

ANNEX A**DEPARTMENTS WITH GROSS CASH FLOWS OVER £3BN**

A list of departmental Estimates fully in the scheme is at the end of this Annex. Requirements for these are as follows:

- 1) to submit *daily* forecasts for CHAPS and BACS payments and CHAPS receipts;
- 2) to submit a *monthly* forecast of gross payments and receipts split by method of payment;
- 3) to complete the “financed by” section which sets out how they propose to fund their net payments flow.
- 4) An Estimate of the Supply Required for the month (extracted from the “financed by” section of the work sheet.

Monthly worksheets showing the above should be sent to the Treasury Cash Management team by the 10th working day of the month. Any forecasts not received on time may be treated as ‘nil’ forecasts for the purpose of assessing forecasting performance.

Monthly outturn will be calculated by EFA team and compared with the forecast net payments flow. Charges/rebates system will normally apply only to these departments. (See details below).

Charges

These will be calculated as set out in PES (2000) 11.

Rebates

All charges calculated on the basis of departmental forecast errors will be accumulated monthly.

The monthly total charge will be re-allocated between participants pro-rata to the estimated gross cashflow of the block for the year as a whole. The basis of redistribution will be according to the gross payments and receipts data held by HM Treasury, underpinning the annual Main Estimates. For details of the calculations for each department, colleagues should contact the Cash Management Team.

Thus for each department a net charge or rebate will be calculated each month, equal to the difference between the monthly gross charge and rebate. These will be accumulated over the financial year.

EYF

For each department in the scheme, the accumulated annual net charge or rebate will be taken as the adjustment to the departments' EYF carry over into the next year.

Departments will be advised in April/May of their performance in the scheme, relative to other members over the preceding financial year. This advice will also show each department's EYF adjustments.

Adjustments will be applied to administration costs EYF entitlements, though separate arrangements will apply to the devolved countries, where the scheme covers both Secretary of State and devolved administration flows.

**ESTIMATES FULLY INCLUDED IN THE CASH-FLOW MANGEMENT
SCHEME (GROSS CASH-FLOW OF £3+)**

The following departments will be subject to the charges and rebates regime

1. Department for Education and Employment
2. Teachers Pension Scheme
3. Department of Health
4. National Health Service Pension Scheme
5. Department of the Environment, Transport and the Regions
6. Home Office (including Prisons)
7. Lord Chacellor's Department
8. Ministry of Defence
9. Armed Forces Pension Scheme
10. Department of Trade and Industry
11. Ministry of Agriculture, Fisheries and Food (a)
12. Intervention Board Executive Agency (a)

13. Department of Culture, Media and Sport
 14. Department of Social Security
 15. Scotland Office (and Scottish Executive)(b)
 16. Wales Office (and National Assembly for Wales)(b)
 17. Northern Ireland Office (and Northern Ireland Assembly)(b)
 18. Inland Revenue
 19. Principal Civil Service Pension Scheme
- (a) Will be merging together later in the year.
- (b) Forecasts and outturn measurement cover also the devolved administrations