

Adoption of Unaudited Accounts for 2016/17 and Finance Report at Month 12

Governing Body meeting

A

4 May 2017

Author(s)	Jackie Mills, Deputy Director of Finance Chris Cotton, Senior Finance Manager
Sponsor	Julia Newton, Director of Finance
Is your report for Approval / Consideration / Noting	
<p>This report presents Governing Body with the draft unaudited accounts for 2016/17, as well as the final M12 finance report, presented on a consistent basis to previous months. The report is in 2 parts:</p> <p>Part A – Adoption of draft unaudited accounts.</p> <p>The CCG submitted its draft accounts to NHS England by the required deadline of 26th April 2017. These accounts are now subject to External Audit review which is due to be complete before the end of May 2017. The final audited accounts will be considered at a meeting of the Audit and Integrated Governance Committee and presented for formal approval at the meeting of the Governing Body on 25th May 2017. This will allow the audited accounts to be submitted to NHS England by the required deadline of noon 31 May 2017.</p> <p>Part B – M12 Finance Report.</p> <p>Subject to the external audit review, I am pleased to report that the CCG expects to demonstrate achievement of all statutory financial duties for 2016/17 and to report a surplus of £11.6m. This represents delivery of our planned £3.5m surplus and the release of the 1% reserve (£8.1m) which NHS England instructed all CCGs to hold, uncommitted and which they required CCGs to release in their month 12 accounts.</p>	
Are there any Resource Implications (including Financial, Staffing etc)?	
No	
Audit Requirement	
<p><u>CCG Objectives</u></p> <p><i>Which of the CCG's objectives does this paper support?</i></p> <p>Strategic Objective - To ensure there is a sustainable, affordable healthcare system in Sheffield. It supports management of the CCG's principal risks 3.1, 4.1, 4.2 and 4.3 in the Assurance Framework.</p>	

Equality impact assessment

Have you carried out an Equality Impact Assessment and is it attached?No

If not, why not? There are no specific issues associated with this report.

PPE Activity

How does your paper support involving patients, carers and the public?

The CCG's annual accounts are a public document and demonstrate the use of public money allocated to NHS Sheffield CCG.

Recommendations

The Governing Body is asked to:

- Part A: Adopt (i.e. approve) the unaudited 2016/17 accounts;
- Part B: Note the final 2016/17 outturn position for the CCG, which is subject to external audit of the CCG's annual accounts. Approve the budget changes noted above in relation to the Better Care Fund.

Adoption of Unaudited Accounts 2016/17 and M12 Finance Report

Governing Body meeting

4 May 2017

Part A: Adoption of Unaudited Accounts for 2016/17

1. Purpose

This report accompanies the pre-audited accounts (financial statements) produced by the CCG in respect of the 2016/17 financial year (attached). In line with External Auditor requirements, they are presented to the Governing Body for adoption. They are presented in conjunction with the CCG's draft Annual Report including the Annual Governance Statement and Remuneration Report.

2. Process to Date and Next Steps

The CCG submitted its financial statements ahead of the NHS England deadline of 26 April 2017. The financial statements have been prepared in line with the Department of Health Group Accounting Manual 2016-17. The financial policies stated at the beginning of the statements are those policies which CCGs have been required by NHS England to adopt. These have been previously reviewed and considered by the CCG's Audit and Integrated Governance Committee (AIGC) on 30 March 2017, along with the basis of estimation used by the CCG for certain key areas of spend where the actual spend will not be known until after the submission of accounts such as month 12 prescribing costs and the final activity position for Acute providers. One minor change since the AIGC consideration of the policies has been to include a note on accounting for intangible assets. This was previously deleted, but has subsequently been reinstated on the basis that this gives information to the reader of the accounts on the considerations made by the CCG in determining intangible assets.

The External Audit of the accounts is due to commence on 2 May 2017.

The Audit and Integrated Governance Committee will meet on 25 May 2017 and will receive the post audit financial statements together with the External Audit report on those statements. Members will have the opportunity to consider the accounts in detail.

The Governing Body will meet on 25 May 2017 and will receive the audited financial statements and will be asked to formally adopt them.

The final audited financial statements must be submitted to NHS England by noon on 31 May 2017.

3. Explanation of Key Issues in the Financial Statements

The CCG has delivered against its financial statutory duties. Further details can be found in the Director of Finance's Month 12 report presented in Part B of this paper.

Statement of Comprehensive Net Expenditure (SOCNE) (Page 1 of Accounts)

The SOCNE shows the net expenditure of the CCG of £824.1m (i.e. total expenditure £830.1m less income of £5.9m)

The CCG's surplus of £11.6m does not appear on this Statement because there is no comparison against the CCG's total resource allocation of £835.8m. Governing Body members will recall that the revised surplus of £11.6m has been delivered as, in addition to the planned surplus of £3.5m, which the CCG delivered, we have also released the 1% reserve which NHS England required all CCGs to hold in 2016/17.

Statement of Financial Position (Page 2 of Accounts)

Non-Current Assets:

The CCG has £175k of non-current assets (previously known as fixed assets) at the end of the financial year, as a result of a capital replacement scheme for IT assets undertaken in 2016/17. This IT replacement scheme was funded by a capital allocation from NHS England.

Current Assets:

The CCG had £7.8m (£10.3 in 2015/16) of current assets at the end of the financial year (£7,632k receivables and £141k cash). The CCG held no inventories. The main elements of our current assets were amounts owed to us by other NHS organisations (£1.3m); prepayments (£3.4m) made to other NHS organisations (mainly in relation to maternity pathway payments); and amounts owed to us by Sheffield City Council (£2.3m) in line with our normal trading arrangements.

Current Liabilities:

The CCG had £45m of current liabilities relating to outstanding payables at the end of the financial year. Of this, £16.3m related to the prescribing accrual relating to expenditure in February and March. £4.3m related to Continuing Healthcare accruals (including £1.2m owed to Sheffield City Council), £1.1m in relation to non NHS contracts and £5.6m in relation to primary care, including £1.1m in relation to outstanding achievement payments for QoF. Of the amounts owed to NHS bodies, £4.4m related to payments due to the three Sheffield foundation trusts plus accruals in relation to partially completed spells of £3.4m, with the remaining £2.7m being owed to the wider NHS.

Other Operating Revenue (Note 2 to Accounts – Page 10)

The CCG has received revenue of £5.9m (£8.3m in 2015/16). This includes:

- £1m income received from Sheffield City Council (SCC) for the recharge of prescribing costs for the services that SCC commission and £0.1m recharge of care costs for care where SCC have funding responsibility.
- Income from South Yorkshire and Bassetlaw CCGs for staffing and associated costs for hosted shared services including HR and Procurement (£0.8m), working together (£0.5m) and from CCGs and other NHS Trusts and NHS England re STP costs (£0.4m).

- £0.4m relates to pharmaceutical rebate schemes, £0.4m income for Resettlement programmes
- £0.4m Research and grant funding e.g. from NIHR and Macmillan
- £0.3m income in relation to staff seconded to other organisations

Operating Expenses (Note 5 to Accounts – Page 14)

The CCG has incurred £830m (£751m in 2015/16) of gross expenditure made up of £13.6m in relation to pay expenditure, and £816.5m non pay spend. The £3.8m increase to pay costs compared to 2015/16 is mainly due to the full year effect of staff who transferred during 2015/16 from the CSU, as well as recruitment to the agreed CCG staffing structure. The vast majority of the non pay expenditure is in relation to our commissioned health care spend. The M12 finance report presented in Part B of this paper provides a detailed breakdown of that spend. The main increase in commissioned spend compared to 2015/16 relates to delegated primary care co-commissioning (£70m), which the CCG took on from April 2016.

Financial Performance Targets (Note 19 to Accounts – Page 25)

CCGs have the following statutory duties:

- not to overspend against the overall Revenue Resource limit (RRL) allocated by NHS England;
- not to overspend against the Revenue Resource limit allocated by NHS England for the purposes of Administration spend (also referred to as the Running Cost Allowance)
- not to overspend against the overall Capital Resource Limit allocated by NHS England.

Gross operating expenditure was £830.1m against a Revenue Resource limit (RRL) of £835.8m plus income of £5.9m, (totalling £841.7m), generating a net surplus of £11.6m. This demonstrates achievement of the statutory duty and was in line with the planned surplus agreed with NHS England.

Net running cost expenditure was £11.6m against a Running Cost Allocation (RCA) of £12.7m, which due to roundings, generated a surplus of £1.0m which forms part of the overall £11.6m surplus. Overall the position demonstrates achievement of the statutory duty.

Capital expenditure of £175k was in line with the capital allocation received from NHS England.

Other Notes to the Accounts

We have determined that we have no Contingent Liabilities to report or any post balance sheet events which will have a material effect on the financial statements.

As required, in Note 17 we have set out our Related Party Transactions. These are transactions with other organisations in which Members of Governing Body have a controlling interest which they have declared on the CCG's Register of Interests.

Part B: Month 12 Finance Report

1. Executive Summary

Target	Outturn	Key Messages
Deliver £3.5m Surplus (CCG's Control Total) against Commissioning Revenue Resource Limit (RRL) + RCA combined	(£11.6m) Under spend	The CCG met the expected control total of a £3.5m underspend. As stated in Month 11 NHS England informed all CCG's that they were required to release the 1% Non-recurrent Reserve at Month 12, therefore the actual reported underspend is £11.6m.
a) Achieve a surplus against the Programme Allocation	(£10.6m) Under Spend	This includes the release of the 1% Non-Recurrent reserve, the underlying underspend is £2.5m.
b) Remain within Running Cost Allowance (RCA) of £12.65m.	(£1.0m) Under Spend	At the plan stage, we agreed £1.0m of our surplus should come from the RCA, leaving the CCG with £11.65m to spend on running costs, this was achieved.
Remain within Cash Limit	£7.7m (0.9% Unused)	The CCG remained within the maximum cash drawdown of £822m and had a bank balance of £121k at 31 March 2017 which was within the £711k target (or 1.25% of the March cash drawn down).
Hold 1% of CCG resources as a reserve to be released only with agreement of NHSE and only spent non-recurrently.		As instructed by NHS England this was released in to the Month 12 financial position.
Better payment code - Non NHS payments . Target 95% of valid invoices paid within 30 days	Number 98.62% Value 99.61%	Performance has been good and overall CCG position is above target.
Better payment code - NHS payments . Target 95% of valid invoices paid within 30 days	Number 99.81% Value 99.99%	Performance has been good and overall CCG position is above target.

Key:

Red	Statutory duty or business requirement not delivered
Green	Statutory duty or business requirement achieved

2. Final Out-turn Revenue Position

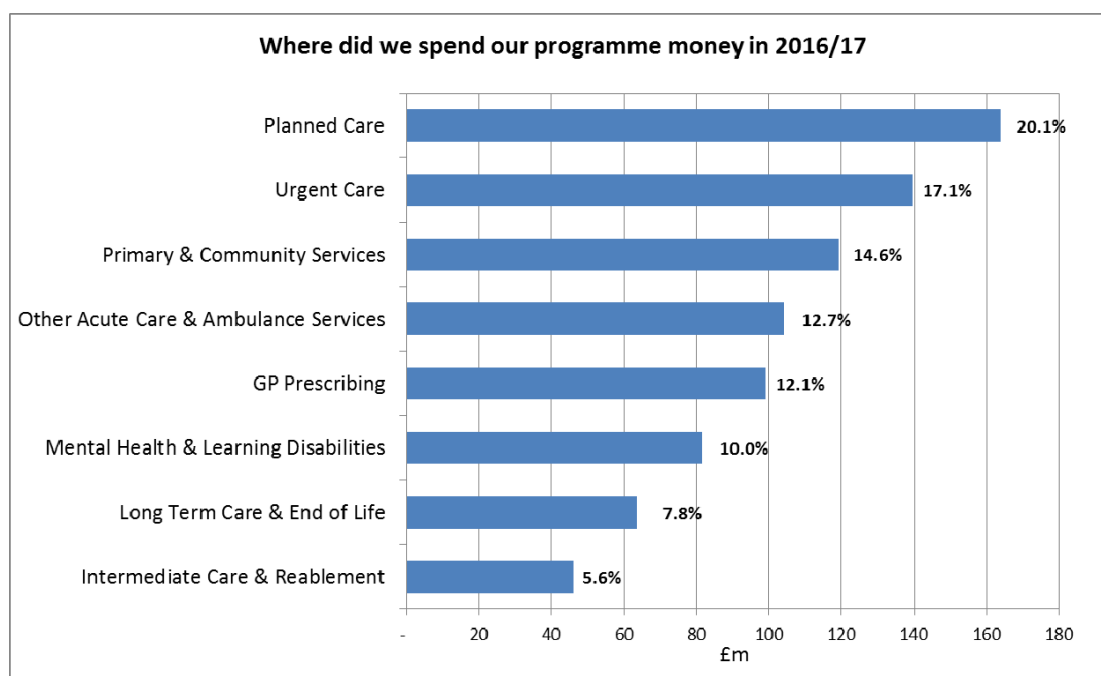
2.0 Overview

The financial position at month 12 is detailed in **Appendix A** and **Table A** below, **Appendix B** breaks down the financial position by programme category. This shows an outturn surplus of £11.6m.

