



Annual Report and Accounts

2010/11

Welcome to Islington Primary Care Trust's Annual Report for 2010/11

Welcome to NHS Islington's Annual Report for 2010/11

This year has been one of change for the NHS in England generally and NHS Islington specifically.

From 1st April 2011, NHS Islington's provider side (our community services) will merge with Haringey Community Services and the Whittington Hospital NHS Trust to create a new organisation, Whittington Health, serving the boroughs of Islington and Haringey. This was part of a national programme of change called Transforming Community Services. In the future, this will mean community and hospital services working as one to ensure that people's health care needs are provided at the right place and at the right time.

As this Annual Report was being written, staff across the five Primary Care Trusts in the North Central London cluster were moving to a single management structure following a three month consultation in the winter. This means that for the new financial year a new organisation, NHS North Central London, will be commissioning NHS services on behalf of the five Trusts. Islington will retain a local office to work alongside local clinical leaders and other partners to ensure that our patients still receive the best NHS services.

Even with a backdrop of change, NHS Islington has made some major achievements this year and this is thanks to our staff who have remained focused and committed to providing the very best services to local communities.

Paula Kahn
Chair

Anne Weyman OBE
Vice Chair

This report covers the period from April 2010 to the end of March 2011. Since then there have been considerable changes within the NHS in north central London with the separation of directly provided services from PCT commissioning as part of Transforming Community Services and with the clustering of the commissioning functions of five PCTs.

The five statutory Boards for NHS Barnet, Camden, Enfield, Haringey and Islington have, since April 2011, formed a collaborative working arrangement referred to as NHS North Central London. To support this, the separate organisations have come together into a single management structure and under a single senior leadership.

CONTENTS

About Islington Primary Care Trust	2
Commissioning highlights	2
Patient advice and complaints and principles for remedy	4
Involving local people	7
Our people	9
Governance	12
Environment and sustainability	16
Our structure	16
Financial Reports	18
Glossary: financial terms and explanation of key financial information	41

ABOUT ISLINGTON PRIMARY CARE TRUST

WHO WE ARE AND WHAT WE DO

NHS Islington is responsible for improving the health of Islington residents and making sure you have access to high quality health services when you need them. We employ over 950 staff including nurses, health visitors, therapists, dieticians, consultants, managers and support staff to deliver healthcare across the borough.

Our services are delivered at health centres, community care centres and at home. We also pay GPs, dentists, pharmacists and optometrists to provide you with high quality healthcare.

Our work also includes promoting a healthy lifestyle to keep you as fit and well as possible. We help smokers to stop smoking, encourage people to take up their cancer screening invitations, make sure older people get their flu jab every year and promote good mental health.

NHS Islington is not directly responsible for hospital services or services for people with serious mental health problems, though we do we pay for these services for people who live in Islington and monitor how they are delivered.

NHS Islington doesn't just provide day-to-day health services, we also make plans for new and better services to improve your health. We encourage patients and residents to comment on our plans and have a real say on how new local services are developed. If you would like to comment, please contact our Patient Advice and Complaints team.

COMMISSIONING HIGHLIGHTS

TRANSFORMING PRIMARY CARE

The Transforming Primary Care/Practice Based Commissioning teams have made a number of improvements to community health services in Islington which have meant that patient care is improved by bringing services closer to patients and integrating them into primary care. The key achievements are as follows:

URGENT CARE

After a year of developing the model for Urgent Care, Islington Primary Care Trust led the development of an Urgent Care Centre on the Whittington Hospital site. The Urgent Care Centre will improve access and ensure that patients receive urgent treatment in a primary care environment. The Urgent Care Centre opened on 31st March 2011.

ANTI-COAGULATION IN PRIMARY CARE

In 2010 NHS Islington commissioned local GP practices to carry out anti-coagulation services. Through commissioning practices to carry out anti-coagulation, patients are now able to attend their local practice or a practice nearby for this service as an alternative to attending hospital, thereby improving choice and accessibility for local people.

NHS Islington wants to continue to develop and improve services for local people and in collaboration with local GPs we have decided that for 2011 we will focus on reviewing and improving services for patients attending outpatient gastroenterology, cardiology and respiratory

medicine, as well as working with local specialists to look in detail at ways of improving care for patients with respiratory disease across all the services we commission.

For more information on Transforming Primary Care, please visit www.islington.nhs.uk

PARTNERSHIP WORKING

NHS Islington remains committed to working with all our partner organisations to improve the health and well being of people living in Islington. We have excellent working relationships with many local statutory, voluntary and community sector and patient groups.

Partnership working has been well established at all levels throughout NHS Islington with many joint appointments between ourselves and Islington Council. We also benefit from a strong history of joint working with voluntary and community organisations across the borough, many of whom work with us to provide valuable services for local people.

It's through our relationships with these organisations and groups that we can tackle local challenges of poor health and health inequalities. Together, we make a positive impact and ensure that local people have access to the services they need to enjoy healthy and happy lives.

WHAT HAPPENED IN 2010/11?

This year, we have worked closer than ever before with our partners, including:

- Working with the Islington Local Involvement Network (LINK) to support their ongoing programme of patient engagement and service improvement activities. Key work has included supporting the LINK's Enter & View visits to Islington GP practices and sharing the latest information on changes in the NHS with LINK members. The LINK has also contributed to the development of GP commissioning in the borough, and has a representative member on our Interim GP Commissioning Board
- Working in partnership with Islington Council and the local voluntary and community sector to promote and implement the Islington Compact – the partnership agreement about how we will work together as partners to address the challenges facing the borough and improve the lives of everyone in Islington. Islington Primary Care Trust received a 2010 Islington Compact Award for our work in developing the Compact and raising its profile
- Extending our Section 75 agreements to promote greater joint working and shared resources
- Focussing on clinical engagement and leadership in all areas of commissioning, which has led to improved communications with GPs and more direct involvement of Islington clinicians in our planning and decision-making for local healthcare services; and
- Working with the Islington Voluntary Sector Health Network (IVSHN) and Voluntary Action Islington (VAI) to support effective engagement with the local voluntary and community sector.

WHAT'S NEXT?

As an organisation, we are proud of the relationships we have built with local groups and people since our inception in 2002.

In the next year, we will undergo a significant organisation change as we respond to government policy and the financial pressures facing the NHS. The Islington team remains committed though to utilising our existing relationships and the rich local knowledge and energy they bring.

We know that often the best relationships are built on excellent personal relationships but it is important to develop supportive systems that are not entirely dependent upon individuals. This will

prove critical as we support local GPs to take on more responsibility for commissioning healthcare services to achieve the best possible health outcomes for local people. Our relationships with local groups, and the information they provide through such projects as the Joint Strategic Needs Assessment will help us and our GPs focus on those things that have the greatest impact on the health of our population.

CLINICAL ENGAGEMENT

As the NHS moves towards the objectives set out in the Government's Equity and Excellence agenda, clinicians, and particularly GPs, are at the heart of designing and leading transformational change, bringing about improvements in clinical quality and effectiveness, and commissioning services. We welcome the increased involvement of our clinicians in Islington, knowing that the most effective and successful strategic planning and service re-design can only happen with clinicians are driving the innovation and transformation process.

Over the last year, Islington Primary Care Trust has focused on providing our clinicians with more regular and appropriate information to support them to take an active part in planning and decision-making.

Key achievements in clinical engagement this year have included:

- Appointing a Clinical Engagement Officer to support the Medical Director, Dr Andy Watts, to better communicate with clinicians and involve them in decision-making
- Establishing a weekly e-Bulletin for GPs and Practice Managers across the borough
- Establishing the Interim Shadow GP Commissioning Board to support the development of GP commissioning in Islington
- Establishing a clear mechanism is in place for clinical engagement and inter-professional exchange within the GP community
- Promoting opportunities for clinicians to 'get involved' in commissioning decisions and planning activities for Islington and across North Central London
- Developing a clinical leadership programme to support GPs in partnership with City University London
- Local clinicians driving forward improvements in patient experience and ways of ensuring accessibility to local services through Practice based patient groups.

PATIENT ADVICE AND COMPLAINTS AND PRINCIPLES FOR REMEDY

THE PATIENT ADVICE AND COMPLAINTS SERVICE

The Patient Advice and Complaints Service provides information and advice on local healthcare services, helps the public resolve any problems with healthcare services quickly and effectively and where necessary advises people on how to make formal complaints. Concerns, complaints, comments and compliments are monitored helping to improve our services in the future.

The service is changing on 1 April 2011. All queries and complaints concerning contracted services (GPs, dentists, pharmacies and opticians) will be handled by the North Central London Sector while the provider side (including district nursing, physiotherapy and podiatry) is forming a new integrated care organisation (ICO) with NHS Haringey and the Whittington Hospital. The new ICO is called Whittington Health.

You can find out more about services provided by North Central London PALS and Complaints by calling 0203 317 3003 or emailing: pals.ncl@nclondon.nhs.uk . For more information regarding Whittington Health Patient Advice and Complaints Service call 020 3316 1456 or email: pals@whittington.nhs.uk .

SERVICE IMPROVEMENTS

Feedback received from concerns and complaints allows us to consider where changes and improvements need to be made. Specific examples of action we have taken this year in response to feedback include:

- Additional training being provided for reception staff to manage difficult situations
- Stronger communication systems between the bladder and bowel service and the Camden district nurses to ensure patients are not missed
- Additional training was offered to numbers of clinical staff on the RiO case note management system
- Instigation of a new inspection process for health visiting clinic rooms.

