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CYMRU
NHS
WALES

Bwrdd Iechyd
Aneurin Bevan
Health Board

Ref: AB/AB/cr

Direct Line: 01495 765398

20 December 2010

Angela Burns
Chair, Finance Committee
Cardiff Bay
Cardiff
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Dear Angela

Re: Welsh Assembly Government Draft Budget 2011 / 2012

Thank you for your letter of the 8th December regarding the above. I have been asked to respond on behalf of my colleagues given the tight timescales the Finance Committee is working too.

As discussed in the Committee meeting of the 2nd December, it is recognised that the settlement for the NHS in Wales is exceptionally challenging but given the broader economic outlook for public services in Wales this, to a large extent, had already been anticipated by the service. From a planning perspective all Health Boards working with the Welsh Assembly Government team have known and understood that they needed to develop their service plans in the light of a very difficult economic outlook.

Accordingly the five year service plans, currently being developed by all Health Boards, have been framed within a context of continuing to improve the standards of health care provision, improving access to services and delivering the Ministerial priorities within available resources.

It is recognised that to achieve this will require a combination of high levels of efficiency in operational service delivery coupled with the continued transformation of services described by the NHS Confederation in their evidence to the Committee.

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Bwrdd Iechyd Aneurin Bevan yw enw gweithredol Bwrdd Iechyd Lleol Aneurin Bevan
Aneurin Bevan Health Board is the operational name of Aneurin Bevan Local Health Board

As Finance Directors we do recognise that the creation of large integrated Health Boards and the removal of the internal market make the Health Service in Wales much better placed to meet this challenging agenda and remove barriers to service integration that previously existed. This does present a real opportunity for Health Services in Wales.

The reduction in the capital allocation available to the NHS in Wales is of concern and the service will need to better prioritise capital spends on an All Wales basis to ensure priorities can be met going forward. The greater use of capital receipts and working in partnership across the public sector in Wales will need to be a growing feature of future capital plans for all Health Boards.

As you would imagine, as still relatively new and developing organisations, all Boards are currently undergoing rigorous assurance processes to ensure their plans are deliverable and at this stage it is difficult, therefore, to consolidate the plans of all of the Health Boards in a meaningful way as evidence to the Committee. An all Wales summary of costs and benefits related to service change and improvements would be very difficult to structure and present at this stage.

I do hope, however, that you find this summary helpful in concluding the deliberations of the Finance Committee.

Yours sincerely

Dictated but not signed in order to expedite delivery

Alan Brace
Director of Finance
Aneurin Bevan Health Board

cc Directors of Finance
Andrew Goodall, All Wales Chief Executives
Kate Watkins, NHS Confederation