Table A: Summary Position at 31 March 2017

	Annual Budget	Outturn	Variance	Variance
	£'000s	£'000s	£'000s	%
Acute Hospital Care	400,387	407,504	7,118	1.9%
Mental Health & Learning Disabilities	81,665	81,273	(393)	-0.5%
Community Services (Incl. CHC)	240,016	241,442	1,426	0.6%
Primary Care	83,147	82,286	(861)	-1.0%
Reserves including planned surplus	17,877	0	(17,877)	-100.0%
Programme Costs	823,092	812,505	(10,587)	-1.3%
Running Costs (analysis in section 2.1.12)	12,682	11,645	(1,037)	-8.2%
Total Budget 2016/17	835,774	824,150	(11,624)	-1.4%

The chart below presents the information by service type as a percentage of the total expenditure. A more detailed piece of work to analyse spend by service type will be undertaken as part of Programme Budgeting submission in autumn.



2.1 Key Highlights

2.1.1 Sheffield Teaching Hospitals (STH) was planned to account for £387m or 47% of programme spend (this includes the MSK and Primary Care Access Centre contracts).

The final year end position showed an over-spend of £6.2m (1.6%) compared with an expected £5.1m (£4.6m plus £0.5m of identified risks) over-spend in the previous forecast. The assessment of risks at M11 allowed for an increase in spend in March due to the number of working days (Easter falls in to April in 2017). However, activity for Elective Inpatients and Outpatients was higher than anticipated. Cost per Case expenditure (chiefly High Cost Drugs) was also high in March and the CCG is awaiting patient level datasets in order to validate the expenditure in full. Although we have agreed a year end position, the contract arrangements mean that challenges can still be made and any appropriate adjustment reflected into 2017/18.

In general, for the whole year, activity in most areas was down when compared with 2015/16 levels. This can partially be attributed to the QIPP schemes relating to STH activity which have achieved £6.5m savings in 2016/17. However we have seen a significant overspend in relation to Non-Elective Excess Bed Days largely due to the delayed transfer of care issues which have previously been reported to Governing Body. While we had planned for an increased spend by 18%, actual expenditure increased 31% resulting in a £2.2m overspend; this was partly offset by the fact that the average price of each Urgent spell (excluding Excess Bed Days) dropped by £38.

Sheffield Children's (SCH) yearend position was an over spend of £1.3m. Of this, circa £900k is due QIPP schemes which we were unable to jointly deliver with the trust for a variety of reasons. Of the remaining overspend most is due to Non-Elective activity being over plan (c£200k) particularly in the early months of the financial year.

2.1.2 Mental Health and Learning Disability Services: The £390k underspend relating to **Sheffield Health and Social Care (SHSC)** services is mainly due to CQUIN underperformance equating to £548k, this was partly offset by contract activity over performance equating to £186k.

2.1.3 Ambulance Services: The overspend was as a result of increased activity within the Renal transport contract. This was partly offset by underspend in other transport contracts resulting in an overall overspend of £87k.

2.1.4 Other NHS Trusts: Overall the NHS contracts external to Sheffield had a small overspend of £41k. Chesterfield Royal Hospital had a large overspend of £410k due to Urgent Care activity. However this was offset by smaller underspends on most of the other contracts with Critical Care and Urgent Care activity being the main drivers.

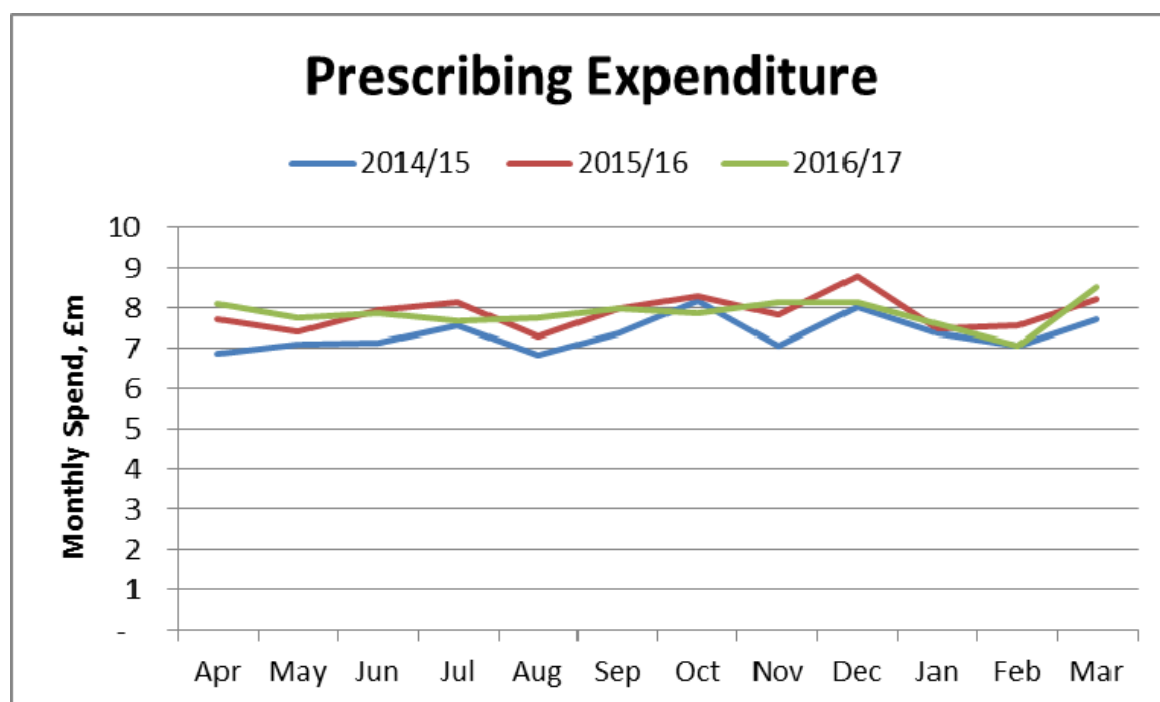
2.1.5 ISTC & Extended Choice: The underspend of £281k for extended choice providers relates to Neuro Surgery activity which the CCG received Commissioner responsibility for in 2016/17 from NHS England.

2.1.6 Individual Funding Requests (IFR): Spend on IFRs has decreased in the last quarter due to discharges and package cost reduction. However the year end overspend was still £400k. This is as a result of continued high numbers of Brain Injury patients receiving treatment (£250k overspend) and high cost Mental Health rehabilitation costs (£150k overspend).

2.1.7 Non Contract Activity: The final position for Non Contract Activity (NCA) is an overspend of £592k, with the majority due to acute care activity. We had reduced the budget for 2016/17 as we thought at plan stage there had been some unusually high areas of activity in 2015/16. However, 2016/17 spend is a £230k increase on the prior year, suggesting that the extra activity was not a spike and there is a continued upward trend in NCAs.

2.1.8 Continuing Health Care (CHC): The year-end position on adult CHC was around breakeven (which includes achievement against a £1m QIPP target), Children's CHC underspent by £383k with Funded Nursing Care (FNC) overspending by £1.9m. As stated in previous Finance Reports this is due to the unexpectedly high increase in the nationally set FNC rate announced in year but back dated to April 2016.

2.1.6 Prescribing: At the time of closing the CCG accounts, 11 months prescribing data had been received, requiring the CCG to estimate March activity to arrive at the year-end out-turn position of an underspend of just under £1m. This is as a result of reduced growth of 1.24% against the planned 3.07% growth based on 2015/16. The average price per item has also been lower than expected at £7.10 compared to £7.23. The graph below shows how the Prescribing spend has changed over the past 3 years:



2.1.7 Quality Innovation, Productivity & Prevention (QIPP): The table below outlines the final outturn position for 2016-17 in relation to savings secured against each of the QIPP programme lines. At month 12 the position shows a significant year end adverse variance against plan of £5.8m (33%). This is in line with the position reported to the Governing Body over the latter few months of the year and to NHS England.

	Sum of Full Year Plan 2016/17 Gross Savings	Sum of Full Year Plan 2016/17 Net Saving	Sum of Actual 2016/17 Net Saving	Sum of Year to date variance 2016/17 Net Saving
Child Health	-1,405	-1,405	-646	759
Community Healthcare	-1,475	-1,475	-191	1,284
Continuing Healthcare	-1,650	-1,650	-2,273	-623
Elective Care	-4,762	-4,085	-2,790	1,295
High Cost Drugs	-1,043	-734	-360	374
Mental Health	-470	-470	-459	11
Other	-350	-350	-100	250
Prescribing	-2,330	-1,931	-2,043	-112
Urgent Care	-6,006	-5,444	-2,879	2,565
Grand Total	-19,491	-17,544	-11,740	5,804
% of total plan achieved			67%	

The year-end position on NHS England's score card shows a red RAG rating, as the actual saving was below 70% of the plan. The CCG remains able to report overall delivery of the planned surplus due to use of reserves/other mitigating actions outside of QIPP.

2.1.8 Section 75 Framework Partnership Agreement (Better Care Fund): Appendix E shows the citywide position in relation to the Better Care Fund (BCF). The final position shows an overspend of £12.9m (compared to £12.8m forecast at M11).

CCG expenditure within the BCF is included within the overall CCG reported position in appendices A to D. The increase in expenditure in March related to spend on medical emergency admissions. The final reported variance showed a variance of £7.6m (4.6%), of which £4.7m related to emergency admissions within the scope of the BCF and £1.9m related to NHS Funded Nursing Care. Information received from Sheffield City Council (SCC) shows a final overspend of £5.3m (4.9%). The overspend of £7.4m on adult social care was offset by slippage against the capital grants budget of £2m.

Total spend in the BCF increased by £6.3m compared to 2015/16. However, the CCGs overall contribution to the BCF reduced by £5.5m, partly due to non-recurrent funding agreed in 2015/16 (winter resilience funding (£0.9m) and support to social care (£3.5m)) which was not repeated in 2016/17. The council agreed to provide some additional non recurrent funding to support social care in 2016/17, but has also seen overspends against a number of budget lines, as well as the inclusion of some budget lines previously outside the BCF. This is summarised in the table below.

Changes to BCF spend	2016/17		2015/16		Change	
	CCG £'000	SCC £'000	CCG £'000	SCC £'000	CCG £'000	SCC £'000
People Keeping Well in their local community	1,659	6,463	1,726	6,728	-67	-265
Active Support & Recovery	44,028	8,133	45,351	8,007	-1,323	126
Independent Living Solutions	2,293	2,101	2,326	2,053	-33	47
Ongoing Care	67,798	94,518	71,690	82,748	-3,892	11,770
Emergency Medical Admissions - STH	59,230		59,385		-155	0
Capital Grants		2,592		2,528	0	63
	175,008	113,806	180,478	102,065	-5,470	11,741

2.1.9 1.0% Non-Recurrent Reserve: As instructed by NHS England this £8.1m reserve has been released at Month 12 to increase the reported surplus by the same amount.

2.1.10 General Contingency Reserve: At year end the contingency reserve stands at £5.2m which has been fully released.

2.1.11 Running Costs: The split of the £12.7m running cost allocation is summarised in the table below. The Governing Body approved at the planning stage to underspend by £1m, so that these resources could be deployed to support patient care through our commissioned programmes. The final underspend was £1m.

