# WRITTEN STATEMENT

# BY

# THE WELSH GOVERNMENT

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| **TITLE**  | **NHS Accounts 2020-21** |
| **DATE**  | **16 June 2021**  |
| **BY**  | **Eluned Morgan MS, Minister for Health and Social Services** |

The accounts of the eleven NHS Wales organisations for 2020-21 have been audited by the Auditor General for Wales and have today been laid before the Senedd. As in previous years, the accounts of Local 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 a Special Health Authority, Health Education and Improvement Wales (HEIW) is not covered by this Act, and is required to break-even in each financial year.

Despite the challenges posed by the pandemic, nine out of the eleven NHS organisations operated within their budgets in 2020-21. Only Hywel Dda and Swansea Bay University Health Boards were unable to balance their books in-year, reporting deficits in line with their initial plans developed prior to the pandemic. The overall outturn for NHS Wales was a deficit of £48m, down from £89m in 2019-20.

Six out of the ten 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 2018 to March 2021. HEIW also complied with their annual duty to break even in 2020-21. In addition to Hywel Dda and Swansea Bay University Health Boards, which reported deficits in 2020-21, Betsi Cadwaladr and Cardiff and Vale University Health Boards also failed their three-year duty due to deficits incurred in previous years. As in previous years, the four health boards that 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 2020-21 accounts.

I am pleased at the progress Cardiff and Vale University Health Board and Betsi Cadwaladr University Health Board have made in returning to in-year financial balance. As announced by my predecessor last year, once these organisations have met their three-year duty to break-even, then any historic deficits they have incurred will no longer be repayable. I expect Cardiff and Vale University Health Board to achieve that position at the end of this financial year.

My officials are preparing a summarised account of the Health Boards, NHS Trusts and Health Education and Improvement Wales, which is due to be published in August following sign-off by the Auditor General for Wales.