

Delivering the Forward View: NHS Planning Guidance
2016/17 – 2020/21

Annex 3 to the Technical Guidance:
Financial planning templates guidance
for commissioners

ANNEX 3 TO THE TECHNICAL GUIDANCE: FINANCIAL PLANNING TEMPLATES GUIDANCE FOR COMMISSIONERS

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1 Guidance for CCGs

1.1 Introduction

Planning templates have been constructed to provide detailed submissions for NHS England to assess CCG plans for 2016/17.

The template is similar in format to the 2015/16 template. The major changes are:

- removal of information about activity on the contract tab – this detail is now being collected through a provider/commissioner submission on UNIFY;
- multiyear capital planning information; and
- updated Mental Health collection.

The financial information included in the templates should reflect the assumptions set out in the wider plans for CCGs.

All financial values should be entered in £'000.

Cells in light yellow should be completed by CCGs where appropriate; those in blue are calculated, and those in light green will be pre-populated.

The sections below give more detailed guidance on each sheet within the workbook. Appendix A also gives a suggested approach to completing the template.

The template will be distributed and returned through SharePoint in line with the planning timetable. Please direct any queries on template completion to NHSCB.financialperformance@nhs.net.

There was a short period of consultation on the templates, which ended on 8 January. Consideration has been given to issues raised through this period of consultation. Where appropriate the template will be amended through a macro fix and detail on changes or clarifications raised will be covered through a frequently asked questions document available via SharePoint.

The contents tab within the template makes clear reference to which tab is required to be completed at each submission interval. There are three plan submissions included within the planning timetable and the key requirements are:

8 February – this submission will require a summary of information for 2016/17 only, specifically the completion of:

- the financial plan summary 16/17;
- the anticipated risks to the summary plan;
- capital plans 16/17; and
- the contract financial detail.

For this plan submission the blue cells in the financial plan summary will be turned yellow; links will remain if you prefer to complete the full template.

2 March 2016 – this submission will require the full finance detail for 2016/17 and multiyear capital plans. A macro will be issued to reset the links within the template – if you have completed the full template on 8 February submission, your data will remain.

11 April 2016 – the final submission requires the template to be completed. The key additional detail is the contract to plan bridge in the contract tab.

Post 11 April 2016 – it is expected that there will be an additional multiyear submission of organisational plans after this date, this will be to support the completion of planned Sustainability and Transformational Plans. The proposed format of this additional collection is included within the template issued 23 December 2015 but will not require completion until after 11 April.

1.2 Cover

You are required to input information on this tab.

The workbook will be prepopulated prior to being delivered to an organisation's SharePoint library.

Please complete all boxes shaded red in order to demonstrate sufficient ownership and sign off of the financial plan.

Before submitting the plans please ensure that the box for quality checks is showing as 'cleared'. Further detail on the checks can be found in the 'quality checks' tab further on in the template.

1.3 Financial plan summary

For the first submission of the plan on 8 February 2016, only financial summary information is required therefore the process for this tab is to enter the required detail for 2016/17 via manual input.

For later submissions the majority of financial values on this summary tab are prepopulated from the other detailed input sheets within the template. Therefore it is suggested that the final input to this sheet is completed once all input data has been entered throughout the rest of the template.

Column J requires commentary on the CCG's financial position to be entered. It is recommended that financial performance is linked to wider strategic and operational plans. Commentary is required on:

- overall financial position including FOT (Forecast Out-turn), reserves, underlying position, risks and mitigations;
- key planning assumptions and alignment of plans with providers/key stakeholders;
- overview of QIPP schemes and risk to delivery; and
- description of plans in place for non-recurrent expenditure.

1.4 Revenue resource limit

Following the announcement of allocations in January 2016, this tab will be prepopulated with the CCG's forward allocation for 2016/17 – 2020/21. As per the December Board paper the first three years of the allocation are firm followed by two years of indicative funding. If the CCG thinks detail on allocation is incorrect, please raise this by emailing NHSCB.financialperformance@nhs.net as soon as possible.

Expenditure plans for non-recurrent allocations reflect funding employed non-recurrently for these categories of spend from the notified allocation. The use of these monies should be detailed within the Investment and Financial Plan Summary tabs, and the use of these non-recurrent funds will be reviewed and assessed as part of the assurance of plans.

1.5 Financial plan detail 2016/17

This is designed to capture all of the CCG's resource and spend. The table separates recurrent and non-recurrent items in order to calculate the CCG's underlying position. Rows 2 and 3 detail the resource limit. The figures feed from the revenue resource limit sheet and therefore do not need to be populated. This is for information while completing the template and supporting the calculation of underspend or deficit while the plan is being completed.

The remaining rows detail the expenditure as follows;

- Column B – 2015/16 Forecast Out-turn – This column should be populated with the latest FOT position.

1.5.1 Underlying position

- Column C – Non-recurrent adjustment to allocation – The CCG should adjust for any expenditure relating to non-recurrent allocations received in 2015/16. This may not reconcile back to zero if, for example, the allocation received was greater than the expenditure incurred.
- Column D – This should include any other non-recurrent adjustments with the exception of allocations (mentioned above) and QIPP (detailed below).
- Columns E and F – Non-recurrent and full year effect of QIPP – These columns are prepopulated from the QIPP sheet. All QIPP schemes will need to have an expenditure type selected from the drop down box on the QIPP sheet for the information to flow through to the Financial Plan and reconcile.
- Column G – Other full year effects – This column is for capturing any other non-recurrent changes not captured above. This is not expected to be widely used. Values entered here ought to be explained in the commentary box on the Financial Plan Summary.
- Column H – This column is calculated and outlines the recurrent underlying expenditure position for the CCG, and is used to calculate the existing underlying underspend.