Category	Annual Budget £'000s	Outturn Variance £'000s
Pay	8,933	126
Non Pay	4,077	305
Income	(1,371)	(425)
Running Costs Reserve	43	(43)
Running Costs Planned Underspend	1,000	(1,000)
Running Cost Budget	12,682	(1,037)

3. Delivery of Cash Position

The final maximum cash drawdown was £822m of which £7.7m was not drawn down, leaving £814.3m available. Total cash used to the end of the year was £822.6m including income of £8.6m. The year-end bank balance was £121k.

4. Key Budget Movements

In line with the Scheme of Delegation the Governing Body is required to approve all budget movements over £2m. There were no budget movements greater than £2m in March.

In line with the section 75 agreement with Sheffield City Council (SCC), any proposed changes to the financial contributions of either party to the Better Care Fund are required to be signed off by the Governing Body (as well as the SCC Cabinet). The following budget changes have been proposed at Month 12, all of which relates to funding from SCC, mainly to realign budgets in relation to the agreed scope of the BCF.

		Rec	Non Rec	Total
Theme 1 – People Keeping Well	Reverse16b raised in error-PH MH grants	-6	0	-6
Theme 1 – People Keeping Well	Add CSWs into BCF	457		457
Theme 2 – AS&R	Transfer from reserves for STIT		180	180
Theme 2 – AS&R	Severance costs from reserves re STIT & minor reallocation of travel/transport	10	13	23
Theme 4 - Ongoing Care	Transfer from reserves for Adult Social Care Homecare uplift		750	750
Theme 1 – People Keeping Well	Reverse FVA2b - PH reallocation	147	0	147
Theme 1 – People Keeping Well	Reinstate public health funded MH grants removed in error	35	0	35
Theme 2 – AS&R	Intermediate Care Assessment Team		2	2
		643	945	1,588

5. Recommendations:

The Governing Body is asked to:

Part A: Adopt (i.e. approve) the unaudited 2016/17 accounts;

Part B: Note the final 2016/17 outturn position for the CCG, which is subject to external audit of the CCG's annual accounts. Approve the budget changes noted above in relation to the Better Care Fund.

Paper prepared by: Jackie Mills, Deputy Director of Finance, Chris Cotton, Senior Finance Manager

On behalf of: Julia Newton, Director of Finance
April 2017

Annual Accounts for the Period 1st April 2016 to 31st March 2017

FOREWORD TO THE ACCOUNTS

NHS SHEFFIELD CLINICAL COMMISSIONING GROUP

The clinical commissioning group was licenced from 1 April 2013 under provisions enacted in the Health & Social Care Act 2012, which amended the National Health Service Act 2006.

These accounts for the year ended 31 March 2017 have been prepared by NHS Sheffield Clinical Commissioning Group under section 17 of schedule 1A of the National Health Service Act 2006 (as amended by the Health & Social Care Act 2012) in the form which the Secretary of State has, with the approval of the Treasury, directed.

The National Health Service Act 2006 (as amended by the Health & Social Care Act 2012) requires Clinical Commissioning Groups to prepare their Annual Accounts in accordance with directions issued by NHS England with the approval of the Secretary of State.

CONTENTS

Page Number

The Primary Statements:

Statement of Comprehensive Net Expenditure for the year ended 31st March 2017	1
Statement of Financial Position as at 31st March 2017	2
Statement of Changes in Taxpayers' Equity for the year ended 31st March 2017	3
Statement of Cash Flows for the year ended 31st March 2017	4

Notes to the Accounts

1 Accounting policies	5 - 9
2 Other operating revenue	10
3 Revenue	10
4 Employee benefits and staff numbers	11 - 13
5 Operating expenses	14
6 Better payment practice code	15
7 Operating leases	16
8 Property, plant and equipment	17 - 18
9 Trade and other receivables	19
10 Cash and cash equivalents	20
11 Trade and other payables	20
12 Provisions	20
13 Commitments	21
14 Financial instruments	21 - 22
15 Operating segments	23
16 Pooled budgets	23
17 Related party transactions	24
18 Losses and special payments	25
19 Financial performance targets	25

**Statement of Comprehensive Net Expenditure for the year ended
31 March 2017**

	Note	2016-17 £'000	2015-16 £'000
Income from sale of goods and services	2	(2,421)	(961)
Other operating income	2	(3,499)	(7,317)
Total operating income		(5,920)	(8,278)
Staff costs	4	13,593	9,756
Purchase of goods and services	5	816,068	740,003
Depreciation and impairment charges	5	0	0
Provision expense	5	0	0
Other Operating Expenditure	5	408	967
Total operating expenditure		830,069	750,726
Net Operating Expenditure		824,149	742,448
Finance income		0	0
Finance expense		0	0
Net expenditure for the year		824,149	742,448
Net Gain/(Loss) on Transfer by Absorption		0	0
Total Net Expenditure for the year		824,149	742,448
Other Comprehensive Expenditure			
<u>Items which will not be reclassified to net operating costs</u>			
Net (gain)/loss on revaluation of PPE		0	0
Net (gain)/loss on revaluation of Intangibles		0	0
Net (gain)/loss on revaluation of Financial Assets		0	0
Actuarial (gain)/loss in pension schemes		0	0
Impairments and reversals taken to Revaluation Reserve		0	0
<u>Items that may be reclassified to Net Operating Costs</u>		0	0
Net gain/loss on revaluation of available for sale financial assets		0	0
Reclassification adjustment on disposal of available for sale financial assets		0	0
Sub total		0	0
Comprehensive Expenditure for the year ended 31 March 2017		824,149	742,448

The notes on pages 5 to 25 form part of this statement

**Statement of Financial Position as at
31 March 2017**

		2016-17	2015-16
	Note	£'000	£'000
Non-current assets:			
Property, plant and equipment	8	175	0
Intangible assets		0	0
Investment property		0	0
Trade and other receivables	9	0	0
Other financial assets		0	0
Total non-current assets		175	0
Current assets:			
Inventories		0	0
Trade and other receivables	9	7,632	10,254
Other financial assets		0	0
Other current assets		0	0
Cash and cash equivalents	10	141	60
Total current assets		7,773	10,314
Non-current assets held for sale		0	0
Total current assets		7,773	10,314
Total assets		7,948	10,314
Current liabilities			
Trade and other payables	11	(45,015)	(37,544)
Other financial liabilities		0	0
Other liabilities		0	0
Borrowings		0	0
Provisions	12	0	0
Total current liabilities		(45,015)	(37,544)
Non-Current Assets plus/less Net Current Assets/Liabilities		(37,067)	(27,230)
Non-current liabilities			
Trade and other payables	11	0	0
Other financial liabilities		0	0
Other liabilities		0	0
Borrowings		0	0
Provisions	12	0	0
Total non-current liabilities		0	0
Assets less Liabilities		(37,067)	(27,230)
Financed by Taxpayers' Equity			
General fund		(37,067)	(27,230)
Revaluation reserve		0	0
Other reserves		0	0
Charitable Reserves		0	0
Total taxpayers' equity:		(37,067)	(27,230)

The notes on pages 5 to 25 form part of this statement

The financial statements on pages 1 to 4 were approved by the Governing Body on [date] and signed on its behalf by:

Accountable Officer
Maddy Ruff

**Statement of Changes In Taxpayers Equity for the year ended
31 March 2017**

	General fund £'000	Revaluation reserve £'000	Other reserves £'000	Total reserves £'000
Changes in taxpayers' equity for 2016-17				
Balance at 01 April 2016	(27,230)	0	0	(27,230)
Transfer between reserves in respect of assets transferred from closed NHS bodies	0	0	0	0
Adjusted NHS Clinical Commissioning Group balance at 31 March 2017	(27,230)	0	0	(27,230)
Changes in NHS Clinical Commissioning Group taxpayers' equity for 2016-17				
Net operating expenditure for the financial year	(824,149)			(824,149)
Net gain/(loss) on revaluation of property, plant and equipment		0		0
Net gain/(loss) on revaluation of intangible assets		0		0
Net gain/(loss) on revaluation of financial assets		0		0
Total revaluations against revaluation reserve	0	0	0	0
Net gain (loss) on available for sale financial assets	0	0	0	0
Net gain (loss) on revaluation of assets held for sale	0	0	0	0
Impairments and reversals	0	0	0	0
Net actuarial gain (loss) on pensions	0	0	0	0
Movements in other reserves	0	0	0	0
Transfers between reserves	0	0	0	0
Release of reserves to the Statement of Comprehensive Net Expenditure	0	0	0	0
Reclassification adjustment on disposal of available for sale financial assets	0	0	0	0
Transfers by absorption to (from) other bodies	0	0	0	0
Reserves eliminated on dissolution	0	0	0	0
Net Recognised NHS Clinical Commissioning Group Expenditure for the Financial Year	(851,379)	0	0	(851,379)
Net funding	814,312	0	0	814,312
Balance at 31 March 2017	(37,067)	0	0	(37,067)
	General fund £'000	Revaluation reserve £'000	Other reserves £'000	Total reserves £'000
Changes in taxpayers' equity for 2015-16				
Balance at 01 April 2015	(24,002)	0	0	(24,002)
Transfer of assets and liabilities from closed NHS bodies as a result of the 1 April 2013 transition	0	0	0	0
Adjusted NHS Clinical Commissioning Group balance at 31 March 2016	(24,002)	0	0	(24,002)
Changes in NHS Clinical Commissioning Group taxpayers' equity for 2015-16				
Net operating costs for the financial year	(742,448)			(742,448)
Net gain/(loss) on revaluation of property, plant and equipment		0		0
Net gain/(loss) on revaluation of intangible assets		0		0
Net gain/(loss) on revaluation of financial assets		0		0
Total revaluations against revaluation reserve	0	0	0	0
Net gain (loss) on available for sale financial assets	0	0	0	0
Net gain (loss) on revaluation of assets held for sale	0	0	0	0
Impairments and reversals	0	0	0	0
Net actuarial gain (loss) on pensions	0	0	0	0
Movements in other reserves	0	0	0	0
Transfers between reserves	0	0	0	0
Release of reserves to the Statement of Comprehensive Net Expenditure	0	0	0	0
Reclassification adjustment on disposal of available for sale financial assets	0	0	0	0
Transfers by absorption to (from) other bodies	0	0	0	0
Reserves eliminated on dissolution	0	0	0	0
Net Recognised NHS Clinical Commissioning Group Expenditure for the Financial Year	(766,450)	0	0	(766,450)
Net funding	739,220	0	0	739,220
Balance at 31 March 2016	(27,230)	0	0	(27,230)

The notes on pages 5 to 25 form part of this statement

**Statement of Cash Flows for the year ended
31 March 2017**

	Note	2016-17 £'000	2015-16 £'000
Cash Flows from Operating Activities			
Net operating expenditure for the financial year		(824,149)	(742,448)
Depreciation and amortisation	5	0	0
Impairments and reversals	5	0	0
Movement due to transfer by Modified Absorption		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
Other Gains & Losses		0	0
Finance Costs		0	0
Unwinding of Discounts		0	0
(Increase)/decrease in inventories		0	0
(Increase)/decrease in trade & other receivables	9	2,622	(3,544)
(Increase)/decrease in other current assets		0	0
Increase/(decrease) in trade & other payables	11	7,444	6,711
Increase/(decrease) in other current liabilities		0	0
Provisions utilised	12	0	0
Increase/(decrease) in provisions	12	0	0
Net Cash Inflow (Outflow) from Operating Activities		(814,083)	(739,281)
Cash Flows from Investing Activities			
Interest received		0	0
(Payments) for property, plant and equipment		(148)	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		(148)	0
Net Cash Inflow (Outflow) before Financing		(814,231)	(739,281)
Cash Flows from Financing Activities			
Grant in Aid Funding Received		814,312	739,220
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		814,312	739,220
Net Increase (Decrease) in Cash & Cash Equivalents	10	81	(61)
Cash & Cash Equivalents at the Beginning of the Financial Year		60	121
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		141	60

The notes on pages 5 to 25 form part of this statement

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 Group Accounting Manual issued by the Department of Health. Consequently, the following financial statements have been prepared in accordance with the Group Accounting Manual 2016-17 issued by the Department of Health. The accounting policies contained in the Group Accounting Manual 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 Group Accounting Manual permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the clinical commissioning group for the purpose of giving a true and fair view has been selected. The particular policies adopted by the clinical commissioning group are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Going Concern

These accounts have been prepared on the going concern basis.

