	**516**	0
Purchase of healthcare from non-NHS bodies	**25,105**	**0**	**25,105**	0
Chair and Lay Membership Body and Governing Body Members	**494**	**476**	**18**	0
Supplies and services – clinical	**103**	**0**	**103**	0
Supplies and services – general	**4,895**	**12**	**4,883**	0
Consultancy services	**1**	**1**	**0**	0
Establishment	**116**	**115**	**1**	0
Transport	**3**	**2**	**1**	0
Premises	**888**	**169**	**719**	0
Impairments and reversals of receivables	**0**	**0**	**0**	0
Inventories written down	**0**	**0**	**0**	0
Depreciation	**0**	**0**	**0**	0
Amortisation	**0**	**0**	**0**	0
Impairments and reversals of property, plant and equipment	**0**	**0**	**0**	0
Impairments and reversals of intangible assets	**0**	**0**	**0**	0
Impairments and reversals of financial assets	**0**	**0**	**0**	
• Assets carried at amortised cost	**0**	**0**	**0**	0
• Assets carried at cost	**0**	**0**	**0**	0
• Available for sale financial assets	**0**	**0**	**0**	0
Impairments and reversals of non-current assets held for sale	**0**	**0**	**0**	0
Impairments and reversals of investment properties	**0**	**0**	**0**	0
Audit fees	**79**	**79**	**0**	0
Other auditor's remuneration				
• Internal audit services	**30**	**30**	**0**	0
• Other services	**21**	**21**	**0**	0
General dental services and personal dental services	**0**	**0**	**0**	0
Prescribing costs	**28,566**	**0**	**28,566**	0
Pharmaceutical costs	**0**	**0**	**0**	0
General ophthalmic costs	**0**	**0**	**0**	0
GPMS/APMS and PCTMA	**404**	**0**	**404**	0
Other professional fees (excluding audit)	**234**	**37**	**197**	0
Grants to other public bodies	**0**	**0**	**0**	0
Clinical negligence	**0**	**0**	**0**	0
Research and development (excluding staff costs)	**0**	**0**	**0**	0
Education and training	**17**	**17**	**0**	0
Change in discount rate	**0**	**0**	**0**	0
Other expenditure	**0**	**0**	**0**	0
Total other costs	**206,463**	**3,306**	**203,157**	0
Total operating expenses	**207,556**	**4,299**	**203,257**	0

There are no figures shown for 2012 -13, as 2013 -14 is the inaugural year for North Lincolnshire Clinical Commissioning Group

6. Better Payment Practice Code

6.1 Measure of compliance

	2013-14 Number	2013-14 £'000	2012-13 Number	2012-13 £'000
Non-NHS Payables: CCG				
Total Non-NHS trade invoices paid in the year	**6,350**	**30,774**	0	0
Total Non-NHS trade invoices paid within target	**6,074**	**29,038**	0	0
Percentage of CCG non-NHS trade invoices paid within target	**95.65%**	**94.36%**	0	0
NHS Payables: CCG				
Total NHS trade invoices paid in the year	**1,342**	**144,958**	0	0
Total NHS trade invoices paid within target	**1,270**	**144,061**	0	0
Percentage of CCG NHS trade invoices paid within target	**94.63%**	**99.38%**	0	0

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

6.2 The late payment of commercial debts (interest) act 1998

	2013-14 CCG £'000	2012-13 CCG £'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

There are no figures shown for 2012 -13, as 2013 -14 is the inaugural year for North Lincolnshire Clinical Commissioning Group

7. Income Generation Activities

North Lincolnshire Clinical Commissioning Group does not undertake any income generation activities.

8. Investment Revenue

North Lincolnshire Clinical Commissioning Group has not received any investment revenue in 2013-14 (2012-13 Nil).

9. Other Gains & Losses

	2013-14 CCG £'000	2012-13 CCG £'000
Gain (loss) on disposal of property, plant and equipment assets other than by sale	**0**	0
Gain (loss) on disposal of intangible assets other than by sale	**0**	0
Gain (loss) on disposal of financial assets other than held for sale	**0**	0
Gain (loss) on disposal of assets held for sale	**0**	0
Gain (loss) on foreign exchange	**0**	0
Change in fair value of financial assets carried at fair value through the statement of comprehensive net expenditure	**0**	0
Change in fair value of financial liabilities carried at fair value through the statement of comprehensive net expenditure	**0**	0
Change in fair value of investment property	**0**	0
Recycling of gain (loss) from equity on disposal of financial assets held for sale	**0**	0
Total	**0**	0

10. Finance Costs

	2013-14 CCG £'000	2012-13 CCG £'000
Interest		
Interest on loans and overdrafts	**0**	0
Interest on obligations under finance leases	**0**	0
Interest on obligations under PFI contracts:		
• Main finance cost	**0**	0
• Contingent finance cost	**0**	0
Interest on obligations under LIFT contracts:		
• Main finance cost	**0**	0
• Contingent finance cost	**0**	0
Interest on late payment of commercial debt		
Other interest expense	**0**	0
Total interest	**0**	0
Other finance costs	**0**	0
Provisions: unwinding of discount	**0**	0
Total finance costs	**0**	0