1.5.2 Recurrent expenditure

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- Columns I to K – Demonstrate the provider efficiency requirement delivered and the inflation funded to show net price deflation/inflation. Any other recurrent cost pressures or adjustments ought to be built into the categories for other cost pressures in the template (column N).
- Column L – Demographic growth uplift reflecting population change (must be derived from a published source e.g. ONS) for those areas of spend where relevant.
- Column M – Non-demographic growth pressures arising from other population changes, technological developments, increased prevalence etc.
- Column N – Cost pressures. This would include any recurrent cost pressures not adequately captured by the headings in columns I to M.
- Columns O and P – These cells capture the information entered onto the QIPP sheet. All QIPP schemes will need to have an expenditure type selected from the drop down box on the QIPP sheet for the information to flow through to the Financial Plan and reconcile.
- Column Q – Additional Better Care Fund – This column will capture the allocation and expenditure relating to the better care funds that first passed to CCGs in 2015/16.
- Column R – Investment which is not QIPP related, but relating to other service quality/developments. As above, this is prepopulated once the CCG has completed the investments worksheet within the template. All costs entered on the investments worksheet need to be allocated to a cost category on the dropdown menu for the workbook to reconcile.

1.5.3 Non-recurrent expenditure

- Column T – CCGs need to enter any non-recurrent pass through costs here that the CCG has received and has been assumed in the allocation.
- Column U – Non-recurrent pressures, investments (including CQUIN where relevant). Non-recurrent items all at 2016/17 prices.
- Column V – Non-recurrent Investments. As with the recurrent investments this will be captured from the Investments tab. This excludes any investment relating to QIPP.
- Columns W and X – Non-recurrent QIPPs. As with the recurrent QIPPs, these will be captured from the QIPPs sheet.
- Columns AB to AM – Monthly expenditure profile. Please enter the correct monthly profile into these columns. There is a greater focus this planning round on the anticipated phasing of plans. CCGs who provide spend split in equal 12ths may be asked to complete additional work to either more accurately profile this spend or justify why this split is appropriate.

The CCG's total Programme Resources should be matched across the expenditure categories, the difference being its underspend or deficit (shown in the Financial Plan Summary). Where reserve budgets are expected to be used to fund other programme expenditure, e.g. the use of re-ablement funding for community services investment, this should be shown netting off in the investments column (i.e. reducing reserves line and increasing service expenditure).

Running costs have been split between CCG pay costs, CSU re-charge, NHS Property Services Recharge / CHP charges and other non-pay. The Financial Plan Summary will match the total expenditure to the running costs allocation to check to see whether the CCG is within target allocation.

A separate box requires completion to split CSU costs between running and programme. This is to identify any CSU costs included within programme spend.

Further details are required on other non-recurrent costs identified in column U. Please provide further details of what these costs relate to.

The memorandum box at the bottom of the plan template requires CCGs to input additional detail where financial values have been entered for other non-recurrent costs pressures in column U. Please ensure that sufficient detail is provided for these pressures.

1.5.4 Primary Care Co-commissioning (where delegation applies)

Where CCGs have delegated Primary Care Co-commissioning responsibilities the allocation will be pre-populated on the revenue resource limit tab. CCGs should then detail planned spend for this delegated budget across rows 54-62 of the financial plan.

1.6 Risk

The risk assessment follows a similar format to that used for non-ISFE reporting throughout 2015/16.

CCGs are required to enter their full risk value and percentage probability of risk being realised, which automatically populates a potential risk value amount. Please note that risks entered here ought to be anything in addition to what has been incorporated in the planned position. As a general rule of thumb, if there is a very high chance that a risk will materialise (over 90 per cent) it would be expected to be shown in the expenditure tabs as part of the planned underspend or deficit position. Only include additional risks in this tab which put the achievement of your planned position at risk.

CCGs are also asked to provide meaningful commentaries against each risk figure entered, providing specific detail as to what is driving the risk and avoiding general terminology as much as possible.

CCGs are then asked to enter any mitigation that can be used to offset this risk. This is split between 'Uncommitted Funds' and 'Actions to Implement'. Uncommitted funds ought to include any funds available that have not been committed in the plans. Again, CCGs should enter the full mitigation value and the probability of success of the mitigation working as a percentage – the expected mitigation value will automatically populate. A commentary box is provided to show detail of what these mitigating actions are.

The key figure produced by these assessments is the net risk/headroom position which is used to drive a risk adjusted planned underspend / (deficit) position in the commentary sheet.

1.7 Investment

The table requires a high-level analysis of where CCGs propose to apply their investments.

Each development should be named in Column A with the category of spend selected from Column B in order that the detail feeds through to the financial detail tab.

1.7.1 Recurrent

- Column C – Investment the CCG will incur in the financial year. Please enter the part year effect for the year that is being completed.
- Column G – 50 per cent Threshold (CCGs have fed back that this might be invested recurrently so in 16/17 there is the potential to detail this investment either recurrently or non-recurrently).
- Column M – Enter the total value of the investment needed.
- Column O – This will calculate the full year effect of the investment (the difference between Columns O and C) and feed through to the underlying underspend calculations.

1.7.2 Non-recurrent

- Column E – Bought Forward Surplus – How and where the brought forward underspend is being spent.
- Column F – Non-Recurrent Headroom – Application of the funds will be subject to business case approval by regional teams and no funds should be committed at plan stage unless the regional team has specifically approved the scheme.
- Column G – 50 per cent Threshold.
- Column H – Readmissions Credit.

There may be circumstances where expenditure that should have been committed non-recurrently has been committed recurrently. Where this has happened this should be recorded as an over-commitment under the recurrent section of the investment tab.

