

WELSH HEALTH CIRCULAR



Llywodraeth Cymru
Welsh Government

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Title: 2021/22 LHB, SHA & Trust Monthly Financial Monitoring Return Guidance

Date of Expiry / Review: April 2022

For Action by:

Chief Executives & Directors of Finance
LHBs/SHAs/Trusts/NWSSP/WHSSC

Action required by:

Refer to Annex 1 within Guidance

Sender: Prof. Alan Brace, Director of Finance NHS Wales, Health & Social Services Group

HSSG Welsh Government Contact(s):

Andrea Hughes, Head of NHS Financial Management, Finance Directorate, Health & Social Services Group

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Contact Telephone Number: 0300 062 5558

Enclosure(s): Covering Letter and Guidance

Board Secretaries

Swansea Bay
Aneurin Bevan
Betsi Cadwaladr
Cardiff & Vale
Cwm Taf Morgannwg
Hywel Dda
Powys
Public Health Wales
Velindre Trust
WAST
HEIW
DHCW

Secretary to Board Secretary Group

Chief Execs

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Directors of Finance

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Velindre Trust
WAST
NWSSP
WHSSC
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DCHW

Welsh Government

DG/Chief Exec NHS Wales
Deputy Chief Exec NHS Wales
Deputy Director of Finance NHS Wales
HSSG Head of NHS Financial Management
HSSG Head of Financial Control & Governance
HSSG Operations Team
HSSG Comms Team

Other

Technical Manager CG & NHS Sector – Wales Audit Office
Director Finance Delivery Unit

Chief Executives & Directors of Finance – NHS Local Health Boards including WHSSC

Chief Executives & Directors of Finance – NHS Special Health Authorities

Chief Executives & Directors of Finance – NHS Trusts including NWSSP

Our Ref: AB/AJH/001

23 April 2021

Dear Colleague,

Please find enclosed the 2021/22 LHB, SHA and Trust monthly financial monitoring return guidance and associated submission templates.

As we move into a new phase of our response to, and impact of, the Covid-19 pandemic; we are in a position to reintroduce the original financial monitoring requirements from the start of this new financial year.

We need to ensure we continually improve and develop our financial reporting and therefore we will be amending the Day 9 (Full) submission deadline forward from 5:00pm to 12:00pm (there is no change to the Day 5 deadline). This better aligns the timeframes of the receipt of this information to our reporting process. The number of resubmissions required during 2020/21 was an obvious concern and therefore organisations are reminded of the necessity to provide a high quality submission both in relation to the data tables and the supporting narrative. This information should form a key part of the financial governance of the Board and the quality and timeliness of these returns should reflect that.

The detailed guidance sets out this year's changes to the data requirements and completion principles. I wish to draw your attention to the following in particular:

- The 2021/22 annual plans include the financial implications of the response to Covid-19 and therefore the monitoring templates have been adjusted to align to this principle.
- The Covid Expenditure Table (B3) has been revised and aligns to the spend categories detailed in the SoCNE/I (Table B3).
- As introduced previously, the opening financial plan is fixed and from that point onwards performance is recorded as an 'in-year' movement against that plan. Due to the reduced status of the plans this year and the assessed maturity of the drafts received at the end of March 2021; the period from which the plan is fixed is to be extended from Month 1, to Month 3.
- A deadline is being introduced, which requires Amber status saving schemes to be moved to Green within three months of them first appearing on the Tracker. For 2021/22, we will commence this requirement from Month 3, when the plans are fixed.

Yours sincerely

Alan Brace.

Professor Alan Brace
Cyfarwyddwr Cyllid | Director of Finance
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Dear Colleague,

LOCAL HEALTH BOARD, SPECIAL HEALTH AUTHORITY AND TRUST FINANCIAL MONITORING GUIDANCE 2021-22

Summary

1. This guidance refers to the monitoring return spreadsheet and accompanying narrative that all organisations (Local Health Boards (LHBs), Special Health Authorities (SHAs) and Trusts) will need to complete, to report their 2021/22 financial performance. There are a number of changes to the format of the returns from those issued previously. Colleagues are asked to review this guidance in full to refresh and confirm their understanding.

Importance of Monitoring Returns

2. The financial returns are an essential element in monitoring the financial position of individual organisations and the overall financial health of NHS Wales. They are used by the Health and Social Services Group (HSSG) and the Finance Delivery Unit (FDU) as the primary source for assessing performance and form the basis of reports to Ministers.
3. **It is essential that the monitoring returns are accurate and that they are submitted in accordance with the timescales outlined in Annex 1.** Your organisation will be held to account for the information submitted within the returns. It is essential that you ensure that your forecasts within the tables are based on a balanced view of your anticipated outturn and that your commentary correctly outlines the major issues affecting your forecast. The data reported within the tables must correlate and support the outturn position being reported and is accurately supported by internal detailed plans.
4. All monitoring returns **must be supported by a detailed commentary.** A minimum content format is mandatory and is set out in Annex 2.
5. All information made available to the HSSG should be consistent with that provided to the organisation's Board. The detailed commentary **must** include a statement confirming that the financial information reported in the monitoring return aligns to the financial details included within the internal Board papers.
6. There are a number of tables to be provided and notes on their completion are set out in Annex 3.
7. **Concerns continue regarding the robustness of financial forecasting within the NHS in Wales. Finance Directors are accountable for the content of the submission and the reliability of**

their forecasts; performance will continue to be reviewed on this issue on an individual basis. All tables must be fully completed and a comprehensive narrative, providing a detailed explanation of all key issues must be provided. Should the return not meet this requirement, it will be returned, and a resubmission will be required.

8. **Chief Executives are also personally accountable to the Accounting Officer for the reliability of the forecasts submitted by their organisation.**
9. **The Day 9 submission must be agreed and the narrative signed by both the Director of Finance and Chief Executive before the submission is made to the Welsh Government.** Organisations must build in sufficient time into the monthly process to ensure the submission deadline is achieved. The Board governance, regarding the arrangements for when the Director of Finance and/or Chief Executive is not available, should be set out at the start of the year and shared with the Head of NHS Financial Management within the Month 1 narrative. An additional statement must be included in the narrative each month to clarify the date and main Committee of the Board which will receive that month's Financial Monitoring Return (consisting the Narrative, Table A, **Table B3**, Tables C,C1,C2,C3 and Table F) in order to provide the Committee with transparency on the submission made to Welsh Government.
10. When sending both the Day 5 and Day 9 submissions to the Welsh Government, the Director of Finance and Chief Executive must be included as email recipients. Failure to comply with this requirement will result in the submission not being accepted.
11. **To ensure that the information on expected end of year out-turns is consistent across NHS bodies; organisations are required to ensure that in their reporting they must strike a balance between optimism/pessimism resulting in a realistic assessment of the challenge when forecasting their financial position.**
12. Organisations **must** ensure that items are appropriately phased (Revenue Resource Limit – which must align to the profile of spend on the SoCNE not internal budgets, Accountancy Gains, Release of Previously Committed Reserves) to ensure that the year to date position is not distorted.