11. Net Gain (Loss) on Transfer by Absorption

North Lincolnshire Clinical Commissioning Group has not made any gain or loss on absorption in 2013 -14

There are no figures shown for 2012 -13, as 2013 -14 is the inaugural year for North Lincolnshire Clinical Commissioning Group

12. Operating Leases

12.1 As lessee

12.1.1 Payments recognised as an expense

	2013-14				2012-13
	Land	**Buildings**	**Other**	**Total**	Total
	£'000	**£'000**	**£'000**	**£'000**	£'000
CCG					
Minimum lease payments	**0**	**881**	**4**	**885**	0
Contingent rents	**0**	**0**	**0**	**0**	0
Sub-lease payments	**0**	**0**	**0**	**0**	0
Total CCG	**0**	**881**	**4**	**885**	0
CCG					
Payable:					
• Not later than one year	**0**	**881**	**4**	**885**	0
• Between one and five years	**0**	**0**	**0**	**0**	0
• After five years	**0**	**0**	**0**	**0**	0
Total CCG	**0**	**881**	**4**	**885**	0

The clinical commissioning group occupies property owned and managed by NHS Property Services Ltd. For 2013-14, a transitional occupancy rent based on annual property cost allocations was agreed. This is reflected in Note 12.1.1.

While our arrangements with NHS Property Services Ltd fall within the definition of operating leases, the rental charge for future years has not yet been agreed. Consequently, this note does not include future lease payments for these arrangements.

As the other rental payments consist of leases of no more than one year, no future lease payments are shown.

12.2 As lessor

North Lincolnshire Clinical Commissioning Group holds no leases as a lessor.

12.2.1 Rental revenue

	2013-14	2012-13
	CCG	CCG
	£'000	£'000
Rent	**0**	0
Contingent rents	0	0
Total	**0**	0
Receivable:		
• Not later than one year	**0**	0
• Between one and five years	**0**	0
• After five years	0	0
Total	**0**	0

There are no figures shown for 2012 -13, as 2013 -14 is the inaugural year for North Lincolnshire Clinical Commissioning Group

13. Property, Plant & Equipment

	Land	Buildings excluding Dwellings	Dwellings	Assets under Construction & Payments on Account	Plant & Machinery	Transport Equipment	Information Technology	Furniture & Fittings	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
CCG									
CCG Cost or Valuation at 1 April 2013	0	0	0	0	0	0	0	0	0
Transfer of assets from closed NHS bodies as a result of the 1 April 2013 transition	0	0	0	0	0	0	0	0	0
Adjusted CCG Cost or Valuation at 1 April 2013	0	0	0	0	0	0	0	0	0
Addition of Assets under Construction & Payments on Account				0					0
Additions purchased	0	0	0	0	0	0	25	0	25
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	0	0	0	0	0	0	0	0	0
Reclassified as held for sale and reversals	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	0	0	0	0	0
Upward revaluation gains	0	0	0						0
Impairments charged to revaluation reserve	0	0	0						0
Reversal of impairments charged to revaluation reserve	0	0	0						0
Transfer (to) from other public sector body	0	0	0	0	0	0	0	0	0
Cumulative depreciation adjustment following revaluation	0	0	0						0
CCG Cost or Valuation at 31 March 2014	0	0	0	0	0	0	25	0	25
CCG Depreciation at 1 April 2013	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Reclassified as held for sale and reversals	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	0	0	0	0	0
Upward revaluation gains	0	0	0						0
Impairments charged to operating expenses	0	0	0						0
Reversal of impairments charged to operating expenses	0	0	0						0
Charged during the year	0	0	0	0	0	0	0	0	0
Transfer (to) from other public sector body	0	0	0	0	0	0	0	0	0
Cumulative depreciation adjustment following revaluation	0	0	0						0
CCG Depreciation at 31 March 2014	0	0	0	0	0	0	0	0	0
CCG Net Book Value at 31 March 2014	0	0	0	0	0	0	25	0	25
Purchased	0	0	0	0	0	0	25	0	25
Donated	0	0	0	0	0	0	0	0	0
Government granted	0	0	0	0	0	0	0	0	0
CCG Total at 31 March 2014	0	0	0	0	0	0	25	0	25
CCG Asset Financing									
Owned	0	0	0	0	0	0	25	0	25
Held on finance lease	0	0	0	0	0	0	0	0	0
On-Statement of Financial Position private finance initiative & LIFT contracts	0	0	0	0	0	0	0	0	0
Private finance initiative residual interests	0	0	0	0	0	0	0	0	0
CCG Total at 31 March 2014	0	0	0	0	0	0	25	0	25
CCG Revaluation Reserve Balance for Property, Plant & Equipment									
CCG Balance at 1 April 2013	0	0	0		0	0	0	0	0
Transfer of assets from closed NHS bodies as a result of the 1 April 2013 transition	0	0	0		0	0	0	0	0
Adjusted CCG Balance at 1 April 2013	0	0	0		0	0	0	0	0
Revaluation gains	0	0	0						0
Impairments	0	0	0						0
Release to general fund	0	0	0		0	0	0	0	0
	0	0	0		0	0	0	0	0
CCG Balance at 31 March 2014	0	0	0		0	0	0	0	0

13.3 Government granted assets

North Lincolnshire Clinical Commissioning Group had no Government granted assets as at the 31st March 2014 (31 March 2013: None).

