



Oifig an Phríomhoifigigh Airgeadais
Feidhmeannachta Seirbhíse Sláinte,
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6th July 2023

Deputy David Cullinane TD,
Dáil Éireann,
Leinster House,
Kildare Street,
Dublin 2.

Re PQ 30377 23: *To ask the Minister for Health to outline any cost-saving measures identified in health in Budgets 2016 to date; the amount of money saved; and if he will make a statement on the matter.*

Dear Deputy Cullinane,

The Health Service Executive has been requested to reply directly to you in the context of the above Parliamentary Question, which you submitted to the Minister for Health for response. Your PQ above has been referred to me for response.

The HSE is fully aware of, and committed to, its obligation to protect and promote the health and wellbeing of the population while making best use of the resources available to it. In managing services the Board, through its Executive, will continue to pro-actively manage the budget notified to it with the aim of operating within that budget while delivering on the targets set out in NSP's in a way that represents value for the resources entrusted to it.

The HSE is also committed to taking all practical steps in order to facilitate the continued improvement of our services which is dependent on sustained additional investment over the medium term, coupled with the necessary innovation and change. The COVID pandemic brought uncertainty and complexity to the planning and delivery of services over the last several years. As a consequence, it also brought complexity and exceptional levels of uncertainty to elements of our efforts at financial planning and financial management.

Ongoing improvements in efficiency and effectiveness are a normal part of any system and it is assumed that this is the case across the health system, including for 2023. However, it is appropriate to recognise the likely ongoing impact on capacity and capability for same due to the last four years of responding to the ongoing pandemic. It is also assumed that any improvements in efficiency and effectiveness are more likely to be consumed in mitigating the significant and well evidenced unmet need and ongoing requirements to improve the safety and quality of services, rather than yielding significant net cash releasing savings.

This is achieved through pre-existing rules and practices around good financial management, including the National Financial Regulations and the Performance and Accountability Framework. This has supported the HSE in achieving an in year 2022 breakeven (actual €10m / 0.04% surplus), or a cumulative surplus of €76.2m / 0.01% across the 4 years 2019-2022 where the total expenditure was €79,172m and the vast bulk of all supplementary funding was for COVID related costs, post service plan decisions made outside of the HSE, or pensions and other demand led items, including reimbursement of the state claims agency.

NSP 2023 also sets out a small number of cost mitigation action areas which are to be part of a structured Expenditure Management Programme, jointly governed with DOH colleagues, to



progress efficiencies and savings. Within the HSE this programme is being led by the Chief Operations Officer with support from Clinical, Finance, HR and other divisions as necessary, as well as EMT / SLT support and oversight.

If you have any queries, please do not hesitate to contact me at sarah.anderson1@hse.ie or tel: 087 9423319.

Yours sincerely

A handwritten signature in blue ink that reads "Sarah Anderson".

Sarah Anderson
General Manager HSE Corporate Finance
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