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 Pooled Budgets

Where the clinical commissioning group has entered into a pooled budget arrangement under Section 75 of the National Health Service Act 2006 the 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 the clinical commissioning group is in a "jointly controlled operation", the clinical commissioning group recognises:

- The assets the clinical commissioning group controls;
- The liabilities the clinical commissioning group incurs;
- The expenses the clinical commissioning group incurs; and,
- The clinical commissioning group's share of the income from the pooled budget activities.

If the clinical commissioning group is involved in a "jointly controlled assets" arrangement, in addition to the above, the clinical commissioning group recognises:

- The clinical commissioning group's share of the jointly controlled assets (classified according to the nature of the assets);
- The clinical commissioning group's share of any liabilities incurred jointly; and,
- The clinical commissioning group's share of the expenses jointly incurred.

1.4 Critical Accounting Judgements & Key Sources of Estimation Uncertainty

In the application of the 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.

1.4.1 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 the clinical commissioning group's accounting policies that have the most significant effect on the amounts recognised in the financial statements:

- Operating lease commitments - Sheffield CCG has in substance a property lease arrangement with NHS Property Services Ltd relating to the headquarters site. As it has been determined that Sheffield CCG has not obtained substantially all the risks and rewards of ownership of this property, the lease has been classified as an operating lease and accounted for accordingly.

1.4.2 Key Sources of Estimation Uncertainty

The following are the key estimations that management has made in the process of applying the clinical commissioning group's accounting policies that have the most significant effect on the amounts recognised in the financial statements:

- Basis of estimation of key accruals - The CCG has included certain accruals within the financial statements which are estimates. The basis of the estimation of key accruals have been approved by the Director of Finance and reported to the Audit & Integrated Governance Committee. The key areas requiring estimation were healthcare contracts and prescribing expenditure.

1.5 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.

1.6 Employee Benefits

1.6.1 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.

1.6.2 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 the 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 the clinical commissioning group commits itself to the retirement, regardless of the method of payment.

Notes to the financial statements

1.7 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 the clinical commissioning group has a present legal or constructive obligation, which occurs when all of the conditions attached to the payment have been met.

1.8 Property, Plant & Equipment

1.8.1 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 the 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 a 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.

1.8.2 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 valuation.

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.

Fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from current value in existing use.

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.

1.8.3 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.

1.9 Intangible Assets

1.9.1 Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the 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, the 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.

1.9.2 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 current value in existing use by reference to an active market, or, where no active market exists, at the lower of depreciated replacement cost or the value in use where the asset is income generating. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

Notes to the financial statements

1.10 Depreciation, Amortisation & Impairments

Assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the clinical commissioning group expects to obtain economic benefits or service potential from the asset. This is specific to the 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.

At each reporting period end, the 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.

1.11 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.

1.11.1 The 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 the clinical commissioning group's surplus/deficit.

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.

1.11.2 The Clinical Commissioning Group as Lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the 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 the 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.

1.12 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 the clinical commissioning group's cash management.

1.13 Provisions

Provisions are recognised when the clinical commissioning group has a present legal or constructive obligation as a result of a past event, it is probable that the 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 2.70% (previously: minus 1.55%)
- Timing of cash flows (6 to 10 years inclusive): Minus 1.95% (previously: minus 1.%)
- Timing of cash flows (over 10 years): Minus 0.80% (previously: minus 0.80%)

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.

A restructuring provision is recognised when the 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.

1.14 Clinical Negligence Costs

The NHS Litigation Authority operates a risk pooling scheme under which the 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 the clinical commissioning group.

1.15 Non-clinical Risk Pooling

The clinical commissioning group participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the 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.

1.16 Continuing healthcare risk pooling

In 2014-15 a risk pool scheme was introduced by NHS England for continuing healthcare claims, for claim periods prior to 31 March 2013. Under the scheme clinical commissioning group contribute annually to a pooled fund, which is used to settle the claims.

Notes to the financial statements

1.17 Financial Assets

Financial assets are recognised when the 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.

1.17.1 Financial Assets at Fair Value Through Profit and Loss

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in calculating the clinical commissioning group's surplus or deficit for the year. The net gain or loss incorporates any interest earned on the financial asset.

1.17.2 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.

1.17.3 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.

1.17.4 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, the 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.

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.

1.18 Financial Liabilities

Financial liabilities are recognised on the statement of financial position when the 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.

1.18.1 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.

1.18.2 Financial Liabilities at Fair Value Through Profit and Loss

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the clinical commissioning group's surplus/deficit. The net gain or loss incorporates any interest payable on the financial liability.

1.18.3 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.

1.19 Value Added Tax

Most of the activities of the 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.

1.20 Foreign Currencies

The 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 the clinical commissioning group's surplus/deficit in the period in which they arise.

Notes to the financial statements

1.21 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 the clinical commissioning group not been bearing its own risks (with insurance premiums then being included as normal revenue expenditure).

1.22 Joint Operations

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

1.23 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.

1.24 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 2016-17, all of which are subject to consultation:

- IFRS 9: Financial Instruments (application from 1 January 2018)
- IFRS 14: Regulatory Deferral Accounts (not applicable to DH groups bodies)
- IFRS 15: Revenue for Contract with Customers (application from 1 January 2018)
- IFRS 16: Leases (application from 1 January 2019)

The application of the Standards as revised would not have a material impact on the accounts for 2016-17, were they applied in that year.

2 Other Operating Revenue

	2016-17 Total £'000	2016-17 Admin £'000	2016-17 Programme £'000	2015-16 Total £'000
Recoveries in respect of employee benefits	344	300	44	365
Patient transport services	0	0	0	0
Prescription fees and charges	0	0	0	0
Dental fees and charges	0	0	0	0
Education, training and research	46	36	10	120
Charitable and other contributions to revenue expenditure: NHS	0	0	0	0
Charitable and other contributions to revenue expenditure: non-NHS	327	299	28	376
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	2,375	655	1,720	841
Continuing Health Care risk pool contributions	0	0	0	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	2,828	506	2,322	6,576
Total other operating revenue	5,920	1,796	4,124	8,278

Admin revenue is revenue received that is not directly attributable to the provision of healthcare services.

Revenue in this note does not include cash received from NHS England, which is drawn down directly into the bank account of the clinical commissioning group and credited to the general fund.

For 2016/17, revenue shown under 'Other revenue' includes £1m income received from Sheffield City Council (SCC) for the recharge of prescribing costs for the services that SCC commission, £0.8m was income for staffing and associated costs for hosted services, £0.4m relates to pharmaceutical rebate schemes, £0.4m income for Resettlement programmes and £0.1m recharge of care costs for care where SCC have funding responsibility.

For 2015/16, revenue shown under 'Other revenue' includes £2.9m income received from Sheffield Teaching Hospitals NHS Foundation Trust, in their role as lead provider for Musculo Skeletal (MSK) Services to cover expenditure incurred by NHS Sheffield Clinical Commissioning Group for MSK services from specific providers; and £2.7m income received from SCC, the main elements of which related to the following: recharge of care costs for care where SCC have funding responsibility (£1.2m); the recharge of prescribing costs for the services that SCC commission (£1.1m); and the SCC contribution to the Community Equipment Service which was administered by NHS Sheffield Clinical Commissioning Group up to June 2015, after which point responsibility transferred to SCC (£0.2m). Of the remaining £0.9m, £0.5m relates to pharmaceutical rebate schemes.

3 Revenue

	2016-17 Total £'000	2016-17 Admin £'000	2016-17 Programme £'000	2015-16 Total £'000
From rendering of services	5,920	1,796	4,124	8,278
From sale of goods	0	0	0	0
Total	5,920	1,796	4,124	8,278

4. Employee benefits and staff numbers

4.1.1 Employee benefits

2016-17

	Total		
	Total £'000	Permanent Employees £'000	Other £'000
Employee Benefits			
Salaries and wages	11,009	9,696	1,313
Social security costs	1,055	1,031	24
Employer Contributions to NHS Pension scheme	1,306	1,280	26
Other pension costs	0	0	0
Other post-employment benefits	0	0	0
Other employment benefits	0	0	0
Termination benefits	223	223	0
Gross employee benefits expenditure	13,593	12,230	1,363
Less recoveries in respect of employee benefits (note 4.1.2)	(344)	(344)	0
Total - Net admin employee benefits including capitalised costs	13,249	11,886	1,363
Less: Employee costs capitalised	0	0	0
Net employee benefits excluding capitalised costs	13,249	11,886	1,363

4.1.1 Employee benefits

2015-16

	Total		
	Total £'000	Permanent Employees £'000	Other £'000
Employee Benefits			
Salaries and wages	8,122	7,250	872
Social security costs	655	637	18
Employer Contributions to NHS Pension scheme	979	963	16
Other pension costs	0	0	0
Other post-employment benefits	0	0	0
Other employment benefits	0	0	0
Termination benefits	0	0	0
Gross employee benefits expenditure	9,756	8,850	906
Less recoveries in respect of employee benefits (note 4.1.2)	(365)	(365)	0
Total - Net admin employee benefits including capitalised costs	9,391	8,485	906
Less: Employee costs capitalised	0	0	0
Net employee benefits excluding capitalised costs	9,391	8,485	906

4.1.2 Recoveries in respect of employee benefits

	2016-17			2015-16
	Total £'000	Permanent Employees £'000	Other £'000	Total £'000
Employee Benefits - Revenue				
Salaries and wages	(275)	(275)	0	(301)
Social security costs	(31)	(31)	0	(25)
Employer contributions to the NHS Pension Scheme	(38)	(38)	0	(39)
Other pension costs	0	0	0	0
Other post-employment benefits	0	0	0	0
Other employment benefits	0	0	0	0
Termination benefits	0	0	0	0
Total recoveries in respect of employee benefits	(344)	(344)	0	(365)

4.2 Average number of people employed

	Total Number	2016-17 Permanently employed Number	Other Number	2015-16 Total Number
Total	246	235	11	162
Of the above:				
Number of whole time equivalent people engaged on capital projects	0	0	0	0

4.3 Staff sickness absence and ill health retirements

	2016-17 Number	2015-16 Number
Total Days Lost	0	760
Total Staff Years	0	147
Average working Days Lost	0	5

	2016-17 Number	2015-16 Number
Number of persons retired early on ill health grounds	0	0
	£'000	£'000
Total additional Pensions liabilities accrued in the year	0	0

Ill health retirement costs are met by the NHS Pension Scheme

4.4 Exit packages agreed in the financial year

	2016-17 Compulsory redundancies		2016-17 Other agreed departures		2016-17 Total	
	Number	£	Number	£	Number	£
Less than £10,000	0	0	0	0	0	0
£10,001 to £25,000	0	0	1	24,859	1	24,859
£25,001 to £50,000	0	0	0	0	0	0
£50,001 to £100,000	0	0	0	0	0	0
£100,001 to £150,000	2	222,908	0	0	2	222,908
£150,001 to £200,000	0	0	0	0	0	0
Over £200,001	0	0	0	0	0	0
Total	2	222,908	1	24,859	3	247,767

	2015-16 Compulsory redundancies		2015-16 Other agreed departures		2015-16 Total	
	Number	£	Number	£	Number	£
Less than £10,000	0	0	0	0	0	0
£10,001 to £25,000	0	0	0	0	0	0
£25,001 to £50,000	0	0	0	0	0	0
£50,001 to £100,000	0	0	0	0	0	0
£100,001 to £150,000	0	0	0	0	0	0
£150,001 to £200,000	0	0	0	0	0	0
Over £200,001	0	0	0	0	0	0
Total	0	0	0	0	0	0

Analysis of Other Agreed Departures

	2016-17 Other agreed departures		2015-16 Other agreed departures	
	Number	£	Number	£
Voluntary redundancies including early retirement contractual costs	0	0	0	0
Mutually agreed resignations (MARS) contractual costs	0	0	0	0
Early retirements in the efficiency of the service contractual costs	0	0	0	0
Contractual payments in lieu of notice	1	24,859	0	0
Exit payments following Employment Tribunals or court orders	0	0	0	0
Non-contractual payments requiring HMT approval	0	0	0	0
Total	1	24,859	0	0

As a single exit package can be made up of several components each of which will be counted separately in this table, the total number will not necessarily match the total number in the table above. Whilst the number of packages in Table 4.4 above totals 3, the number of individuals with exit package was 2 (one individual received a contractual payment in lieu of notice, in addition to a compulsory redundancy payment)

These tables report the number and value of exit packages agreed in the financial year. The expense associated with these departures may have been recognised in part or in full in a previous period.