NEW NHS COMPLAINTS PROCEDURE IN HMP PENTONVILLE

During this year a new NHS complaints procedure was put in place in HMP Pentonville. This involved separating the collection of healthcare complaints from generic prison complaints. In addition a new patient advice service was established within the prison to enable prisoners to raise concerns informally before they became complaints. Some of the activity has included creating new concerns and complaints forms and new leaflets for the prison, developing templates for prison complaints investigations and responses, initiating a regular drop-in service on the wings and offering a free phone number for prisoners to call when they have a concern.

This has resulted in a significant reduction in the number of complaints received across healthcare, it has improved the quality of responses and significant learning has been implemented including:

- Further training for nurses on the substance misuse wing in generic illnesses e.g. asthma
- Changes in the way appointment requests are collected from prisoners
- Procedures around medication provision have been tightened up
- New agreements made with the security department to ensure patients could attend external appointments on time.

COMPLIMENTS AND COMPLAINTS

Compliments and complaints are an important source of information about the quality of services purchased and provided directly by Islington Primary Care Trust. By sharing the lessons learnt from the complaints we receive we can continuously improve the quality of our services.

We make staff aware of complaints against them, remind them of policies and procedures already in place, and offer training where necessary.

The Patient Advice and Complaints team follows up with the investigating or service manager to confirm that proposed actions have actually been implemented.

PRINCIPLES FOR REMEDY

We take into account the Principles for Remedy established by the Parliamentary and Health Service Ombudsman for every complaint we deal with.

It is not always possible to return everyone who complains back to the position they would have been if maladministration or poor service had not taken place.

However, we are committed to: providing an explanation; offering an apology where it is required; and taking action to avoid similar incidents occurring in the future.

CONTACTS AND COMPLAINTS

In 2010-11 the team received 3445 informal contacts from patients, carers and members of the public, an increase of 29% from the previous year. 55% of the team's informal contacts were seeking advice or information about health services and 45% related to problems or concerns. The majority of cases were initiated by the team's telephone helpline.

This year we saw a 30% decrease in complaints received about the Trust and independent contractors but a 48% increase in provider complaints – a total of 370 complaints were received, as opposed to 335 in 2009/10.

Of these, 229 were about Trust services, 96 about GPs and 14 about dentists. There was one complaint about pharmacists and none about ophthalmic practices.

We worked hard to ensure that 99% of complaints were acknowledged within three working days. 97% of all complainants who raised issues or concerns about our directly provided services received a response within an agreed timescale or our locally set 25-day target.

We spoke to complainants by telephone or in face-to-face meetings, using interpreters where necessary. For complaints about independent contractors, we forwarded correspondence to practitioners, with patient consent, and we requested copies of responses to ensure they were sent in a timely manner. Patient Advice and Complaints Officers supported local resolution meetings and trained Conciliators were also used to facilitate resolution of patients' concerns.

Three complaints against the trust were referred to the Health Service Ombudsman; these were not formally investigated.

COMPLIMENTS AND POSITIVE FEEDBACK

As a balance to concerns and complaints, written compliments and positive feedback are also recorded for services managed by Islington Primary Care Trust. We received 238 compliments this year, which included praise for professional and friendly staff and for quick access to many of our services. Compliments are an important source of information about the quality of services purchased and provided directly by Islington Primary Care Trust as they highlight particular services that patients have received exceptional service. By sharing good practice, as well as lessons learnt from any complaints, we can continuously improve the quality of our services.

CONTACT US

The Patient Advice and Complaints Service is available between 9am and 5pm Monday to Friday (excluding bank holidays).

North Central London PALS and Complaints

Telephone: 020 3317 3003
Email: pals@nclondon.nhs.uk

Address:
Freepost RSSE-SHET-UJTL
NHS North Central London
PALS & Complaints
5th Floor, Stephenson House
Hampstead Road
London NW1 2PL

Whittington Health Patient Advice and Complaints

Telephone: 020 3316 1456
Email: pals@whittington.nhs.uk

Address:
PALS Office
The Whittington Hospital NHS Trust
Magdala Avenue
London N19 5NE

INVOLVING LOCAL PEOPLE

CONSULTATIONS

There have been a number of consultations undertaken this year to find out your views about service developments.

We use our website – www.islington.nhs.uk/consultations.htm - to advertise all our public consultations, the results and next steps. This year we also published an annual report about consultations.

Some of our major consultations over the last year are outlined below.

CONTINUING HEALTHCARE

Islington Primary Care Trust launched a consultation from February to May 2010 to get feedback from local people about our proposals to change continuing healthcare services at St Pancras Hospital.

The consultation asked for views about proposals to stop commissioning some beds in St Pancras Hospital for NHS continuing healthcare. Long term care in a hospital setting is not felt to be good practice as residents and relatives prefer a more homely environment that nursing homes can provide.

The consultation closed in May with a clear majority in favour of closing the beds and moving long term residents to nursing homes, which has now happened.

PHARMACY NEEDS IN ISLINGTON

This year we undertook a major consultation about pharmacy services in Islington. The consultation took place from October - December 2010 and sought people views on pharmacy needs in Islington including opening hours, current and future services. Feedback about current services was largely positive.

A clear majority of respondents supported increasing pharmacy opening hours and many of these felt that they should match GP opening hours to enable patients to get prescriptions filled. Health checks were the most popular of all the services mentioned in the consultation.

Islington Primary Care Trust is looking at introducing a new pharmacy service in the north of Islington with longer opening hours and to develop new services as a result of this consultation.

DRUG AND ALCOHOL SERVICES

Islington Primary Care Trust and Islington Council launched a six week consultation in September 2010 in order to seek ideas from partners, stakeholders, users, carers, members of the public and potential providers to help in the redesign of treatment services in the borough; specifically, changes to the borough's alcohol services and structured day programme.

Responses were received from service users, carers, providers and strategic partners representing a range of views. Throughout the consultation we got a very clear message that for the treatment system to be effective we need to provide more support in terms of aftercare and social re-integration.

The main findings from the consultation highlighted priorities for both the two new services and for substance misuse services in general which are now being implemented.

MENTAL HEALTH SERVICES IN ISLINGTON

Islington is a borough with significant mental health needs and along with Camden we spend more money on these services than any other London borough. Over the last five years we have invested in improved community services to keep people out of hospital, whilst recognising that hospital care is immensely important for those people who need it.

This year we launched a large consultation with patients, the public, voluntary and community groups about reducing mental health hospital beds in Islington and Camden to concentrate resources in fewer places so we can continue to deliver high quality, safe and effective services that promote recovery. The results of the consultation are due in April 2011.

ORTHOTICS AND BIOMECHANICS

This year we consulted about moving our biomechanics and orthotics services from Finsbury Health Centre in the south of the borough to Hornsey Health Centre in the centre of Islington next to Holloway tube. Biomechanics is the service which helps people who have foot, ankle, knee or leg problems that cause pain and abnormal, or irregular, walking. Orthotics helps people to walk more normally by providing special, bespoke, shoe inserts. Our orthotics service requires a special laboratory to construct shoe inserts.

Over the last few years we have been moving community services in the borough to make better use of our NHS buildings, to give some services that are working in cramped conditions more space, and to put services that need to work closely together in the same building.

Our consultation proposed moving biomechanics and orthotics to give them more space, to free up some space in Finsbury Health Centre and to put these services in the same building, on the same floor, as adult physiotherapy/musculoskeletal services so they can work better together. We also wanted to move these specialist foot services to a more central location so they are easier to get to for most patients.

Consultation results are due in April 2011.

MYSTERY SHOPPING OF NHS DENTISTS IN ISLINGTON

This year we undertook our first “mystery shopping” exercise of NHS dental services in Islington. Mystery shopping aimed to find out how well the Islington Primary Care Trust enquiry telephone line (**020 7527 1182/3**), Find a Dentist, was working, how well dental staff answered a number of questions about dental services, how easy and how long it took to get an appointment.

Results were generally positive. All callers to the Find a Dentist service were successful in getting an NHS dentist and all were given the information they wanted. Most calls to dental practices were answered straight away and in a polite and helpful manner. The average wait for an appointment was 12 days and callers were not pressurised to use private services.

These results are being followed up via a workshop with dental staff and we are planning to repeat this exercise during 2011.

TRANSFORMING PRIMARY CARE

Last year we reported on a programme of work called the Transforming Primary Care programme. Over the next five years, this programme will bring services out of hospitals and into community settings that are closer to home and more convenient. A major achievement this year has been the planning of our new Urgent Care Centre at the Whittington Hospital NHS Trust which is due to

open on 31st March 2011 and will treat people quickly who have urgent care needs but do not need to use A&E services.

HOW TO GET INVOLVED

ISLINGTON PRIMARY CARE TRUST HEALTH PANEL

As reported in our last annual report, this year we established a panel for people to directly influence health services in Islington. The panel is open to all residents of Islington to join and by March 2011 we had over 130 members.

During the year members of the panel received regular newsletters and answered four health services surveys about GP, dental, pharmacy, optometry and community health services. They also gave their views about consultations and were recruited to workshops about service developments as well as being offered training on committee skills.



GP PATIENT COMMISSIONING GROUPS

This year we continued to support patients groups that are part of GP Practice-Based Commissioning groups in the south and central areas of Islington. These bring together patients, practice managers and GPs to improve local health services and during 2010/11 they were instrumental in developing a new phlebotomy (blood taking) service based in local surgeries.

