# WRITTEN STATEMENT

# BY

# THE WELSH GOVERNMENT

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| **TITLE** | **NHS Wales Accounts 2021-22** |
| **DATE** | **17 June 2022** |
| **BY** | **Eluned Morgan, Minister for Health and Social Services** |

The accounts of eleven NHS Wales organisations for 2021-22 have been audited by the Auditor General for Wales and have today been laid before the Senedd.

As in previous years, the accounts of health boards and NHS trusts have been prepared under the NHS three-year financial regime that was introduced under the NHS Finance (Wales) Act 2014.

As special health authorities, Health Education and Improvement Wales (HEIW) and Digital Health Care Wales (DHCW) are not covered by this Act and are required to break-even in each financial year. 2021-22 is the inaugural year for DHCW.

The audit of Betsi Cadwaladr University Health Board’s accounts has not yet been concluded.

Despite the challenges posed by the pandemic, nine of the 11 NHS organisations operated within their budgets in 2021-22. Hywel Dda and Swansea Bay university health boards reported deficits in line with their initial plans developed prior to the pandemic.

Six of the 10 health boards and NHS trusts covered by the 2014 Act complied with the statutory break-even duty by operating within their budgets over the three-year period of assessment from April 2019 to March 2022. HEIW and DHCW also complied with their annual duty to break even in 2021-22.

Hywel Dda and Swansea Bay university health boards, which reported deficits in 2021-22 and previous years, did not comply with their duty to break even due to these deficits. It is likely Betsi Cadwaladr University Health Board will not meet the break-even target when their accounts have been published.

As in previous years, health boards which have failed to meet their statutory financial break-even duty for the three-year period of assessment have received qualified regularity opinions from the Auditor General for Wales on their 2021-22 accounts.

In addition, all bodies except the Welsh Ambulance Services NHS Trust, HEIW and DHCW, have been subject to a qualified opinion in relation to the regularity of expenditure as a result of the Ministerial direction on senior clinicians’ pensions. This applies only to annual allowance tax charges arising from an increase in their benefits accrued during the tax year ending 5 April 2020. This expenditure has been deemed material in nature by the Auditor General for Wales.

I am pleased at the progress made by Cardiff and Vale University Health Board in returning to in-year financial balance. The health board has met its three-year break-even duty for the first time since the implementation of the 2014 Act. As announced by the former Health Minister, any historic deficits incurred will no longer be repayable.

My officials are preparing a summarised account of the health boards, NHS trusts and Health Education and Improvement Wales, which will be published in August following sign-off by the Auditor General for Wales.