In the example below, the CCG has planned to invest both the non-recurrent headroom (£4 million) and the 50 per cent threshold (£1million) in non-recurrent schemes. However, of the £2.5 million bought forward, underspend of £1.5 million has been committed recurrently; this creates a £1.5 million underlying pressure as shown in the third column.

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2016/17		Recurrent resource (underlying and in-yr surplus)	Non-Recurrent				Total
Description	Area of Spend (select from drop down)		B/F surplus	Non Recurrent Requirement	50% Threshold	NR Total	
Available to Invest			2,500	4,000	1,000	7,500	7,500
2016/17 Recurrent Investment							
Description	Area of Spend (select from drop down)						
Admission Prevention Schemes (b/fwd surplus)	Other Programme Services	1,500					1,500
Sub-total recurrent		1,500	-	-	-	-	1,500
Non-Recurrent							
Description	Area of Spend (select from drop down)						
Admission Prevention Schemes	Other programme Services		4,000			4,000	4,000
Acute Re-investments	Acute Services - NHS (Includes Ambulance Services)			1,000		1,000	1,000
Contingency	Contingency		1,000			1,000	1,000
Continuing Health Care Risk Pool							-
Sub-total Non-Recurrent		-	1,000	4,000	1,000	6,000	6,000
Total planned Investment		1,500	1,000	4,000	1,000	6,000	7,500
Remaining Funds		(1,500)	1,500	-	-	1,500	-

1.8 QIPP

The QIPP table splits QIPP into two headings:

- Transactional & Contract efficiencies relate to savings made from providers purchasing activity more efficiently, i.e. procurement of diagnostics, contract conditions such as new to follow-up ratios.
- Transformational & Pathway changes relate to savings from de-commissioning, more effective service provision, new models of care.

Under each heading the QIPP is broken down into separate workstreams.

The QIPP plan will need to be split between recurrent and non-recurrent schemes. Column A requires the local name of each scheme over £0.5 million. All schemes that are under £0.5 million should be grouped together under the balance of schemes under £0.5 million section. In order that the QIPP tab feeds the financial plan detail tab, column B requires the area of spend to be selected. Therefore, more than one line would be needed for each local scheme. For example, a transformational QIPP scheme for a cardiology pathway redesign might require the following:

- In column C please indicate whether the QIPP plan is within the Better Care Fund plan by selecting 'yes' or 'no'.
- Columns D and E ask for the impact of non-recurrent QIPP schemes and the full year of 2015/16 QIPP schemes. These columns feed in to the financial plan detail sheet to establish the underlying position for the organisation.
- In columns F and G please enter the expected full recurrent annual value of future savings and investment.
- In columns I and J please enter how much of that saving/investment will occur in 2016/17.

- In columns O and P please enter the value of any non-recurrent savings and investment in that year.

Columns T to AE require the profiling of QIPP schemes by month.

Unidentified QIPPs needs to be entered on rows 169-173 with the spend category chosen from the dropdown box to ensure the figures feed through to the overall financial plan. Levels of unidentified QIPP will be reviewed during the assurance process.

If there are risks to the achievement of the QIPP programme please enter these onto the risk sheet.

QIPP schemes may require investment by other parties, for example by local offices within primary care. If your CCG's QIPP requires external investment please complete the section at the end of the QIPP form – 'external investment supporting QIPP'.

1.9 Learning disabilities

The learning disabilities section requires CCGs to provide information on inpatient and other spend on services for People with Learning Disabilities and/or Autism (PWLDA).

Completion of the planning template for learning disability services should support the transformation process and the delivery of the national plan by providing a detailed baseline of financial baseline plan for each CCG.

Furthermore, the national plan tasks local authorities, CCGs, and NHS England specialised commissioners to come together to form Transforming Care Partnerships (TCPs) to build up community services and close unnecessary inpatient provision over the next three years, and by March 2019.

TCPs should allow for areas to commission at sufficient scale to manage risk, develop commissioning expertise and commission strategically for the relatively small number of individuals whose packages of care can be very expensive.

1.10 Mental health

We are collecting a more detailed breakdown of the planned spend on key areas of mental health both with mental health providers ('Core Mental Health Spend') and in other areas of healthcare, for example acute and community providers and primary care (i.e spending on practice-based therapists) ('Spend on Mental Health in Other Areas'). This information will be used to assess whether the required level of increase in mental health spend is being achieved and to monitor the levels of investment in key services.

The 'Core Mental Health Spend' figures should match the 'Mental Health Services' figures on the Financial Plan Detail.

To show sufficient growth in mental health spend the total recurrent and non-recurrent spend is compared to overall programme growth. Where growth in planned mental health spend is greater than or equal to programme growth, the expected increase in mental health funding is achieved. Where a CCG has no plan to achieve the expected increase in mental health spend then an explanation is required in the comments box provided and commensurate funds may be withdrawn from the CCG (see Technical Annex 2 paras 22 and 23).

1.11 Better Care Fund

CCGs are required to detail investment in the Better Care Fund (BCF) in 2016/17 and a comparison of how this money was spent in 2015/16.

The form is split into details of the BCF allocation, which will include prepopulated figures for:

- 2016/17 BCF allocation (which was first devolved in 2015/16); and
- CCG allocations transferred to the BCF (e.g. re-ablement, and carer's break).

The second part requires a breakdown of expenditure at Health and Wellbeing Board (HWB) level. Separately there is a BCF return that will form part of the 2016/17 planning round. The specific requirements of this are detailed in Technical Annex 4.

1.12 Statement of Financial Position (SoFP)

The SoFP requires the movements by month starting with 2015/16 out-turn.