OUR PEOPLE

Islington Primary Care Trust formally separated its commissioning and provider functions during 2010-11 and has formed a provider alliance with Haringey Primary Care Trust. Provider staff figures shown in this section only encompass staff employed by Islington Primary Care Trust.

ISLINGTON PRIMARY CARE TRUST STAFF

	Number of staff employed
Commissioning	244
Provider	945
Total	1203

ISLINGTON PRIMARY CARE TRUST PROVIDER SERVICES STAFF

	Number of staff employed
Adult services	387
Children's services	489
Non clinical	69
Total	945

GENDER

	Whole PCT (%)	Commissioning (%)	Provider side (%)
Male	17.3	30.1	14.6
Female	83.7	69.9	85.4

ETHNICITY

	Whole PCT (%)	Commissioning (%)	Provider side (%)
White	66.5	67.8	66.2
Mixed	1.9	3.6	1.6
Asian/Asian British	10	14.3	9.1
Black or Black British	18.4	11.7	19.8
Other ethnic group	2.4	1.5	2.5
Unknown	0.8	1	0.7

SICKNESS ABSENCE

The rate of sickness for Islington Primary Care Trust is currently averaging at 2.3% (commissioning – 0.7%, provider – 2.6%), well under the average rate for the NHS as a whole (4.37%). Islington Primary Care Trust has been working with its payroll provider to ensure the accuracy of sickness data. In 2010-11 we will be introducing an Electronic Staff Record Self Service which will be able to assess whether sickness reporting is entirely accurate across the organisation.

STAFF SURVEY 2009

The results of the 2009 Staff Survey were published in March 2010. 457 staff at Islington Primary Care Trust took part in this survey, a response rate of 52% (up from 48% in 2008). Overall, the results of the survey were positive, with slight improvements since 2008. The main area of improvement was a reduction in the number of staff experiencing harassment, bullying or abuse from patients or their relatives, which dropped from 18% in 2008 to 11% in 2009.

Nationally, Islington Primary Care Trust compares favourably in most areas with other similar PCTs. For instance, when asked if there is good communication between senior management and staff, 47% of staff agreed. This compares with a national average of 32%, which shows that Islington Primary Care Trust is committed to involving and engaging staff on all levels.

Other areas where Islington Primary Care Trust performs above the national average are when recommending the PCT as a place to work or receive treatment (3.83 out of 5, compared with the national average of 3.52 out of 5); and when asked about the support from immediate managers, staff rated at an average of 3.95 out of 5, compared with the national average of 3.88 out of 5.

Ensuring that all staff have an appraisal has been one of Islington Primary Care Trust's priorities for the last 2 years. Only 78% of staff said that had received a full appraisal in the last 12 months, compared with 88% in 2008. Our figures are still well above the national average for other PCTs, but we will continue to work on improving our percentage in 2010.

A longer and more detailed report of the 2009 survey results for Islington Primary Care Trust can be downloaded from www.cqc.org.uk

EQUALITIES AND HUMAN RIGHTS

This year has seen considerable change which has significant implications for Islington Primary Care Trust and our equalities work.

In April 2010 the Equality Act received Royal Assent and created a new set of priorities and duties for public bodies such as Islington Primary Care Trust, and corresponding rights for employees, service users and members of the public.

KEY ACHIEVEMENTS

During 2010-11 we completed our three year single equality scheme (2008-11) and action plans relating to race, gender and disability.

Reports on our equality scheme and actions plans are available on our website (www.islington.nhs.uk) as well as consultation results, past achievements and a range of other relevant work.

This year the Equalities and Human Rights Commission mentioned Islington Primary Care Trust twice on its website as examples of best practice in consultation and involvement.

We produced a new Equality Impact Assessment (EQIA) tool and undertook an audit of EQIAs which showed a significant increase during 2010-2011.

We have agreed a new approach to how we procure (buy) NHS services and now require suppliers to agree to Islington's Equality and Cohesion Charter.

New compulsory equality and diversity training for all staff has been introduced. In addition all managers have completed advanced equalities training if this had not been undertaken in the last three years.

We are in the process of undertaking a review of our translation and interpreting services and uptake by GPs with the objective of increasing GP's use of telephone interpreting, and reducing the use of family members to interpret.

Islington Primary Care Trust is working in partnership with Islington Council to implement a new learning disabilities action plan to improve care for this vulnerable group across health and social care.

We have reviewed the feedback we receive about patient experience of our community services comparing disabled patient's views with others.

Our public health team has published a new disability profile for Islington residents that shows very high rates of disability-related benefit claims and that Islington Primary Care Trust has the second highest percentage of London residents who are deaf and the third highest percentage of London residents who are blind or partially sighted. This should help us to better plan services to meet the needs of these groups.

During 2010/11 we refurbished the Northern Health Centre (NHC) to create an accessible children's "hub" or centre bringing together children's community services in the borough to make them more convenient for parents whose children have multiple and complex needs and to encourage better joint working by health professionals. The refurbishment also included a larger accessible lift for disabled children and an increase in consulting and treatment room space. We also invested in improving physical access to Islington Primary Care Trust premises and opened a new Health Centre in Hornsey Street to deliver a range of primary care and GP services.

This year Islington Primary Care Trust created a new children's community nursing post to support children with complex medical needs and set up a children's participation and engagement group to ensure the continued involvement of disabled children in the care and services they receive.

To improve mental health services, during 2010 we undertook a programme of work to tackle mental health stigma and promote mental health wellbeing including resilience training, mental health first aid training, mental wellbeing champions, an online wellbeing and mental health promotion website, a life challenges course, anti-stigma campaign, suicide prevention projects and a social marketing campaign.

We are very pleased to report that mixed-sex accommodation at the Whittington Hospital and Camden and Islington Foundation Trust has been eliminated except where this is not clinically appropriate, such as intensive care.

During the year we worked in partnership with the borough-wide voluntary sector BME Forum and Improving Reach project and took part in the 2010 Black History Month health event *Health For All* where our staff gave health advice and health checks to attendees.

Looking forward to 2011-12 the main task for Islington Primary Care Trust will be to respond to the new Equality Act and prepare for and deliver new public sector equality duties.

GOVERNANCE

RISK MANAGEMENT

Risk management helps to ensure the services we provide to our patients are safe. In order to ensure risk management is effective we need to have clear systems in place for identifying, reporting and acting on areas of risk.

RISK REGISTER

Our corporate risk register is a crucial part of ensuring we have effective structures in place for managing risks. Risks identified on this register are linked to our corporate objectives so we can identify and manage issues that may affect us achieving our objectives.

The senior management team monitors high risks on a monthly basis and regular reviews are carried out by the Audit and Assurance Committee and the Board.

INCIDENT REPORTING

During 2010-11 Islington Primary Care Trust continued to monitor the implementation of our incident and serious untoward incident reporting policy. The purpose of the policy is to ensure there are structures in place for incidents to be reported, investigated and shared throughout the organisation for learning.

We regularly analyse reported incidents and share the results with services and committees across the organisation. This enables us to learn more and prevent incidents from reoccurring.



INCIDENTS INVOLVING PERSONAL DATA

SUMMARY OF OTHER PERSONAL DATA RELATED INCIDENTS 2010-11		
Category	Nature of Incident	Total
I	Loss of inadequately protected electronic equipment, devices or paper documents from secured NHS premises	2
II	Loss of inadequately protected electronic equipment, devices or paper documents from outside secured NHS premises	0
III	Insecure disposal of inadequately protected electronic equipment, devices or paper documents	0
IV	Unauthorised disclosure	3
V	Other	1

SUMMARY OF SERIOUS UNTOWARD INCIDENTS INVOLVING PERSONAL DATA AS REPORTED TO THE INFORMATION COMMISSIONER'S OFFICE IN 2010-11				
Date of incident (month)	Nature of the incident	Nature of data involved	Number of people potentially affected	Notification steps
September 10	Loss of inadequately protected paper documents secured NHS premises	Names, date of births, school	250	Individuals notified by post
		Names, date of births, school and an indication of diagnosis	19	As above
June 2010	Loss of inadequately protected paper documents secured NHS premises	Names	32	Individuals notified by post
Further action on information risk	<p>Islington Primary Care Trust will continue to monitor and assess its information risks, in light of the events noted above, in order to identify and address any weaknesses and ensure continuous improvement of its systems.</p> <p>Action plans have been completed to address those areas identified as requiring improvement following the incident.</p>			

FREEDOM OF INFORMATION

The Freedom of Information (FOI) Act gives everyone a general right of access to all types of recorded information held by public authorities. We've embraced the right to information under the Freedom of Information Act 2000 and are committed to being open and accountable in the spirit of this legislation.

So far this year we have received 350 requests for information under FOI which is 30 more than last year. On average we replied to these requests in 13 working days (we must provide the information within 20 working days). The majority of requests have been for financial, corporate and service specific information. Requests are managed using a dedicated mailbox to ensure all FOI requests are dealt with efficiently – foi@islingtonpct.nhs.uk

EMERGENCY PLANNING 2010-11

The NHS must think ahead and plan for different incidents that could affect our services and our patients. Emergencies can range from small-scale localised incidents such as power failure or snow to a large-scale accident such as a terrorist attack.

The Civil Contingencies Act 2004 sets a statutory framework for civil protection. This ensures that primary care trusts have robust plans to cope with all types of incident, particularly those outlined in the Community Risk Register – pandemic flu, heat-wave and floods.

Much of our work over the last year has focussed on keeping our plans up-to-date to ensure resilience against any given threat and we participate actively in local, regional and national planning groups for the 2012 Olympics, flooding and winter pressures.