Exit costs are accounted for in accordance with relevant accounting standards and at the latest in full in the year of departure.

Where entities has agreed early retirements, the additional costs are met by NHS Entities and not by the NHS Pension Scheme, and are included in the tables. Ill-health retirement costs are met by the NHS Pension Scheme and are not included in the tables.

The Remuneration Report includes the disclosure of exit payments payable to individuals named in that Report.

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 the 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 2012 and covered the period from 1 April 2008 to that date. Details can be found on the pension scheme website at www.nhsbsa.nhs.uk/pensions.

For 2016-17, employers' contributions of £1,300,444 were payable to the NHS Pensions Scheme (2015-16: £987,678) were payable to the NHS Pension Scheme at the rate of 14.3% of pensionable pay. The scheme's actuary reviews employer contributions, usually every four years and now based on HMT Valuation Directions, following a full scheme valuation. The latest review used data from 31 March 2012 and was published on the Government website on 9 June 2012.

5. Operating expenses

	2016-17 Total £'000	2016-17 Admin £'000	2016-17 Programme £'000	2015-16 Total £'000
Gross employee benefits				
Employee benefits excluding governing body members	12,915	8,561	4,354	8,947
Executive governing body members	678	678	0	809
Total gross employee benefits	13,593	9,239	4,354	9,756
Other costs				
Services from other CCGs and NHS England	689	361	328	3,003
Services from foundation trusts	522,807	10	522,797	505,700
Services from other NHS trusts	24,389	49	24,340	23,365
Services from other WGA bodies	2	0	2	0
Purchase of healthcare from non-NHS bodies	81,348	0	81,348	94,915
Chair and Non Executive Members	296	296	0	307
Supplies and services – clinical	0	0	0	0
Supplies and services – general	1,990	1,163	827	1,892
Consultancy services ⁽¹⁾	1,126	526	600	327
Establishment	1,032	729	303	530
Transport	27	22	5	26
Premises	2,460	610	1,850	2,204
Impairments and reversals of receivables	0	0	0	123
Inventories written down and consumed	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				
· 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	86	86	0	86
Other non statutory audit expenditure				
· Internal audit services	0	0	0	0
· Other services	0	0	0	0
General dental services and personal dental services	0	0	0	0
Prescribing costs	96,568	0	96,568	96,787
Pharmaceutical services	429	0	429	410
General ophthalmic services	291	0	291	255
GPMS/APMS and PCTMS	81,254	0	81,254	7,572
Other professional fees excl. audit	365	95	270	231
Grants to Other bodies	0	0	0	345
Clinical negligence	0	0	0	0
Research and development (excluding staff costs)	49	51	(2)	131
Education and training	177	141	36	131
Change in discount rate	0	0	0	0
Provisions	0	0	0	0
Funding to group bodies		0	0	0
CHC Risk Pool contributions	1,028	0	1,028	2,569
Other expenditure	63	63	0	61
Total other costs	816,476	4,202	812,274	740,970
Total operating expenses	830,069	13,441	816,628	750,726

Admin expenditure is expenditure incurred that is not a direct payment for the provision of healthcare or healthcare services.

⁽¹⁾ Sheffield CCG spent £1.126m on consultancy services in 2016/17 but received income from other partner organisations such as Sheffield City Council, the 3 Sheffield Foundation Trusts and other local CCGs towards this totalling £506k. In addition, we received £85k income from NHS England relating to the STP work, leaving the net spend by Sheffield CCG at £535k. £685k of gross spend was in relation to developing both our Sheffield Placed Based Plan and the wider South Yorkshire and Bassetlaw Sustainability & Transformation Plan (STP). Sheffield CCG has played a leading role in this work and hence hosted certain areas of expenditure. A further £76k expenditure was incurred on behalf of Better Care Fund with Sheffield City Council. Income of £47k was received to contribute to this. £338k of gross spend was incurred solely by the CCG to support service transformation including developing out of hospital care and mental health services.

6.1 Better Payment Practice Code

Measure of compliance	2016-17 Number	2016-17 £'000	2015-16 Number	2015-16 £'000
Non-NHS Payables				
Total Non-NHS Trade invoices paid in the Year	14,714	206,139	13,168	107,909
Total Non-NHS Trade Invoices paid within target	14,511	205,339	13,011	107,233
Percentage of Non-NHS Trade invoices paid within target	98.62%	99.61%	98.81%	99.37%
NHS Payables				
Total NHS Trade Invoices Paid in the Year	4,179	563,685	3,447	574,025
Total NHS Trade Invoices Paid within target	4,171	563,636	3,418	573,952
Percentage of NHS Trade Invoices paid within target	99.81%	99.99%	99.16%	99.99%

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

7. Operating Leases**7.1 As lessee****7.1.1 Payments recognised as an Expense**

	2016-17				2015-16			
	Land £'000	Buildings £'000	Other £'000	Total £'000	Land £'000	Buildings £'000	Other £'000	Total £'000
Payments recognised as an expense								
Minimum lease payments	0	2,235	18	2,253	0	559	6	565
Contingent rents	0	0	0	0	0	0	0	0
Sub-lease payments	0	0	0	0	0	0	0	0
Total	0	2,235	18	2,253	0	559	6	565

Whilst NHS Sheffield Clinical Commissioning Group has an arrangement with NHS Property Services Limited which falls within the definition of operating leases, rental charges for future years have not yet been agreed. Consequently this note does not include future minimum lease payments for the arrangement. The financial value included in the Statement of Comprehensive Net Expenditure for 2016-17 is £890k (2015-16 £259k). This figure has increased due to increased space for Sheffield CCG's Headquarters as a result of bringing services in house and void space and subsidies in other buildings which have previously not been defined as Operating Leases.

Clinical Commissioning Groups are required to pay for void space in Primary and Community Care building that predecessor organisations had responsibility for or commissioned services within. On 1st April 2016, NHS Sheffield Clinical Commissioning Group assumed delegated responsibility for primary care co-commissioning, which has increased the amount paid on void space and subsidies. This arrangement with Community Health Partnerships Limited falls within the definition of operating leases but rental charges for future years have not yet been agreed. Consequently this note does not include future minimum lease payments for the arrangement. The financial value included in the Statement of Comprehensive Net Expenditure for 2016-17 is £1,231k (2015-16 £nil). This increase is due to assuming delegated responsibility for primary care co-commissioning and void space and subsidies which have previously not been defined as Operating Leases.

NHS Sheffield Clinical Commissioning Group had entered into a financial arrangement involving the use of Walk In Centre premises with One Medicare Limited. This arrangement ceased in year. Whilst this arrangement fell within the definition of an operating lease, there was no formal contract in place. The financial value included in the Statement of Comprehensive Net Expenditure for 2016-17 is £114k (2015-16 £300k).

7.1.2 Future minimum lease payments

	2016-17				2015-16			
	Land £'000	Buildings £'000	Other £'000	Total £'000	Land £'000	Buildings £'000	Other £'000	Total £'000
Payable:								
No later than one year	0	0	62	62	0	-	9	9
Between one and five years	0	0	39	39	0	-	9	9
After five years	0	0	0	0	0	-	-	0
Total	0	0	101	101	0	0	18	18

8 Property, plant and equipment

2016-17	Land £'000	Buildings excluding dwellings £'000	Dwellings £'000	Assets under construction and payments on account £'000	Plant & machinery £'000	Transport equipment £'000	Information technology £'000	Furniture & fittings £'000	Total £'000
Cost or valuation at 01 April 2016	0	0	0	0	0	0	0	205	205
Addition of assets under construction and payments on account				0					0
Additions purchased	0	0	0	0	0	0	175	0	175
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	0	0	0	0	0
Impairments charged	0	0	0	0	0	0	0	0	0
Reversal of impairments	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	0	0	0	0	0
Cost/Valuation at 31 March 2017	0	0	0	0	0	0	175	205	380
Depreciation 01 April 2016	0	0	0	0	0	0	0	205	205
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	0	0	0	0	0
Impairments charged	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	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	0	0	0	0	0
Depreciation at 31 March 2017	0	0	0	0	0	0	0	205	205
Net Book Value at 31 March 2017	0	0	0	0	0	0	175	0	175
Purchased	0	0	0	0	0	0	175	0	175
Donated	0	0	0	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0	0	0	0
Total at 31 March 2017	0	0	0	0	0	0	175	0	175
Asset financing:									
Owned	0	0	0	0	0	0	175	0	175
Held on finance lease	0	0	0	0	0	0	0	0	0
On-SOFP Lift contracts	0	0	0	0	0	0	0	0	0
PFI residual: interests	0	0	0	0	0	0	0	0	0
Total at 31 March 2017	0	0	0	0	0	0	175	0	175

Revaluation Reserve Balance for Property, Plant & Equipment

	Land £'000	Buildings £'000	Dwellings £'000	Assets under construction & payments on account £'000	Plant & machinery £'000	Transport equipment £'000	Information technology £'000	Furniture & fittings £'000	Total £'000
Balance at 01 April 2016	0	0	0	0	0	0	0	0	0
Revaluation gains	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Release to general fund	0	0	0	0	0	0	0	0	0
Other movements	0	0	0	0	0	0	0	0	0
Balance at 31 March 2017	0	0	0	0	0	0	0	0	0

8 Property, plant and equipment cont'd

8.1 Cost or valuation of fully depreciated assets

The cost or valuation of fully depreciated assets still in use was as follows:

	2016-17 £'000	2015-16 £'000
Land	0	0
Buildings excluding dwellings	0	0
Dwellings	0	0
Plant & machinery	0	0
Transport equipment	0	0
Information technology	0	0
Furniture & fittings	205	205
Total	205	205

8.2 Economic lives

	Minimum Life (years)	Maximum
Buildings excluding dwellings	0	0
Dwellings	0	0
Plant & machinery	0	0
Transport equipment	0	0
Information technology	5	5
Furniture & fittings	0	0

9 Trade and other receivables

	Current 2016-17 £'000	Non-current 2016-17 £'000	Current 2015-16 £'000	Non-current 2015-16 £'000
NHS receivables: Revenue	966	0	2,214	0
NHS receivables: Capital	0	0	0	0
NHS prepayments	3,405	0	3,354	0
NHS accrued income	386	0	1,271	0
Non-NHS and Other WGA receivables: Revenue	1,355	0	487	0
Non-NHS and Other WGA receivables: Capital	0	0	0	0
Non-NHS and Other WGA prepayments	121	0	77	0
Non-NHS and Other WGA accrued income	1,256	0	2,930	0
Provision for the impairment of receivables	0	0	(123)	0
VAT	90	0	36	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 and accruals	53	0	8	0
Total Trade & other receivables	7,632	0	10,254	0
Total current and non current	7,632		10,254	

Included above:

Prepaid pensions contributions 0 0

The credit quality of any receivables, that are neither past due or impaired, are all assessed to be fully recoverable.

9.1 Receivables past their due date but not impaired

	2016-17 £'000	2015-16 £'000
By up to three months	586	1,643
By three to six months	31	871
By more than six months	1	0
Total	618	2,514

£3k of the amount above has subsequently been recovered post the statement of financial position date.

NHS Sheffield Clinical Commissioning Group did not hold any collateral against receivables outstanding as at 31 March 2017.