13.4 Compensation from third parties

North Lincolnshire Clinical Commissioning Group had no compensation from third parties as at the 31st March 2014 (31 March 2013: None).

13.5 Write downs to recoverable amount

North Lincolnshire Clinical Commissioning Group had no write downs as at 31 March 2014 (31 March 2013: None).

13.6 Temporarily idle assets

North Lincolnshire Clinical Commissioning Group had no temporarily idle assets as at 31 March 2014 (31 March 2013: None).

13.7 Cost or valuation of fully depreciated assets

North Lincolnshire Clinical Commissioning Group had no fully depreciated assets still in use as at 31 March 2014 (31 March 2013: None).

13.8 Economic lives

	CCG	
	Minimum Life Years	Maximum Life Years
Buildings excluding dwellings	0	0
Dwellings	0	0
Plant & machinery	0	0
Transport equipment	0	0
Information technology	5	5
Furniture & fittings	0	0

IT asset lives are in line with the NHS England policy.

14. Intangible Assets

North Lincolnshire Clinical Commissioning Group had no Intangible Assets as at the 31st March 2014 (31 March 2013: None).

15. Investment Property

North Lincolnshire Clinical Commissioning Group had no investment property as at 31 March 2014 (31 March 2013: £NIL).

16. Inventories

	Drugs	Consumables	Energy	Work in Progress	Loan Equipment	Other	Total
	£'000		£'000	£'000	£'000	£'000	£'000
CCG							
CCG Balance at 1 April 2013	0	0	0	0	0	1	1
Transfer of assets from closed NHS bodies as a result of the 1 April 2013 transition	0	0	0	0	0	0	0
Adjusted CCG Balance at 1 April 2013	0	0	0	0	0	1	1
Additions	0	0	0	0	0	0	0
Inventories recognised as an expense in the period	0	0	0	0	0	0	0
Write-down of inventories (including losses)	0	0	0	0	0	0	0
Reversal of write-down previously taken to the Statement of Comprehensive Net Expenditure	0	0	0	0	0	0	0
Transfer (to) from other public sector body	0	0	0	0	0	0	0
CCG Balance at 31 March 2014	0	0	0	0	0	1	1

17. Trade & Other Receivables

	Current	Non-current	Current	Non-current
	31-Mar-14		31-Mar-13	
	£'000	£'000	£'000	£'000
CCG				
NHS receivables: Revenue	508	0	0	0
NHS receivables: Capital	0	0	0	0
NHS prepayments and accrued income	0	0	0	0
Non-NHS receivables: Revenue	175	0	0	0
Non-NHS receivables: Capital	0	0	0	0
Non-NHS prepayments and accrued income	10	0	0	0
Provision for the impairment of receivables	0	0	0	0
VAT	17	0	0	0
Private finance initiative and other public private partnership arrangement prepayments and accrued income	0	0	0	0
Interest receivables	0	0	0	0
Finance lease receivables	0	0	0	0
Operating lease receivables	0	0	0	0
Other receivables	0	0	0	0
Total CCG	710	0	0	0
Total CCG Current and Non-current	710	0		
Included in CCG NHS receivables are pre-paid pension contributions	0	0		

The great majority of trade is with NHS England. As NHS England is funded by Government to provide funding to clinical commissioning groups to commission services, no credit scoring of them is considered necessary.

17.1 Receivables past their due date but not impaired

	31-Mar-14	31-Mar-13
	CCG	CCG
	£'000	£'000
By up to three months	21	0
By three to six months	27	0
By more than six months	0	0
Total	48	0

North Lincolnshire Clinical Commissioning Group did not hold any collateral against receivables outstanding at 31 March 2014 (31 March 2013: None).

17.2 Provision for impairment of receivables

	31-Mar-14	31-Mar-13
	CCG	CCG
	£'000	£'000
Balance at 1 April 2013	0	0
Transfer of assets from closed NHS bodies as a result of the 1 April 2013 transition	0	0
Adjusted Balance at 1 April 2013	0	0
Amounts written off during the year	0	0
Amounts recovered during the year	0	0
(Increase) decrease in receivables impaired	0	0
Transfer (to) from other public sector body	0	0
Balance at 31 March 2014	0	0

	31-Mar-14	31-Mar-13
	CCG	CCG
	%	%
Receivables are provided against at the following rates:		
NHS debt	0	0
[provide category details, e.g.]	0	0
[Debt with a payment plan in place that is being adhered to]	0	0
[All other non-NHS debt between 90 and 120 days old]	0	0
[All other non-NHS debt over 120 days old]	0	0

18. Other Financial Assets

North Lincolnshire Clinical Commissioning Group had no other financial assets as at 31 March 2014 (31 March 2013: £NIL).