SCOPE OF RESPONSIBILITY

The new management arrangements are a collaborative working arrangement between Barnet, Camden, Enfield, Haringey and Islington Primary Care Trusts, collectively referred to as NHS North Central London. These were outlined in the *Governance Framework for North Central London from 1 April 2011*. The framework terminated the Joint Committee of PCTs and Establishment Agreement for sector working on 31 March 2011, and proposed the adoption of the NHS North Central London Partnership Agreement from 1 April 2011.

The framework outlined the proposed Cluster governance configuration, accountabilities and responsibilities, including the agreement for one Chief Executive/Accountable Officer to be Chief Executive/Accountable Officer for each of the five Primary Care Trusts in North Central London. The Board composition outlined in the framework is compliant with the 2000 Regulations and in line with the Cluster Implementation Guidance. The Joint Boards of NHS North Central London refers to the joint meeting of the Boards of Barnet, Camden, Enfield, Haringey, and Islington Primary Care Trusts. The framework was adopted by Islington Primary Care Trust Board at its February 2011 meeting.

CAPACITY TO HANDLE RISK

The *Governance Framework for North Central London from 1 April 2011* outlined the new committee structure and risk reporting arrangements for NHS North Central London. The committees were confirmed in the *NHS North Central London Corporate Governance Framework Manual* along with the duties and delegated responsibilities to these committees. The committees are:

- Joint meeting of Audit Committees
- Remuneration Committee
- Five borough-based Professional Executive Committees
- Financial Recovery and Quality, Innovation, Productivity and Prevention (QIPP) Committee
- Quality & Safety Committee.

The *Corporate Governance Framework Manual* and terms of reference for these committees were adopted by the Joint Boards of NHS North Central London at the 21 April meeting. Specific risk management responsibilities of the Joint Boards, its committees and executive team are described in the risk and control framework.

RISK AND CONTROL FRAMEWORK

The context in which NHS North Central London is operating is a complex one and times of transition can be inherently risky. Robust risk management arrangements are critical in this context. The Joint Boards of NHS North Central London reviewed the draft Board Assurance Framework and risk monitoring and reporting arrangements at its meeting on 19 May 2011. These were developed in line with regulation and guidance.

In summary, the risk arrangements are as follows:

- **The Assurance Framework** contains the risks to principal and strategic objectives. It will be monitored monthly at corporate level by Executive Directors; for fitness of assurances/controls at every meeting of the Audit Committees; and reviewed at every meeting of the Joint Boards whose responsibility it is to review and comment on the controls and assurances.
- **The Top Risk narrative** sets out the most significant risks to the organisation identified from the Corporate Risk Register. The risks are mapped to the Board Assurance Framework. This will be reported to the Joint Boards at every meeting.
- **The Corporate Risk Register** contains those extreme and high risks that have been identified in the Directorate risk registers. This is monitored monthly at corporate level by Executive Directors; monitored at every meeting of the Audit Committees; and extreme risks reviewed at every meeting of the Joint Boards in the Top Risk narrative.
- **The Directorate Risk Registers** contain a record of all potential risks identified within each Directorate. This is monitored monthly at directorate level; reviewed at corporate level by Executive Directors on a rolling basis; with extreme and high risks escalated to the Corporate Risk Register.

Additionally all Board Committees will consider risk as part of their routine business at every meeting and a process will be in place to capture these risks on the Risk Registers.

Detailed risk reporting arrangements are being reviewed at the 26 May Joint Meeting of the Audit Committees, including the framework for risk identification and evaluation, and the criteria for evaluating risk. The Board Assurance Framework and Risk Registers have clearly articulated controls and assurance mechanisms; they also require clear action plans to manage and minimise risk, or where there are gaps in control or assurance. Clear definitions have been provided to ensure a common understanding of risk terminology.

As it is a statutory requirement for all Primary Care Trusts to have a Board Assurance Framework including Corporate Risk Registers in place, and given that these already exist across the five Primary Care Trusts in North Central London, a process is underway to harmonise these frameworks to ensure that all legacy risks from the original Risk Registers are reviewed and reflected in the consolidated Risk Registers.

The following principles are being applied:

- There will be a single Board Assurance Framework common to all five Primary Care Trusts with shared principal and strategic objectives, assurance processes and reporting arrangements
- There will be five Corporate Risk Registers, one for each Primary Care Trust. The majority of risks will be common across the five Primary Care Trusts, so these will have shared controls and assurances removing the need for duplication. There may be additional Primary Care Trust-specific risks, such as the differential financial positions of each trust
- Each Board will be sighted of all risks to the achievement of its objectives.

REVIEW OF EFFECTIVENESS

n/a

SIGNIFICANT ISSUES – YEAR-END

Extreme risks areas to principal and strategic objectives were identified on the Board Assurance Framework the 19 May meeting of the Joint Boards as follows:

- The pace and scale of change means there is a risk that there will be slippage on QIPP programme delivery
- There is a risk that the financial benefits outlined in the QIPP plan will not be delivered either to time or scale
- There is a risk that we will not deliver long term financial benefits because first year QIPP implementation is not delivered to time or scale
- There is a risk that the non-financial benefits outlined in the QIPP plan will not be delivered either to time or scale.



ENVIRONMENT AND SUSTAINABILITY

We have made significant investment this year to reduce our carbon footprint and have carried out a number of surveys to see how further improvements can be made.

Our approach is in line with the new Climate Change Act which aims to cut carbon emissions by at least 80% by 2050. These aims are supported by the NHS Carbon Reduction Strategy published in January 2009.

During the coming year we will continue to prioritise carbon reduction and sustainability. In particular, we will seek to embed sustainability into our corporate practices and governance processes and develop indicators so we can accurately report on our carbon emissions to the Board and our wider community.

OUR STRUCTURE

All the important decisions we make are carried out by a Board consisting of senior managers and non-executive members.

THE BOARD

The Board is the governing body of Islington Primary Care Trust and is held to account for our performance in delivering healthcare and health improvement in Islington. The Board aims to provide leadership, to look ahead and set Islington Primary Care Trust's strategic aims and to identify and maintain our values.

The Board is made up of non-executive directors (who are Islington residents) and executive directors (who are NHS staff). This membership is in line with guidance published by the NHS

Executive. The Board meets in public every two months and members of the public are very welcome to attend. On the alternate month the Board meets for a workshop which addresses current issues.

BOARD MEMBERS (AS AT 31 MARCH 2011)

Paula Kahn – Chair

Helen Pettersen – Chief Executive

NON-EXECUTIVE DIRECTORS

Anne Weyman OBE

Anita Charlesworth

Catherine Taylor

Dr Russell Gilbert

Sorrel Brookes

EXECUTIVE DIRECTORS

Sarah Price – Director of Public Health

Richard Quinton – Interim Director of Finance

Gillian Greenhough – PEC Chair

Andy Watts – Medical Director

CO-OPTED MEMBERS

Councillor Janet Burgess, Executive Member for Health

Non-executive board members are local people who have particular skills or knowledge that support our work and a personal commitment to improving local health care services. They also ensure the voice of local people is heard at the decision-making level of Islington Primary Care Trust.

THE SENIOR MANAGEMENT TEAM

The Senior Management Team (SMT) meet once a week and organise the operational work of Islington Primary Care Trust. The SMT is chaired by the Chief Executive and includes the directors of each of Islington Primary Care Trust's directorates.

HOW AVAILABLE RESOURCES WERE USED - BY RICHARD QUINTON INTERIM DIRECTOR OF FINANCE

The emphasis during 2010/11 has been on supporting the implementation of the Commissioning Strategy Plan and, towards the end of the year, preparation for the significant changes in the PCT's structure with the introduction of one management for the cluster of 5 PCTs in North Central London. This challenging programme has been taking place as we move into a more restricted financial environment.

Despite this, NHS Islington achieved its financial targets, including remaining within the Capital Resource Limit, and delivering a surplus of £10.3m. Once again NHS Islington has met both national and local targets in terms of finance and performance.

Before the commencement of the year, NHS Islington planned for a surplus of 1.0% of our opening resource allocation, which represented £4.3m. During the year we revised the target surplus to £9.3m to assist NHS London in resolving financial issues elsewhere in North Central London, and this was managed through a reduction in the investment plan of £3.4m and an increase in the savings target to £2.6m.

The revised investment plan of £2.3m identified those areas where additional investment was required to meet performance targets and improve quality in primary care including the development of an urgent care centre at the Whittington and other improvements in public health.

The PCT has delivered a savings program of £14m in 2010/11, including £9.1m related to secondary care commissioning and slippage on investments, £3m related to PCT efficiencies, and £1.9m related to primary care commissioning.

NHS Islington has a capital investment strategy which makes a significant investment in improving primary care facilities within the area. The strategy is primarily delivered through the Local Improvement Finance Trust (LIFT), in partnership with CICS Ltd.