9.2 Provision for impairment of receivables

	2016-17 £'000	2015-16 £'000
Balance at 01 April 2016	(123)	0
Amounts written off during the year	0	0
Amounts recovered during the year	123	0
(Increase) decrease in receivables impaired	0	(123)
Transfer (to) from other public sector body	0	0
Balance at 31 March 2017	0	(123)

	2016-17 %	2015-16 %
Receivables are provided against at the following rates:		
NHS debt	0%	0%
Debt with a payment plan in place that is being adhered to	0%	0%
All other non-NHS debt between 1-90 days overdue	0%	10%
All other non-NHS debt between 91-120 days overdue	0%	50%
All other non-NHS debt over 121 days overdue	0%	50%

10 Cash and cash equivalents

	2016-17	2015-16
	£'000	£'000
Balance at 01 April 2016	60	121
Net change in year	81	(61)
Balance at 31 March 2017	141	60
Made up of:		
Cash with the Government Banking Service	141	60
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	141	60
Bank overdraft: Government Banking Service	0	0
Bank overdraft: Commercial banks	0	0
Total bank overdrafts	0	0
Balance at 31 March 2017	141	60
Patients' money held by the clinical commissioning group, not included above	0	0

11 Trade and other payables

	Current	Non-current	Current	Non-current
	2016-17	2016-17	2015-16	2015-16
	£'000	£'000	£'000	£'000
Interest payable	0	0	0	0
NHS payables: revenue	2,571	0	2,354	0
NHS payables: capital	0	0	0	0
NHS accruals	8,550	0	4,893	0
NHS deferred income	0	0	0	0
Non-NHS and Other WGA payables: Revenue	4,107	0	4,094	0
Non-NHS and Other WGA payables: Capital	27	0	0	0
Non-NHS and Other WGA accruals	28,512	0	25,658	0
Non-NHS and Other WGA deferred income	0	0	0	0
Social security costs	149	0	118	0
VAT	0	0	0	0
Tax	118	0	119	0
Payments received on account	0	0	0	0
Other payables and accruals	981	0	308	0
Total Trade & Other Payables	45,015	0	37,544	0
Total current and non-current	45,015		37,544	

Non-NHS and Other WGA accruals includes £16.3m Prescribing accrual, £5.6m in relation to Primary Care, £4.3m Continuing Healthcare
Other payables include £194k outstanding pension contributions at 31 March 2017 (31 March 2016: £187k).

12 Provisions

NHS Sheffield Clinical Commissioning Group had no provisions as at 31 March 2017 (as at 31 March 2016 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 NHS Sheffield Clinical Commissioning Group. The value of legacy NHS Continuing Healthcare provisions accounted for by NHS England on behalf of this CCG at 31 March 2017 is £668k (31 March 2016: £2,516k).

13 Commitments

13.1 Other financial commitments

The NHS Sheffield Clinical Commissioning Group has entered into a non-cancellable contract (which is not a lease, private finance initiative contract or other service concession arrangement) with eMBED Health Consortium to provide IT support and Business Intelligence services. The payments to which the clinical commissioning group are committed are as follows:-

	2016-17 £'000	2015-16 £'000
In not more than one year	1,253	1,424
In more than one year but not more than five years	2,414	3,666
In more than five years	0	0
Total	3,667	5,090

14 Financial instruments

14.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities.

As NHS Sheffield 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. The 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 the clinical commissioning group in undertaking its activities.

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

14.1.1 Currency risk

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

14.1.2 Interest rate risk

The NHS Sheffield 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. The clinical commissioning group therefore has low exposure to interest rate fluctuations.

14.1.3 Credit risk

Because the majority of the NHS Sheffield Clinical Commissioning Group and revenue comes parliamentary funding, NHS Sheffield 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.

14.1.3 Liquidity risk

NHS Sheffield Clinical Commissioning Group is required to operate within revenue and capital resource limits, which are financed from resources voted annually by Parliament. The NHS Sheffield Clinical Commissioning Group draws down cash to cover expenditure, as the need arises. The NHS Sheffield Clinical Commissioning Group is not, therefore, exposed to significant liquidity risks.

14 Financial instruments cont'd**14.2 Financial assets**

	At 'fair value through profit and loss' 2016-17 £'000	Loans and Receivables 2016-17 £'000	Available for Sale 2016-17 £'000	Total 2016-17 £'000
Embedded derivatives	0	0	0	0
Receivables:				
· NHS	0	1,352	0	1,352
· Non-NHS	0	2,611	0	2,611
Cash at bank and in hand	0	141	0	141
Other financial assets	0	53	0	53
Total at 31 March 2017	0	4,157	0	4,157

	At 'fair value through profit and loss' 2015-16 £'000	Loans and Receivables 2015-16 £'000	Available for Sale 2015-16 £'000	Total 2015-16 £'000
Embedded derivatives	0	0	0	0
Receivables:				
· NHS	0	3,485	0	3,485
· Non-NHS	0	3,417	0	3,417
Cash at bank and in hand	0	60	0	60
Other financial assets	0	8	0	8
Total at 31 March 2017	0	6,970	0	6,970

14.3 Financial liabilities

	At 'fair value through profit and loss' 2016-17 £'000	Other 2016-17 £'000	Total 2016-17 £'000
Embedded derivatives	0	0	0
Payables:			
· NHS	0	11,122	11,122
· Non-NHS	0	33,626	33,626
Private finance initiative, LIFT and finance lease obligations	0	0	0
Other borrowings	0	0	0
Other financial liabilities	0	0	0
Total at 31 March 2017	0	44,748	44,748

	At 'fair value through profit and loss' 2015-16 £'000	Other 2015-16 £'000	Total 2015-16 £'000
Embedded derivatives	0	0	0
Payables:			
· NHS	0	7,247	7,247
· Non-NHS	0	30,060	30,060
Private finance initiative, LIFT and finance lease obligations	0	0	0
Other borrowings	0	0	0
Other financial liabilities	0	0	0
Total at 31 March 2017	0	37,307	37,307

15 Operating segments

NHS Sheffield Clinical Commissioning Group considers that there is only one operating segment: Commissioning of Healthcare Services.

	Gross expenditure	Income	Net expenditure	Total assets	Total liabilities	Net assets
	£'000	£'000	£'000	£'000	£'000	£'000
Commissioning of Healthcare Services	830,069	(5,920)	824,149	7,948	(45,015)	(37,067)

During the year NHS Sheffield Clinical Commissioning Group paid £393,677k, approx. 48% of total expenditure, (2015-16: £376,499k approx. 50%) to Sheffield Teaching Hospitals NHS Foundation Trust for the purchase of healthcare and other services provided.

During the year NHS Sheffield Clinical Commissioning Group paid £82,232k, approx. 10% of total expenditure (2015-16: £80,478k approx. 11%) to Sheffield Health and Social Care NHS Foundation Trust for the purchase of healthcare and other services provided.

16 Pooled budgets

Section 75 of the National Health Services Act 2006 allows partnership arrangements between NHS bodies, Local Authorities and other agencies in order to improve and co-ordinate services. Generally each partner makes a contribution to a pooled budget, with the aim of focussing services and activities for a client group. Funds contributed are those normally used for the services represented in the pooled budget and allow the organisations involved to act in a more cohesive way.

NHS Sheffield Clinical Commissioning Group and Sheffield City Council entered into a Section 75 agreement covering the Better Care Fund with effect from 1st April 2015. This pool is hosted by Sheffield City Council. The Better Care Fund was announced by the Government in the June 2013 spending round, to ensure a transformation in integrated health and social care. It creates a local single pooled budget to incentivise the NHS and local government to work more closely together around people, placing their wellbeing as the focus of health and care services, and shifting resources into social care and community services for the benefit of the people, communities and health and care systems. The Sheffield Better Care Fund pool was constructed around six themes focussed around the different areas of integration.

The following table summarises the contributions made by Sheffield City Council and the NHS Sheffield Clinical Commissioning Group into pooled budget

	NHS Sheffield CCG	2016/17 Sheffield City Council	Total	NHS Sheffield CCG	2015/16 Sheffield City Council	Total
	£'000	£'000	£'000	£'000	£'000	£'000
The Better Care Fund	175,008	113,806	288,814	180,478	102,065	282,543
	175,008	113,806	288,814	180,478	102,065	282,543

The CCG net contribution to the Better Care Fund for 2016/17 shown above is included within the expenditure recorded in note 5 to these accounts (Services from foundation trusts £105,792k; Purchase of healthcare from non-NHS bodies £68,190k; GPMS/APMS and PCTMS £1,099k; Services from other CCGs and NHS England £45k) and within the revenue recorded in note 2 to these accounts (-£118k Other Revenue).

The memorandum account for the pooled budget is:

The Better Care Fund	2016/17	2015/16
Income	£'000	£'000
NHS Sheffield Clinical Commissioning Group	175,008	180,478
Sheffield City Council	113,806	102,065
	288,814	282,543
Allocation of expenditure		
Theme 1 - People Keeping Well in their Local Community	(8,122)	(8,454)
Theme 2 - Active Support and Recovery	(52,161)	(53,358)
Theme 3 - Independent Living Solutions	(4,394)	(4,380)
Theme 4 - Ongoing Care	(162,315)	(154,438)
Theme 5 - Adult inpatient Medical Emergency Admissions	(59,230)	(59,385)
Theme 6 - Capital Grants	(2,592)	(2,528)
	(288,814)	(282,543)

17 Related party transactions

Details of related party transactions with individuals are as follows:

Name & Role of Individual	Related Parties for which transactions made & Role of Individual	Purpose of Payment/Receipt	Payments to Related Party £000	Receipts from Related Party £000	Amounts owed to Related Party £000	Amounts due from Related Party £000
A Afzal, Locality Appointed GP	Duke Medical Centre - Senior Partner	Core Contract/Locality Reimbursement	866	0	63	0
N Anumba, Locality Appointed GP	Woodhouse Health Centre - GP Partner	Core Contract/LCS/Locality Allowance/VPN Receipts	1,704	-3	155	0
	Woodhouse Healthcare Services Ltd - Director	Contract Payments	10	0	0	0
N Bates, GP Elected Member	Porterbrook Medical Centre - GP Partner	Core Contract/LCS/VPN Receipts	2,395	-1	151	0
	Rivelin Healthcare Ltd - Minority Stakeholder	Contract Payments	68	0	7	0
J Boyington, Lay Member	Masonic Care Ltd - Chair	Continuing Healthcare Payments	12	0	0	0
T Furness, Chief of Business Planning and Partnership (to 1 September 2016)	Community First Sheffield LIFT Company - Local Public Sector Director	Estates Strategy Development Support	20	0	0	0
M Gamsu, Lay Member	Voluntary Action Sheffield - Trustee	Contract Payments	30	0	0	0
	Darnall Wellbeing - Committee Member	Contract Payments	73	0	0	0
	Citizens Advice - Trustee	Contract Payments	247	0	0	0
A Gill, GP Elected Member (to 23 September 2016)	Selborne Road Medical Centre - GP Principal	Core Contract/LCS/VPN Receipts	283	0	21	0
	NHS Sheffield CCG - GP Elected Member	Overpayment of salary	0	-2	0	0
T Hudson, GP Elected Member (from 1 January 2017)	University of Sheffield Health Service - GP Principal	Contract Payments	2,035	0	0	0
A Majoka, GP Elected Member (from 1 January 2017)	Abbey Lane Surgery - GP Principal	Core Contract/LCS/VPN Receipts	383	0	26	0
Z McMurray, Medical Director	Woodhouse Healthcare Services Ltd - Shareholder	Contract Payments	10	0	0	0
T Moorhead, Chair of the Governing Body	Rivelin Healthcare Ltd - Minority Stakeholder	Contract Payments	68	0	7	0
	Oughtibridge Surgery - Senior Partner	Core Contract/LCS/Locality Allowance	898	0	51	0
	Sheffield Local Medical Committee - Executive Member	Voluntary & Statutory Levy	249	0	0	0
J Newton, Director of Finance	NHS Sheffield CCG	Pension adjustment	0	0	0	-1
M Sloan, GP Elected Member	Sloan Medical Centre - GP Principal	Core Contract/LCS/Locality Allowance/VPN Receipts	1,657	0	107	0
L Sorsbie, Locality Appointed GP	Firth Park Surgery - GP Partner	Core Contract/LCS/Locality Allowance	1,150	0	105	0
T Turner, GP Elected Member (to 30 September 2016)	Shiregreen Medical Centre - GP Partner & Principal	Core Contract/LCS/Locality Allowance	932	0	76	0
	Sheffield Local Medical Committee - Committee Member	Voluntary & Statutory Levy	249	0	0	0

The values shown for related party transactions are for the full financial year including when the relevant individual has a part year interest in the organisation.

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

- NHS England;
- NHS Foundation Trusts;
- NHS Trusts;
- NHS Litigation Authority; and,
- NHS Business Services Authority.

In addition, NHS Sheffield Clinical Commissioning Group has had a number of material transactions with other government departments and other central and local government bodies.

Most of these transactions have been with Sheffield City Council.