Timetable for completion

All Financial Position data, provided electronically to the WG, must be cleared by the Director of Finance and Chief Executive Officer before submission.

13. All main monitoring returns will be required on the **9th** working day of each month, with the exception of Month 12. There continues to be a

requirement to complete a Month 1 submission. The full template should be submitted with the following tables completed: Table A (Movement), Table A1 (Underlying Position), Table A2 (Risks & Opps), Table B, B1, B2 & B3 (Monthly Profiles), Table C, C1, C2 & C3 (Savings), Table D (I & E Assumptions), Table E & E1 (Resource Limits & Invoiced Income), and the Aged Debtors Template (Table M), along with a supporting Director of Finance narrative. **A schedule of monitoring dates is provided in Annex 1.**

14. An electronic version of **both the spreadsheet and the narrative for the full return** must be submitted via email (see points of contact section) to the NHS Financial Management Team, Health and Social Services Group and Financial Delivery Unit by **12.00 pm** on the due date.
15. Organisations are required to submit their year to date and forecast financial position information of the **5th** working day, for Months 2 to 12. A separate template table is provided. A brief explanation should be provided on the template, **for any movement in your year end outturn since the previous month**. An electronic version of the template should be submitted via email (addresses below) to the NHS Financial Management Team, Health and Social Services Group - Finance Directorate (& FDU) by **5.00 pm** on the due date. A hard copy is not required. **A schedule of submission dates is provided in Annex 1.**
16. In previous years there have been requirements to submit tables either monthly or quarterly. **For 2021-22** all tables should be provided monthly except for, Table I (PSPP) Quarterly, Table N (GMS) and Table O (Dental) Quarterly from Quarter 2, Table G (SoFP) monthly from Month 3 onwards, Table H (Cash Flow) from Month 2 onwards, Tables J, K & L (Capital) from Month 2 onwards and Table M (EFL) monthly from Month 3 onwards. Organisations that continually submit inaccurate or incomplete information will be required to submit tables on a monthly basis.

Principle Changes to Requirements

17. The following information draws your attention to the principle changes to the 2021/22 requirements. It is recommended however, that the full documentation is reviewed before completing the tables.
 - **Submission Deadlines**
The deadline for Day 9 submissions has been brought forward from 5.00pm to 12.00pm (earlier submission is of course welcomed, if the quality of the return can be maintained). There is no change to the Day 5 deadline.
 - **Movement from IMTP/AOP to Forecast Outturn (Table A)**

- Fixing of Plan - the opening financial plan is fixed and from that point onwards performance is recorded as an 'in-year' movement against that plan. Due to the reduced status of the plans this year and the assessed maturity of the drafts received at the end of March 2021; the period from which the 'plan' is fixed is to be temporarily extended from Month 1, to Month 3. The template still uses the descriptor 'finalised at Month 1'; however organisations can temporarily revise the 'plan' values reported throughout the submission at Month 1, until Month 3 (i.e. everything that impacts on the opening section of Table A). This also effectively means that savings or income generation schemes which were not finalised (Green & Amber) until Month 2 or Month 3, can be added to the Tracker with the 'Month 1' indicator, which means they will auto populate the 'plan' section in Table A. After Month 3, the values are fixed and any movements to the plans, including new schemes on the Tracker are treated as 'in-year' items.

The Opening Plan section of Table A includes the following new lines to align to the latest planning templates:

- Lines 3 & 5 being 'Planned Expenditure for Covid-19' & 'Planned WG Funding for Covid-19', respectively. These items are auto populated from Table B3.
- Line 6 being 'Planned Provider Income'

The Opening Plan section also includes a separate line for 'RRL Profile – phasing only'. Previously, the 'free' text line has been used. The Table A profiles both the planned and actual financial position, with the later aligning to the profile reported in the SoCNE/I (Table B). The RRL profile should be phased to align to the profile of corresponding spend (not internal budgets); therefore, the impact of the uneven profile of planned savings/income generation etc on the monthly position is effectively smoothed by the profile of the RRL to ensure that inaccurate YTD surplus/deficits are not reported.

Accountancy Gains can no longer be relied upon to support opening plan positions and therefore have been removed from the 'opening' section. This aligns the MMR tables to the IMTP/AOP templates. Accountancy Gains are therefore an in-year item only (see separate section on the finalisation and profile release requirements)

The 'In Year Movements' section (Line 15 onwards) has been reordered to align to the Opening Plan section (in reverse), and includes the following new items:

- Variance to Planned RRL & Other Income
- Underachievement of Month 1 finalised Income Generation due to Covid-19' as a linked cell and profile from Table B3

The Covid-19 items (descriptions are highlighted green for ease) in the 'In-Year Movements' section now represent a movement from plan as well as In-Year items, and are automatically populated from Table B3.

- **COVID-19 (Table B3)**

This table has been completely revised to better align to the SoCNE/I (Table B) and Pay Analysis (Table B2) and also incorporates the 'planned' spend and income as per the IMTP/AOP.

Section A – Additional Covid Expenditure has been reorganised to analyse costs by the main programme areas (such as Testing) plus an 'other' section. The Pay section reflects the A4C categories and therefore aligns to the Pay Analysis on Table B2. The Non Pay section aligns to the SoCNE/I analysis on Table B, with some specific issues drawn out by repeating the SoCNE/I line with added narrative such as 'PPE'. It is acknowledged that not all spend categories are relevant to the particular programme area; however the consistent layout assists with the central consolidation process.

Section B has been expanded to include the 'Non Delivery of Finalised (M1) Net Income Generation Schemes Due to Covid-19'.

Sections C and D remain unchanged from 2020/21.

A new section E – Additional Welsh Government Funding for C-19, has been added to enable a new 'Net Impact on Overall Financial Position Due to COVID-19' line to be calculated.

All sections (A to E), including the seven subsections of Section A, have had lines added to record the 'Plan' values from the IMTP/AOP, which auto populate Table A. The movement from 'Plan' to 'Actual/Forecast' is produced and auto populate Table A.

A separate template produced by the Finance Delivery Unit, which details the Testing and Tracing and Mass Covid Vaccination Programme areas, should be submitted along with the main MMR submission. The data must be reported consistently between the all applicable templates.

- **Tracker (Table C3)**

A deadline has been introduced, which requires Amber status schemes (including net income generation) to be moved to Green within three months of them first appearing on the Tracker. For 2021/22, this will commence from Month 3, when the plans are fixed. Schemes must continue to at least meet the 'Amber' criteria before they can be included within the Tracker.