1.13 Cash

The cash sheet requires the movement by month. The figure starts with the planned expenditure and requires the CCG to deduct the non-cash items i.e. depreciation, amortisation and impairments.

1.14 Capital

In this year's planning round the capital tab submission has been developed to provide detail on the multi-year capital requirements for both 'business as usual' and also Primary Care Transformation Fund. This is in order to align the Capital Planning Returns into the main Organisational Planning Returns.

8 February 2016 – in this submission CCGs and local regional offices are required to complete their 2016/17 capital plans.

2 March 2016 – in this submission CCGs and local regional offices are required to complete the multiyear (2016/17 – 20/21) business as usual capital plan and the Primary Care Transformation Fund plans.

The tables capture direct CCG and NHS England capital plans and those expected to be made within its area by other organisations such as NHS Property Services and Community Health Partnerships. Consistent with the note above about the unifying of

the capital and financial planning process, please note that the 2016/17 information provided will be submitted for approval by your region.

Please include value of any capital grants relating to 2016/17. Do not include the cost of this within expenditure within the (revenue) financial plan detail sheet, as the allocation for capital grants will not have been included within the template.

1.15 Contract value triangulation

The contract collection through the financial template is limited to financial values with the activity collected via UNIFY, i.e. phased activity plans, and provider/commissioner views of the contracting round (activity and finance). The financial information submitted in the contract tab must be completed in a coordinated and consistent manner with the activity and contract tracker information that is collected via UNIFY.

The coordination of this information internally by CCGs is vital to ensure that the plans can be assured from a commissioning perspective, i.e. the financial and activity values follow logically and can be clearly understood as values from the same date in the contracting/planning round. Activity and finance data will be combined to highlight CCGs where activity growth rates and average costs appear inconsistent. Furthermore this coordination is crucial to ensure that meaningful work can be completed across providers and commissioners to provide assurance of the overall position of contract values reported between CCGs, NHS trusts and foundation trusts.

There is an expectation that organisational plans will align with those of the wider local health economy. In order to test the alignment of key contract assumptions Monitor, NHS England and NHS Trust Development Authority (TDA) will reconcile provider and commissioner plans for both 2015/16 and 2016/17.

The outputs of the reconciliation will be shared between the regional teams of Monitor, NHS England and TDA. Every step will be taken not to prejudice the position of any trust or commissioner and no information will be shared at an individual organisation level without first contacting the appropriate party.

The contract tab includes the following sections (by provider) for completion for both 2015/16 FOT and 2016/17 plan:

- Non-elective
- Elective (daycase and ordinary)
- Outpatient (first and subsequent appointments)
- Accident and Emergency
- Excluded drugs and devices
- Other
- Mental health
- Ambulance
- Community.

For the final 11 April submission there is also:

- Contract to plan bridge

1.15.1 Financial information

All contract spend across the headings should reconcile back to the NHS contract value on the financial plan detail tab. For 2015/16 please enter the forecast performance for each provider rather than contract plan values. For 2016/17 please enter the anticipated value of activity with providers inclusive of the impact of any QIPP schemes and CQUIN. Please also outline the QIPP per provider as a memorandum, as well as the value of CQUIN per provider as a memorandum.

Entries on this sheet will be compared with provider submissions via Monitor and TDA and therefore need to align.

The details on the collection and requirement for activity and finance submissions through Unify are set out in Annex 1 of the Technical Guidance.

11 April 2016 – in the final submission of the template there is a contract to plan bridge to complete for 2016/17 (columns V to Y). This will form an important part of the final plan assurance and triangulation across the wider health economy. Providers will also complete a similar bridge within their financial templates. NHS England, TDA and Monitor will collate the contracting information and bridge information across the commissioning and provider returns, this should provide a broad reconciliation of finance and activity values across the NHS.

1.16 Marginal rate

This section requires completion if the CCG has changed the 2008/09 emergency admissions baseline for any provider. The following information is required:

- provider;
- evidence provided to support change;
- has the change been agreed;
- value of emergency admissions before and after the change; and
- if the change was requested by the provider and rejected by the commissioner, what were the grounds for doing so.

2 Guidance for direct commissioning

2.1 Introduction

Planning templates have been constructed to provide sufficient granularity for NHS England to assess Direct Commissioning (DC) plans 2016/17.

The template is similar in format to the 2015/16 template. The material changes are as follows:

- removal of information about activity on the contract tab – this detail is now being collected through a provider/commissioner submission on Unify; and
- multiyear capital planning information.

The financial information included in the templates should reflect the assumptions set out in the wider plans for direct commissioners.

All financial values should be entered in £'000.

Cells in light yellow should be completed where appropriate; those in blue are calculated, and those in light green will be prepopulated.

The sections below give more detailed guidance on each sheet within the workbook. Appendix B also gives a suggested approach to completing the template.

The template will be distributed and returned through SharePoint in line with the planning timetable. Please direct any queries on template completion to NHSCB.financialperformance@nhs.net.

There was a short period of consultation on the templates, which ended on 8 January. Consideration has been given to issues raised through this period of consultation and where appropriate the template will be amended through a macro fix. Detail on changes or clarifications raised will be covered through a frequently asked questions document available via SharePoint.

The contents tab within the template makes clear reference to which tab is required to be completed at each submission interval. There are three plan submissions included within the planning timetable:

8 February 2015 – this submission will require a summary of information for 2016/17 only, specifically the completion of:

- the financial plan summary 2016/17;
- the anticipated risks to the summary plan; and
- the contract financial detail.

For this plan submission the blue cells in the financial plan summary will be turned yellow; links will remain if you prefer to complete the full template.

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2 March 2016 – this submission will require the full finance detail for 2016/17 and multiyear capital plans. A macro will be issued to reset the links within the template – if you have completed the full template on 8 February submission your data will remain.