There are no figures shown for 2012 -13, as 2013 -14 is the inaugural year for North Lincolnshire Clinical Commissioning Group

19. Other Current Assets

North Lincolnshire Clinical Commissioning Group had no other current assets as at 31 March 2014 (31 March 2013: £NIL).

20. Cash & Cash Equivalents

	31-Mar-14 CCG £'000	31-Mar-13 CCG £'000
Balance at 1 April 2013	**0**	0
Net change in year	205	0
Balance at 31 March 2014	**205**	**0**
Made up of:		
Cash with the Government Banking Service	**205**	0
Cash with Commercial banks	**0**	0
Cash in hand	**0**	0
Current investments	0	0
Cash and cash equivalents as in Statement of Financial Position	**205**	0
Bank overdraft: Government Banking Service	**0**	0
Bank overdraft: Commercial banks	0	0
Balance at 31 March 2014	**205**	0
Patients' money held by North Lincolnshire Clinical Commissioning Group, not included above	**0**	0

There are no figures shown for 2012 -13, as 2013 -14 is the inaugural year for North Lincolnshire Clinical Commissioning Group

21. Non-current Assets Held for Sale

North Lincolnshire Clinical Commissioning Group had no non-current assets held for sale as at 31 March 2014 (31 March 2013: £NIL).

22. Analysis of Impairments & Reversals

North Lincolnshire Clinical Commissioning Group had no impairments or reversals of impairments recognised in expenditure during 2013-14 (2012-13: £NIL).

23. Trade & Other Payables

	Current		Non-current	
	31-Mar-14	31-Mar-13	**31-Mar-14**	31-Mar-13
	£'000	£'000	**£'000**	£'000
CCG				
Interest payable	**0**	0	**0**	0
NHS payables: Revenue	**3,186**	0	**0**	0
NHS payables: Capital	**0**	0	**0**	0
NHS accruals and deferred income	**(1,144)**	0	**0**	0
Non-NHS payables: Revenue	**1,150**	0	**0**	0
Non-NHS payables: Capital	**0**	0	**0**	0
Non-NHS accruals and deferred income	**8,637**	0	**0**	0
Social security costs	**17**	0	**0**	0
VAT	**0**	0	**0**	0
Tax	**24**	0	**0**	0
Payments received on account	**0**	0	**0**	0
Other payables	**287**	0	0	0
Total CCG	**12,157**	0	**0**	0

Total CCG Current and Non-current	**12,157**

Included in CCG NHS receivables are pre-paid pension contributions	**0**

Included above are liabilities of Nil, for 0 people, due in future years under arrangements to buy out the liability for early retirement over 5 years (31 March 2013: Nil for 0 people).

Other payables include £23,275 outstanding pension contributions at 31 March 2014 (31 March 2013: Nil), Payroll deductions £100 and £263k relating to system accruals.

24. Other Financial Liabilities

North Lincolnshire Clinical Commissioning Group had no other financial liabilities as at 31 March 2014 (31 March 2013: £NIL).

25. Other Liabilities

North Lincolnshire Clinical Commissioning Group had no other liabilities as at 31 March 2014 (31 March 2012: £NIL).

26. Borrowings

North Lincolnshire Clinical Commissioning Group had no borrowings as at 31 March 2014 (31 March 2013: £NIL).

The CCG cash position is reported in the financial statements as an overdraft at 31 March 2014 due to outstanding payments due to clear after the year-end. As at 31 March 2014, the CCG had a net positive cash balance deposited in its Government Banking Service bank accounts of £205k.

27. Private Finance Initiative, LIFT & Other Service Concession Arrangements

27.1 Off-Statement of Financial Position private finance initiative, LIFT and other service concession arrangements

North Lincolnshire Clinical Commissioning Group had no private finance initiative, LIFT or other service concession arrangements that were excluded from the Statement of Financial Position as at 31 March 2014 (31 March 2013: None).

28 Finance Lease Obligations

North Lincolnshire Clinical Commissioning Group had no finance lease obligations as at 31 March 2014 (31 March 2013: None).

29 Finance Lease Receivables

North Lincolnshire Clinical Commissioning Group had no finance lease receivables as at 31 March 2014 (31 March 2013: None).

30. Provisions

North Lincolnshire Clinical Commissioning Group had no provisions as at 31 March 2014 (31 March 2013: £NIL).