- **Resource Limits / Invoiced Income (Table E/E1)**

New 'set' text line for C-19 RRL/Income which is auto populated by a new analysis table located below the main table. This new table replaces the details that was provided in the supporting narrative during 2020/21 and

is an analysis of Total Forecast Income for C-19, split between allocated/invoiced & anticipated, further analysed by the activity areas.

- **GMS (Table O) and Dental (Table P)**
Minor changes to some of the expenditure lines.

It should be noted that additional requirements may be introduced during the financial year, which may result in new/amended tables. For example:

- **Net Expenditure Profiles (Table B1)** – The re-introduction of this table has been delayed, although this may be required later in 2021/22. The table has been revised to include greater analysis of income and expenditure profiles between operational and Covid-19.

Action

18. Directors of Finance are asked to submit their first set of returns via email by **12.00pm on the 14th May. For the Month 2 submission, both the April and May columns should be completed separately on the applicable tables that were not submitted at Month 1.** Full details are given in the attached guidance.

Points of Contact

19. Comments or enquiries on technical issues should be directed to John Evans or Jackie Salmon, Financial Governance & Control at HSSG. Specific queries regarding completion and performance issues, should be directed to Andrea Hughes, Head of NHS Financial Management.

Electronic versions to be submitted to the following email address:

NHSFinancialManagement@gov.wales
PHWFinance.DeliveryUnit@wales.nhs.uk

This guidance has been issued by:

Director of Finance, Health and Social Services Group

Annex 1

Schedule of monitoring dates:

For period ended	Day 5 Submission Date	Day 9 Submission Date
30 th April	Not Required	14 th May
31 st May	7 th June	11 th June
30 th June	7 th July	13 th July
31 st July	6 th August	12 th August
31 st August	7 th September	13 th September
30 th September	7 th October	13 th October
31 st October	5 th November	11 th November
30 th November	7 th December	13 th December
31 st December	10 th January	14 th January
31 st January	7 th February	11 th February
29 th February	7 th March	11 th March
31 st March	7 th April	25 th April *

* TBC subject to Draft Accounts deadline

DIRECTOR OF FINANCE COMMENTARY

Organisations will continue to be required to follow the prescribed narrative layout detailed below. Each section must be reflected within the narrative report and in the order prescribed. Additional appendices can be provided; however, these must be referenced in the relevant section. The commentary can be supplemented with copies of Finance reports submitted to the organisation's Board or Finance Committee. The narrative should provide supporting details in relation to expenditure and savings correlation. Responses to the previous month's WG Monitoring Return reply letter must be included within the relevant section or as a separate appendix.

Directors of Finance should be aware that the monitoring returns and their associated commentary form an important part of the management of NHS Wales and the information is provided to various Groups and Ministers. It is important to ensure that the underlying commentary is comprehensive and accurate.

1. Actual Year to Date and Forecast Under / Overspend 2021/22 (Tables A, B, B2 & B3)

Comment on and provide reasons for, any changes in the material movements reported between the opening financial plan and the forecast out-turn position.

Comment on the actual surplus/deficit reported as at the period end. Details should be provided to explain any movements between the year to date and forecast positions reported at Day 5, and the main Day 9 submission. A reconciliation should be provided to explain any material changes from the previous month's forecast position for the current month.

End of Year Forecasts should be based on the best assessment of the most likely year end outturn. These must strike a balance between optimism/pessimism thus providing a realistic assessment of the challenge. Any Accountancy Gains, Release of Previously Committed Reserves, should be appropriately phased to ensure that the year to date position is not distorted.

An analysis of items which are not phased in equal twelfths must be provided within the commentary to support the phasing of the Resource Limit.

Provide sufficient narrative to describe in year operational performance against the plan (IMTP/AOP), material gross items must be described and quantified separately, including details to support the profile. All recovery actions, required to bring the in year operational performance back to plan must be finalised, to be included in the forecast outturn.

Comment on the projected surplus/deficit for the year end. A reconciliation should be provided to explain any changes from the previous month's reported

projected position. For all individual lines, detailed explanations should be provided for material movements in monthly values. This should include details of material movements in previously reported values.

Comment on the reasons for significant movements between the actual year to date position and the forecast year end position.

Comment on material income and expenditure category movements between the current period actual and the previous month forecast.

Organisations are also required to detail any unconfirmed increases or decreases in allocations/income that have been assumed, as detailed in Table B, B3, D (if Welsh NHS), E & E1. In addition, the organisation should comment on any unconfirmed income assumptions from sources other than WG, as detailed in Table B.

Organisations must confirm within their detailed commentary, the total value of any uncommitted reserves/contingency (Line 24 Table B) and the amount that has been released from this line into the reported year to date position. The detailed commentary should include additional supporting explanations for all committed expenditure held within reserves/contingencies as reported in section E of Table B.

Comment on the current and forecast Accountancy Gains which are reported within the tables, including an explanation as to why the item is forecast but not yet reflected in the year to date position. The description used in the Tracker (Table C3) must adequately explain what they relate to.

Organisations should also provide comments on the financial positions of Hosted Bodies.

Key actual/forecast monthly movements reported in the Pay Expenditure A4C Analysis (Table B2 – Section A) must be explained in the commentary.

In relation to the Covid-19 table (B3), the narrative document must provide a reasonable level of detailed information to support profiles and assumptions. This should also be used to support the additional (FDU) detailed templates for the specific programme areas such as Testing & Tracing and the Mass Covid Vaccination Programme.

2. Underlying Position (Table A1)

Provide supporting details to explain the value recorded within the FYE Recurring savings, which has been assigned to improving the underlying position.

Provide supporting details to explain any items recorded within the FYE of Recurring Allocations/Income column which have been assigned to improve the underlying position.

Provide supporting details to explain any new recurring cost pressures that are unmitigated (no recurring source of funding/no recurring mitigating action i.e. saving), which have the effect of deteriorating the underlying position.

The commentary must explain the cause of all movements from the previous submission.

3. Risk Management (Table A2)

The narrative should detail the material risks and/or the opportunity factors that would result in a worst case, best case and IMTP/AOP (aspiration) outturn. This should include details of action plans (e.g Red Pipeline schemes inc Accountancy Gains and Income Generation and/or cost reduction) that would potentially achieve the IMTP/AOP (aspiration) outturn, mitigate risks or generate a Best Case Outturn. Details should be provided to support the likelihood assessment of each risk and opportunity occurring. Any new, removed or amended risks and opportunities from those reported in the previous month should be explained in the narrative.

Please note that all risks and opportunities discussed within the narrative must be reported within the table, even if the quantification is yet unknown (TBC to be reported in table). The narrative however, should provide a timeframe for when quantification will be known.

4. Ring Fenced Allocations (Tables B, N & O)

A statement is required to describe the financial position of each individual ring fenced allocation. For example, GMS (Table N), Dental (Table O), Mental Health, Depreciation (inc. Impairments), Learning Disabilities, Renal Services and Palliative Care as shown in the 2021/22 Allocation Paper Table B1. Any forecast underspends should be disclosed and quantified.

