

NATIONAL HEALTH SERVICE

REVISED ESTIMATES FOR 1957-58

FORECAST ESTIMATES FOR 1958-59

REVENUE INCOME AND EXPENDITURE

Summary. This memorandum explains the basis on which the above Estimates should be prepared and sets out the timetable to be followed.

General

1. There is still the greatest need for economy and Boards are asked therefore, to ensure that the estimates, both for the current financial year and also the forecast for the next year, reflect not only the results of economy measures already taken, but also the expected results of those which it is intended to introduce. The revised estimates for the current year must not, of course, exceed the original allocation adjusted as indicated in Paragraph 2 below, and Boards are asked to forward with their estimates a statement reconciling the original regional allocation with the total of their revised estimates.

2. (a) Estimates should be based on the prices of services and commodities ruling at 30th September, 1957, and should take account of salary and wage awards issued by 30th September, 1957.

(b) By early September, the Minister will advise Boards of the adjustments to be made in the regional allocation for 1957-58 in respect of price changes since mid-December, 1956, and the totals within which the revised estimates are to be framed should be adjusted accordingly.

(c) The total within which the revised estimates are to be framed should be reduced by the amount by which expenditure on rates in 1957-58 falls short of the corresponding expenditure in 1956-57.

(d) The original allocations to Boards for 1957-58 included provision for increase in salaries and wages authorized by the 30th September, 1956. For the purpose of the revised estimates, the allocation may be regarded as increased by the expenditure in 1957-58 (as estimated for the purpose of the returns submitted in accordance with H.M. (55) 86— as amended by H.M. (55) 105), on awards issued since that date and up to 30th September, 1957. Boards are particularly asked to ensure that all returns called for under these circulars in respect of awards issued up to 30th September, 1957, reach the Ministry not later than 30th November, 1957. Estimates should not be increased to reflect possible increases in expenditure resulting from the implementation of A.S.C. 52 and paragraph 2 of A.S.C. (Builders) 19.

3. The form in which the Boards' Estimates are to be forwarded to the Ministry follows generally the simpler form adopted in connection with the revised estimates for 1956-57 and the forecast estimates for 1957-58.

4. Clinical Research

Expenditure on clinical research activities should be excluded from the forecast estimates for 1958-59. Item (vii) in Statement 2 will reflect

To: *Regional Hospital Boards (for action),
Hospital Management Committees (for information).*

this exclusion. In making the allocations for 1957-58, it was assumed that those major schemes of clinical research financed by Boards from Exchequer sources which had been reviewed for transfer would have been transferred to the Medical Research Council by 1st April, 1957. If, to any significant extent, this has not proved to be the case, attention should be drawn to the fact when the revised estimates are submitted. Special arrangements have been made in H.M. (57) 36 for dealing with locally organized research.

5. Time Table

The Boards should send to the Ministry (for the attention of AGD4) (to the Welsh Board of Health in the case of the Welsh Regional Hospital Board) their revised estimates of expenditure and income for 1957-58 and forecast estimates for 1958-59 in the form set out in the Appendix so as to arrive by 30th November, 1957.

It is particularly requested that Boards will ensure that this information is sent to the Ministry as early as possible and in any event so as to arrive not later than that date.

6. The Ministry will endeavour, wherever practicable, to issue its approval of Boards' revised estimates for 1957-58 by 31st December, 1957.

7. By 15th February, 1958, the Ministry will notify each Board of the total sum which it is proposed to allocate to each region for 1958-59 subject to the ultimate approval by the Government and Parliament of the Estimates for the National Health Service.

8. Before the end of March, 1958, Boards should notify to Hospital Management Committees, after any necessary discussions with them, the total sum within which detailed estimates for 1958-59 are to be prepared.

9. Summary of statements to be provided

(a) One copy of the reconciliation statement referred to in paragraph 1 above.

(b) One copy of each of the statements set out in the Appendix (except Part II of statement 3).

(c) Two copies of Part II of statement 3.

(d) Two copies of the statement supporting item (xi) of statement 1A.

(e) One copy of explanation, if needed, referred to in Note 2 of statement 2.

Date for submission—30th November, 1957.

MINISTRY OF HEALTH,
SAVILE ROW,
LONDON, W.1.

24th July, 1957.

94401/1/100

SUMMARY OF REVISED ESTIMATES FOR 1957-58 AND FORECAST ESTIMATES FOR 1958-59

PART I—EXPENDITURE

(1)	Actual Expenditure 1956-57 (Note 1) (2)	Revised Estimate 1957-58 (3)	Estimated cost in 1958-59 of services as at 31st March, 1958 (4)
	£	£	£
<i>Regional Hospital Board</i>			
(i) Central administrative expenses			
(ii) Blood transfusion service ...			
(iii) Mass radiography ...			
(iv) Consultants, S.H.M.Os., S.H.D.Os. and Registrars ...			
(v) Contractual arrangements ...			
(vi) Other expenditure ...			
(vii) Totals for Board ...			
(viii) Hospital Management Committees (totals of Statement 1B) ...			
(ix) Estimated Balance of Regional Reserves not expected to be committed by 30th November, 1957 (purposes to be stated)			
(a) ...	—		—
(b) ...	—		—
(x) Totals for Region ...			
<i>Add:</i>			
(xi) Amounts required for urgent development and improvements coming into operation in the region in 1958-59 (Note 2):			
(a) arising from completion of capital works ...			
(b) not arising from completion of capital works but involving the opening of additional ward accommodation ...			
(c) other developments and improvements ...			
(xii) Total estimate for 1958-59£

PART II—INCOME

(1)	Actual 1956-57 (Note 1) (2)	Revised Estimate 1957-58 (3)	Estimate 1958-59 (4)
	£	£	£
Regional Hospital Board			
Hospital Management Committees			
Total for Region			

NOTES:

1. The amounts entered in Col. 2 should be those appearing in the final accounts as submitted; reservations made by the auditor should not be reflected in these figures.