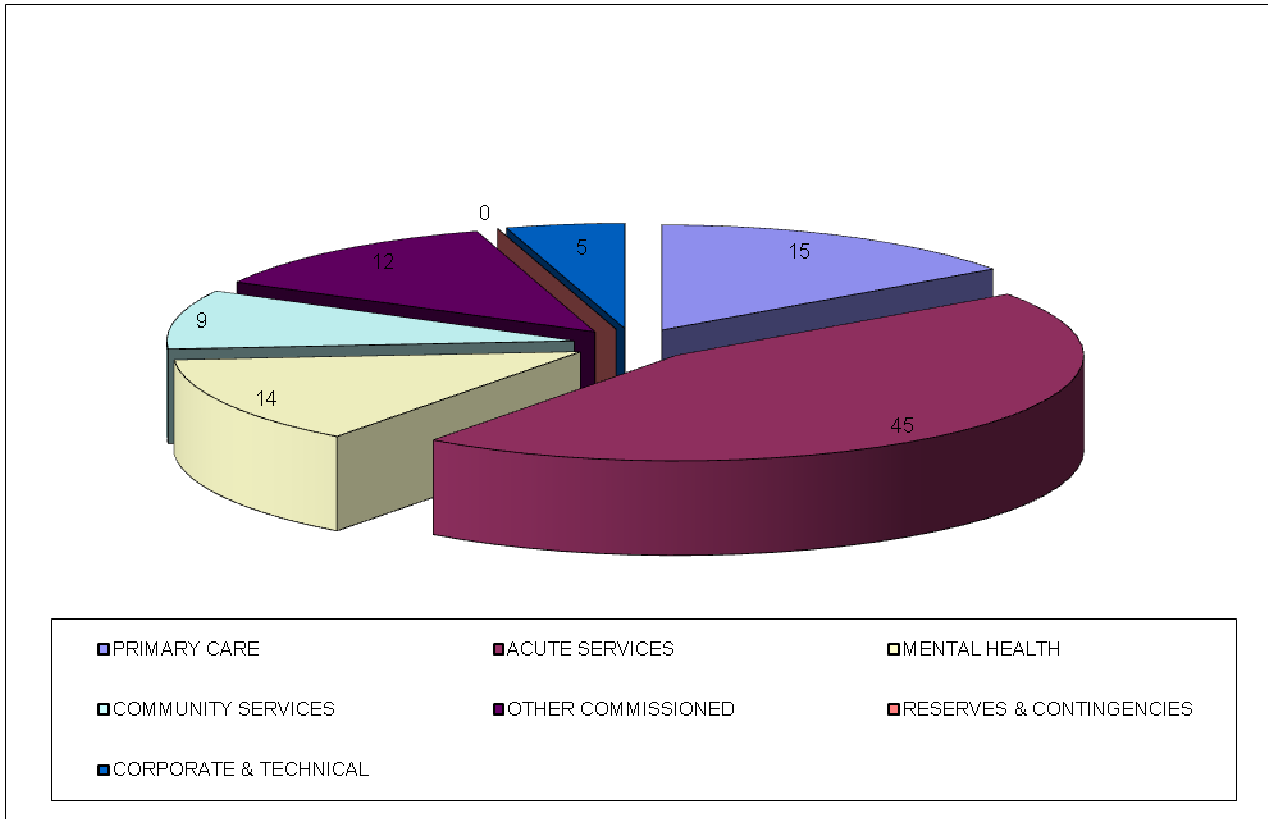
During 2011/12 we will make significant investments designed to improve the health and well being of our population and tackle the health inequalities that continue to exist across our diverse communities.

In 2011/12 NHS Islington will receive a growth uplift of 3% (£8.1m) and a benefit from the tariff changes of 1.5% (£4.3m) but has to set aside funding for Activity growth (£9.9m), 2% Headroom (£8.7m), Reablement (£4.3m) and other contingencies to cope with unforeseen financial pressures (£4.4m). The impact of these items and to deliver the budgeted surplus of £8.4m necessitates a savings program of £22.3m. The PCT has developed plans for achieving this through acute productivity improvements (£8m), Local QIPP (£5.1m), Mental Health (£2m), Management costs (£1.8m) and various other schemes (£5.4m).

HOW MUCH A YEAR?

In 2010/11 we spent an average of £1,972 per person on providing health care to people who live in Islington.

For each £1 spent, this is where it goes (in pence):

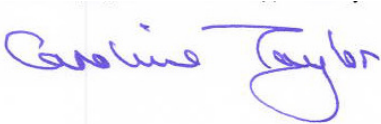


STATEMENT OF THE CHIEF EXECUTIVE'S RESPONSIBILITIES AS THE ACCOUNTABLE OFFICER OF THE PRIMARY CARE TRUST

The Chief Executive of the NHS has designated that the PCT Chief Executive should be the Accountable Officer to the Primary Care Trust. The relevant responsibilities of Accountable Officers are set out in the Accountable Officers Memorandum issued by the Department of Health. These include ensuring that:

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

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an Accountable Officer, except for revenue expenditure in excess of resource limit which was not intended by Parliament and did not conform to the authorities which govern them.



Caroline Taylor
Chief Executive

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the primary care trust and the net operating cost, recognised gains and losses and cash flows for the year. In preparing these accounts, directors are required to:

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury;
- make judgements and estimates which are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the primary care trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the primary care trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

By order of the PCT Board



Ann Johnson
Director

STATEMENT ON INTERNAL CONTROL 2010/11

A copy of the full Annual Accounts, including the Statement on Internal Control (SIC), is available free of charge on our website www.islington.nhs.uk

SUMMARY STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2011

3. Financial Performance Targets

3.1 Revenue Resource Limit

The PCTs' performance for the year ended 31 March 2011 is as follows:

Total Net Operating Cost for the Financial Year

Non-Discretionary Expenditure¹

Net Operating Cost less Non Discretionary Expenditure

Revenue Resource Limit

Under/(Over)spend Against Revenue Resource Limit (RRL)

2010-11 £000	2009-10 £000
468,393	442,040
-	1,522
468,393	440,518
478,654	441,639
10,261	1,121

¹ In 2010-11, due to changes in the way PCTs are funded, there is no non-discretionary expenditure

3.2 Capital Resource Limit

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

Total Gross Capital Expenditure

Loss in Respect of Disposals of Donated Assets

less: Net Book Value of Non-Current Assets Disposed of to NHS Bodies

less: Net Book Value of Non-Current Assets Disposed of to non-NHS Bodies

less: Net Book Value of Financial Instruments (Investments) Disposed Of to NHS bodies

less: Net Book Value of Financial Instruments (Investments) Disposed Of to Non-NHS bodies

less: Capital Grants Received

less: Donations

Charge Against the Capital Resource Limit (CRL)

Capital Resource Limit (CRL)

(Over)/Underspend Against CRL

2010-11 £000	2009-10 £000
850	392
0	0
0	0
(350)	0
0	0
0	0
0	0
0	0
500	392
500	408
0	16

3.3 Provider full cost recovery duty

The PCT is required to recover full costs in relation to its provider functions. The performance for 2010-11 is as follows:

Provider gross operating costs

Provider Operating Revenue

Net Provider Operating Costs

Costs Met Within PCTs Own Allocation

Under/(Over) Recovery of Costs

2010-11 £000	2009-10 £000
57,863	59,692
(17,268)	(18,602)
40,595	41,090
(43,011)	(42,630)
(2,416)	(1,540)

7.5.1 PCT Management Costs

	2010-11	2009-10
Management costs (£000s)	8,849	10,653
Weighted population (number in units)	238,388	236,837
Management Cost per weighted head of population (£ per head)	37	45

7.5.2 Commissioning Management Costs

	2010/11	2009/10
Management costs (£000s)	6,219	7,020
Weighted population (number in units)	238,388	236,837
Management Cost per weighted head of population (£ per head)	26	30

7.5.3 Provider Management Costs

	2010/11	2009/10
Management costs (£000s)	2,630	3,633
Revenue	60,279	61,232

The major difference in the management cost between 2009-10 and 2010-11 reflects the non recurrent cost of implementing the world class commissioning programme in 2009-10 and revised interpretation of the interim costs so that only the true management element is included.

7.6 Running Costs ¹

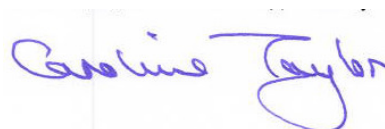
	2010-11		
	Commissioning services	Public health	Total
Running costs (£000s)	14509	933	15442
Weighted population (number in units)	238388	238388	238388
Running costs per head of population (£ per head)	60.86	3.91	64.78

7.7 Total Public Health Expenditure ¹

	2010-11 £000
Total public health expenditure ¹	12262

¹ Running costs and public health expenditure separately identified for the first time in 2010-11.

Signed on behalf of the PCT Board:



Caroline Taylor
Chief Executive

**Statement of Comprehensive Net Expenditure for year ended
31 March 2011**

	NOTE	2010-11 £000	2009-10 £000
Commissioning			
Employee benefits	7.1	16,296	10,926
Other costs	5.1	422,976	400,116
Income	4	(12,702)	(11,221)
Provider			
Employee benefits	7.1	42,129	42,945
Other costs	3.3	15,734	16,747
Income	3.3	(17,268)	(18,602)
PCT net operating costs before interest		467,165	440,911
Investment income	9	(21)	(20)
Other (Gains)/Losses	10	0	0
Finance costs	11	1,249	1,149
Net operating costs for the financial year		468,393	442,040
Other Comprehensive Net Expenditure			
Net (gain) on revaluation of property, plant & equipment		(1,875)	(69)
Net (gain) on revaluation of intangibles		0	0
Net (gain) on revaluation of available for sale financial assets		0	0
Receipt of donated or government granted assets		0	0
(Gain)/loss on other reserves		0	0
Impairments and reversals		0	1,479
Transfers from donated and government grant reserves		25	27
Adjustment for nominal cost of capital charge		0	765
Transfers (to)/from other bodies within the Resource Account Boundary		0	0
Net actuarial (gain)/loss on pension		0	-
Total comprehensive net expenditure for the year		466,543	444,242

The notes on pages 6 to 48 form part of this account.