11 April 2016 – the final submission requires the template to be completed. The key additional detail is the contract to plan bridge in the contract tab.

Post 11 April 2016 – it is expected that there will be an additional multiyear submission of organisational plans after 11 April, this will be to support the completion of planned Sustainability and Transformational Plans. The proposed format of this additional collection is included within the template issued 23 December 2015, but will not require completion until after 11 April.

2.2 Cover

Input is required on this tab.

The workbook will be prepopulated prior to being delivered to an organisation's SharePoint library.

Please complete all boxes shaded red in order to demonstrate sufficient ownership and sign-off of the financial plan.

Before submitting the plans please ensure that the box for quality checks is showing as 'cleared'. Further detail on the checks can be found in the 'quality checks' tab further on in the template.

2.3 Financial plan summary

For later submissions the majority of financial values on this summary tab are prepopulated from the other detailed input sheets within the template. Therefore it is suggested that the final input for this sheet is completed once all input data has been entered throughout the rest of the template.

Column J requires commentary on the DC financial position to be entered. It is recommended that financial performance is linked to wider strategic and operational plans. Commentary is required on:

- overall financial position including FOT, reserves, underlying position, risks and mitigations;
- key planning assumptions and alignment of plans with providers/key stakeholders;
- overview of QIPP schemes and risk to delivery; and
- description of plans in place for non-recurrent expenditure.

2.4 Allocations

Following the announcement of allocations in January 2016 this tab will be prepopulated with DC forward allocation for 2016/17 – 2020/21. As per the

December Board paper the first three years of the allocation are firm followed by two years of indicative funding. If the DC team thinks detail on allocation is incorrect please raise this by emailing NHSCB.financialperformance@nhs.net as soon as possible.

The allocation amounts flow through to the summary positions, calculating the planned financial performance for the relevant areas of DC once the expenditure information has been completed.

2.5 Financial plan detail

These are the main sheets of the workbook where annual spend is captured. The figures in these worksheets are a combination of manual entry and prepopulated cells based on entries in the QIPP and Investments worksheets.

Resource allocations are automatically populated at the top of the worksheet in row 5. This is for information while completing the template and supporting the calculation of underspend or deficit while the plan is being completed.

The format of the worksheet is similar for each area of DC. There are some requirements for additional information, for example in specialised.

The following notes give guidance on what the cost categories mean, using worksheet columns as references:

- Column B: 2015/16 forecast out-turn. Please enter the FOT positions for the year across the defined categories of spend.

2.5.1 Underlying position

- Column C: Non-recurrent adjustment to allocation (-). The commissioner should adjust for any expenditure relating to non-recurrent allocations received in 2015/16. This column may not reconcile back to zero, if for example the allocation received was greater than the expenditure incurred.
- Column D: Non-recurrent spend. This should include any other non-recurrent spend with the exception of allocations (mentioned above) and QIPP (detail below).
- Columns E and F: Non-recurrent and full year effect of QIPP (+/-). These columns are prepopulated from the QIPP sheet. All QIPP schemes will need to have an expenditure type selected from the dropdown box on the QIPP sheet for the information to flow through to the financial plan sheet.
- Column G: Other Full Year Effects (+/-). This is not expected to be widely used but this column allows for any other adjusting items not covered in column D, E and F. For specialised only, this should include the full year effect of spend relating to the identified full year effect of CDE and CtE allocations. Values entered here ought to be explained in the commentary box on the Financial Plan Summary.
- Column H: This is to be completed on templates relating to Public Health and Primary Care only. Public Health - Use Column H to record the non recurrent

Impact of 0-5 transfers. Primary care - Use Column H to record the non recurrent impact of Primary Care Co-Commissioning.

- Column I: 2015/16 Forecast Exit Run Rate (underlying Position) (+). An automatic calculation of the recurrent opening net baseline budget, taking into account the removal of non-recurrent items and the impact of full year effects as listed above.

2.5.2 Recurrent expenditure

- Columns J to I: Gross provider efficiency and inflation (-) and (+). Details the provider efficiency requirement and the inflation funded to show the net price deflation/inflation. Any other recurrent cost pressures or adjustments ought to be built into the categories for other cost pressures in the template (column N).
- Column M: Activity Growth (Demog) (+). Demographic growth uplift reflecting population change (this must be derived from a published source e.g. ONS) for those areas of spend where demographic activity growth is expected.
- Column N: Activity Growth (Non-Demog) (+). Non-demographic Growth pressures arising from technological developments, increased prevalence etc.
- Column O: Non activity related cost pressures (+). This is a free cell to enter costs as financial values directly onto the expenditure template. This would include any recurrent cost pressures not adequately captured by the headings in columns J to O.
- Column P: Net QIPP recurrent (-). This is net recurrent QIPP position which is prepopulated from the QIPP worksheet within the template. All costs entered into the QIPP worksheet will need to be allocated a cost category in order for the workbook to reconcile.
- Column Q: Investment non-QIPP recurrent (+). Investment which is not QIPP related, but relating to other service quality/developments. As above, this is prepopulated once the investments worksheet within the template has been completed. All costs entered on the investments worksheet need to be allocated to a cost category on the dropdown menu for the workbook to reconcile.

2.5.3 Non recurrent expenditure

- Column S: Application of non-recurrent allocation/ pass through (+). Required to enter any non-recurrent pass through costs that have been received and have been assumed in the allocation.
- Column T: Other non-recurrent cost pressures (net of income) (+/-). Non-recurrent pressures, investments which are not covered in other template columns. Non-recurrent items all at 2016/17 prices.
- Column U: Investment (NR) (+). Non-recurrent investments here will be pulled through automatically from the investments worksheet. This excludes any investment relating to QIPP, which is covered in the QIPP worksheet.
- Column V: Net QIPP (NR) (+). Non-recurrent QIPP will be pulled through automatically from the QIPP sheet. The public health template includes a column to adjust the 2015/16 out-turn position to reflect the in-year transfer of health visiting monies to local authorities.

