

NHS England and NHS Improvement



Regional Teams and Specialised Commissioning Hubs Block Payments to NHS Providers - April 2020 – July 2020

System Approach

This guidance is designed to support the amended financial arrangements for the NHS for the period 1 April to 31 July 2020 detailed in the document 'Important and Urgent – Next Steps on Response to COVID-19' dated 17 March 2020 sent by the NHS Chief Executive and NHS Chief Operating Officer.

It is critical that NHS Providers have certainty regarding cash inflows over the next few months. To facilitate this NHS England and NHS Improvement will make Block Payments to all NHS Providers guaranteeing a minimum level of income reflecting the current cost base as per the following payment timetable:

- 1 April 2020 Block Payment for April 2020
- 15 April 2020 Block Payment for May 2020
- 15 May 2020 Block Payment for June 2020
- 15 June 2020 Block Payment for July 2020

This guidance covers all services directly commissioned by regional teams and specialised commissioning hubs, i.e.:

- Specialised commissioning;
- Primary care (not delegated to CCGs) and secondary dental;
- Public health;
- Health and justice; and
- Armed forces.

All NHS Providers should not invoice clinical activity relating to the period 1 April 2020 to 31 July 2020. Block Payments will be centrally made to all NHS Providers via Invoice Payment File (IPF) based on the average 2019/20 expenditure up to month 9, with an uplift to recognise the impact of pay uplifts and other cost increases.

2019/20 Payments

Regional Teams and Specialised Commissioning Hubs should ensure all remaining 2019/20 invoices are paid in a timely manner under original business as usual arrangements, including residual Non-Contract Activity for February and March 2020 which will be billed in April and May 2020. We encourage Regional and Specialised Commissioning Teams to work pragmatically with NHS Providers to clear down all 2019/20 invoices in a timely manner. Please endeavour to pay down remaining 2019/20 invoices as a matter of urgency to support NHS Provider cashflow.

2020/21 Payments

All clinical activity will be paid via Block Payments for 2020/21 clinical activity for the period 1 April 2020 to 31 July 2020. Block Payments will include amounts for Non-Contract Activity. The following process should be undertaken:

1. The NHS England and NHS Improvement Central Finance Payments team will submit an Invoice Payment File (IPF) to NHS SBS with the block payments to be paid to the NHS Providers in line with the system payment timetable. RFT payment runs will be scheduled on 1 April 2020, 15 April 2020, 15 May 2020, 15 June 2020 and 15 July 2020 and Block Payments made centrally on these dates.
2. No requisitions for NHS clinical activity should be raised and no invoices will need to be raised by NHS Providers for the period 1 April 2020 to 31 July 2020.
3. Any invoices received by NHS England and NHS Improvement from a NHS Provider for 2020/21 clinical activity should not be approved for payment and instead not processed by NHS England and NHS Improvement and credited by the NHS Provider.
4. To ensure payments are correctly coded the Regional and Specialised Commissioning Teams must provide the NHS England and NHS Improvement Central Finance Payments team with a valid financial code which contains only a single cost centre and single subjective code for each Block Payment to NHS Provider.
5. Block Payment amounts for each NHS Provider will be confirmed on Monday 23 March 2020 to all Regional and Specialised Commissioning teams. Financial codes will be requested from Regions upon publication of these amounts.
6. NHS England and NHS Improvement Central Finance Payments Team will process a central journal to remove expenditure for Block Payments for a period made in advance, i.e. a journal will be raised in April 2020 to remove the May 2020 Block Payment being paid on 15 April 2020.