Prior Year Comparator 2015-16

Name & Role of Individual	Related Parties for which transactions made & Role of Individual	Purpose of Payment	Payments to Related Party £000	Receipts from Related Party £000	Amounts owed to Related Party £000	Amounts due from Related Party £000
A Afzal, Locality Appointed GP	Duke Medical Centre - Senior Partner	Practice Payments	83	0	17	0
N Anumba, Locality Appointed GP	Woodhouse Health Centre - GP Partner	Practice Payments	213	0	47	0
	Woodhouse Healthcare Services Ltd - Director	Contract Payments	9	0	0	0
N Bates, GP Elected Member	Porterbrook Medical Centre - GP Partner	Practice Payments	182	(1)	57	0
	Rivelin Healthcare Ltd - Minority Stakeholder	Contract Payments	63	0	5	0
M Gamsu, Lay Member	Darnall Wellbeing - Committee Member	Rent of Building	0	0	50	0
	Voluntary Action Sheffield - Trustee	Contract Payments	32	0	1	0
	Citizens Advice - Trustee	Contract Payments	238	0	0	0
A Gill, GP Elected Member	Selborne Road Medical Centre - GP Principal	Practice Payments	16	0	11	0
	NHS Sheffield CCG - GP Elected Member	Overpayment of salary	0	0	0	(8)
Z McMurray, Medical Director	Woodhouse Healthcare Services Ltd - Shareholder	Contract Payments	9	0	0	0
T Moorhead, Chair of the Governing Body	Oughtibridge Surgery - Senior Partner	Practice Payments	298	0	20	0
	Rivelin Healthcare Ltd - Minority Stakeholder	Contract Payments	63	0	5	0
M Sloan, GP Elected Member	Sloan Medical Centre - GP Principal	Practice Payments	127	0	34	0
L Sorsbie, Locality Appointed GP	Firth Park Surgery - GP Partner	Practice Payments	95	0	28	0
T Turner, GP Elected Member	Shiregreen Medical Centre - GP Partner & Principal	Practice Payments	85	0	24	0

18 Losses and special payments

18.1 Losses

The total number of NHS Clinical Commissioning Group losses and special payments cases, and their total value, was as follows:

	Total Number of Cases 2016-17 Number	Total Value of Cases 2016-17 £'000	Total Number of Cases 2015-16 Number	Total Value of Cases 2015-16 £'000
Administrative write-offs	0	0	2	123
Fruitless payments	0	0	0	0
Store losses	0	0	0	0
Book Keeping Losses	0	0	0	0
Constructive loss	0	0	0	0
Cash losses	0	0	0	0
Claims abandoned	0	0	0	0
Total	0	0	2	123

18.2 Special payments

	Total Number of Cases 2016-17 Number	Total Value of Cases 2016-17 £'000	Total Number of Cases 2015-16 Number	Total Value of Cases 2015-16 £'000
Compensation payments	0	0	0	0
Extra contractual Payments	0	0	0	0
Ex gratia payments	2	21	0	0
Extra statutory extra regulatory payments	0	0	0	0
Special severance payments	0	0	0	0
Total	2	21	0	0

19 Financial performance targets

NHS Clinical Commissioning Group have a number of financial duties under the NHS Act 2006 (as amended).

NHS Clinical Commissioning Group performance against those duties was as follows:

	2016-17 Target £'000	2016-17 Performance £'000	2015-16 Target £'000	2015-16 Performance £'000
Expenditure not to exceed income	841,694	830,069	758,216	750,726
Capital resource use does not exceed the amount specified in Directions	175	175	0	0
Revenue resource use does not exceed the amount specified in Directions	835,774	824,149	749,938	742,448
Capital resource use on specified matter(s) does not exceed the amount specified in Directions	0	0	0	0
Revenue resource use on specified matter(s) does not exceed the amount specified in Directions	0	0	0	0
Revenue administration resource use does not exceed the amount specified in Directions	12,682	11,645	14,119	10,697

NHS Sheffield Clinical Commissioning Group
Finance Report 2016/17 - Financial Position for Period Ending 31 March 2017

	Year to Date: March				Change from prev month*	Forecast Variance @ Month 11
	Budget	Expenditure	Variance			
	£'000s	£'000s	£'000s	%		£'000s
			Over (+)/ Under(-)			
PROGRAMME COSTS						
Revenue Resource Limit	823,092	823,092	0	0.0%	→	0
EXPENDITURE						
Acute Hospital Care						
Elective	160,735	163,861	3,126	1.9%	↑	1,645
Urgent care	138,119	139,671	1,552	1.1%	↑	1,530
Other Acute Care / Ambulance Services	101,532	103,972	2,440	2.4%	↑	1,741
	400,387	407,504	7,118	1.8%	↑	4,916
Mental Health & Learning Disabilities						
Mental Health & Learning Disabilities	81,665	81,273	(393)	-0.5%	↓	271
Community Services						
Elective Community Care	27,701	27,866	165	0.6%	↓	185
Urgent Community Care	4,832	4,895	62	1.3%	↓	70
Intermediate Care & Reablement	44,724	45,952	1,228	2.7%	↑	1,169
Long Term Care and End of Life	61,837	63,154	1,317	2.1%	↓	1,414
Prescribing	98,743	97,602	(1,141)	-1.2%	↓	(749)
Other Commissioning	2,178	1,973	(205)	-9.4%	↑	(217)
	240,016	241,442	1,426	0.6%	↓	1,872
Primary Care						
Primary Care Co-commissioning	70,400	69,932	(468)	-0.7%	↓	(375)
Locally Commissioned Primary Care Services	12,747	12,354	(393)	-3.1%	↓	(388)
	83,147	82,286	(861)	-1.0%	↓	(762)
Reserves						
Reserves	17,877	0	(17,877)	-100.0%	↓	(8,765)
TOTAL EXPENDITURE - PROGRAMME COSTS	823,092	812,505	(10,587)	-1.3%	↓	(2,469)
(UNDER)/OVER SPEND - Programme Costs	(0)	(10,587)	(10,587)		↓	(2,469)
RUNNING COSTS ALLOWANCE						
Running Cost Funding	12,682	12,682	0	0.0%	→	0
Total Running Cost Expenditure	12,682	11,645	(1,037)	-8.2%	↓	(1,031)
(UNDER)/OVER SPEND - Running Costs	0	(1,037)	(1,037)		↓	(1,031)
TOTAL						
Revenue Resource Limit	835,774	835,774	0	0.0%	→	0
Expenditure	835,774	824,150	(11,624)	-1.4%	↓	(3,500)
TOTAL (A)	(0)	(11,624)	(11,624)		↓	(3,500)

* ↑ = deterioration, ↓ = improvement, → = no change.

Appendix A (cont)

RESOURCE LIMIT ALLOCATIONS	Revenue			Maximum Cash Drawdown incl		
	Recurrent	Non Rec	Total	Confirmed	Anticipated	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Programme Costs				821,980		821,980
Initial CCG Programme Allocation	737,037		737,037			
Primary Care Co-Commissioning	74,747		74,747			
2015/16 recurrent transfers post allocation setting (mth07)	(249)		(249)			
Brought Forward surplus/(deficit)		7,490	7,490			
PMS Premium	362		362			
Q1 Eating Disorder Service Correction		302	302			
Latent TB Q1		21	21			
PYE transfer of One Health July - March 2017		66	66			
PYE transfer of Claremont July- March 2017		250	250			
Transfer of NHSE support re Embed and Third Party Contracts		41	41			
PYE April-June 2016 transfer of Claremont		86	86			
PYE April-June 2016 transfer of One health		21	21			
GP Development Programme - reception & clerical training		51	51			
Budget re suspended doctors transferred with other Co-Commissioning in error	(94)		(94)			
Latent TB Q2		21	21			
NHS E adjustment re One Health & Claremont	423	(423)	0			
CYP Local Transformation Mental Health M7		126	126			
Overseas visitors adjustment		445	445			
South Yorkshire, North Derbyshire & Bassetlaw Cancer Alliance		156	156			
Quality Premium Award 2015/16		1,780	1,780			
TB strategy for Q3 and Q4 - Jeff Featherstone		43	43			
Early Discharge Facilitation (FAO Julia Newton)		90	90			
Perinatal / IAPT underspend allocation M10		46	46			
CYP WL & WT Reduction: 2nd tranche		126	126			
CYP IAPT Backfill & Underspend		88	88			
Impact of move to market rents		23	23			
GP Repatriation		17	17			
Month 12 Programme Costs Resource Limit	812,226	10,866	823,092	821,980	0	821,980
Running Costs						
Initial Running Costs allocation	12,654		12,654			
Impact of move to market rents		28	28			
Month 12 Running Cost Resource Limit	12,654	28	12,682			
CLOSING LIMITS (B)	824,880	10,894	835,774	821,980	0	821,980

Memo Table: NHS England Presentation of CCGs financial position

In-year allocation:		
16/17 Core Allocation	835,774	
Allocation of prior years surplus for drawdown	-7,490	C
Total share of NHSE mandate for 2016/17	828,284	D
		E=C+D
Expenditure:		
Forecast Expenditure (Programme Spend plus Running Costs)	831,256	
Forecast under/(over)-spend against in year allocation	-2,973	A
		E-A
In-year performance:		
Performance against 16/17 core allocation	4,518	
Made up of:		F=C-A
Planned use of prior year surpluses (agreed drawdown)	-7,490	
Other in year under/(over)-spend against resource limit	-2,973	D
		G=D+F
Memorandum: cumulative (historic) surplus/(deficit)		
Total share of NHSE mandate for 2016/17	828,284	
Return of remaining prior year surplus/(deficit)	7,490	E
Total allocation plus historic surplus/deficit (equals closing limits per table above)	835,774	H
		B (or E+H)
Forecast Surplus / (deficit) against total allocation	3,500	
Target additional surplus/(deficit) required to meet business rules	-3,990	I=B-A
Target additional surplus/(deficit) required to meet business rules	-3,990	I-H

NHS Sheffield Clinical Commisisoning Group
Finance Report 2016/17 - Financial Position for Period Ending 31 March 2017

	Year to Date: March				Change from prev month*	Forecast
	Budget	Expenditure	Variance Over (+)/ Under(-)			£'000s
	£'000s	£'000s	£'000s	%		
PROGRAMME COSTS						
Revenue Resource Limit	823,092	823,092	0	0%	→	0
EXPENDITURE						
Acute Hospital Care						
Planned Care						
Sheffield Teaching Hospitals NHS FT	141,612	145,048	3,436	2%	↑	2,231
Sheffield Children's NHS FT	12,700	12,552	(147)	-1%	↑	(414)
Other NHS Trusts	3,276	3,410	134	4%	→	134
ISTC & Extended Choice	3,147	2,851	(296)	-9%	↑	(306)
Planned Care	160,735	163,861	3,126	2%	↑	1,645
Urgent Care						
Sheffield Teaching Hospitals NHS FT	120,560	121,908	1,347	1%	↓	1,372
Sheffield Children's NHS FT	11,644	11,845	201	2%	↑	156
Other NHS Trusts	5,879	5,868	(11)	0%	→	(11)
ISTC & Extended Choice	37	51	14	37%	→	14
Urgent Care	138,119	139,671	1,552	1%	↑	1,530
Other Acute Care / Ambulance Services						
Sheffield Teaching Hospitals NHS FT	70,121	70,270	149	0%	↑	60
Sheffield Children's NHS FT	1,891	3,321	1,429	76%	↑	1,189
Other NHS Trusts	1,800	1,729	(72)	-4%	↑	(117)
ISTC & Extended Choice	79	82	3	4%	→	3
Ambulance Services	22,926	23,013	87	0%	↑	14
Other Acute Services	4,715	5,557	842	18%	↑	593
Other Acute Care	101,532	103,972	2,440	2%	↑	1,741
Mental Health & Learning Disabilities						
Sheffield Health and Social Care NHS FT	73,894	73,504	(390)	-1%	↓	0
Sheffield Children's NHS FT	4,761	4,570	(191)	-4%	↓	76
Local Authority	2,203	2,203	(0)	0%	↓	0
Other Mental Health Services	808	996	188	23%	↓	195
Mental Health & Learning Disabilities	81,665	81,273	(393)	0%	↓	271
Community Services						
Planned Care						
Sheffield Teaching Hospitals NHS FT	7,867	8,192	325	4%	↓	325
Sheffield Children's NHS FT	4,376	4,357	(19)		↓	0
Local Authority	13,811	13,811	0	0%	↑	0
Development Nurses	474	346	(127)	-27%	↓	(126)
Other Community Services	1,173	1,158	(14)	-1%	↓	(14)
Planned Community Care	27,701	27,866	165	1%	↓	185
Urgent Care						
111	1,194	1,156	(38)	-3%	↓	(30)
Out of Hours	3,638	3,738	100	3%	→	100
Urgent Community Care	4,832	4,895	62	1%	↓	70
Intermediate Care & Reablement						
Sheffield Teaching Hospitals NHS FT	40,982	41,842	859	2%	↑	762
Local Authority	1,817	1,817	0	0%	↑	0
Community Equipment	1,925	2,293	368	19%	↓	407
Intermediate Care	44,724	45,952	1,228	3%	↑	1,169