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY
For the year ended 31 March 2010

	General fund	Revaluation reserve	Donated asset reserve	Govt. grant reserve	Other reserves	Total reserves
	£000	£000	£000	£000	£000	£000
Balance at 1 April 2009	<u>(25,978)</u>	<u>11,215</u>	<u>525</u>	<u>71</u>	<u>0</u>	<u>(14,167)</u>
Changes in taxpayers' equity for 2009-10						
Net operating cost for the year	(442,040)					(442,040)
Net gain on revaluation of property, plant, equipment		46	23	0		69
Net gain on revaluation of intangible assets		0	0	0		0
Net gain on revaluation of financial assets		0				0
Receipt of donated or government granted assets			0	0		0
Movements in other reserves					0	0
Impairments and reversals		(1,479)	0	0		(1,479)
Release of reserves to SoCNE		0	(23)	(4)		(27)
Non-cash charges – cost of capital	(765)					(765)
Transfers between reserves	0	0	0	0	0	0
Transfers to/(from) other bodies within the Resource Account boundary	0	0				0
Total recognised income and expense for 2009-10	<u>(442,805)</u>	<u>(1,433)</u>	<u>0</u>	<u>(4)</u>	<u>0</u>	<u>(444,242)</u>
Net Parliamentary funding	429,676					429,676
Balance at 31 March 2010	<u>(39,107)</u>	<u>9,782</u>	<u>525</u>	<u>67</u>	<u>0</u>	<u>(28,733)</u>

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY
For the year ended 31 March 2011

	General Fund	Revaluation Reserve	Donated Asset Reserve	Govt. Grant Reserve	Other Reserves	Total Reserves
	£000	£000	£000	£000	£000	£000
Changes in taxpayers' equity for 2010-11						
Balance at 1 April 2010	(39,107)	9,782	525	67	0	(28,733)
Net operating cost for the year	(468,393)					(468,393)
Net gain on revaluation of property, plant, equipment		1,852	23	0		1,875
Net gain on revaluation of intangible assets		0	0	0		0
Net gain on revaluation of financial assets		0				0
Receipt of donated or government granted assets			0	0		0
Movements in other reserves					0	0
Impairments and reversals		0	0	0		0
Release of reserves to SoCNE		0	(23)	(2)		(25)
Non-cash charges – cost of capital	0					0
Transfers between reserves	10	(10)	0	0	0	0
Transfers to/(from) other bodies within the Resource Account Boundary	0	0	0	0		0
Net actuarial gain/(loss) on pension	0				0	0
Total recognised income and expense for 2010-11	(468,383)	1,842	0	(2)	0	(466,543)
Net Parliamentary funding	474,273					474,273
Balance at 31 March 2011	(33,217)	11,624	525	65	0	(21,003)

**STATEMENT OF FINANCIAL POSITION AS AT
31 March 2011**

	NOTE	31 March 2011 £000	31 March 2010 £000
Non-current assets:			
Property, plant and equipment	12	26,259	24,936
Intangible assets	13	4	7
Other financial assets	30	260	260
Trade and other receivables	17.1	2,790	0
Total non-current assets		29,313	25,203
Current assets:			
Inventories	16	0	0
Trade and other receivables	17.1	7,734	12,816
Other financial assets	30	0	0
Other current assets	31	0	0
Cash and cash equivalents	32	67	205
		7,801	13,021
Non-current assets held for sale	15	0	0
Total current assets		7,801	13,021
Total assets		37,114	38,224
Current liabilities			
Trade and other payables	18	(39,447)	(50,829)
Other liabilities	20	0	0
Provisions	21	(3,565)	(757)
Borrowings	19	(91)	(38)
Other financial liabilities	24	0	0
Total current liabilities		(43,103)	(51,624)
Non-current assets plus/less net current assets/liabilities		(5,989)	(13,400)
Non-current liabilities			
Trade and other payables	18	0	0
Provisions	21	(8,948)	(9,176)
Borrowings	19	(6,066)	(6,157)
Other financial liabilities	24	0	0
Other liabilities	20	0	0
Total non-current liabilities		(15,014)	(15,333)
Total Assets Employed:		(21,003)	(28,733)
FINANCED BY:			
TAXPAYERS' EQUITY			
General fund		(33,217)	(39,107)
Revaluation reserve		11,624	9,782
Donated asset reserve		525	525
Government grant reserve		65	67
Other reserves		0	0
Total Taxpayers' Equity:		(21,003)	(28,733)

The notes on pages 6 to 48 form part of this account.

The financial statements on pages 1 to 5 were approved by the Board on 6th June 2011 and signed on its behalf

Chief Executive:

Caroline Taylor

Date:

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
31 March 2011**

	NOTE	2010-11 £000	2009-10 £000
Cashflow from operating activities			
Net operating cost before interest		(467,165)	(440,911)
Other cash flow adjustments	39	3,865	1,403
Movements in Working Capital	38	(9,557)	14,189
Provisions utilised	21	(730)	(793)
Interest paid		(774)	0
Net cash outflow from operating activities		(474,361)	(426,112)
Cash flows from investing activities			
Payments to purchase property, plant and equipment		(68)	(392)
Payments to purchase intangible assets		0	0
Proceeds of disposal of assets held for sale		35	0
Purchase of financial investments (LIFT)		0	0
Sale of financial investments (LIFT)		0	0
Loans made in respect of LIFT		0	0
Loans repaid in respect of LIFT		0	0
Payments for other financial assets		0	(3,000)
Proceeds from disposal of other financial assets		0	0
Interest received		21	0
Rental Revenue		0	0
Net cash inflow/(outflow) from investing activities		(12)	(3,392)
Net cash inflow/(outflow) before financing		(474,373)	(429,504)
Cash flows from financing activities			
Net Parliamentary Funding		474,273	429,676
Other capital receipts surrendered		0	0
Capital grants received		0	0
Capital element of payments in respect of finance leases, on-SoFP PFI and LIFT		(38)	0
Cash transfers (to)/from other NHS bodies		0	0
Net cash inflow/(outflow) from financing		474,235	429,676
Net increase/(decrease) in cash and cash equivalents		(138)	172
Cash (and) cash equivalents (and bank overdrafts) at the beginning of the financial year		205	33
Effect of exchange rate changes on the balance of cash held in foreign currencies		0	0
Cash (and) cash equivalents (and bank overdrafts) at the end of the financial year		67	205

BETTER PAYMENT PRACTICE CODE

Measure of compliance	2010-11 Number	2010-11 £000	2009-10 Number	2009-10 £000
Non-NHS Payables				
Total Non-NHS Trade Invoices Paid in the Year	32,721	72,459	31,595	61,448
Total Non-NHS Trade Invoices Paid Within Target	27,030	50,448	29,454	57,643
Percentage of Non-NHS Trade Invoices Paid Within Target	82.61%	69.62%	93.22%	93.81%
NHS Payables				
Total NHS Trade Invoices Paid in the Year	4,264	375,111	2,626	345,592
Total NHS Trade Invoices Paid Within Target	2,579	350,183	2,073	334,326
Percentage of NHS Trade Invoices Paid Within Target	60.48%	93.35%	78.94%	96.74%
The Better Payment Practice Code requires the PCT to aim to pay all valid invoices by the due date or within 30 days of receipt of a valid invoice, whichever is later.				

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

	2010-11 £000	2009-10 £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

The PCT payments policy is based on the principles contained in the Better Payments Practice Code drawn up by the DTI & CBI, which are listed below.

- Agreeing payment terms at the outset of a deal and adhering to the agreement;
- Explaining payment procedures to suppliers;
- Paying bills in accordance with any contract agreed with the supplier or as required by law; and
- Informing suppliers without delay when an invoice is contested, and settling disputes quickly.

(The code is available on request)

The PCT follows treasury guidance in the payment of other NHS bodies and follows the SHA arbitration timetables on disputes and resolutions of debts.

ISLINGTON PRIMARY CARE TRUST REMUNERATION REPORT 2010/11

MEMBERSHIP OF THE REMUNERATION AND TERMS OF SERVICES COMMITTEE

Paula Kahn - PCT Chair

Anne Weyman – Non Executive Director

Steve Hitchins - Non Executive Director

ROLE OF THE REMUNERATION AND TERMS OF SERVICES COMMITTEE AND STATEMENT OF POLICY ON THE REMUNERATION OF SENIOR MANAGERS

The Committee advises the Board on appropriate remuneration and terms of service for the Chief Executive and Trust Directors.

The Committee monitors and evaluates the performance of the Chief Executive and Directors having proper regard to the PCT's circumstances and performance and to the provisions of any national arrangements for such members and staff where appropriate.

The Committee reports the basis for its recommendations to the Board which uses the Committee's report as the basis for its decisions on remuneration. However, the Board remains accountable for taking final decisions on the remuneration and terms of service for the Chief Executive and Trust Directors.

For Directors' pay increases, the following factors are considered:

- current national market rates of comparable Director posts
- internal comparators
- changes to Director portfolios
- NHS pay awards for other staff groups
- any national guidance relating to maximum pay bill increases
- significant recruitment and/or retention issues
- financial position of the PCT.

PERFORMANCE MEASUREMENT

Directors' performance is appraised on an annual basis by the Chief Executive. The Chief Executive's performance is appraised on an annual basis by the Chair.