2.5.4 Other information

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A monthly breakdown of planned spend (columns AB to AM). The total of this should reconcile back to the overall annual spend.

Cost pressures memorandum. If any figures have been entered into column O (non-activity related cost pressures) or column T (other non-recurrent cost pressures) please provide a description of what these relate to. For specialised, please identify costs in relation to the descriptions of anticipated cost pressures provided.

Depreciation and impairments. Please include the total value for 2015/16 and 2016/17 of any depreciation costs included with the above figures. The expenditure costs for 16/17 should include the depreciation costs of any locally held assets.

Mental health. This section requires costs to be restated to include any mental health spend that appears within other spend categories. In terms of defining mental health spend, please use the programme budgeting category definitions for mental health and learning disabilities as follows:

- mental health disorders (substance misuse, organic mental health disorders, child and adolescence mental health disorders, other mental health disorders); and
- problems of learning disability.

Unwinding of DTR. During 2015/16 some NHS trusts and foundation trusts chose to adopt the default tariff rollover (DTR). In 2016/17 all providers will move to ETO based prices. It is important therefore to understand the financial impact on commissioner plans concerning this change.

The impact of the new process should be shown in Column O in the Plan Detail tab, reflecting financial implications on commissioner plans in 2016/17. This should also be noted as a separate item in the cost pressures Memorandum table included at the bottom of the Plan detailed tab.

The Specialised worksheet requires the following additional information:

CQUIN Memorandum. Any CQUIN costs should be treated recurrently and added in with any other cost pressures in column O. This memo box requires that only the CQUIN element is pulled out and entered against the relevant cost category for 2015/16 and 2016/17.

Non-recurrent allocations. The non-recurrent allocations included within the resource allocations tab will prepopulate the description and resource section of the memo box. Please enter the non-recurrent expenditure incurred against the relevant heading. This should correspond to the expenditure adjustment made in column B.

Non-contract spend breakdown. Please provide a breakdown of non-contract spend against the categories provided for 2015/16 and 2016/17. Other reserves breakdown. Please provide a breakdown of reserves spend against the categories provided for 2015/16 and 2016/17.

Tier 3 services. This memo box requires that spend against the tier 3 services are identified for 2015/16 and 2016/17.

For the Public Health worksheet there is a memo box to capture details of any public health spend that is incurred in other areas of direct commissioning e.g. primary care.

2.6 QIPP

All financial values for QIPP ought to be entered only on the QIPP tab.

The table in the worksheet splits QIPP into two headings:

- **Transactional and Contractual Efficiencies:** these relate to savings and investments made from providers from purchasing activity more efficiently i.e. re-procurement of diagnostics, contract conditions.
- **Transformational and Pathway Changes:** these relate to savings and investments made from de-commissioning, more effective service provision, new models of care.

Under each heading the QIPP scheme is broken down into separate work streams and the QIPP plan will need to be split between recurrent and non-recurrent schemes.

Please enter the scheme name in column A and use the dropdown menu to choose which area of spend the QIPP scheme relates from column B (all QIPP schemes must be assigned an area of spend for the workbook to reconcile) for all schemes over £0.5 million. Each QIPP scheme name might require more than one line if it is spread over different areas of spend.

Only schemes with an annual value of over £0.5 million need be listed, although there is a section which asks for the balance of schemes which fall under the £0.5 million limit.

In order to calculate an underlying financial position, the form asks for the following information for each QIPP scheme entered:

- **2015/16 non-recurrent QIPP.** Please detail any non-recurrent QIPP in 2015/16. This may be positive e.g. a QIPP scheme that delivered a non-recurrent saving in 2015/16, or negative non-recurrent QIPP investment made in 2015/16.
- **2015/16 full year effect of QIPP.** Please detail the full year effect of any costs or savings from prior year QIPP schemes.
- **In-year recurrent –** enter the value of a recurrent QIPP scheme in the year in which it begins. This may be less than the full annual value above if a scheme is started part way through a year;
- **Non-recurrent –** enter here non-recurrent QIPP against schemes in 2016/17.

It is important to note that any recurrent QIPP values must only be entered once in the year in which the scheme begins. Once a scheme is entered as 'recurrent' in this way it automatically feeds into the following year's baseline spend; do not enter the

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same recurrent saving each year on the QIPP sheet as this will distort and multiply the effect of the saving in the baseline position.

If different projects or work streams are contained within the same QIPP scheme and there are differences in timing of initiation and associated savings or investment, please enter the individual projects or work streams on different lines.

Non-recurrent savings or investment should be entered each year in the year in which they occur.

Please complete the monthly QIPP profile (columns Q-AC). This profile is total net QIPP, the total of both recurrent and non-recurrent savings and investments.

There is also a separate section to enter unidentified QIPP, in rows 122 to 128. Unidentified QIPP still needs to be attributed to a spend category in the dropdown boxes, in order for it to feed through to the overall financial plans. The level of unidentified QIPP will be assessed as part of the DC assurance process.

At the bottom of the tab (rows 141 downwards) there is also a box to separately identify any QIPP schemes that may require investment from other parties (other organisations or areas of commissioning). The investment here also needs to be split between recurrent and non-recurrent.

Financial information on QIPP entered on this tab will automatically populate the expenditure tabs. This sheet should be the only place where QIPP financial information is entered (with the exception of any additional risks on QIPP delivery not included in the planned figures which can be entered on the risk assessment tab, and current year out-turn figures on the Financial Plan Summary).

