



<p><b>External Consultancy Monitoring Returns 2020/21</b></p>	<p>Circular Reference: <b>HSC(F) 29-2020</b></p> <p>Date of Issue: <b>27 August 2020</b></p>
<p><b>For Action by:</b></p> <p>Director of Finance of all DoH Arm's Length Bodies</p> <p><b>Summary of Contents:</b></p> <p>This circular notifies DoH Arm's Length Bodies of the quarterly monitoring returns for external consultancy due in 2020/21</p> <p><b>Enquiries:</b></p> <p>Any enquiries about the contents of this Circular should be addressed to:</p> <p>Brian Hayward Finance Policy, Accountability and Counter Fraud Unit Department of Health Room D3 Castle Buildings Stormont BELFAST BT4 3SQ</p> <p>Tel: 028 90765647 <a href="mailto:fpau@health-ni.gov.uk">fpau@health-ni.gov.uk</a></p>	<p><b>Related Circulars:</b></p> <p>HSC(F) 25/2012</p> <p>HSC (F) 26/2016</p> <p><b>Implementation:</b></p> <p>Immediate</p>

## EXTERNAL CONSULTANCY QUARTERLY RETURNS 2020/21

### Background

1. DoH will shortly be commissioning the 2020/21 quarterly exercise to gather details of external consultancy projects. This monitoring exercise for revenue and capital consultancy is required to monitor and forecast spend for the current year.
2. DoF also use this information to test drill throughout the year. This is used to determine the extent to which best practice and due process measures have been applied and to ensure that the processes around the engagements of external consultants are in line with extant guidance and that they represent value for money.
3. In previous years, DoF have been critical of failure to comply with the relevant guidance and have taken a particular interest in:
  - rationale used for the decision to use external consultants, including the quality of the business case/economic appraisal;
  - approval obtained in advance of commitment to spend;
  - procurement issues; and
  - post project evaluation.
4. The decision to use consultants, or any external professional service, must be fully justified, the procurement properly conducted, the assignments managed and the costs recorded.

### Provisional timetable

5. Information will be requested on a quarterly basis and the timetable for 2020/21 is set out below:
  - 1<sup>st</sup> quarter (expenditure incurred between 1 April and 30 June 2020) due **15 September 2020**
  - 2<sup>nd</sup> quarter (expenditure incurred between 1 July and 30 September 2020) due **15 October 2020**
  - 3<sup>rd</sup> quarter (expenditure incurred between 1 October and 31 December 2020) due **15 January 2021**
  - 4<sup>th</sup> quarter (expenditure incurred between 1 January and 31 March 2021) due **15 April 2021**

Any changes to these dates will be notified to you.

## Quarterly Exercise

6. Organisations are asked to complete a separate Excel file consisting of 3 worksheets; a revenue sheet; a capital sheet; and a joint funding sheet. While capital consultancy expenditure is rare, all such spend should be recorded, including cases where expenditure is covered by approvals within OBCs.
7. For each quarter the excel spreadsheet should include information on all external consultancy projects (as defined by HSC(F) 25/2012) on which expenditure was incurred in the financial year to the end of that quarter<sup>1</sup>. Please fill in all the relevant fields for each project (please refer to Annex A for definitions and guidance). **Please ensure that a point of contact is assigned in order to answer all queries that might arise from this exercise. Returns should be submitted to [fpau@health-ni.gov.uk](mailto:fpau@health-ni.gov.uk)**
8. **Please be aware that this information will be used for DoF test drilling and therefore should be fully quality assured within each organisation prior to submission. Results from the DoF test drilling exercise are reported in the annual DoF report on external consultancy. It is necessary that you ensure that processes and procedures are in place in order that your body is in full compliance with all guidance and is tracking all spend in this area.**

## Queries

9. If you have any queries about the content of this circular, or regarding the use of external consultants in general, please do not hesitate to contact me or the following people:

Revenue External Consultancy:  
Brian Hayward: 02890 765647

Capital External Consultancy:  
Sharon Allen: 02890 523169

Yours,

**Charles Barnett**

**Financial Policy, Accountability and Counter Fraud Unit.**

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<sup>1</sup> Note that this should include actual and accrued expenditure

## **ANNEX A**

### **Project Title**

**DoH Ref.** The reference number assigned by DoH upon notification of the assignment.

### **Name of Consultant**

**Consultancy Category.** Please select the first and second level consultancy categories from the drop down menus. Full definitions of each of these categories can be found at Annex 2a to HSC(F) 25/2012.

**Expenditure Classification.** Please select the appropriate budgetary expenditure classification, either DEL Admin, DEL Resource or DEL Capital.

**Date BC Approval Body.** This should be the date on which the decision to employ the consultant was approved, in line with delegated limits (Internal approval for projects under £10k, Ministerial approval for projects over £10k and Departmental Accounting Officer approval for DACs).

**Date BC Approval Minister** If cost is above £10k (Please refer to HSC(F) 25/2012 for guidance) this should be the date of Ministerial approval.

**Date BC Approval DoF.** If cost above £75k, date DoF approved this contract. Please refer to HSC (F) 25/2012 for guidance.

**Date Contract Awarded.** Record the date on which the contract was awarded and the expenditure was committed.

**PPE Due.** Record the date on which a Post Project Evaluation is/was due to be completed for the project. Note this is usually within 12 weeks of project completion.

**PPE Completed.** If the Post Project Evaluation has been completed when the return is being made then record the date on which it was completed.

**Contract Value £.** Record the total value of the contract in £'s (excl VAT).

Expenditure Year to Date each quarter. Record the year to date expenditure on the project in £'s on a resource basis.- all actual and accrued costs should be included

Estimated Forecast Expenditure 2020/21. Record the total estimated forecast expenditure for the project for the year.

Contract Duration. Record the total duration of the contract in months.

Estimated Expenditure 2021/22, 2022/23 and 2023/24. Record the expenditure which it is estimated will occur on the project in these subsequent years up to the total duration of the project.

Direct Award Contract. Please indicate if this project is a direct award contract by selecting YES or NO

Direct Award Contract (Dept. AO approval). Please insert approval date in this box if the consultancy project has been procured via single tender action, i.e. it was awarded without competitive tendering. As per Procurement Guidance Note 02/10 all decisions to use a direct award contract should have the approval of the **Departmental** Accounting Officer.

Procurement - CPD/COPE Framework Used. As per HSC(F) 25/2012 all consultancy procurement should be done through a COPE/CPD unless specifically approved by the Accounting Officer. Tick the 'CPD/COPE Used' box to confirm that CPD or a recognised COPE has been used to procure the consultant.

Extension of lower value contract. If the contract is an extension of a lower value contract select YES and populate the extension notes field with details of this.

Notes Regarding Current Status. Please provide details regarding the up to date status of the project (e.g. delays etc.). Also if this is an extension of a lower value contract details should be provided here.