



GIG
CYMRU
NHS
WALES

Bwrdd Iechyd Prifysgol
Cwm Taf Morgannwg
University Health Board

**FINANCIAL CONTROL PROCEDURE:
CASH MANAGEMENT**

Initiated by Director of Finance & Procurement

Approved by Audit Committee

Date approved

Operational Date

Date for review [December 2023](#)

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FREEDOM OF INFORMATION STATUS: Open

This policy has been subject to a full equality impact assessment.

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1. PURPOSE

- 1.1 To document the processes involved in managing cash to ensure that Cwm Taf [Morgannwg](#) University Health Board (the UHB) is able to meet its liabilities as they fall due and also to adhere to Welsh Government requirements on cash management.
- 1.2 The Welsh Government requires the UHB to maintain bank balances sufficient only to meet liabilities that are due and not to build up cash balances by drawing down cash in advance of need.
- 1.3 The UHB is not permitted to invest revenue cash balances.

2. CASH FORECASTING

- 2.1 The ~~Treasury Cash~~ ~~Accountant~~ ~~Manager~~ shall prepare regular cash forecasts based on information received on revenue and capital plans and past trends.
- 2.2 At the beginning of the financial year and as part of the UHB's Financial Plan a full year cash forecast shall be prepared. The format of the forecast will be consistent with the requirements of the Financial Monitoring Returns.
- 2.3 The ~~Treasury Cash~~ ~~Accountant~~ ~~Manager~~ will update the annual forecast each month for reporting in the Financial Monitoring Returns. Significant movements away from the forecast will be highlighted and reported to the ~~Finance Manager~~ ~~-Head of~~ Financial Accounts.
- 2.4 At the beginning of each month the ~~Treasury Cash~~ ~~Accountant~~ ~~Manager~~ will prepare weekly forecasts for the coming month. The forecasts will be updated weekly and significant changes in the cash position shall be reported to the ~~Finance Manager~~ ~~-Head of~~ Financial Accounts.
- 2.5 On a weekly basis the Accounts Payable Manager (Shared Services) shall provide details of amounts due on the next BACS run. Notice will also be provided of high value invoices as they are received to enable these to be built into the forecast.
- 2.6 The Payroll Manager (Shared Services) will provide details of weekly and monthly payroll figures when they become

available. Early notice shall also be given of changes that affect the normal payroll total or the pay date.

- 2.7 Notification of Primary Care payments due to GPs and Pharmacists will be received from Contractor Services within Shared Services.

3. CASH ALLOCATION REQUESTS

- 3.1 The Welsh Government notify the ~~UHB Health Board~~ of the initial annual cash allocations for Revenue, GMS, Pharmacy, Dental and Capital at the start of the financial year and will send allocation letters to notify of any amendments during the year.
- 3.2 Cash allocations are drawn down on the first working day of the month. Any emergency call down or return of Cash to Welsh Government must be agreed with the Finance Directorate at Welsh Government and an explanation submitted with the Financial Monitoring return.
- 3.3 Welsh Government will issue a timetable giving the dates for each month when cash forecasts are required and when cash requests must be submitted.
- 3.4 The ~~Treasury Cash Accountant Manager~~ shall submit a forecast detailing daily cash inflows and outflows for the next month. This will be used by Welsh Government as advance notice of the likely cash drawn down requirement.
- 3.5 Requests to draw down cash shall be submitted on a Welsh Government FIS form by the ~~Treasury Cash Accountant Manager~~.
- 3.6 In determining the amount of cash to be drawn down the ~~Treasury Cash Accountant Manager~~ will only request sufficient funds to meet liabilities falling due. Cash will not be drawn down in advance of need.
- 3.7 The FIS form will state the allocation limit, amount required and the cumulative totals for the year. The cumulative amount requested cannot exceed the UHB's confirmed allocation.
- 3.8 The FIS form shall be signed by the preparer and authorised by a senior finance manager on the list of approved signatories provided to Welsh Government.

4 MANAGING CASH BALANCES

- 4.1 The ~~TreasuryCash Accountant~~ **Manager** shall be responsible for monitoring cash balances.
- 4.2 The ~~TreasuryCash Accountant~~ **Manager** shall access the ~~UHBHealth Board's~~ bank accounts to obtain statements of closing balances and the forecast entries for the coming day.
- 4.3 The ~~TreasuryCash Accountant~~ **Manager** will review the balances held against forecasts to ensure sufficient funds are held within the appropriate accounts.
- 4.4 The ~~TreasuryCash Accountant~~ **Manager** shall prepare requests to transfer money between accounts to keep balances in individual accounts or account sets at an appropriate level. No account shall become overdrawn.
- 4.6 The Financial Accountant or the ~~Finance Manager -Head of~~ Financial Accounts will authorise the transfer of monies between accounts.

5 EQUALITY IMPACT ASSESSMENT

- 5.1 Following assessment, this policy is not felt to be discriminatory or detrimental in any way with regard to the following equality strands: Gender; Race; Disability; Age; Sexual Orientation; Religion or Belief Welsh Language or Human Rights.

6. SUMMARY OF KEY RESPONSIBILITIES

Para.	Control item	Responsible Officer
2.1,2.3,2.4	Preparation of cash forecasts	Treasury Cash Accountant Manager , Finance
2.5	Notification of payment runs and high value invoices	Accounts Payable Manager (NWSSP)
2.6	Notification of weekly and monthly payroll totals	Payroll Manager (NWSSP)
2.7	Notification of primary care contractor payments	Contractor Services (NWSSP)
3.4,3.5,3.6	Preparation of cash drawdown requests to Welsh Government	Treasury Cash Accountant Manager , Finance
3.8	Authorisation of cash drawdown request (FIS forms)	Senior Finance Manager
4.1,4.3	Monitoring cash balances and review against forecasts	Treasury Cash Accountant Manager , Finance
4.4	Prepare requests to transfer monies between accounts	Treasury Cash Accountant Manager , Finance
4.6	Authorise transfer between accounts	Financial Accountant or Finance Manager - Head of Financial Accounts