2.7 Investments

This sheet has been designed to capture any annual recurrent and non-recurrent investments across areas such as service quality and developments. It is important to note that these investments should not be QIPP related; any QIPP related investments ought to be entered in the QIPP sheets.

Commissioners are required to enter a free text description of the investment (in column A) and select the area of spend that the investment relates to alongside the value. This value then feeds into the expenditure plans automatically. Every investment needs to be coded against an area of spend for these to reconcile.

Recurrent investments should be added in rows 10-18 and non-recurrent from row 23-30. For recurrent investments, please enter the full annual value in column D. This will then calculate the full year effect in column C.

2.8 Risk

The format for risk assessment follows the format used for non-ISFE reporting throughout 2015/16. Commissioners are required to enter their full risk value and

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percentage probability of risk being realised, which automatically populates a potential risk value amount. All risks and mitigations should be entered as a positive value.

Please note that risks entered here ought to only encompass anything in addition to what has been incorporated in the planned position. As a general rule of thumb, if there is a high chance that a risk will materialise it would be expected to be shown in the expenditure tabs as part of the planned underspend or deficit position. Only include additional risks in this tab which put the achievement of the planned position at risk.

Please provide meaningful commentaries against each risk figure entered, providing specific detail as to what is driving the risk and avoiding general terminology as much as possible.

Enter any mitigation that can be used to offset this risk in rows 15-24. This is split between 'Uncommitted Funds' and 'Actions to Implement'. 'Uncommitted funds' ought to include any funds available that have not been committed in the plans. Figures entered as "actions to implement" ought to include actions on top of funds uncommitted in order to mitigate against risks (non-recurrent measures in here includes use of non-recurrent headroom, although it needs to be ensured that usage of non-recurrent headroom already committed in plans is not double-counted as a potential mitigation). Please enter the full mitigation value and the probability of success of the mitigation working as a percentage and the expected mitigation value will automatically populate. A commentary box is provided to show detail of what these mitigating actions are.

Further down the tab there is a box to enter mitigations that rely on potential funding, from either other DC commissioners, CCGs or the national team.

These mitigations should be entered in this table and will automatically feed through to the overall risk calculation. These boxes should only be used where there is a risk to the financial position which is likely to be mitigated by an increase in funding available. The commentary box ought to be used to specifically call out the source of funding mentioned.

The key figure produced by these assessments is the net risk/headroom position which is used to drive a risk adjusted planned underspend/ (deficit) position in the summary sheets.

2.9 Contract value triangulation

The contract collection through the financial template is limited to financial values with the activity baselines; phased activity plans; and provider/commissioner views of the contracting round (activity and finance) collected via UNIFY. Notwithstanding this the financial information submitted in the contract tab must be completed in a coordinated manner with the activity and contract tracker information that is collected via UNIFY. The coordination of this information internally by DC teams is vital to ensure that the plans can be assured from a commissioning perspective, i.e. the financial and activity values follow logically and can be clearly understood as values

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from the same date in the contracting/ planning round. Furthermore this coordination is crucial to ensure that meaningful work can be completed across providers and commissioners to provide assurance of the overall position of contract values reported between commissioners, NHS trusts and foundation trusts.

There is an expectation that organisational plans will align with those of the wider local health economy. In order to test the alignment of key contract assumptions Monitor, NHS England, and TDA will reconcile provider and commissioner plans for both 2015/16 and 2016/17.

The outputs of the reconciliation will be shared between the regional teams of Monitor, NHS England and TDA. Every step will be taken not to prejudice the position of any trust or commissioner and no information will be shared at an individual organisation level without first contacting the appropriate party.

The contract tab includes the following sections (by provider) for completion:

- Non-elective
- Elective (daycase and ordinary)
- Outpatient (first and subsequent appointments)
- Accident and Emergency
- Excluded drugs and devices
- Other
- Mental health
- Ambulance
- Community.

For the final 11 April submission there is also:

- Contract to plan bridge

2.9.1 Financial information

All contract spend across the headings should reconcile back to the NHS contract value on the financial plan detail tab. For 2015/16 please enter the forecast performance for each provider rather than contract plan values. For 2016/17 please enter the anticipated value of activity with providers inclusive of any QIPP schemes and CQUIN. Please also outline the QIPP per provider as a memorandum, as well as the value of CQUIN per provider as a memorandum.

Entries on this sheet will be compared with provider submissions via Monitor and TDA, and therefore need to align. The detail on the collection and requirement for activity and finance submissions through Unify are detailed in Annex 1 of the Technical Guidance.

11 April – in the final submission of the template there is a contract to plan bridge to complete for 2016/17 (columns W to Z). This will form an important part of the final plan assurance and triangulation across the wider health economy. Providers will also complete a similar bridge within their financial templates. NHS England, TDA and Monitor will collate the contracting information and bridge information across the

commissioning and provider returns, this should provide a broad reconciliation of finance and activity values across the NHS.

2.10 Specialised learning disability

The learning disabilities section requires specialist commissioning teams to provide information on in-patient spend on services for People with Learning Disabilities and/or Autism (PWLDA).

2.10.1 LD Table 1: Inpatient services for PWLDA

The inpatient spend required for 2015/16 and 2016/17.

Against each of the bed categories, please complete the following information:

- the total whole time equivalent number of inpatients during the same financial year e.g. if a patient has been in hospital for three months please include this as 0.25 WTE; and
- the total costs of those inpatients.

In terms of definitions of inpatient spend type and further queries the learning disability census section of the [HSCIC website](#) may prove helpful.