Under the Accounts Direction issued by NHS England on 12 February 2014, NHS England is responsible for accounting for liabilities relating to NHS Continuing Healthcare claims relating to periods of care before establishment of the Clinical Commissioning Group. However, the legal liability remains with the CCG. The total value of legacy NHS Continuing Healthcare provisions accounted for by NHS England on behalf of this CCG at 31 March 2014 is £7,094k.

31. Contingencies

	31-Mar-14 CCG £'000	31-Mar-13 CCG £'000
Contingent Liabilities		
Equal Pay	**0**	0
Other	**0**	0
Amounts recoverable against contingent liabilities	**0**	0
Net Value of Contingent Liabilities	**0**	0
Contingent Assets		
Other	**0**	0
Amounts payable against contingent assets	**0**	0
Net Value of Contingent Assets	**0**	0

North Lincolnshire Clinical Commissioning Group had no contingent liabilities or assets as at 31st March 2014.

32. Commitments

32.1 Capital commitments

North Lincolnshire Clinical Commissioning Group had no contracted capital commitments not otherwise included in these financial statements as at 31 March 2014 (31 March 2013: £NIL).

32.2 Other financial commitments

North Lincolnshire Clinical Commissioning Group had no non-cancellable contracts (which were not leases, private finance initiative contracts or other service concession arrangements) as at 31 March 2014 (31 March 2013: £NIL).

33. Financial Instruments

33.1 Financial risk management

International Financial Reporting Standard 7: *Financial Instrument: Disclosure* 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.

Because North Lincolnshire Clinical Commissioning Group is financed through parliamentary funding, it is not exposed to the degree of financial risk faced by business entities. Also, financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. North Lincolnshire Clinical Commissioning Group has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing North Lincolnshire Clinical Commissioning Group in undertaking its activities.

Treasury management operations are carried out by the finance department, within parameters defined formally within North Lincolnshire Clinical Commissioning Group's standing financial instructions and policies agreed by the Governing Body. Treasury activity is subject to review by North Lincolnshire Clinical Commissioning Group's internal auditors.

33.1.1 *Currency risk*

North Lincolnshire Clinical Commissioning Group is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. North Lincolnshire Clinical Commissioning Group has no overseas operations. North Lincolnshire Clinical Commissioning Group therefore has low exposure to currency rate fluctuations.

33.1.2 *Interest rate risk*

North Lincolnshire Clinical Commissioning Group borrows from government for capital expenditure, subject to affordability as confirmed by NHS England. The borrowings are for 1 to 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. North Lincolnshire Clinical Commissioning Group therefore has low exposure to interest rate fluctuations.

33.1.3 *Credit risk*

Because the majority of North Lincolnshire Clinical Commissioning Group's revenue comes parliamentary funding, North Lincolnshire Clinical Commissioning Group has low exposure to credit risk. The maximum exposures as at the end of the financial year are in receivables from customers, as disclosed in the trade and other receivables note.

33.1.4 *Liquidity risk*

North Lincolnshire Clinical Commissioning Group is required to operate within revenue and capital resource limits agreed with NHS England, which are financed from resources voted annually by Parliament.

North Lincolnshire Clinical Commissioning Group draws down cash to cover expenditure, from NHS England, as the need arises, unrelated to its performance against resource limits. North Lincolnshire Clinical Commissioning Group is not, therefore, exposed to significant liquidity risk.

33.2 Financial assets

	At 'fair value through profit and loss'	Loans and Receivables	Available for Sale	Total
	£'000	£'000	£'000	£'000
CCG				
Embedded derivatives	**0**	**0**	**0**	**0**
Receivables:				
• NHS	**0**	**508**	**0**	**508**
• Non-NHS	**0**	**175**	**0**	**175**
Cash at bank and in hand	**0**	**205**	**0**	**205**
Other financial assets	0	**0**	0	**0**
Total CCG at 31 March 2014	**0**	**888**	**0**	**888**
CCG				
Embedded derivatives	**0**	**0**	**0**	**0**
Receivables:				
• NHS	**0**	**0**	**0**	**0**
• Non-NHS	**0**	**0**	**0**	**0**
Cash at bank and in hand	**0**	**0**	**0**	**0**
Other financial assets	0	**0**	**0**	**0**
Total CCG at 31 March 2013	**0**	**0**	**0**	**0**

33.3 Financial liabilities

	At 'fair value through profit and loss'	Other	Total
	£'000	£'000	£'000
CCG			
Embedded derivatives	**0**	**0**	**0**
Payables:			
• NHS	**0**	**2,042**	**2,042**
• Non-NHS	**0**	**9,787**	**9,787**
Private finance initiative, LIFT and finance lease obligations	**0**	**0**	**0**
Other borrowings	**0**	**0**	**0**
Other financial liabilities	0	**0**	**0**
Total CCG at 31 March 2014	**0**	**11,829**	**11,829**
CCG			
Embedded derivatives	**0**	**0**	0
Payables:			
• NHS	**0**	**0**	0
• Non-NHS	**0**	**0**	0
Private finance initiative, LIFT and finance lease obligations	**0**	**0**	0
Other borrowings	**0**	**0**	0
Other financial liabilities	0	**0**	**0**
Total CCG at 31 March 2013	0	0	0

There are no figures shown for 2012 -13, as 2013 -14 is the inaugural year for North Lincolnshire Clinical Commissioning Group

34. Operating Segments

North Lincolnshire Clinical Commissioning Group is a commissioner of healthcare services for the population of North Lincolnshire. The Clinical Commissioning Group does not provide healthcare services as an organisation. In this respect it is deemed that one organisational segment is in operation and this is reported to the board.