2. Entries at item (xi) above should be supported by two copies of a statement showing:—

- (a) Details of the scheme.
- (b) Number of additional beds provided.
- (c) Any expansion of the out-patient service.
- (d) Estimated date of coming into operation.
- (e) Numbers of staff required.

STATEMENT 1B

SUMMARY OF EXPENDITURE AND ESTIMATES OF
HOSPITAL MANAGEMENT COMMITTEES

(1)	Actual Expenditure 1956-57 (Note 1) (2)	Revised Estimate 1957-58 (3)	Estimated cost in 1958-59 of services as at 31st March, 1958 (4)
	£	£	£
A. Hospital Maintenance			
(i) Salaries and Wages			
(a) Medical (Category B)			
(b) Nursing (Category C)			
(c) Works and Maintenance: (Building and Plant)			
(d) Administrative and Clerical			
(e) Other Staff (including gardeners and stokers)			
(f) Total			
(ii) Provisions			
(iii) Uniforms and clothing			
(iv) Drugs, dressings, medical and surgical appliances and equipment			
(v) General Services (fuel, light, heating, water, cleaning and laundry) Note 2			
(vi) Maintenance of buildings, plant and grounds			
(vii) Domestic repairs, renewals and replacements			
(viii) Other hospital expenditure			
(a) Rates			
(b) All other expenses			
(ix) Totals			
(x) Less Direct Credits			
(xi) Totals less direct credits			
B. Central administration expenses of the Committee			
C. Other expenditure (Table C)			
D. Totals			

NOTES:

1. Subject to the modification required by Note 2, the amounts entered in Col. 2 should be those appearing in the final accounts as submitted; reservations made by the auditor should not be reflected in these figures.

2. The expenditure shown in Col. 2 should relate to the same services as those to which the estimates in Cols. 3 and 4 relate. Expenditure on cleaning should accordingly be included in group (v) and not in group (vi).

STATEMENT 2

ESTIMATED COST IN 1958-59 OF SERVICES IN THE REGION AS AT 31st MARCH 1958 COMPARED WITH REVISED ESTIMATES 1957-58

Details (1)	Estimated cost in 1958-59 compared with revised estimate of cost in 1957-58	
	Decrease (2) £	Increase (3) £
(i) Whitley Awards issued by 30th Sept. 1957 (Note 1)		
(ii) Changes in prices of services and commodities which have taken place by 30th Sept. 1957		
(iii) Net effect of normal salary increments ...		
(iv) Cost of equal pay awards		
(v) Effect of revenue saving projects		
(vi) Effect of sales and closures		
(vii) Savings due to clinical research		
(viii) Effect in 1958-59 of developments, improvements beginning in 1957-58, and other changes in expenditure (Note 2)		
<i>Resulting in additional facilities</i>		
(a) Net additional staff		
1. appointed 1.4.57 to 30.9.57...		
2. expected to be appointed 1.10.57 to 31.3.58		
(b) Other changes in expenditure ...		
<i>Not resulting in additional facilities</i>		
(a) Net additional staff		
1. appointed 1.4.57 to 30.9.57...		
2. expected to be appointed 1.10.57 to 31.3.58		
(b) Other changes in expenditure ...		
(ix) Totals		
(x) Net increase or decrease (Note 3) ...	£	

NOTES:

1. This total should accord with the information contained in the returns submitted under H.M. (55) 86 and H.M. (55) 105.
2. It is expected that, taking the region as a whole, developments and improvements commenced in 1957-58 will cost in 1958-59 double the amount expended on them in 1957-58 and that economies and savings effected in 1957-58 will affect 1958-59 similarly. The amount to be included at item (viii) is the next additional cost after allowing for offsetting savings (other than those included at items (v) (vi) and (vii)). If the estimated net additional cost for the region in 1958-59 is appreciably more than the net cost in 1957-58, an explanatory statement should be attached.
3. The amount at item (x) should be equal to the total of the differences between the entries in Col. (4) and Col. (3) of Statement 1A for items (vii) and (viii).

STATEMENT 3

STATISTICAL DATA

PART I

(1)	Actual 1956-57 (2)	Revised Estimate 1957-58 (3)	Forecast 1958-59	
			Service as estimated at 31st March, 1958 (4)	Totals including developments and improvements estimated to come into operation in 1958-59 (5)
(i) Average daily number of staffed beds available				
(ii) Average daily number of beds occupied ...				
(iii) Number of out-patients' attendances as calculated for the purpose of the Hospital Costing Returns ...				

PART II

Number of Staff (in whole-time Equivalents)

Number of Staff at (1)	Medical and Dental		Nursing and Mid- wifery (Cate- gory C) (4)	Admin. and Clerical (5)	Other Staff (Cate- gory D) (6)	Total (7)
	Consultants S.H.M.O's S.H.D.O's Registrars (Category A) (2)	Junior Staff (Cate- gory B) (3)				
(i) 31st March, 1957 ...						
(ii) 30th Sept., 1957 ...						
(iii) 31st March, 1958 ... (Estimate)						
(iv) 31st March, 1959 ... (Estimate)						

NOTES:

1. Two copies of Part II of this statement should be forwarded.
2. The figures at (i) and (ii) of Part II should accord with those supplied on Forms SH15 Part II except that Category A honorary appointments and unpaid students should be excluded and their numbers shown separately in parenthesis in Cols. 2 and 6 respectively.
3. Staff paid out of A.N.T.C. funds should be excluded.