5. Agency/Locum (Premium) Expenditure (Table B2 – Sections B & C)

Comment on the Agency/Locum (paid at a premium) Expenditure information provided in Table B2 (Sections B & C) including monthly movements and assumptions to support future month expenditure trends. Provide details of action plans and progress being made to reduce expenditure.

6. Savings (inc Accountancy Gains and Income Generation) (Table C, C1, C2 and C3)

Organisations are required to provide details of delivery of opening (Month 1 which will be fixed at Month 3) plans, with explanations for any under achievement and planned mitigation.

Provide commentary on the performance of any new 'in year' (Month 4 onwards) schemes, required to mitigate the underperformance of the opening plan schemes or to internally fund new in year cost pressures or to improve the forecast outturn.

Comment must be given on any category total that has a material variance between plan & forecast. Provide explanations when forecast values have changed materially in month and to support unusual profiling (e.g. profiles in March, or profiling not commencing until after the mid year point etc).

Supporting narrative should also be provided on performance, recovery issues and any scheme changes, for material individual schemes in the Tracker (Table C3).

Amber schemes must move to the Green status within 3 months of first being included within the Tracker (Table C3). The 'Go Green' date must therefore fall within that requirement. In the event that the 'Go Green' is not achieved, a detailed explanation will need to be provided and the forecast scheme delivery will need to be removed from the future profile (resulting in a pressure against the plan) and may only be reintroduced when the scheme meets the Green criteria. The narrative must describe the alternative mitigating actions that have been introduced to replace the Amber scheme, to ensure the forecast outturn is delivered. Organisations are prohibited from reintroducing the scheme into the Tracker as a new Amber scheme (for example with a slightly amended description).

Organisations are required to provide explanations for any material re-phasing of forecasts (plans are fixed) into future months.

Accountancy Gains assumed in the forecast outturn position must be released into the year to date position by Month 6 (due in October). Therefore, forecast Accountancy Gains must not be profiled in Months 7 to 12. The only exception being, when the release of the gain is dependent on a future event such as an Audit Committee. In such cases, this must be adequately described in the narrative and the profile of release matched to the timing of the event. Any new Accountancy Gains identified after this deadline, must be released into the same period when they are first reported as forming part of your outturn position. E.G. New Accountancy Gains reported in Table A at Month 9, must be phased into the December in-month position. If these are also dependent on a future event, such as an audit committee, then they should not form part of your outturn until that has taken place (instead, these should be recorded as opportunities in Table A2).

7. Income Assumptions 2021/22 (Tables D, E & E1)

Comment on any income assumptions included within the reported year to date and forecast financial positions in Table B.

Provide details of the basis of the assumptions used to complete the values reported in Table D, by organisation.

Comment on any agreed resource limit adjustments for both capital and revenue, reported within Table E.

Comment on any cash only (Drawing Limit) assumptions for both capital and revenue, reported within Table E.

Comment on any income recorded within Table E1 (Trusts), including confirmation invoices have been raised.

Comment on any supporting information for the items reported in the Covid analysis.

8. Health Care Agreements and Major Contracts

All Contracts between Welsh NHS bodies must be agreed and signed by 11th June (see AJH email dated 29th March 2021).

Please confirm the final status of your 2021/22 agreements in your M2 MMR submission narrative (due **11th June**). Organisations are reminded that WG arbitration is to be regarded as a last resort; therefore, the submission of cases will be viewed as a failure of organisations to deal with the matter locally in a prompt and professional manner. The deadline for submitting arbitration cases, for both parties, is **midday on the 14th June 2021**. We will provide confirmation of the outcome **before 30th June 2021**.

Details should also be provided to explain any risks associated with the agreed values in signed LTAs, due to for example, a change in activity levels from both a commissioner and provider perspective.

Confirm the position with regard to the sign off of individual contracts with English Providers. This should include details of the last correspondence/meeting date, what the issue preventing sign-off is and what actions are being taken to resolve and gain sign off.

9. Statement of Financial Position and Aged Welsh NHS Debtors (Tables F & M)

Comment on any significant month on month Statement of Financial Position movements.

Details should be provided to support the additional analysis of provisions, as reported on Table F.

Details should also be included to support aged receivables/payables (over 11 weeks old) and disputed invoice information. This is supported on a monthly basis with the completion of the Aged Debtors template (Table N). Invoices which have exceeded 17 weeks must not form part of the financial position and should be cancelled, unless they are being arbitrated on by the WG. Invoices which are 'Fully Agreed' as part of the Agreement of Balances Exercise must be paid within 4 weeks.

Provide supporting explanations for material movements on the trade and other payables analysis.

10. Cash Flow Forecast (Table G)

The cash flow forecast is a planning tool to enable the WG to have an early understanding of any cash flow difficulties organisations may face. As such, organisations should report their most likely scenario (& consistent with the approach taken for the equivalent resource if applicable) regarding cash receipts and payments on a monthly basis. For future months, as the year progresses, the entries relating to the previous month's forecast should be replaced with actual figures.

Confirmation should be provided if the outflows resulting from movements in Working Balances have been factored into the cash position; resulting in a shortfall of cash being reported in March (LHBs & SHAs only).

Provide comment on any requests for repayable strategic cash support. (LHBs and SHAs only), the cash remains repayable until an organisation meets the criteria for re-categorising this assistance to non-repayable.

Health Boards and Strategic Health Authorities must not draw down cash from Welsh Government in advance of need, unreasonable levels of cash balances held should be explained within the narrative. Organisations should include explanations when the need has arisen to request an emergency cash drawn down or to return surplus cash within the reporting period. (LHBs and SHAs only).

All Health Boards and Strategic Health Authorities are reminded that Revenue and Capital Cash should be managed separately. If revenue cash is used to support capital payments or vice versa in a particular period, the alignment must be rectified in the following period.

11. Public Sector Payment Compliance (Table H)

Organisations are accountable for achievement of this target and are required to provide a commentary on creditor payment compliance (NHS and Non NHS) together with detailed plans and progress towards achieving full compliance.

WG will continue to measure payments within 10 days as required by Parliament. The same principles adopted for measuring the 30 day payment rules apply.

12. Capital Schemes and Other Developments (Tables I, J & K)

Organisations are required to achieve the CRL/CEL financial target.

Organisations will also be required to operate within a tolerance of a £0.5m underspend.

Comment on capital expenditure compared with the plan. Give reasons for any significant variances per scheme reported in Table I. A detailed explanation is required, to provide reasons for any variation in overall performance against the total CRL/CEL.

Comment on any significant variances between minimum and forecast and maximum and forecast expenditure, shown on Table J. This should then correlate to the risk assessment assigned (High, Medium & Low) of each scheme in Table J.

Comment on any changes to the in month expenditure profiles detailed in Table J.