	Programme Costs	Running Costs	Total Costs
	£000	£000	£000
Revenue Resource Limit	**204,179**	**4,230**	**208,409**
Income - External	**(3,043)**	**(107)**	**(3,150)**
Of which:			
North Lincolnshire Council	(2,721)	0	(2,721)
Other	(322)	(107)	(429)
Income - Segmental			
Expenditure - External	**203,256**	**4,299**	**207,555**
Expenditure - Segmental			
Less Non Discretionary Expenditure			
Segment surplus	**3,966**	**38**	**4,003**

35. Pooled Budgets

North Lincolnshire Clinical Commissioning Group had entered into a pooled budget with North Lincolnshire Council . The pool is hosted by North Lincolnshire Clinical Commissioning Group.

Under the arrangement funds are pooled under Section 75 of the National Health Service Act 2006 for Adult Mental Health Services.

The memorandum account for the pooled budget is:

Memorandum Account for the Adult Mental Health Pooled Budget for the period 1 April 2013 to 31 March 2014

Gross Funding	£000
NHS North Lincolnshire CCG	**11,876**
North Lincolnshire Council	**2,234**
	14,110
Expenditure	
Rotherham, Doncaster and South Humber Mental Health NHS Foundation Trust	**12,061**
North Lincolnshire Council Adult Mental Health Services	**2,583**
Contribution to North Lincolnshire Council Social Care Services (Sandfield)	**119**
Challenge Fund	**83**
MIND	**74**
	14,920
Total Expenditure	
Net (Underspend)/Overspend	**810**

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

Learning Disability Pooled Budget

NHS North Lincolnshire Clinical Commissioning Group is a partner in the Learning Disability Pooled Budget arrangements hosted by North Lincolnshire Council.

The Clinical Commissioning Group contributed £380,000 in 2013-14 to the Learning Disability Pool (£Nil in 2012-13).

The Clinical Commissioning Group contributed £43,063 for the CTLD Manager in 2013/14.

36. NHS LIFT Investments

North Lincolnshire Clinical Commissioning Group had no NHS LIFT investments as at 31 March 2014 (31 March 2013: £NIL).

37. Intra-Government & Other Balances

	Current Receivables £'000	Non-current Receivables £'000	Current Payables £'000	Non-current Payables £'000
CCG				
Balances with:				
• Other Central Government bodies	**0**	**0**	**66**	**0**
• Local Authorities	**86**	**0**	**145**	**0**
• NHS bodies outside the Departmental Group	**140**	**0**	**133**	**0**
• NHS Trusts and Foundation Trusts	**368**	**0**	**1,909**	**0**
• Public Corporations and Trading Funds	**0**	**0**	**0**	**0**
• Bodies external to Government	**116**	**0**	**9,904**	**0**
Total CCG at 31 March 2014	**710**	**0**	**12,157**	**0**

CCG				
Balances with:				
• Other Central Government bodies	0	0	0	0
• Local Authorities	0	0	0	0
• NHS bodies outside the Departmental Group	0	0	0	0
• NHS Trusts and Foundation Trusts	0	0	0	0
• Public Corporations and Trading Funds	0	0	0	0
• Bodies external to Government	0	0	0	0
Total CCG at 31 March 2013	0	0	0	0

There are no figures shown for 2012 -13, as 2013 -14 is the inaugural year for North Lincolnshire Clinical Commissioning Group

38. Related Party Transactions

The Department of Health is regarded as a related party. During the year North Lincolnshire Clinical Commissioning Group has had a significant number of material transactions with entities for which the Department is regarded as the parent Department.

- NHS England (including commissioning support units);
  - NHS Commissioning Board
  - NHS North Yorkshire and Humber CSU
  - NHS East Riding Of Yorkshire CCG
  - NHS Greater Huddersfield CCG
- NHS Foundation Trusts;
  - Barnsley Hospital NHS Foundation Trust
  - Doncaster and Bassetlaw Hospitals NHS Foundation Trust
  - Humber NHS Foundation Trust
  - Northern Lincolnshire and Goole Hospitals NHS Foundation Trust
  - Rotherham Doncaster & South Humber Mental Health NHS Foundation Trust
  - Sheffield Children's NHS Foundation Trust
  - Sheffield Teaching Hospitals NHS Foundation Trust
  - York Teaching Hospital NHS Foundation Trust
- NHS Trusts;
  - East Midlands Ambulance Service NHS Trust
  - Hull and East Yorkshire Hospitals NHS Trust
  - Leeds Teaching Hospitals NHS Trust
  - Lincolnshire Community Health Services NHS Trust
  - Mid Yorkshire Hospitals NHS Trust
  - Nottingham University Hospitals NHS Trust
  - United Lincolnshire Hospitals NHS Trust
  - Yorkshire Ambulance Service NHS Trust
- NHS Litigation Authority and,
- NHS Business Services Authority
- NHS Property Services Ltd

