



Financial Reporting Advisory Board Paper

Department of Health Group Manual for Accounts 2015-16 and guidance on accounting for the Better Care Fund

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| Issue: | The Board is asked to note progress in respect the 2015-16 Department of Health Group Manual for Accounts and integral Better Care Fund guidance. The Board is requested to advise whether it is content for the Manual to be issued after amendment by the Department. |
| Impact on guidance: | The Manual supplements the FReM for the DH Group |
| IAS/IFRS adaptation? | N/A |
| Impact on WGA? | N/A |
| IPSAS compliant? | N/A |
| Interpretation for the public sector context? | N/A |
| Impact on budgetary regime? | N/A |
| Alignment with National Accounts | N/A |
| Impact on Estimates? | N/A |
| Recommendation: | FRAB is requested to agree to the publication the DH Group Manual for Accounts. |
| Timing: | 2015-16 |

DETAIL

Background

1. FRAB members were invited to review and comment (by 12 May 2015) on the draft DH Group Manual for Accounts for 2015-16 at the 26th March 2015 meeting (FRAB Paper (123)07 refers). At that time, guidance on accounting for the “Better Care Fund” (BCF) remained under discussion, and DH undertook to submit BCF guidance for review once internally agreed by NHS stakeholders.

2. Draft BCF guidance was subsequently submitted to FRAB members (21 April 2015) and is in the latter stages of amendment following the receipt of comments from, and a subsequent discussion with, Andrew Buchanan. Before its final incorporation into the main body of the Manual, the Department will circulate the revised draft BCF guidance to Andrew and the wider stakeholder group for further comment and assurance that it meets NHS bodies' and the Department's requirements.
3. Following review by FRAB, the draft Manual was circulated to the wider stakeholder group on 19 May 2015, with a request for comments by 12 June 2015. Relatively few comments have been received to date: the Department welcomes late submissions and will of course consider any comments received after the deadline date.
4. At present therefore the Department has received no comments or concerns from the stakeholder group that might impact substantively on the Manual in its final revision.

Department of Health Group Manual for Accounts 2016-17

5. The Department proposes to submit outline plans for the production of the 2016-17 Manual to the November FRAB. The Department and Monitor continue to work towards convergence of the Manual and the FT ARM.

Impact on disclosures in resource and other accounts

6. The draft guidance is intended to improve the quality and reliability of national consolidated accounts, in compliance with Treasury reporting requirements.

IAS/IFRS compliance

7. The draft guidance complies with IFRS, as adapted and interpreted by the FReM.

Compliance with the Government Financial Reporting Manual

8. The draft guidance is FReM compliant.

Impact on the budgetary regime

9. There are no budgetary impacts

Recommendation

10. FRAB is invited to agree to the publication of the 2015-16 Group Manual, incorporating BCF guidance, as soon as (a) stakeholder comments on the core have been collated and acted upon;

and; (b) a further round of consultation on BCF guidance had been undertaken. We would be grateful for FRAB's view on how best to arrange authorisation out of committee.

Department of Health

11 June 2015