



Ein cyf/Our ref: MA-P-MD-0289/16

David Rees AM
Chair
Health and Social Care Committee
Cardiff Bay
Cardiff
CF99 1NA

21 January 2016

Dear David

I write in response to your request for additional information at the Committee session on 14 January 2016.

1. An outline of how the £200 million additional to support core NHS delivery has been distributed;

As requested, I attach the letter that was issued to Health Boards at Annex 1. For clarity, a budget cannot be allocated until the budget is approved so the physical allocation of resources will take place in 2016/17. In line with previous Committee recommendations, we try to provide as much information as possible about the resources available and how they will be allocated through the issue of an allocation letter in December of each year i.e. around the draft budget time, and then follow that up with further information as I stated in the Committee.

The allocation letter (which is issued in the form of a Welsh Health Circular) in December is very detailed. It did not allocate the resources, but in paragraph 13 it set out that Health Boards **should plan** that the £200m would be allocated on the agreed population basis.

This would result in the following allocations that will be well known to health boards:

Distribution of Additional £200 million	£m
Abertawe Bro Morgannwg	35.815
Aneurin Bevan	38.264
Betsi Cadwaladr	42.515
Cardiff and Vale	28.789
Cwm Taf	22.225
Hywel Dda	24.255
Powys	8.137
Total	200.000

We have confirmed the above, along with other intentions in discussions with NHS chairs, CEOs and directors of finance since the issue of the letter. Information will be refined further as decisions are made covering the other funds included in the draft budget and we will be updating the original allocation letter via other planning letters.

A final allocation letter is planned to be issued in March following the final budget approval, before the new financial year and final submission of health board plans.

2. Additional information on the figures outlined in the WAO report *Supporting the Independence of Older People: Are Councils Doing Enough?* (Oct 2015)

I am grateful for the additional clarification of this request that has been included in correspondence of 19 January. I will include the detail requested in my later response.

3. Provide a breakdown of the planned capital spending for 2016-17 including:
 - details of discretionary capital allocations to local health boards;
 - details of costs of 2016-17 schemes which are already being funded;
 - details of new capital allocations for 2016-17.

The discretionary capital allocations to local health boards are:

2016-17 Discretionary Allocations	£m
<i>NHS organisation</i>	
Aneurin Bevan	7.209
Abertawe Bro Morgannwg	9.745
Betsi Cadwaladr	9.614
Cardiff and Vale	9.914
Cwm Taf	3.496
Hywel Dda	4.947
Powys	0.954
Total	45.879

In terms of funding for approved schemes, these are as follows:

2016-17 Already Approved Schemes	£m
Emergency Department Management System	1.129
Morrison Outpatients	2.000
Morrison Clinical & Diabetic Accommodation	2.200
Morrison Cardiac Centre	1.800
Morrison Renal	5.338
Ysbyty Glan Clwyd Redevelopment	4.037
Twywn Redevelopment	0.070
SuRNICC Enabling Works	0.132
Patient Administration System	2.218
JAG Accreditation Bangor and Glan Clwyd	0.152
Blaenau Ffestiniog Resource Centre	3.501
Adult Acute Mental Health Llandough	0.961
Children's Hospital	1.881
UHW Neonatal	4.192
Cardiff Royal Infirmary Substance Misuse	0.300
Bronglais Redevelopment	1.805
Prince Phillip Hospital Unscheduled Care	0.434
Laboratory Information System	0.020
Intelligent Audit Provision Tool	0.016
Public Health Wales Accommodation Strategy	1.150
Transforming Cancer Services Programme	2.164
Linear Accelerator Replacement Velindre	0.595
All Wales Blood Service	0.365
Ambulance Planning, Resourcing and Dispatch System	0.224
St David's Hospice	2.182
Cylch Caron Business Case Fees	0.136
Total	39.002

With regard to new capital allocations for 2016-17, as I indicated last week at Committee, I have earmarked funding for a number of key investments. This includes supporting our national programmes, for example, for developments in diagnostics and genomics. It also includes specific schemes such as a new community hospital at Cardigan, the Cylch Caron Project in Tregaron, a new primary and community resource centre at Flint, the redevelopment of Llandrindod Wells Hospital and the Specialist Critical Care Centre in Llanfrechfa. Discussions are on-going regarding further opportunities and priorities, and details of these will be shared with the Committee once these are concluded.

Best wishes,

Mark

Mark Drakeford AC / AM

Y Gweinidog Iechyd a Gwasanaethau Cymdeithasol
Minister for Health and Social Services