In addition, North Lincolnshire Clinical Commissioning Group has had a number of material transactions with other government departments and other central and local government bodies. The majority of these transactions have been with :

- North Lincolnshire Council
- HM Revenue and Customs
- National Insurance Fund

39 Related Party Transactions 2013-14 - Continued.

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

Details of related party transactions with individuals are as follows:

	Payments to Related Party £'000	Receipts from Related Party £'000	Amounts owed to Related Party £'000	Amounts due from Related Party £'000
Board Members:				
Mrs A Cooke				
Chief Officer				
Partner Governor for Rotherham, Doncaster & South Humber NHS Foundation Trust	13,742	46	0	0
Dr M L Sanderson				
CCG Chair				
Partner at Trent View Medical Practice.	1,993	1	6	0
Husband is a Consultant employed by Northern Lincolnshire & Goole Hospitals NHS Foundation Trust.	100,597	0	1,251	0
Member of SAGPEC which is a Not for Profit company, which conducts business with the NHS.	1,003	0	0	0
Mrs C Wylie				
Director of Quality & Risk Assurance and Nurse Member				
Nil Declaration of Interest	0	0	0	0
Mrs T Paskell				
Chief Finance Officer & Business Support				
Husband is Deputy Director of Finance at Doncaster and Bassetlaw Hospitals NHS Foundation Trust.	3,049	0	0	0
Governor at Sheffield Teaching Hospitals Foundation Trust	1,072	0	42	0
Dr R M Jaggs-Fowler				
GP Member/Medical Director				
Partner in Dr Jaggs-Fowler & Partners, Barton & Humber.	2,775	0	0	0
Director and shareholder of Barton Health Care - which runs a Village Surgery at Goxhill.	0	0	0	0
Senior volunteer in St John Ambulance	9	0	0	0
Member of SAGPEC which is a Not for Profit company, which conducts business with the NHS.	1,003	0	0	0
Dr A Lee				
GP Member				
Partner of West Common Lane Teaching Practice, Scunthorpe	534	0	1	0
Director of Lindsey Healthcare Ltd, and Lindsey Health LLP.	0	0	0	0
Associate Medical Director of NHS Direct.	9	0	0	0
Member of SAGPEC which is a Not for Profit company, which conducts business with the NHS.	1,003	0	0	0
Dr F Macmillan				
GP Member				
Partner in Dr Jaggs-Fowler & Partners, Barton & Humber.	2,775	0	0	0
Director and shareholder of Barton Health Care - which runs a Village Surgery at Goxhill.	0	0	0	0
Member of SAGPEC which is a Not for Profit company, which conducts business with the NHS.	1,003	0	0	0
Wife works for "Skills for Care".	0	0	0	0
Dr N Stewart				
GP Member				
Partner in Church Lane Medical Centre, Scunthorpe	1,483	0	0	0
Wife works as a Community Staff nurse for Northern Lincolnshire & Goole NHS Foundation Trust	100,597	0	1,251	0
Member of SAGPEC which is a Not for Profit company, which conducts business with the NHS.	1,003	0	0	0
Dr J Mbugua				
GP Member				
Partner at Trent View Medical Practice.	1,993	0	0	0
Member of SAGPEC which is a Not for Profit company, which conducts business with the NHS.	1,003	0	0	0
Work in Dermatology at Northern Lincolnshire & Goole NHS Foundation Trust	100,597	0	1,251	0
Partner works at Northern Lincolnshire & Goole NHS Foundation Trust	100,597	0	1,251	0
Dr J Shah				
Secondary Care Doctor				
Director of Jagrit Shah Ltd – a personal private practice in radiology reporting company in Nottingham	0	0	0	0
Consultant Neuroradiologist in Nottingham University Hospitals NHS Trust	123	0	27	0
External Auditor and Reporter for 4 Ways Healthcare – Radiology Reporting Company	0	0	0	0
Medical Director Balborough Treatment Centre, Chesterfield	0	0	0	0
Mr I Reekie				
Lay Member				
Member of the Board of Trustees of Voluntary Action North Lincolnshire.	0	0	0	0
Wife works as a receptionist at Spire Healthcare - Hull & East Riding Hospital.	576	0	0	0
Mr P Evans				
Lay Member				
Honorary Treasurer and Trustee of UK Environmental Law Association.	0	0	0	0
Membership of Pharmaceutical Industry Pensions:	0	0	0	0
Bausch & Lomb	0	0	0	0
Nelson's (Homeopathy)	0	0	0	0
Association of British Pharmaceutical Industry	0	0	0	0
Mrs C Briggs				
Director of Commissioning				
Partner Governor at Northern Lincolnshire & Goole Hospitals Foundation Trust	100,597	0	1,251	0
Mrs F Cunning				
Director of Public Health				
Employed by North Lincolnshire Council as a joint appointment	5,578	2,721	83	145

39. Events After the Reporting Period

There are no post balance sheet events which will have a material effect on the financial statements of North Lincolnshire Clinical Commissioning Group.