The Senior Managers' Pay Framework introduces new arrangements that are designed to:

- recruit, retain and motivate high calibre staff
- provide a national framework that allows local flexibility but that is fair and equitable
- be consistent with the principles of other pay reforms – Agenda for Change and Consultant Contract
- introduce a national contract with terms consistent with other NHS staff groups, and incorporating the Code of Conduct for NHS Managers

SUMMARY AND EXPLANATION OF POLICY ON DURATION OF CONTRACTS, AND NOTICE PERIODS AND TERMINATION PAYMENTS

Senior managers are permanent employees of the PCT, and in the event of redundancy, they are subject to standard NHS severance packages. The senior managers pay is part of the Very Senior Managers (VSM) contracts and as such terms and conditions are very much subsidised. Notice periods are six months.

Salary and Pension tables

2010/11

Salaries and allowances

Name and title	2010-11			2009-10		
	Salary (bands of £5,000) £000	Other remuneration (bands of £5,000) £000	Benefits `in kind (bands of £100) £00	Salary (bands of £5,000) £000	Other remuneration (bands of £5,000) £000	Benefits `in kind (bands of £100) £00
The Board						
Ms Helen Pettersen, Chief Executive	115-120	0	0	105-110	0	0
Mr Simon Goodwin, Director of Finance(to 28/11/10)	75-80	0	0	100-105	0	0
Mrs A Charlesworth, Non-Execuitve Director	5-10	0	0	5-10	0	0
Ms Paula Kahn, Chairperson	40-45	0	0	40-45	0	0
Ms Sarah Price, Director of Public Health	100-105	0	0	90-95	0	0
Ms Anne Weyman, Non-Executive Director	10-15	0	0	10-15	0	0
Dr Andrew Watts, Vice-chair & Medical Director	115-120	0	0	35-40	0	0
Ms Catherine Taylor, Non-Executive Director	5-10	0	0	5-10	0	0
Ms Louisa Bolch,Non-Executive Director	0-5	0	0	5-10	0	0
Dr Gillian Greenhough, PEC Chair	65-70	0	0	45-50	0	0
Ms Sorrel Brookes, Non-Executive	5-10	0	0	0	0	0
Mr Russell Gilbert, Non-Executive Director	5-10	0	0	0	0	0
Professional Executive Committee						
Dr Richard Ma, General Practioner	10-15	0	0	5-10	0	0
Ms Gisele Fabris, Respiratory Specialist	50-55	0	0	45-50	0	0
Dr Dow Smith, GP Tutor	10-15	0	0	5-10	0	0
Ms Jeanette Beane, Lead Nurse	60-65	0	0	55-60	0	0
Dr Jennifer Donaghy, Consultant	35-40	0	0	85-90	0	0
Dr Parmjit Khela, Community Rehab & Intermediate Care Team	n/a	0	0	5-10	0	0
Ms Pauline Grace, Service Change Manager	60-65	0	0	55-60	0	0
Ms Lynelle Hales, Director of Strategy & Commissioning	40-45	0	0	0	0	0

Shadow GP Commissioning Consortium Board

Dr Gregg Battle, General Practitioner	15-20	0	0	0	0	0
Dr Robbie Bunt, General Practitioner	n/a	0	0	0	0	0
Dr Anjan Chakraborty, General Practitioner	n/a	0	0	0	0	0
Dr Katie Coleman, General Practitioner	10-15	0	0	0	0	0
Ian Huckle, Practice Manager, Rise Group	n/a	0	0	0	0	0
Mr Douglas Russel, Patient Representative	n/a	0	0	0	0	0
Mr Gerald McMullan, Patient Representative	n/a	0	0	0	0	0
Mr Olav Ernstein, Patient Representative	n/a	0	0	0	0	0
Mr Tony Hoolaghan, Associate Director - Transforming Primary Care	85-90	0	0	0	0	0

Local Commissioning Group Chairs

Dr Peter Baines, General Practitioner	30-35	0	0	15-20	0	0
---------------------------------------	-------	---	---	-------	---	---

Other Senior Managers

Dr Jane Roberts, Director of Quality & Performance	95-100	0	0	100-105	0	0
Ms Sarah Timms, Director of Nursing & Children's Services	95-100	0	0	90-95	0	0
Ms Jennie Williams, Director of Nursing/Infection Prevention & Control	40-45	0	0	0	0	0
Ms M Buckell, Director of Joint Services Children's Community Health	85-90	0	0	75-80	0	0
Mr Ian Tritschler, Associate Director Business Development Provider Services	75-80	0	0	70-75	0	0
Mr John O'Reilly, Acting Associate Director of Finance- Provider Services	70-75	0	0	65-70	0	0
Ms Maria Da Silva, Director of Joint Services	95-100	0	0	85-90	0	0
Ms Anne Whateley, Director of Quality & Performance	90-95	0	0	0	0	0
Mr John Ota, Joint Chief Operating Officer - Provider Services	*	*	*	*	*	*
Mr Richard Quinton, Interim Director of Finance(from 08.11.10)	80-85	0	0	0	0	0
Mr Ian Fuller, Director of Human Resources	*	*	*	*	*	*

Notes

n/a Not Applicable

* Not employed by NHSI

** Interim

PENSION ENTITLEMENT OF SENIOR MANAGERS 2010/11

Pension benefits

Name and title	Real increase in pension at age 60 (bands of £2,500) £000	Real increase in lump sum at age 60 (bands of £2,500) £000	Total accrued pension at age 60 at 31 March 2011 (bands of £5,000) £000	Lump Sum at age 60 related to accrued pension at 31-Mar 2011 (bands of £5,000) £000	Cash Equivalent Transfer Value at 31 March 2011 £000	Cash Equivalent Transfer Value at 31 March 2010 £000	Real increase in Cash Equivalent Transfer Value £000	Employer's contribution to Stakeholder pension £000
----------------	---	---	--	---	---	---	--	--

The Board

Ms Helen Pettersen, Chief Executive	2.5 - 5.0	12.5 - 15.0	30-35	95-100	508	495	12	0
Mr Simon Goodwin, Director of Finance(to 28/11/10)	0.0 - 2.5	5.0 - 7.5	20-25	65-70	289	296	-5	0
Mrs A Charlesworth, Non-Executive Director	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Ms Paula Kahn, Chairperson	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Ms Sarah Price, Director of Public Health	0.0 - 2.5	5.0 - 7.5	20-25	70-75	332	355	-23	0
Ms Anne Weyman, Non-Executive Director	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Dr Andrew Watts, Vice-chair & Medical Director	2.5 - 5.0	7.5 - 10.0	25-30	75-80	436	427	9	0
Ms Catherine Taylor, Non-Executive Director	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Ms Louisa Bolch, Non-Executive Director	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Dr Gillian Greenhough, PEC Chair	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Ms Sorrel Brookes, Non-Executive	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Mr Russell Gilbert, Non-Executive Director	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Professional Executive Committee

Dr Richard Ma, General Practitioner	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Ms Gisele Fabris, Respiratory Specialist	0.0 - 2.5	0	0-5	0	13	10	3	0
Dr Dow Smith, GP Tutor	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Ms Jeanette Beane, Lead Nurse	0.0 - 2.5	2.5 - 5.0	10-15	35-40	242	233	9	0
Dr Jennifer Donaghy, Consultant	0.0 - 2.5	0.0 - 2.5	5-10	20-25	77	81	-2	0
Dr Parmjit Khela, Community Rehab & Intermediate Care Team	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Ms Pauline Grace, Service Change Manager	0.0 - 2.5	5.0 - 7.5	15-20	45-50	361	340	21	0
Ms Lynelle Hales, Director of Strategy & Commissioning	0.0 - 2.5	0.0 - 2.5	0-5	5-10	38	35	1	0

Pension benefits

Name and title	Real increase in pension at age 60 (bands of £2,500) £000	Real increase in lump sum at age 60 (bands of £2,500) £000	Total accrued pension at age 60 at 31 March 2011 (bands of £5,000) £000	Lump Sum at age 60 related to pension at 31-Mar 2011 (bands of £5,000) £000	Cash Equivalent Transfer Value at 31 March 2011 £000	Cash Equivalent Transfer Value at 31 March 2010 £000	Real increase in Cash Equivalent Transfer Value £000	Employer's contribution to Stakeholder pension £000
----------------	---	--	---	---	--	--	--	---

Shadow GP Commissioning Consortium Board

Dr Gregg Battle, General Practitioner	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Dr Robbie Bunt, General Practitioner	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Dr Anjan Chakraborty, General Practitioner	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Dr Katie Coleman, General Practitioner	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Ian Huckle, Practice Manager, Rise Group	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Mr Douglas Russel, Patient Representative	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Mr Gerald McMullan, Patient Representative	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Mr Olav Ernstein, Patient Representative	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Mr Tony Hoolaghan, Associate Director - Transforming Primary Care	0.0 - 2.5	2.5 - 5.0	20-25	65-70	336	353	-15	0

Local Commissioning Group Chairs

Dr Peter Baines, General Practitioner	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
---------------------------------------	-----	-----	-----	-----	-----	-----	-----	-----

