

ALLOCATIONS & FINANCIAL PLAN

2016

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Name of Policy:	Allocations & Financial Plan Procedures
Date Issued:	16 th November 2016
Date to be reviewed:	16 th November 2017

Policy Title:	Allocations & Financial Plan Procedures	
Supersedes: (Please List)	Any previous versions of Allocations & Financial Plan procedures	
Description of Amendment(s):	Reformatting to new policy template/ rewording as necessary / review of impact analysis	
This policy will impact on:	Finance Staff only	
Financial Implications:	No Change	
Policy Area:	Finance	
Version No:	2.0	
Issued By:	Danny Storr. Deputy CFO	
Author:	Victoria Rimmington, Finance Manager	
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Consultation:	IAGC 15th November 2016	

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1. Policy Statement

The allocations spreadsheet provides information on the CCG's funding allocations, initial budgets and budgetary changes in-year for both recurrent and non-recurrent sources of funding.

The Financial Plan is used to identify available resources and plan how to use them as efficiently as possible in future years.

These procedures are to provide guidance to finance staff on regular updating the allocations and financial plan to enable planning and decision making to be undertaken by senior staff.

2. Principles

This procedure is available on the intranet for finance staff.

3. Impact Analysis

Equality

The CCG is committed to:

- Eliminating discrimination and promoting equality and diversity in its policies, procedures and guidelines, and
- Designing and implementing services, policies and measures that meet the diverse needs of its population and workforce, ensuring that no individual or group is disadvantaged.

To ensure the above this policy has been Equality Impact Assessed (see Appendix A)

Bribery Act 2010

The CCG follows good NHS business practice as outlined in the Business Conduct Policy and has robust controls in place to prevent bribery.

Under the Bribery Act 2010, it is a criminal offence to:

- Bribe another person by offering, promising or giving a financial or other advantage to induce them to perform improperly a relevant function or activity, or as a reward for already having done so; and

- Be bribed by another person by requesting, agreeing to receive or accepting a financial or other advantage with the intention that a relevant function or activity would then be performed improperly, or as a reward for having already done so.

Due consideration has been given to the Bribery Act 2010 in the development of this policy document and consistent application of this policy will mitigate bribery in relation to this policy.

4. Monitoring and Review

These procedures will be reviewed annually, more frequently if required.

Guidance and support will be provided as and when required by the CCG finance team.

5. Responsibilities

Finance Team

It is the responsibility of the finance team to ensure all budget virements are documented and input correctly, obtain valid authorisation to assist with the completion of updating the MTFP and allocations.

Budget holders

Budget holders are responsible as per Finance Guidelines to assist the finance team to ensure all budgets are correct in line with current contracts and projects and future financial plans.

6. NHS Constitution

The CCG is committed to:

- The achievement of the principles, values, rights, pledges and responsibilities detailed in the NHS Constitution, and
- Ensuring they are taken account of in the production of its Policies Procedures and Guidelines.

This policy supports the NHS Constitution by committing to use NHS resources responsibly and fairly and providing best value for taxpayer's money.

7. Procedure for updating the allocations spreadsheets

1. The allocations spreadsheets are located in the following folder:

<Y:\HULLCCG\Resources\Finance\20XX-XX\Allocations Spreadsheet>

It should be updated on a monthly basis in accordance with the reporting timetable. Completion is usually required by the 8th working day of each month.

2. At the start of the financial year set up the first allocations spreadsheet for the year and enter the opening figures from the budget book. Cross check these figures against the figures input to the ledger. They should all match.
3. Use the budget virements (BV) electronic files (one with recurrent virements and the other with non-recurrent virements) to populate the allocations spreadsheet with the BVs input into Oracle each month. Use the electronic BV log and mark to show the details of each BV have been seen and also which have been entered onto the allocations spreadsheet.

<Y:\HULLCCG\Resources\Finance\20XX-XX\Virements>

4. Recurrent Funding should be entered under one of the following headings:

- a) RECURRENT ALLOCATIONS – details of this type of funding will normally be provided by the CCG’s Head of Finance. The funding will increase or decrease the overall total budget of the CCG.
- b) CCG RECURRENT VIREMENTS (FYE) – these are virements moving funding internally between different cost centres within the CCG. These are full-year adjustments.
- c) CCG RECURRENT VIREMENTS (PYE) – these are virements moving funding internally between different cost centres within the CCG. These are part-year adjustments, therefore only the part year effect of these movements should be entered, and
- d) CCG RECURRENT VIREMENTS (FULL YEAR EFFECTS OF PART YEAR VIREMENTS) – enter the FULL year effect of part year virements in this section.