Provide details of any further issues relating to capital projects, which may impact on your financial position or the achievement of the CRL/CEL. This should include any planned asset transfers between other Welsh NHS organisations.

Hosting organisations should also provide comments on the Capital performance of Agency Bodies, where applicable.

13. Other Issues

The narrative must include a statement confirming that the financial information reported in the monitoring return aligns to the financial details included within the internal Board papers.

A statement must be included in the narrative each month to clarify the date and the main Committee of the Board which will receive that month's Financial Monitoring Return (consisting of the Narrative, Table A, **Table B3**, Table A2 and Tables C,C1,C2 & C3) in order to provide the Committee with transparency on the submission made to the Welsh Government.

Please comment on any other issues which need to be drawn to the attention of the Health and Social Services Group – NHS Financial Management.

14. Authorisation

The submission must be agreed and the narrative signed by both the Director of Finance and Chief Executive before the submission is made to the Welsh Government. Organisations must build in sufficient time into the monthly process to ensure the submission deadline is achieved.

The Board governance, regarding the arrangements for when the Director of Finance and/or Chief Executive is not available, should be set out at the start of the year and shared with the Head of NHS Financial Management within the Month 1 narrative.

TECHNICAL GUIDANCE

General

All worksheets are included within the one spreadsheet, except for the Day 5 financial position table and supplementary Covid-19 tables which are being provided as a separate excel worksheets.

The financial projections should be prepared in accordance with IFRS. The accounting treatment should be consistent with that in the current Manual of Accounts.

All figures must be entered into the return as round thousands, with the exception of Aged Debtors. The other exception is Creditor Compliance which is to be completed as a percentage to one decimal place.

Some cells contain pre-determined formulae that calculate based on data entered in other cells – these are shown in blue and are protected. Due to increased automation, a number of cells that would traditionally have been typed in have also been locked and are shown in light grey.

Completion: All worksheets should be fully completed as per the guidance provided. Any incomplete or reformatted submissions will not be accepted and will need to be re-submitted. Please note that some basic instructions are also included as comments (indicated by red arrows on individual cells) within the Tables.

1. Day 5 Table (separate schedule)

A brief overview of YTD performance & year end forecast.

- 1.1. Actual YTD** – This should reflect the year to date position.
- 1.2. Annual Forecast** – This should reflect the forecast year end out-turn position.
- 1.3. Explanation Required for Movement in Annual Forecast from Previous Month** – Provide a brief explanation for the cause of the movement in annual forecast since the previous month's Day 9 submission. If this relates to a number of issues please separately identify and quantify them.

2. Validation system

A quality validation checklist was first introduced in 2011/12 and for 2021/22 the validations continue to be located beneath or to the right of the applicable individual tables. These checks are included to assist organisations who have

various staff completing specific tables. The first tab of the spreadsheet only provides a summary position of the individual table validations i.e. the number of validation errors.

3. Summary Sheet

An automated summary of main financial performance.

4. Movement from IMTP/AOP to Forecast Outturn (Table A)

This table shows the items that were assumed in the IMTP/AOP, the 'In Year' movements and latest forecast, further analysed between Non Recurring, Recurring and Full Year Effect of Recurring items.

- The requirement that the WG will be monitoring the financial performance against a plan that is fixed, continues in 2021/22; however this has temporarily moved from Month 1 to Month 3. The template still uses the descriptor 'finalised at Month 1'; however organisations can temporarily revise the 'plan' values reported throughout the submission at Month 1, until Month 3 (i.e. everything that impacts on the opening section of Table A). This also effectively means that savings or income generation schemes which are not finalised (Green & Amber) until Month 2 or Month 3, can be added to the Tracker with the 'Month 1' indicator, which means they will auto populate the 'plan' section in Table A. After Month 3, the values are fixed and any movements to the plans, including new schemes on the Tracker are treated as 'in-year' items.

All saving plans and mitigating actions that were assumed in the IMTP/AOP, which remain unidentified at Month 1 are automatically removed from the forecast outturn. All additional actions after Month 1 (temporarily flexed to Month 3), will appear as 'in year' changes.

- 4.1.** Traditionally, Line 14 should agree to latest IMTP/AOP, although the analysis (lines 1 – 13) may have changed between Planning Framework timeframe deadline and the first Monitoring Return submission. The Draft status of the 2021/22 plans, means that these can be amended until Month 3, when they will become fixed. Confirmation of the Planning Framework process will be provided separately, should a re-submission of 2021/22 Annual Plan be required. In the absence of a re-submission, the MMR narrative must provide sufficient details to support the changes to the data on lines 1-13, since the Draft Plans were submitted at the end of March 21. No changes should be made to lines 1 – 14 after Month 3.
- 4.2.** All savings assumed in the forecast outturn must be finalised (i.e. meet the Amber/Green criteria) by Month 1 (temporarily flexed to Month 3), any amount that is not finalised is automatically removed (line 15) to ensure this assumption does not form part of the forecast outturn. All additional savings or actions after Month 1 (temporarily flexed to Month

3), will appear as 'in year' changes. The organisation is able to report their IMTP/AOP (aspirational) outturn, i.e. Red Schemes, within Table A2 (Risks and Opportunities).

- 4.3.** There is a requirement to analyse all in year items between Non Recurring & Recurring columns in the second & third columns, respectively. The fourth column enables organisations to uplift Recurring items to show the Full Year Effect of recurring items. The total of this column will therefore agree to the Underlying Position carried forward (Table A1).
- 4.4.** Any items in the first column, where the corresponding profile cells are white, will be generated from their profile. These items must be described in sufficient detail within the supporting narrative.
- 4.5.** Increased automation means a number of cells are populated from other tables including COVID-19 amounts, Savings, Accountancy Gains and Income Generation.

5. Underlying Position (Table A1)

Annual Movement in Underlying Position. *Within this table, any deficit positions should be reflected as negative values and surpluses should be reported as positive values.*

- 5.1.** The 'IMTP Underlying Position b/f' column of both sections should reflect the c/f underlying position reported in the previous year's Month 12 Table.
- 5.2.** Sections A & B
 - 5.2.1. The Full Year Effect (FYE) Actions - quantify the full year effect of current year recurring savings and allocations/income which will have a direct positive impact on the b/f underlying position (by designated category).
 - 5.2.2. New In Year Unmitigated Recurring Pressures – should reflect the FYE of in year emerging pressures (by designated category) that have not been mitigated and which will have an adverse annual impact on the reported underlying position.
 - 5.2.3. At present, WG does not prescribe whether FYE of savings should be offset against the b/f position or In Year Recurring Pressures. However, it is expected that new WG funding will be used to fund new in-year pressures in the first instance, before any balance is allocated to improving the underlying position. It is also envisaged that new savings, will in the first instance, offset new cost pressures; however, if the organisation chooses a different methodology then this should be explained in the narrative and a supporting calculation provided.
 - 5.2.4. Section A requires organisations to report the key SoCNE/I expenditure areas which are directly contributing to the b/f underlying position and the corresponding in year category

movements (i.e. recurring savings/recurring income/recurring unmitigated cost pressures) directly impacting on the reported c/f underlying position.