Other Senior Managers

Dr Jane Roberts, Director of Quality & Performance	7.5 - 10.0	10.0 - 12.5	45-50	135-140	910	770	140	0
Ms Sarah Timms, Director of Nursing & Children's Services(Retired 31.03.11)	2.5 - 5.0	10.0 - 12.5	40-45	130-135	0	992	0	0
Ms Jennie Williams, Director of Nursing/Infection Prevention & Control	0	-5.0 - -10.0	10-15	40-45	205	206	0	0
Ms M. Buckell, Director of Joint Services Children's Community Health	2.5 - 5.0	7.5 - 10.0	30-35	95-100	678	662	8	0
Mr Ian Tritschler, Associate Director Business Development Provider Services	2.5 - 5.0	5.0 - 7.5	20-25	60-65	294	304	-10	0
Mr John O'Reilly, Acting Associate Director of Finance- Provider Services	0.0 - 2.5	5.0 - 7.5	10-15	40-45	201	191	3	0
Ms Maria Da Silva, Director of Joint Services	2.5 - 5.0	7.5 - 10.0	20-25	60-65	366	349	17	0
Ms Anne Whateley, Director of Quality & Performance	2.5 - 5.0	5.0 - 7.5	20-25	70-75	337	334	3	0
Mr John Ota, Joint Chief Operating Officer - Provider Services	*	*	*	*	*	*	*	*
Mr Richard Quinton, Interim Director of Finance	**	**	**	**	**	**	**	**
Mr Ian Fuller, Director of Human Resources	*	*	*	*	*	*	*	*

Notes

n/a Not Applicable

* Not employed by NHSI

** Interim

STAFF SICKNESS ABSENCE

	2010-11 Number	2009-10 Number
Days Lost (Short Term)	5,784	5,336
Total Days Lost	5,784	5,336
Total Staff Years	1,020	923
Average working Days Lost	5.67	5.78

EXIT PACKAGES FOR STAFF LEAVING IN 2010-11

Exit Packages for staff leaving in 2010-11						
	2010-11			2009-10		
Exit package cost band (including any special payment element)	*Number of compulsory redundancies	*Number of other departures agreed	Total number of exit packages by cost band	*Number of compulsory redundancies	*Number of other departures agreed	Total number of exit packages by cost band
	Number	Number	Number	Number	Number	Number
<£20,001	7	12	19	0	0	0
£20,001 - £40,000	4	13	17	1	0	1
£40,001 - 100,000	2	5	7	2	0	2
£100,001- £150,000	0	0	0	0	0	0
£150,001- £200,000	0	0	0	0	0	0
>£200,001	0	0	0	0	0	0
Total number of exit packages by type (total cost	13	30	43	3	0	3
Total resource cost (£000s)	0	0	0	0	0	0
<p>*Redundancy and other departure costs have been paid in accordance with the provisions of the Agenda for Change Scheme. Exit costs in this note are accounted for in full in the year of departure. Where the PCT has agreed early retirements, the additional costs are met by the PCT and not by the NHS pensions scheme. Ill-health retirement costs are met by the NHS pensions scheme and are not included in the table.</p> <p>The MARS scheme was used to make one payment.</p> <p>This disclosure reports the number and value of exit packages taken by staff leaving in the year. Note: The expense associated with these departures may have been recognised in part or in full in a previous period.</p>						

RELATED PARTY TRANSACTIONS

Islington Primary Care Trust is a body corporate established by order of the Secretary of State for Health. During the year none of the Board Members or members of the key management staff or parties related to them has undertaken any material transactions with Islington Primary Care Trust.

	Payments to Related Party £ Expenditure	Receipts from Related Party £ Income	Amounts owed to Related Party £ Creditors	Amounts due from Related Party £ Debtors
Simon Goodwin				
Camden & Islington Community Solutions Ltd	2,006,545	0	206,216	0
Camden & Islington Community Solutions Ltd 1 (Partnership)	2,089,627	0	0	0
Gillian Greenhough				
Clerkenwell Medical Practice	579	0	0	0
Anne Whateley				
NHS Tower Hamlets	43,215	3,600	26,018	0
Richard Ma				
Camidoc Ltd	747,956	0	0	0
Camden Primary Care Trust	14,758,918	7,814,661	4,618,938	655,138
Royal College of GPs	4,900	0	0	0
Jane Roberts				
London Borough of Camden	29,319	310,254	81,159	0
London Borough of Haringey	362	0	0	0
Dr Foster Ltd	57,000	0	0	0
Catherine Taylor				
COI	11,756	0	0	0
Edwina Affie				
Help on Your Doorstep	2,321	0	0	0
Ursula Woolley				
City of London Academy Islington	0	28,291	0	0
Greg Battle				
Dr G Battle	1,067	0	0	0
The Goodinge Group Practice	2,081	0	0	0
Robbie Bunt				
Dr R Bunt	3,026	0	0	0
The Group Practice at River Place	77	95	0	0
Anjan Chakraborty				
Dr Chakraborty	51	0	4,525	0
Katie Coleman				
Dr Katie Coleman	800	0	1,200	0
City Road Medical Centre	39,575	0	0	0

The Department of Health is regarded as a related party. During the year 2010/2011 Primary Care Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. These entities are listed below;

- A. London Strategic Health Authority
- B. Barnet PCT
- C. Camden PCT
- D. Croydon Teaching PCT
- E. Enfield PCT
- F. Haringey Teaching PCT
- G. Barnet, Enfield & Haringey Mental Health Trust
- H. Camden & Islington NHS Foundation Trust
- I. Great Ormond Street Hospital NHS Trust
- J. The Whittington Hospital NHS Trust
- K. The Royal Free Hospital NHS Trust
- L. University College Hospitals Foundation Trust
- M. Moorfields Eye Hospital Foundation Trust
- N. Barts and the London Hospital NHS Trust
- O. Homerton University Hospital Foundation Trust
- P. London Ambulance Trust
- Q. Guys & St Thomas NHS Foundation Trust
- R. NHS Business Services Authority

In addition, Islington Primary Care Trust has had a significant number of material transactions with other Government Departments and other central and local Government bodies. Most of these transactions have been with:

- A Other government bodies
- B London Borough of Islington

AUDIT

The Audit Commission is statutorily responsible for ensuring that the audit of the PCT accounts are carried out each year and this body also appoints the organisation, which performs the audit. The PCT is therefore not in a position of conflict of interest with the choosing and appointment of the external auditors.

The purpose of the Audit Committee is to provide an independent check on the financial management of Islington PCT. It receives and considers reports by the internal and external auditors on all aspects of financial processes and procedures.

The Audit Committee is authorised by the PCT to investigate any matter within its Terms of Reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request of the Committee (this also applies to employees of Islington Social Services carrying out work of the PCT).

The Audit Committee is authorised by the PCT to obtain independent legal or other professional advice to secure the attendance of outsiders, with relevant experience and expertise, if it considers this necessary.

The composition of the Audit Committee is as follows: -

Anne Weyman Non Executive Director

James Tugendhat Non Executive Director

Steve Hitchins Non Executive Director

The PCT spent £ 209,000 on Audit fees and £ 39,000 on other auditor's remuneration for other assurance services in 20010/11.

The address of the auditor is 1st Floor Millbank Tower, Millbank, London, SW19 4HQ

The organisations legal advisors are :

Beechcrofts & Wansboroughs,100 Fetter Lane London

Hempson Solicitors, The Exchange, Station Parade, Harrogate.

The PCT has also used Bevan Brittan and Capsticks as advisors on occasions in 2010/11

GLOSSARY: FINANCIAL TERMS AND EXPLANATION OF KEY FINANCIAL INFORMATION

Expenditure: Payments made and accruals, where an accrual is a payment due to be made but not yet released

Assets: Resources, properties and possessions owned by the PCT

Current Assets: Cash and other possessions that is likely to be converted into cash or used within a year

Fixed Assets: Possessions and resources that is likely to be owned for more than a year

Tangible Assets: Physical resources and possessions

Intangible Assets: Non physical resources such as the PCT's software programmes

Liabilities: Amounts owed by the PCT including any long-term financial obligation

Provisions: Amounts retained by the PCT due to obligations to make future payments, for example ill-health and premature retirement pension payments

Taxpayer's equity: Contribution by taxpayers to the net assets of the PCT

Impairment: Reduction in value

Surplus: Excess of income or gains over expenditure or losses

Operating costs: Expenses that have arisen from the performance of the PCT's usual activities

Gross: Overall or whole figure

Net: The remaining amount after taking into account offsetting reductions

Capital: Resources, properties and possessions owned by the PCT which are likely to be owned for more than a year or used to purchase property and possessions which are likely to be owned for more than a year

Revenue: Resources and income to be used within a year

Remuneration: Salaries and allowances

Operating Cost Statement: summarises, on an accruals basis, the net operating costs of the PCT. Operating costs and miscellaneous income are shown analysed between the commissioning and provider functions of the PCT.

Balance Sheet: A quantitative summary of a company's financial condition at a specific point in time, including assets, liabilities and net worth.

IFRS: International Financial Reporting Standards: accounting standards

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

Related Party Transactions: a material transaction (i.e. a payment or a contract) between the PCT and a senior employee, other than salary or expenses. This can also extend to material transactions between the PCT and the senior employee's close family members, entities controlled by the senior employee or entities controlled by a close family member.

A full set of Annual Accounts, including the Statement on Internal Control, is available free of charge to the public at www.haringey.nhs.uk or by written request to:

Harry Turner, associate director of Financial Management

NHS North Central London
Stephenson House
75 Hampstead Road
London
NW1 2PL

The financial statements for Haringey Teaching Primary Care Trust have been prepared in accordance with the 2010/11 Financial Reporting Manual issued by HM Treasury. The accounts have been prepared under the historical cost convention, modified by the application of current cost principles to tangible fixed assets, and in accordance with directions issued by the Secretary of State for Health and approved by Treasury