40. Losses & Special Payments

North Lincolnshire Clinical Commissioning Group had no losses and special payments cases during 2013-14 (2012-13: None).

41. Third Party Assets

North Lincolnshire Clinical Commissioning Group held no third party assets as at 31 March 2014 (31 March 2013: None).

42. Financial Performance Duties

Clinical Commissioning Groups have a number of financial duties under the National Health Service Act 2006 (as amended).

North Lincolnshire Clinical Commissioning Group's performance against those duties was as follows:

		2013-14		
National Health Service Act Section		Maximum	Performance	Duty Achieved?
	Duty	£'000	£'000	
223H(1)	Expenditure not to exceed income	**211,584**	**207,556**	**Yes**
223I(2)	Capital resource use does not exceed the amount specified in Directions	**25**	**25**	**Yes**
223I(3)	Revenue resource use does not exceed the amount specified in Directions	**208,409**	**204,406**	**Yes**
223J(1)	Capital resource use on specified matter(s) does not exceed the amount specified in Directions	**0**	**0**	**Yes**
223J(2)	Revenue resource use on specified matter(s) does not exceed the amount specified in Directions	**0**	**0**	**Yes**
223J(3)	Revenue administration resource use does not exceed the amount specified in Directions	**4,230**	**4,192**	**Yes**

Note: For the purposes of 223H(1); expenditure is defined as the aggregate of gross expenditure on revenue and capital in the financial year; and, income is defined as the aggregate of the notified maximum revenue resource, notified capital resource and all other amounts accounted as received in the financial year (whether under provisions of the Act or from other sources, and included here on a gross basis).

(1) Each clinical commissioning group must, in respect of each financial year, perform its functions so as to ensure that its expenditure which is attributable to the performance by it of its functions in that year does not exceed the aggregate of—
(a) the amount allotted to it for that year under section 223G,

(b) any sums received by it in that year under any provision of this Act (other than sums received by it under section 223G), and

(c) any sums received by it in that year otherwise than under this Act for the purpose of enabling it to defray such expenditure.

43. Impact of IFRS

Accounting under IFRS had no impact on the results of North Lincolnshire Clinical Commissioning Group during the 2013-14 financial year.

44. Analysis of Charitable Reserves

North Lincolnshire Clinical Commissioning Group held no charitable reserves as at 31 March 2014 (31 March 2013: None).

KPMG

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORTH LINCOLNSHIRE CCG

We have audited the financial statements of North Lincolnshire CCG for the year ended 31 March 2014 on pages 106 to 145. These financial statements have been prepared under applicable law and the accounting policies directed by the Secretary of State with the consent of the Treasury as relevant to the National Health Service in England. We have also audited the information in the Remuneration Report that is subject to audit.

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

Respective responsibilities of the Accountable Officer and auditor

As explained more fully in the Statement of Accountable Officer's Responsibilities set out on page 62, the Accountable Officer is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the CCG's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Accountable Officer, 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 the CCG as at 31 March 2014 and of its net operating costs for the year then ended; and

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

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

In our opinion:

- the part of the Remuneration Report subject to audit has been properly prepared in accordance with the accounting policies directed by the Secretary of State with the consent of the Treasury as relevant to the National Health Service in England; and

- the information given in the Strategic Report and Members' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Code of Audit Practice 2010 for local NHS bodies requires us to report to you if:

- in our opinion, the Governance Statement does not reflect compliance with NHS England's Guidance;

- any referrals to the Secretary of State have been made under section 19 of the Audit Commission Act 1998; or

- any matters have been reported in the public interest under the Audit Commission Act 1998 in the course of, or at the end of the audit.

Conclusion on the CCG's arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required under Section 5 of the Audit Commission Act 1998 to satisfy ourselves that the CCG has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice 2010 for local NHS bodies issued by the Audit Commission requires us to report any matters that prevent us from 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, having regard to the guidance issued by the Audit Commission in October 2013. We have considered the results of the following:

- our review of the Governance Statement;

- the work of other relevant regulatory bodies or inspectorates, to the extent that the results of this work impact on our responsibilities at the CCG; and

- locally determined risk-based work.

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

Certificate

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

John Graham Prentice for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
KPMG, 1 The Embankment, Neville Street, Leeds, LS1 4DW

5 June 2014

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