- 5.2.5. In order to ensure consistency all organisations should report any CHC/FNC and Primary Care pressures on Line 21 'Healthcare Provided by Other Orgs – Private/Other'.
- 5.2.6. Section B requires organisations to report recurring expenditure pressures by Directorate which are directly contributing to the b/f underlying position and the corresponding in year category movements (i.e. recurring savings/recurring income/recurring unmitigated cost pressures) directly impacting on the reported c/f underlying position.
- 5.2.7. If there are any uncertainties around which category to use, please contact the NHS Financial Management Team for advice.

6. Risks & Opportunities (Table A2)

Summary of all potential risks & opportunities that may affect the forecast outturn and in turn could produce three scenarios (worst case outturn, IMTP/AOP (aspiration) outturn and best case outturn).

- 6.1. This should include summary details of the main risk areas and opportunities. The narrative should provide additional commentary where necessary. **No risk should be mentioned in the narrative without also being included in this table.** If financial implications are unknown, a zero or "TBC" should be entered under the amount.
- 6.2. Quantify each risk and opportunity area that could impact on the scenarios. Only one assessed value can be entered per Risk/Opportunity. The assessment is not a worst or best case range value of each risk or opportunity.
- 6.3. The worst case position cannot be an improvement upon the current forecast i.e. opportunities cannot outweigh worst case risks. If more opportunities are available, the element used to calculate the worst case outturn will be limited to balance of risks value. Only further opportunities in excess of those required to achieve the IMTP/AOP outturn, will form the best case outturn.
- 6.4. An assessment is required of the likelihood of the risk or opportunity materialising using the high, medium or low options from the drop-down tab.

7. Monthly Positions (Table B)

Monthly profile of actual YTD income and expenditure & forecast income and expenditure for future months

- 7.1. Monthly Analysis (April to March) should reflect the actual monthly data up to, and including, the current month submission and the forecast monthly data for future months.
- 7.2. Only Health Boards and Strategic Health Authorities should report Capital Donation / Government Grant income within Line 2. A corresponding resource reduction is actioned by WG in order to restrict the drawing of resource equal to the income and asset received. Trusts retain the Capital Donation / Government Grant income; however this is adjusted via the Accounts I&E performance reconciliations (ref 2.1.1), hence why Trusts should not utilise Line 2.
- 7.3. Section C - lines 35-44 - DEL & AME Depreciation is the amount charged to the income and expenditure account for the year, in respect of the depreciation of both donated and non-donated assets. It includes the amortisation of any intangible assets, such as deferred development expenditure and deferred assets arising from PFI schemes. The depreciation, accelerated depreciation and impairment expenditure should be separated and recorded on either the DEL or AME line.
- 7.4. Section C - DEL/AME Depreciation & Impairments should include forecast charges (approved schemes only), funding for which may be anticipated and recorded in Table E & E1 (Resource Limits/Invoiced Income).
- 7.5. Section E – Committed Reserves - These values represent the committed expenditure which is still held in Reserves/Contingencies and which forms part of the **forecast** position. A reference should be included for each item to confirm which expenditure line they have been included in Section A.

8. Pay Expenditure Analysis (Table B2)

8.1. Section A

- 8.1.1. Monthly profile of actual YTD and forecast pay expenditure by A4C. The total pay is representative of the Provider Pay (from Table B) and the **Other Services (incl. Primary Care) – Pay** which reflects the actual/forecast monthly pay expenditure on areas other than LHB Provided Services. For example, reported within the Primary Care Contractor line on Table B line 8.

8.2. Section B

- 8.2.1. Monthly profile of actual and forecast Agency/Locum (paid at a premium) expenditure by staff group. Locums 'paid at a premium' are those paid above the rate of the substantive post holder.

The following categories of expenditure should be included

- Staff not employed by the organisation and therefore not in receipt of payments through your organisation's payroll. This would include staff employed through Agencies, Self Employed Individuals etc.

- Staff employed by another NHS organisation who are undertaking sessional work within your organisation, and again are not in receipt of payments through your organisation's payroll for whom the work is being undertaken, which are paid at a premium.

The following categories of expenditure should be excluded

- Staff that are employed by the organisation, who undertake additional work on a temporary basis for another department within the same organisation or at another hospital site within the same organisation.
- Any staff employed on a temporary basis or fixed term contract but who are in receipt of payment through an organisation's payroll, on terms and conditions defined by that organisation.

8.3. Section C

- 8.3.1. Actual and future month forecasted Agency / Locum (premium) Spend, analysed by reason (e.g. Vacancy).

9. COVID-19 Analysis (Table B3)

9.1. Section A

- 9.1.1. This table will capture the additional staffing costs incurred and Non Pay items. Monthly profile of actual YTD and forecast cost by activity area. Under each area, all spend should be analysed over the lines which correlate back to the SoCNE/I, with pay expenditure being analysed by A4C. Some specific issues are drawn out by repeating the SoCNE/I line with added narrative such as 'PPE'. It is acknowledged that not all spend categories are relevant to the particular programme area; however the consistent layout assists with the central consolidation process.

- 9.1.2. The total planned expenditure for each section should be entered as per the latest Opening Plan, acknowledging that the March 2021 version was Draft and that the plan will be fixed at Month3.

9.2. Section B

- 9.2.1. The table will capture the non delivery (due to Covid-19) of savings assumed in your baseline IMTP/AOP plan, analysed by those finalised at Month 1 (flexed to Month 3) and those that were still to be finalised at Month 1 (flexed to Month 3).
- 9.2.2. A new line has been added to record the non delivery (due to Covid-19) of Net Income Generation schemes which were finalised at Month 1 (flexed to Month 3).

9.3. Section C

- 9.3.1. The table will capture the release of planned spend (IMTP/AOP) which is not being incurred due to Covid-19. This will include internal

Non Pay costs associated with elective work not currently being undertaken to baseline levels due to Covid.

- 9.3.2. As the benefit of the items recorded in this section are born from a change to planned expenditure, they can only be classed an In Year item, therefore there is no 'Opening Planned' amount available.

9.4. Section D

- 9.4.1. The table will capture the release of planned spend (IMTP/AOP) not incurred, due to Covid-19, from slippage on delayed IMTP/AOP investments - organisations should use the same narrative description used in the IMTP/AOP to enable easy correlation; and the redeployment of Development Initiatives (funding issued via the 21/22 Allocation Paper).
- 9.4.2. As the benefit of the items recorded in this section are derived from a change to planned expenditure, they can only be classed an In Year item, therefore there is no 'Opening Planned' amount available.

