

NHS England and NHS Improvement



Submission and approval process for capital expenditure related to COVID-19 27 March 2020

Summary

This guidance document sets out the process that should be followed by NHS Trusts, NHS Foundation Trusts and CCGs to claim COVID-19 related capital expenditure. There is a different process for remaining expenditure from 2019/20, and for further expenditure from April 2020 onwards.

2019/20 COVID-19 capital expenditure

NHS organisations have a final opportunity to claim for COVID-19 capital expenditure incurred in 2019/20. All capital claimed for 2019/20 must have been delivered and receipted before the end of the financial year such that it can be charged to the 2019/20 accounts. The cash will be reimbursed in 2020/21 but the capital expenditure must be fully accounted for in 2019/20. For NHS Trusts, CDEL limits will be adjusted to reflect these claims.

Future NHS Provider (2020/21) COVID-19 capital claims and bid process

From 1 April 2020, for NHS Trusts and NHS Foundation Trusts there will be a different claim process or bid approval process depending on capital value. All claims and bids are submitted on unique forms under three categories of capital expenditure and should be submitted to Regional Finance as soon as they are ready. Bids over £250k require approval before expenditure is incurred.

Value	Submit advance application to	Approval	Response Standard	Submission Format
Less than £250k	Internal Trust process	Retrospective	Retrospective	COVID-19 Capital Less than £250k Claim Form
Greater than £250k	NHSE/I Regional Teams	NHSE/I National Team & DHSC	48 hours from submission to National Team	COVID-19 Capital Over £250k Bid Form

There is a different claim form for CCGs. Copies of the relevant claim form can be obtained by emailing england.nhscovidcapitalteam@nhs.net

Less than £250k - To ensure where necessary we can quickly make appropriate capital investment to support the COVID-19 response, NHS Trusts and FTs have approval to incur reasonable COVID-19 capital expenditure with retrospective approval. Business as usual capital is not covered within this process and must not be claimed via this route. Any claim for non COVID-19 costs or costs deemed to be unreasonable will not be refunded. If trusts require guidance on what will be deemed reasonable, they should contact their regional finance teams for advice.

Where multiple items are submitted under this process, unrelated and discrete COVID-19 capital expenditure projects under £250k will be covered by this retrospective approval process. Please note artificially unbundled items of a project greater than £250k will not.

COVID-19 Capital Less than £250k Claim Forms may be submitted as and when Trusts require it, for processing and payment.

Greater than £250k –Trusts and FTs may submit COVID-19 Capital Over £250k Bid Forms to Regional Finance as and when they are ready to seek approval. Applications will then go through a fast track process to secure national approval. In all but exceptional circumstances we will provide national approval within 48 hours, seven days a week following confirmation of regional approval.

The Over £250k bid template should be accompanied by sufficient backing information, including detail on:

- how the bid delivers against, and is aligned to regional COVID-19 capacity plans;
- precisely the capacity that is being provided to support those plans, e.g. in terms of bed numbers, type, location, and mobilisation date;
- how it is intending to procure and operationalise the capacity;
- any risks and issues to be managed;
- confirmation that workforce implications of the new capacity have been or are being addressed sufficient to ensure the operational viability of the investment.

All COVID-19 capital claims and bids will be reviewed by the COVID-19 capital finance team working closely with the COVID-19 revenue team in order to ensure there is no miscoding, double counting or omission.

Cashflow - Reimbursement of approved provider capital expenditure will take place via the established process for PDC allocations, however this will be fast-tracked. The process will include enacting PDC allocations, CDEL adjustments and subsequent capital cashflow. Once the Memorandum of Understanding (MoU) is signed and returned cash will be made available through the normal routes. If any COVID-19 capital investment requires exceptionally fast cashflow for operational reasons, please escalate to your NHSE/I regional team and include explanation in the bid submission template.

Future CCG (2020/21) COVID-19 capital claims and bid process

CCGs must submit all COVID-19 Capital Bid Forms to national finance as and when they are ready to seek approval. Applications will then go through a fast track process to secure national approval. In all but exceptional circumstances we will provide national approval within 48 hours, seven days a week following confirmation of regional approval.

Value	Submit advance application to	Approval	Response Standard	Submission Format
All bids	NHSE/I Regional Teams	NHSE/I National Team & DHSC	48 hours from submission to National Team	COVID-19 Capital CCG Bid Form

Questions

If you have any questions please contact england.nhscovidcapitalteam@nhs.net