5. Non-Recurrent Funding should be entered under one of the following headings:

- a) NON-RECURRENT ALLOCATIONS – details of this type of funding will normally be on BV completed by the CCG Finance Manager. The funding will increase or decrease the overall total budget of the CCG.
- b) CCG NON-RECURRENT VIREMENTS - these are virements moving funding internally between different cost centres within the CCG. These are full-year adjustments (there will never be any part year effects for non-recurrent budget virements).

6. A description of each BV and the BV reference number should be entered at columns B and C on the first worksheet which is labelled SUMMARY. (NB – the entries in these columns automatically feed through to the other worksheets in the spreadsheet).
7. Taking each BV in turn, select the required worksheet and cost centre and enter the amounts in the appropriate column under the correct funding heading. The amounts should be entered in thousands. The amounts entered subsequently feed through to the SUMMARY worksheet.

Add new cost centres as appropriate and copy down any formulas. The name of the project/programme must be entered and must match description to be put in the financial plan.

Each individual worksheet within the allocations spreadsheet should be set up identically with exactly the same number of rows so that the formulae feed through correctly to the SUMMARY worksheet.

Check that the Total column entries on the SUMMARY worksheet are all nil. Otherwise check for input and/or formula errors and correct these.

8. When all the budget virements for the month have been added to the allocations spreadsheet, run the business intelligence report for the current financial year:
http://www.sharedbusinessservices.nhs.uk/ISFE_homepage.htm
Business Intelligence - Budgets & Expenses Library – Detailed Budget History
9. Using the exported spreadsheet, copy the relevant columns into the TB tab. Check that validation where validation 2 tab totals does not equal zero, add in any missing code combinations.
10. Once reconciled, a new version of the allocations spreadsheet should be saved so that the process can be repeated with the following month's budget virements.

8. Procedure for updating the Financial Plan

Each month, following completion of the allocations spreadsheet, the CCG's Financial Plan should also be updated with the budget virements input to Oracle.

There will be several versions of the Financial Plan saved. Make sure that the correct version of the plan is updated. The Financial Plan is located in the following folder:

<Y:\HULLCCG\Resources\Finance\20XX-XX\Financial Plan>

Using the BV files, the first five worksheet tabs shaded in yellow should be updated with the budget virements input for the month. The information is then linked through to the last five green worksheets. Overall totals are fed through onto the SUMM worksheet. There are various checks on these worksheets which should be referred to on an ongoing basis to help identify input errors and cells which need linking.

All budget virements involving reserves or allocations have a reserves investment reference number which should be included in the description of the budget Virement. Also include in the description the BV number.

When updating the worksheets in the Financial Plan, funding is split between the programme/service descriptions and code combination.

Make sure the correct element in the plan is updated from the BV form. There is no need to enter budget virements into the Financial Plan when funding is being reprofiled.

The funding on some budget virement forms may need to be split when being entered on the financial plan. This is because the amount may relate to more than one programme/service and/or reserves investment reference. These need to be input separately because functions are used to link information to other cells.

As each budget virement is input to the financial plan mark the relevant electronic BV log.

The totals on the YYYY NR Vir and YYYY Rec Vir worksheets should be nil as they are virements between individual CCG cost centres, and not additional allocations/funding.

The YYYY Rec Alloc and YYYY NR Alloc worksheets will not balance to zero as the amounts represent funding allocations which either increase or decrease the total CCG budget, therefore the totals at the Recurrent Allocations and Non-Recurrent Allocations columns on the SUMM worksheet will also not balance to nil.

Non recurrent budget virements involving reserves and no allocations

These should be entered on the yellow YYYY NR Vir worksheet. Enter the details in the top section of the worksheet and go to the bottom section to link it through to the top section. Go to the relevant reserves reference number on the green Res worksheet and link the information from the YYYY NR Vir.

Recurrent budget virements involving reserves and no allocations

These should be entered on the YYYY Rec Vir worksheet. Enter the details in the top section of the worksheet and go to the bottom section to link it through to the top section. Go to the relevant reserves reference number on the Res worksheet and link the information from the YYYY Rec Vir.

Where a BV has a part year effect, the FULL year amount should be entered onto the YYYY Rec Vir and an adjusting amount onto the YYYY NR PYE worksheet.

Budget virements not involving reserves or allocations

Budget virements which do not involve reserves or allocations are entered in the bottom section of the YYYY Rec Vir or YYYY NR Vir worksheets as appropriate with figures being entered and no linking.

Budget virements involving allocations

Enter details on the YYYY Rec Alloc or YYYY NR Alloc as appropriate. Enter the details in the relevant section. For allocations involving reserves go to the relevant reserves reference number on the Res worksheet and link the information from the YYYY Rec Alloc or YYYY NR Alloc worksheets.