2.10.2 Mental health additional investment

A further requirement is to complete details on spend that is expected to increase due to mandate requirements on Tier 4 Child and Adolescent Mental Health Services (CAMHS).

The completion of the planning template for learning disability services should support the transformation process and the delivery of the national plan by providing a detailed financial baseline.

Furthermore, the national plan tasks local authorities, CCGs and NHS England specialised commissioners to come together to form Transforming Care Partnerships (TCPs) to build up community services and close unnecessary inpatient provisions over the next three years and by March 2019.

TCPs should allow for areas to commission at sufficient scale to manage risk, develop commissioning expertise and commission strategically for the relatively small number of individuals whose packages of care can be very expensive.

2.11 Capital

In this year's planning round the capital tab submission has been developed to provide detail on the multiyear capital requirements for both 'business as usual' and Primary Care Transformation Fund in order to align the Capital Planning Returns into the main Organisational Planning Returns.

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8 February 2016 – in this submission CCGs and local regional offices are required to complete their 2016/17 capital plans.

2 March 2016 – in this submission CCGs and local regional offices are required to complete the multiyear (2016/17-20/21) business as usual capital plan and the Primary Care Transformation Fund plans.

The table captures direct CCG and NHS England capital plans and those that it is expecting to be made within its area by other organisations such as NHS PS and CHP. Consistent with the note above about the unifying of the capital and financial planning process please note that the 2016/17 information provided will be submitted for approval by your region.

Please include value of any capital grants relating to 2016/17. Do not include the cost of this within expenditure within the (revenue) financial plan detail sheet as the allocation for capital grants will not have been included within the template.

Appendix A: Suggested approach for CCGs

This section offers a suggested approach to completing the planning templates. As the worksheets are linked, it is recommended that the workbook is completed in the order below to ensure information is meaningful during completion. CCGs should adhere to the guidance for the relevant worksheets as above.

1. In the Financial Plan Detail 2016/17 worksheet populate the FOT position against the cost categories provided in column B and make the non-recurrent adjustments in columns C, D and G to reach the recurrent underlying starting position. It is important that expenditure is entered correctly to generate an underspend in column B that corresponds with the latest forecast out-turn position for 2015/16. Continue completing the worksheet for the spend columns for recurrent expenditure (I, J, L, M, N and Q). Complete the final two non-recurrent expenditure columns (T and U).
2. Complete the investment worksheet for both non-recurrent and non-recurrent expenditure.
3. Complete the QIPP (including the monthly profile), and investments worksheets, in line with the guidance for these worksheets above. This will automatically update these areas of the expenditure plan.
4. On the same tab, complete the monthly profile of spend for 2016/17, ensuring that in total this balances back to the overall 2016/17 plan. Complete the additional information required (CSU costs and other non-recurrent cost pressures memorandum).
5. Complete the Contract 2015/16 with forecast out-turn and Contract 2016/17 worksheet. These values must tie back to the financial plan detail sheet.
6. Complete the Capital worksheet for 2016/17 for any planned additions.
7. Complete the SoFP and Cash sheets for 2016/17. A monthly profile is needed and it will be expected to match information provided in the other planning sheets.
8. Once all expenditure plans are complete, the Risk worksheet needs to be completed to assess any additional risk on top of the planned underspend or deficit positions.
9. Complete plans for the remaining sheets, Learning Disability, Mental Health and Better Care Fund.
10. Run through the Quality Checks worksheet to ensure that all information entered in monthly profiles and against contracts, QIPP, investments and non-recurrent headroom, ties back to the expenditure plans. Ensure that any validation errors are fixed before proceeding.
11. Review the Financial Plan Summary worksheet to ensure that the plan accurately reflects the CCG view of planned financial performance.

Appendix B: Suggested approach for direct commissioning

This section offers a suggested approach to completing the DC templates. As the worksheets are linked, it is recommended that the workbook is completed in the order below to ensure information is meaningful during completion. Regional teams should adhere to the guidance for the relevant worksheets as above.

1. At the Cover sheet, selecting the relevant DC team will show the worksheets that require completion. It is recommended that each area of DC is completed in stages.
2. Start at the Financial Plan Detail worksheet and populate the 2015/16 FOT position against the cost categories provided in column B, further stripping out non-recurrent costs and FYE impacts in columns C, D and G in order to reach the recurrent underlying starting position. It is important that expenditure is entered correctly to generate an underspend in column B that corresponds with the latest forecast out-turn position for 2015/16; it must reflect the latest forecast out-turn position for each area of DC.
3. Enter any other recurrent costs as required on the template (columns J, K, M, N and O).
4. Complete the QIPP (including the monthly profile), investments, LD and Contract worksheets, in line with the guidance for these worksheets above. This will automatically update these areas of the expenditure plan.
5. Ensure all extra non-recurrent costs are entered on the expenditure plan for application of pass through and any other cost pressures.
6. On the same tab, complete the monthly profile of spend for 2016/17, ensuring that in total this balances back to the overall 2016/17 plan.
7. Once all expenditure plans are complete, do not forget to add detail to any memorandum boxes which can be found at the bottom of the expenditure plans in the Finance Plan Detail tab. All costs should already have been entered above; these boxes merely separately identify the relevant costs needed.
8. Following this, the Risk worksheet needs to be completed to assess any additional risk on top of the planned underspend or deficit positions.
9. Run through the Quality Checks worksheet to ensure that all information entered in monthly profiles and against contracts, QIPP, investments and non-recurrent headroom, ties back to the expenditure plans. Ensure that any validation errors are fixed before proceeding.
10. Repeat the above steps for the other areas of DC as required.
11. Add any further comments on the Summary worksheet as required.
12. Complete all boxes on the cover sheet in order to demonstrate ownership and sign-off.