9.5. Section E

- 9.5.1. The table should be populated with the profile of WG Funding for COVID-19 from the latest Opening Plan acknowledging that the March 2021 version was Draft and that the plan will be fixed at Month 3; and with the latest Actual/Forecast total anticipated funding.

10. Savings Schemes (Tables C, C1 & C2)

Automatically populated analyses of Total Savings (C), Pay Savings (C1) and Agency Savings (C2). These tables are automatically populated from Table C3 (details below).

- 10.1.** Plan values in these tables are a summation of all schemes identified as "Month 1" from Table C3 and do not change in year (total and profile).

11. Tracker (Table C3)

Full details of every Savings, Accountancy Gain & Income Generation scheme included in the outturn. All savings plans, at the most granular level of detail must be included in the table.

All tables must be completed on a gross basis.

Plan values are required for both Month 1 and In Year Schemes. All "Plan" values should be fixed once entered (this refers to both 'Month 1' and 'In Year' schemes and both the scheme total and profile) (temporarily flexed to Month

3). Every entry that has an Actual/Forecast value affects the financial outturn on Table A.

As stated in previous years, the savings tables should reflect all savings schemes where management action is required in order to deliver cash releasing savings. **Cost Avoidance Plans that do not require management action in order to deliver a saving, should be accounted for when calculating the organisations net Opening Cost Pressure Value**; therefore ensuring that both the Opening Cost Pressure and the Savings Plans are not over inflated at the start of the year.

11.1. This table populates all other tables with Savings, Accountancy Gains (the description used in the Tracker (Table C3) must adequately explain what they relate to) and Income Generation values, impacting the outturn position at plan and forecast. It is imperative that the information reported in this table is robust. Within the applicable columns where dates are required, please ensure that these are in the format DD/MM/YY, other formats cause consolidation issues with descriptions such as 'TBC' also not acceptable.

11.2. A risk value representing the potential under delivery of an Amber (only) scheme, may be entered – this will auto populate the Risk of Non Delivery of Savings in Table A2 (Risks and Opportunities). Amber schemes must move to the Green status within 3 months of first being included within the Tracker (Table C3) – for 2021/22, with the plans being fixed from Month 3, the first milestone for this requirement will be Month 6. The 'Go Green' date must therefore fall within that requirement. In the event that the 'Go Green' is not achieved, a detailed explanation will need to be provided and the forecast scheme delivery will need to be removed from the future profile (resulting in a pressure against the plan) and may only be reintroduced when the scheme meets the Green criteria. The narrative must describe the alternative mitigating actions that have been introduced to replace the Amber scheme, to ensure the forecast outturn is delivered. Organisations are prohibited from reintroducing the scheme into the Tracker as a new Amber scheme (for example with a slightly amended description).

11.3. The following principles must be followed:

11.3.1. Traditionally, plan values must not be altered once entered (this relates to both 'Month 1' and 'In year' schemes and both the total and profile). Temporarily, these can be amended until Month 3 (effectively, this means the plan is fixed at Month 3, rather than Month 1 for 2021/22). Only schemes marked as "Month 1" will affect plan values in other tables.

11.3.2. As Accountancy Gains cannot be relied upon in the Opening Plan, only classify Accountancy Gains schemes as 'In Year'.

11.3.3. Savings cannot be accrued in the year to date position.

11.3.4. Schemes that have been used to assist the underlying position b/fwd (i.e. reported as recurring in previous years) should not be included as current year schemes.

11.3.5. Drug cost savings generated by dispensing practices should be shown in the Medicines Management category.

11.3.6. Only schemes assessed as Green or Amber can be included in the Table. Schemes still described as a 'Target' or 'CIP %' etc at Month 1, do not meet the Green and Amber criteria. The following table gives guidance on classifications:

RAG Rating	Amber	Green
Project Plan/brief	Clear components of project plan in place with elements not fully confirmed and addressed	Complete/appropriate to complexity project plan in place, brief available reflecting timescales, milestones, enablers and risk considered
Accountable Lead	Appropriate lead accountable for delivery of the project in place	Appropriate lead accountable for delivery of the project
Financial & Activity Calculations	Financial assessment factors in all known financial implications	Complete project brief provides clear base for financial assessment
Financial Phasing	Financial saving phasing in line with confirmed plans and milestones	Financial savings phased in line with the milestones and timing identified within the project plan
Financial Code	Financial Code identified and confirmed	Financial code identified and confirmed
MMR Report	100% of identified deliverable value	100% of identified deliverable value

11.3.7. Every scheme is to be attributed one of the following Cost Reduction & Efficiency Savings definitions:

Term	Definition	Monitoring Returns Classification
Cash-Releasing Saving (Pay)	A form of cost reduction saving which is workforce related, and specifically relates to providing a service at the same or better quality, for a lower cost, through new ways of working, that reduce cost on an ongoing recurrent basis.	Expenditure Savings Schemes
Cash-Releasing Saving (Non-Pay)	A form of cost reduction saving which is non-pay related, and specifically relates to providing a service at the same or better quality, for a lower cost, through new ways of working, that reduce cost on an ongoing recurrent basis.	Expenditure Savings Schemes
Cost Avoidance	A form of cost reduction which specifically relates to elimination or preventing future costs arising. This should be as a result of management action to drive a reduction in costs, for expenditure which is yet to be incurred. Cost avoidance measure may involve some expenditure but at a lower level than predicted future costs.	Expenditure Savings Schemes
Income Generation	A form of cost efficiency where an increased contribution to an organisation is generated that used for improving services. Income is typically recovered through providing more output from the same cost base, or charging for services provided. Schemes are typically cash generating and not cash releasing schemes.	Income Generation
Accountancy Gain	A form of cost reduction which is typically technical in nature, relating to changes in the balance sheet position, or changes in actual expenditure in comparison to previous years estimates or provisions. Schemes are typically non recurrent in nature.	Accountancy Gain

11.3.8. Every scheme must be designated as either Recurrent or Non-Recurrent. As Recurrent schemes will affect the underlying position, an assessment of Full Year Effect of plan and forecast, must be made.

11.4. The following validations have been included on each scheme:

- All fields completed if an amount has been entered into plan or forecast
- All schemes have a unique Scheme Number
- Savings & Accountancy Gains schemes have a MMR (C, C1 & C2) category selected
- Income Generation to not have a MMR (C, C1 & C2) category selection
- Go green date has not passed for amber schemes (explanation is required in the narrative including the revised go green date – do not change the date in the Tracker)
- Plan values have been completed
- That FYE is greater than or equal to the 'in year' effect (plan and forecast).
- No FYE has been included for a N/R scheme
- No Forecast FYE has been included on a scheme where the In Year forecast amount is zero.
- Risk values have only been entered against Amber schemes

12. Income/Expenditure Assumptions (Table D)

Statement of annual income and expenditure assumptions for Welsh NHS organisations analysed by Contracted and Non Contracted.