Long Term Care and End of Life						
Continuing Care	47,316	46,957	(359)	-1%	↓	(142)
Continuing Care Retrospectives	1,028	1,028	0		→	0
Continuing Healthcare Assessments	2,507	2,250	(256)	-10%	↓	(246)
Continuing Care - IFRs	66	59	(6)	-9%	↓	(3)
Funded Nursing Care	6,313	8,212	1,899	30%	↑	1,882
St Lukes Hospice	2,496	2,532	36	1%	↑	10
Sheffield Teaching Hospitals NHS FT	2,112	2,116	4	0%	↑	(88)
Long Term Care	61,837	63,154	1,317	2%	↓	1,414
GP Prescribing						
Prescribing	97,269	96,306	(963)	-1%	↓	(570)
Medicines Management Team	1,474	1,296	(178)	-12%	↑	(179)
Prescribing	98,743	97,602	(1,141)	-1%	↓	(749)
Other Commissioning	2,178	1,973	(205)	-9%	↑	(217)
Other Commissioning	2,178	1,973	(205)	-9%	↑	(217)
Primary Care						
Co-Commissioning						
Core Contract	47,816	47,851	35	0%	↓	35
Premises	10,019	9,561	(458)	-5%	↓	(340)
QoF	7,433	7,408	(25)	0%	↓	(21)
Enhanced Services	3,066	3,086	20	1%	↑	0
Primary Care Other	2,066	2,027	(39)	-2%	↑	(49)
Primary Care Reserve	0	0	0			0
Locally Commissioned Primary Care Services	12,747	12,354	(393)	-3%	↓	(388)
Primary Care	83,147	82,286	(861)		↓	(762)
Reserves						
Commissioning Reserves	2,104	0	(2,104)	-100%	↓	(2,104)
General Contingency Reserve	5,159	0	(5,159)		↓	(4,161)
Primary Care	0	0	0		→	0
1.0% Non Recurrent Reserve	8,114	0	(8,114)		↓	0
Planned Surplus	2,500	0	(2,500)	-100%	→	(2,500)
Reserves	17,877	0	(17,877)	-100%	↓	(8,765)
TOTAL EXPENDITURE - PROGRAMME COSTS	823,092	812,505	(10,587)	-1%	↓	(2,469)
(UNDER)/OVER SPEND - Programme Costs	(0)	(10,587)	(10,587)		↓	(2,469)
RUNNING COSTS ALLOWANCE						
Funding net of £1.5m transfer to commissioning budgets	12,682	12,682	0	0%	→	0
EXPENDITURE						
Accountable Officer	1,905	2,195	289	15%	↓	374
Commissioning & Performance	2,308	2,415	107	5%	↑	(16)
Finance & Facilities	3,163	2,994	(169)	-5%	↑	(243)
Nursing, Quality & Workforce	2,603	2,515	(88)	-3%	↓	(59)
Strategy & Integration	909	769	(139)	-15%	↓	(50)
Transformation & Delivery	750	757	7	1%	↓	7
Running Cost Reserve - Contingency	0	0	0		↑	(43)
Running Cost Reserve	43	0	(43)		↓	(0)
Running Cost Planned surplus	1,000	0	(1,000)	-100%	→	(1,000)
TOTAL EXPENDITURE - RUNNING COSTS	12,682	11,645	(1,037)	-8%	↓	(1,031)
(UNDER)/OVER SPEND - Running Costs	0	(1,037)	(1,037)		↓	(1,031)
TOTAL (UNDER)/OVER SPEND	(0)	(11,624)	(11,624)	-	↓	(3,500)

NHS Sheffield Clinical Commisisoning Group
Finance Report 2016/17 - Financial Position for Period Ending 31 March 2017

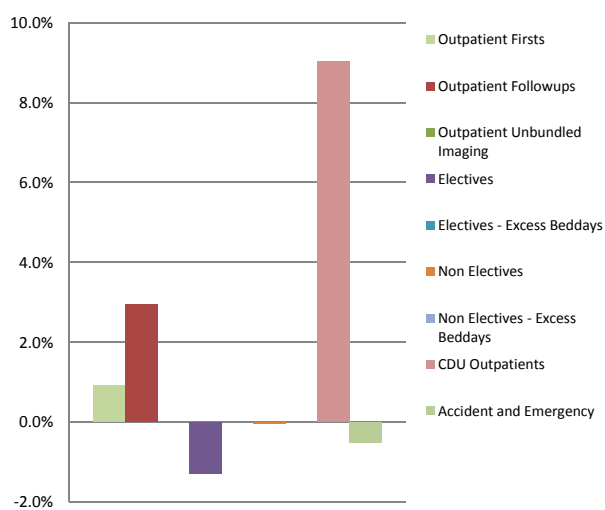
Main Provider Contracts

	Year to Date: March				Change from prev month *	Forecast Variance @ Month 11 £'000s
	Budget	Expenditure	Variance			
			Over (+)/ Under(-)			
	£'000	£'000	£'000	%		
EXPENDITURE						
Sheffield Teaching Hospitals NHS FT						
Planned Care	141,612	145,048	3,436	2.4%	↑	2,231
Urgent Care	120,560	121,908	1,347	1.1%	↓	1,372
Community Care	7,867	8,192	325	4.1%	↓	325
Other Acute	45,385	43,647	(1,737)	-3.8%	↓	(1,658)
High Cost Drugs	12,332	14,391	2,059	16.7%	↑	1,793
Maternity Services	12,404	12,232	(172)	-1.4%	↓	(75)
Primary Care - Out of Hours	3,638	3,738	100	2.7%	→	100
Intermediate Care & Reablement	40,982	41,842	859	2.1%	↑	762
End of Life Care	2,112	2,116	4	0.2%	↑	(88)
Sub Total	386,893	393,114	6,221	1.6%	↑	4,761
Sheffield Children's NHS FT						
Planned Care	12,700	12,552	(147)	-1.2%	↑	(414)
Urgent Care	11,644	11,845	201	1.7%	↑	156
Community Care	4,019	4,028	9	0.2%	↑	0
Mental Health Services	4,761	4,570	(191)	-4.0%	↓	76
Other Acute	1,187	2,582	1,395	117.6%	↑	1,154
High Cost Drugs	704	738	34	4.8%	↓	34
Safeguarding	357	329	(28)	-7.8%	↓	0
Sub Total	35,371	36,646	1,274	3.6%	↑	1,007
Sheffield Health and Social Care NHS FT						
Mental Health & Learning Disabilities	73,894	73,504	(390)	-0.5%	↓	0
Sub Total	73,894	73,504	(390)	-0.5%	↓	0
	496,158	503,263	7,105	1.4%	↑	5,768

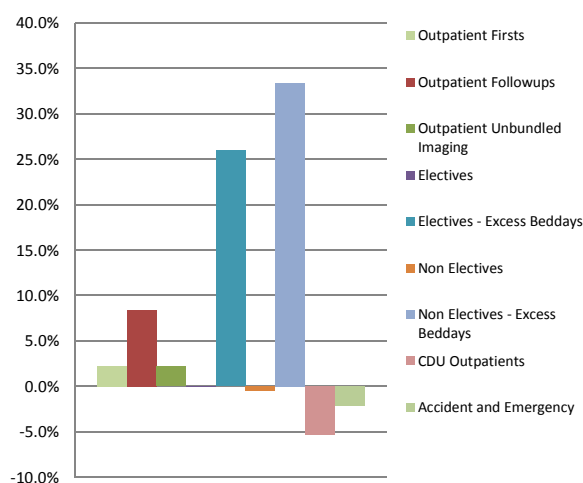
Sheffield CCG Commissioned Activity and Costs - March 2017

Sheffield Teaching Hospitals NHS FT

Variance in Actual vs Target Activity



Variance in Actual vs Target (inc. QIPP) Cost



Point of Delivery	Year to Date Activity Plan	Year to Date Actual Activity	Variance	
			Activity	%
Outpatient Firsts	121,901	123,025	1,124	0.9%
Outpatient Followups	280,220	288,471	8,251	2.9%
Outpatient Unbundled Imaging				
Electives	67,550	66,687	-863	-1.3%
Electives - Excess Beddays				
Non Electives	52,550	52,534	-16	0.0%
Non Electives - Excess Beddays				
CDU Outpatients	30,040	32,748	2,708	9.0%
Accident and Emergency	131,330	130,676	-654	-0.5%
Total				

Year to Date Budget	Actual Expenditure	Variance	
		£'000s	%
£'000s	£'000s	£'000s	%
18,966	19,388	422	2.2%
24,742	26,820	2,077	8.4%
3,702	3,783	82	2.2%
53,649	53,622	-27	-0.1%
485	611	126	26.0%
96,953	96,472	-481	-0.5%
6,699	8,938	2,239	33.4%
1,652	1,563	-89	-5.4%
15,082	14,760	-322	-2.1%
221,929	225,957	4,027	1.8%

MFF Uplift Applied to Contract Monitoring Costings at 2.9422% for PbR Activity Only
Includes PbR and Non-PbR Activity (and CDU (A&E) activity)
Includes Financial Adjustments and QIPP
A&E does not include Primary Care Access Centre activity or costs

Note - This appendix now excludes the MSK contract activity

Appendix E

NHS Sheffield Clinical Commisisoning Group
Finance Report 2016/17 - Financial Position for Period Ending 31 March 2017
Memorandum: Section 75 - Better Care Fund

Theme	Year to Date: March				Forecast Variance @ Month 11 £'000s
	Budget	Expenditure	Variance		
			Over (+)/ Under(-)		
			£'000s	%	
Citywide Position					
People Keeping Well in their local community	8,584	8,122	(462)	-5.4%	(336)
Active Support & Recovery	51,321	52,161	839	1.6%	741
Independent Living Solutions	3,879	4,394	515	13.3%	561
Ongoing Care	152,971	162,316	9,345	6.1%	9,560
Emergency Medical Admissions - STH	54,565	59,230	4,665	8.6%	4,316
Capital Grants	4,564	2,592	(1,973)	-43.2%	(2,015)
TOTAL EXPENDITURE	275,885	288,814	12,929	4.7%	12,826
NHS Sheffield CCG					
People Keeping Well in their local community	1,859	1,659	(199)	-10.7%	(170)
Active Support & Recovery	43,169	44,028	859	2.0%	762
Independent Living Solutions	1,925	2,293	368	19.1%	407
Ongoing Care	65,870	67,798	1,928	2.9%	2,065
Emergency Medical Admissions - STH	54,565	59,230	4,665	8.6%	4,316
Capital Grants	0	0	0		0
CCG Total	167,387	175,008	7,621	4.55%	7,380
Sheffield City Council (SCC)					
People Keeping Well in their local community	6,725	6,463	(263)	-3.9%	(166)
Active Support & Recovery	8,153	8,133	(20)	-0.2%	(21)
Independent Living Solutions	1,954	2,101	146	7.5%	154
Ongoing Care	87,101	94,518	7,417	8.5%	7,495
Emergency Medical Admissions - STH	0	0	0	0.0%	0
Capital Grants	4,564	2,592	(1,973)	-43.2%	(2,015)
SCC Total	108,498	113,806	5,308	4.9%	5,447

Notes:**Key elements of each theme are summarised below:**

People Keeping Well in their local community	Includes Care Planning, Health trainers/ Community Support Workers, Community Grants and Support to VCF sector, Public Health, Housing related support to Older People and other support services
Active Support & Recovery	Includes community nursing, Intermediate Care Beds, CICs, Transfer of Care Teams, STIT, Intermediate Care Assessment teams
Independent Living Solutions	Includes community equipment and adaptations
Ongoing Care	Includes CHC& FNC, Learning Disabilities, Adult Social Care
Emergency Medical Admissions - STH	Includes Adult Inpatient Medical Emergency Admissions (excluding gastroenterology)