When a cost centre code does not appear in the Financial Plan, insert a row in the appropriate worksheet shaded in yellow. Also ensure that the new cost centre is included in the green worksheets and add the formulae to the appropriate columns to link it through to the yellow worksheets.

Check the Validations worksheet for any cells coloured red and correct any errors.

When all budget virements have been input to the financial plan ensure that the links at the bottom of the allocations spreadsheet has been updated to the current financial plan (the links at the bottom of the summary tab ensure that it balances overall and the links at the bottom of the individual section tabs, 'i.e. NHS, Non-NHS, Primary Care and Corporate ensure the each cost centre matches to the allocations spreadsheet.

Reconcile the amounts of each reserve investment in the Financial Plan against the Reserves Monitor. This is located in <Y:\HULLCCG\Resources\Finance\XXXX-XX\Reserves Monitor\Reserves Monitor XXXX-XX.xlsx>. On a separate worksheet on the Reserves Monitor spreadsheet use the SUMIF function to obtain the figures. Look into any differences and update as appropriate.

Quarterly update the budget book to be distributed around the CCG via email. The latest budget book will be found in <Y:\HULLCCG\Resources\Finance\XXXX-XXBudget book>

Copy the latest TB into the TB tab and the latest MTFP into a new tab. Link the formulas on the individual sheets of the budget book to show any movements showing recurrent and non recurrent movements in separate columns.

Use the cost centre and TB validation tabs to reconcile back to the ledger and the financial plan.

APPENDIX A

Equality Impact Analysis:									
Policy / Project / Function:	Finance Procedure – Allocations Spreadsheet & Financial plan V2.0								
Date of Analysis:	01 November 2016								
This Equality Impact Analysis was completed by: (Name and Department)	Victoria Rimmington Finance Manager Resources								
What are the aims and intended effects of this policy, project or function?	This procedure is intended document the procedures for updating the allocations spread sheet and financial plan.								
Please list any other policies that are related to or referred to as part of this analysis									
Who does the policy, project or function affect ? Please Tick ✓	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 5px;">Employees</td> <td style="text-align: center; padding: 5px;"><input checked="" type="checkbox"/></td> </tr> <tr> <td style="padding: 5px;">Service Users</td> <td style="text-align: center; padding: 5px;"><input type="checkbox"/></td> </tr> <tr> <td style="padding: 5px;">Members of the Public</td> <td style="text-align: center; padding: 5px;"><input type="checkbox"/></td> </tr> <tr> <td style="padding: 5px;">Other (List Below)</td> <td style="text-align: center; padding: 5px;"><input type="checkbox"/></td> </tr> </table>	Employees	<input checked="" type="checkbox"/>	Service Users	<input type="checkbox"/>	Members of the Public	<input type="checkbox"/>	Other (List Below)	<input type="checkbox"/>
Employees	<input checked="" type="checkbox"/>								
Service Users	<input type="checkbox"/>								
Members of the Public	<input type="checkbox"/>								
Other (List Below)	<input type="checkbox"/>								

Equality Impact Analysis:

Local Profile/Demography of the Groups affected (population figures) Relevant data can be found in the attached Knowledge Management Toolkit (Employee data as at January 2016)

General	Total number of employees in the CCG is 78
Age	73.07% of staff are aged 30-55 20.51% of staff are over 55 6.41% of staff employed are aged 30 or under
Race	94.87% of staff employed in the CCG declared themselves white 3.85% of staff are not stated/undefined 1.27% of staff declared themselves Asian
Sex	70.51% of staff employed are female 39.49% of staff employed are male
Gender reassignment	No information available
Disability	57.69% of staff employed declared themselves as having no disability 38.46% of staff did not declare /undefined 3.85% of staff declared a disability
Sexual Orientation	56.41% of staff described themselves as heterosexual 43.59% did not wish to respond /undefined No staff described themselves as gay, lesbian or bisexual
Religion, faith and belief	47.44% were undefined or did not wish to declare – the largest group 35.90 of staff declared themselves Christian 11.54% declared themselves Atheist 5.13% of staff declared their faith as 'other' Zero staff declared as Islam, Buddhism, Hindu, Judaism or Sikhism
Marriage and civil partnership	64.10% of employees are married. 25.64% are single 7.69% are divorced/legally separated 2.56% are undefined 0% of employees are in a civil partnership
Pregnancy and maternity	No information yet as the CCG has not been established long enough to build meaningful data

Equality Impact Analysis:

<p>Is any Equality Data available relating to the use or implementation of this policy, project or function ?</p> <p>Equality data is internal or external information that may indicate how the activity being analysed can affect different groups of people who share the nine <i>Protected Characteristics</i> – referred to hereafter as ‘<i>Equality Groups</i>’.</p> <p>Examples of <i>Equality Data</i> include: (this list is not definitive)</p> <p>1: Application success rates <i>Equality Groups</i></p> <p>2: Complaints by <i>Equality Groups</i></p> <p>3: Service usage and withdrawal of services by <i>Equality Groups</i></p> <p>4: Grievances or decisions upheld and dismissed by <i>Equality Groups</i></p>	<p>Yes <input type="checkbox"/></p> <p>No <input checked="" type="checkbox"/></p> <p>Where you have answered yes, please incorporate this data when performing the <i>Equality Impact Assessment Test</i> (the next section of this document).</p>
<p>List any Consultation e.g. with employees, service users, Unions or members of the public that has taken place in the development or implementation of this policy, project or function</p>	
<p>Promoting Inclusivity How does the project, service or function contribute towards our aims of eliminating discrimination and promoting equality and diversity within our organisation</p>	<p>This procedure applies to all finance employees working for the CCG.</p>

Equality Impact Assessment Test:

What impact will the implementation of this policy, project or function have on employees, service users or other people who share characteristics protected by *The Equality Act 2010* ?

Protected Characteristic:	No Impact:	Positive Impact:	Negative Impact:	Evidence of impact and if applicable, justification where a <i>Genuine Determining Reason</i> exists
Gender (Men and Women)	✓			This has been considered and has a neutral impact. The policy applies equally to all staff regardless of gender
Race (All Racial Groups)			✓	Potential Language barrier. Policies can be translated as necessary by using the "policies in different format" form available on the intranet
Disability (Mental and Physical)			✓	Potential Visual Impairment barrier. Policy and forms can be changed into suitable format using "policies in different format" form available on the intranet.
Religion or Belief	✓			This has been considered and has a neutral impact. The policy applies equally to all staff regardless of religion or belief
Sexual Orientation (Heterosexual, Homosexual and Bisexual)	✓			This has been considered and has a neutral impact. The policy applies equally to all staff regardless of sexual orientation.
Pregnancy and Maternity	✓			This has been considered and has a neutral impact. The policy applies equally to all staff.
Transgender	✓			This has been considered and has a neutral impact. The policy applies equally to all staff.
Marital Status	✓			This has been considered and has a neutral impact. The policy applies equally to all staff regardless of marital status.
Age	✓			This has been considered and has a neutral impact. The policy applies equally to all staff.

Action Planning:

As a result of performing this analysis, what actions are proposed to remove or reduce any risks of adverse outcomes identified on employees, service users or other people who share characteristics protected by *The Equality Act 2010* ?

Identified Risk:	Recommended Actions:	Responsible Lead:	Completion Date:	Review Date:
Potential language barrier where employees first language is not English.	The CCG's Communication Team has developed the 'portal' to signpost individuals to alternative formats	CCG Communication s Team	End 2014	End 2016
Potential disability barrier where employee has visual impairment	The CCG's Communication Team has developed the 'portal' to signpost individuals to alternative formats	CCG Communication s Team	End 2014	End 2016

FINANCIAL PROCEDURES

ALLOCATIONS SPREADSHEET & FINANCIAL PLAN

Equality Impact Findings:	
Analysis Rating:	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;"><input type="checkbox"/> Red</div> <div style="text-align: center;"><input type="checkbox"/> Red Amber</div> <div style="text-align: center;"><input type="checkbox"/> Amber</div> <div style="text-align: center;"><input checked="" type="checkbox"/> Green</div> </div>
Red – Stop and remove the policy	Red: As a result of performing the analysis, it is evident that a risk of discrimination exists (direct, indirect, unintentional or otherwise) to one or more of the nine groups of people who share <i>Protected Characteristics</i> . It is recommended that the use of the policy be suspended until further work or analysis is performed.
Red Amber – Continue the policy	Red Amber: As a result of performing the analysis, it is evident that a risk of discrimination exists (direct, indirect, unintentional or otherwise) to one or more of the nine groups of people who share <i>Protected Characteristics</i> . However, a genuine determining reason may exist that could legitimise or justify the use of this policy and further professional advice should be taken.
Amber – Adjust the Policy	Amber: As a result of performing the analysis, it is evident that a risk of discrimination (as described above) exists and this risk may be removed or reduced by implementing the actions detailed within the <i>Action Planning</i> section of this document.
Green – No major change	Green: As a result of performing the analysis, the policy, project or function does not appear to have any adverse effects on people who share <i>Protected Characteristics</i> and no further actions are recommended at this stage.

Other Comments:	
Confirmed by (Manager): (Name and Title)	

FINANCIAL PROCEDURES

ALLOCATIONS SPREADSHEET & FINANCIAL PLAN

Date:	03.11.16
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