- 12.1.** Data should be entered for each Welsh NHS organisation. All material income and expenditure should be included. However, any exclusions considered immaterial must be agreed between both parties to ensure consistent reporting and where the risk of non-receipt will not impact on an organisations financial outturn. As a minimum, the actual income & expenditure to date must be reported for non-contracted items. The inclusion of forecast figures should again be agreed between both parties.
- 12.2.** Upon consolidation of NHS Wales's data, NHS Financial Management may request urgent responses to differences in assumptions between organisations.
- 12.3.** The WRP risk sharing values are no longer to be reported in Table D (See Table E/E1).

13. Resource Limits (Table E LHBs/SHAs only) & Invoiced Income (Table E1 Trusts only)

Statements of confirmed and anticipated allocations. Only LHBs and SHAs will use Table E and only Trusts will use Table E1.

The WRP risk sharing values, as reported by NWSSP, must be included consistently by both parties on Table E/E1. The only exception being when the forecast has altered during the year but is minor and the organisation has chosen instead to temporarily report the change as a risks (table A2) – this must be explained in the narrative. Consistent with last year's adjustment, the HBs are to record an RRL adjustment (Table E) representing the funding transfer back to the WG, and NWSSP will anticipate the funding from WG (Table E1).

- 13.1.** Only items that have been agreed should be included and explanations of their phasing (in Table B) should be included in your narrative.
- 13.2.** The breakdown of WG Income for COVID-19 should be included in the table below the total Income table.

14. Statement of Financial Position (SoFP) (Table F)

SoFP for the current month and forecast year end, analysis of Provisions, Welsh NHS payables, Trade and Other Payables.

- 14.1.** 2021-22 Opening Balance – For organisations wishing to complete this table earlier than Month 3, this should be completed using your Draft Annual Accounts for 2020/21. This should be updated in subsequent months using your 2020/21 Audited Final Accounts.
- 14.2.** Forecast Closing Balance – This will reflect your forecast SoFP (and supporting analysis) at the end of the Financial Year. This information will be used in support of any cash requests as a result of movements in working balances (LHBs and SHAs Only).

15. Cash Flow (Table G)

Cash position showing cash balances and future monthly forecasts.

15.1. Any projected cash pressures must be reflected as a shortfall within the period. Any requests for Working Balances or Repayable Strategic Cash Assistance (LHBs and SHAs Only) must be supported by the Cash Flow, SoFP and narrative.

16. PSPP (Table H)

Public sector payment policy table for 30 day & 10 day compliance.

Performance for each individual quarter is to be recorded, in addition to the YTD and forecast position (this should be updated each quarter to reflect the impact of the performance achieved to date).

16.1. If performance during the quarter improved or deteriorated, provide an explanation in the narrative.

16.2. If current YTD performance is under 95% then an explanation must be provided in the commentary of why the target has not been met and what remedial action is being taken to achieve compliance by March.

16.3. The performance target is based on the number of bills paid.

16.4. Data to be entered to 1 decimal place only

17. Capital Resource/Expenditure Limit Management (Table I)

Year to date and End of Year Forecast position for capital expenditure against the Capital Resource/Expenditure Limit.

17.1. Any expenditure incurred on schemes that are currently without approval, should be shown as a variance against the approved plan; with a corresponding under spend variance, shown against discretionary capital; or if authorised, against another scheme. This is to ensure that organisations have coverage for the expenditure incurred at risk, and that the Capital Resource/Expenditure Limit is not exceeded.

18. In Year Capital Schemes (Table J)

Monthly scheme profiles of capital expenditure for current year

18.1. Min & Max – correlating to the Risk Level, is the minimum amount of spend on that scheme (no lower than YTD and no higher than current forecast and the maximum amount of spend on that scheme (must be higher than current forecast)

18.2. Risk Level – Using the drop down menu this should reflect the risk assessment of the achievement of the plan in year.

18.2.1. High Risk – Schemes which are considered highly unlikely to achieve the WG allocation plan and for which contingency arrangements will need to be put in place to ensure achievement of the CRL.

- 18.2.2. Medium Risk – Schemes which may achieve the WG allocation plan, but for which there are factors yet to be fully assessed which may prevent this, which if they materialise will result in the requirement to implement contingency plans to achieve the CRL.
- 18.2.3. Low Risk – The scheme will achieve the WG allocation plan based on the current month's available information.

19. Capital Disposals (Table K)

Analysis of in year and future year disposals.

- 19.1.** Ensure dates of Ministerial authorisation are included in the applicable columns.

20. EFL (Table L) TRUST ONLY

Forecast performance against latest target.

- 20.1.** This table shows in summary form the requirement for a positive or negative external financing limit arising from the proposed income, expenditure, and the SoFP plans. Lines 19 to 22 indicate how the Trust is keeping within its external financing limit. The total at lines 18 and 23 should be equal and opposite.

21. Aged Debtors Template (Table M)

Outstanding Invoices 11 weeks and over

- 21.1.** Invoices which have exceeded the 17 week deadline and which have not been submitted for arbitration must be cancelled and must not form part of the submission or the organisation's financial position.
- 21.2.** Enter the details of each outstanding Debtor, using the comments column to provide any additional details. This should agree to the analysis on the SoFP.
- 21.3.** Due to timing differences, there is an opportunity to record payments which have been received after month end, but before the submission of the Monitoring Return, in order to provide the latest position on debt recovery. Please provide details relating to escalation, dispute warnings, confirmed payment dates etc.

22. General Medical Services (Table N) LHBs ONLY

Summary of Income & Expenditure for GMS

- 22.1.** Any items recorded within the free text on 'other' categories, should be support with further detail within the narrative submission
- 22.2.** GP Locum superannuation should be included in LHB Administration 'Other', line 108. The analysis shown under lines 110 to 127 should clearly identify this as Locum Superannuation and not GP Superannuation, which should be shown under Line 1.

22.3. Managed practices costs should be entered in the relevant lines, with Excess costs associated with Managed Practices entered under line 13 LHB Administered, with a breakdown of these costs within line 108 LHB Administered – Other.

23. Dental (Table O) LHBs ONLY

Summary of Income & Expenditure for Dental

23.1. Analysis of Other items – Utilise the set text lines where applicable and for all other items use the free text lines. This is for expenditure not included in a GDS contract and/or PDS agreement. This includes payments made under other arrangements e.g. GA under an SLA, D2S, plus other or one off payments.

23.2. The budget for the Community Dental Service (CDS) is within the overall Hospital & Community Health Services and Prescribing (HCHSP) Revenue allocation, therefore the expenditure against that budget should not be recorded here.

23.3. Any additional expenditure for CDS services against the dental contract budget that may have arisen, for example, due to an under spend in the ring-fenced revenue allocation may be recorded here.