

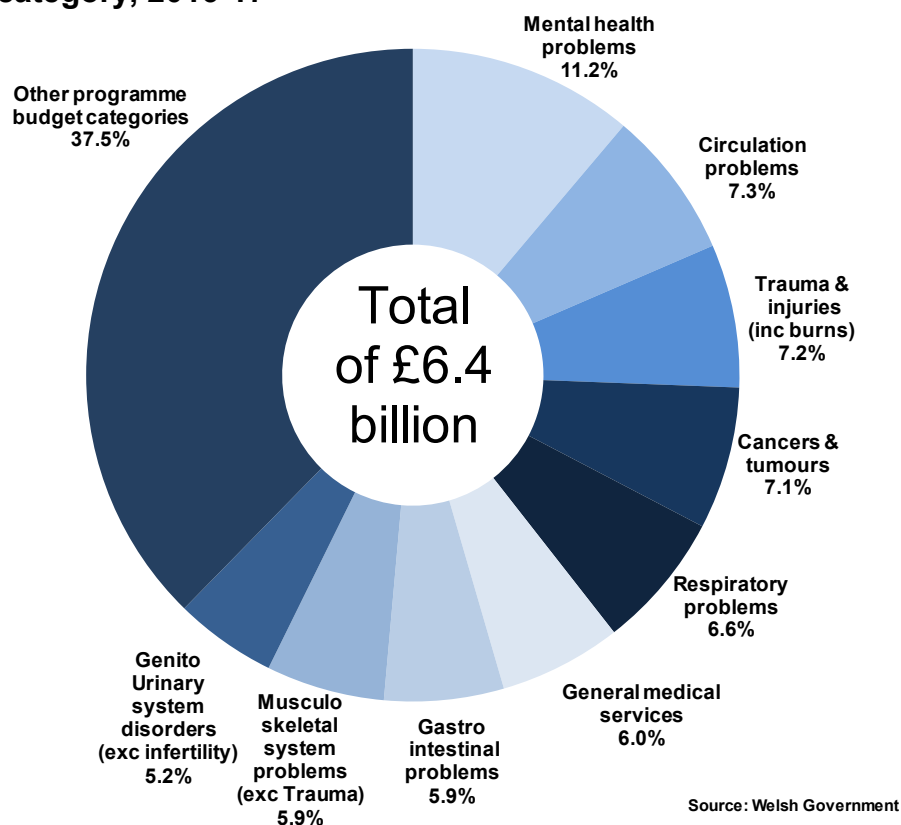
17 April 2018
SFR 29/2018

NHS Expenditure Programme Budgets, 2016-17

Key results for 2016-17

- Total expenditure for all programme budget categories was £6,381million or £2,050 per head of the population.
- Total expenditure in 2016-17 was 4.3 per cent higher than expenditure in 2015-16 and 33 per cent higher from a decade ago.
- The programme budget expenditure category with the biggest increase was 'mental health problems', which increased by £32 million (4.7 per cent) from 2015-16 and by £132 million (22.7 per cent) from a decade ago.
- The largest single programme budget category was spending on mental health problems, which amounted to 11.2 per cent of the total.
- Spending per head of the population on clinical programmes, ranged from £11.16 on hearing problems to £228.79 on mental health problems.

Chart 1: Percentage of NHS expenditure by programme budget category, 2016-17



About this release

This annual Statistical Release covers all Local Health Board (LHB) expenditure and the expenditure of the Public Health Wales NHS Trust (PHW) analysed by programme of care, including expenditure on primary care services, such as GPs and dentists, as well as secondary care services, such as hospitals.

Key results for LHBs are presented in Table 1, and for Wales in Tables 2-6 and Charts 1-3. Further breakdowns by LHB are available on StatsWales.

These results relate to the financial year 2016-17 and are reported for the 7 Local Health Boards that came into existence on 1 October 2009 and PHW.

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Introduction

Programme Budgeting is an appraisal of resource allocation. It collects financial information that identifies all health and social care expenditure, including primary care services, to programmes of care based on medical condition. Financial figures are collected from all Welsh NHS Trusts and Local Health Boards (LHBs) in Wales together with the Welsh Health Specialised Services Committee (WHSSC) and Public Health Wales (PHW).

Further information can be found in the [Key Quality Information](#) section.

Local health board

Total expenditure for all programme budget categories for 2016-17 was £6,381 million or £2,050 per head of the population. Betsi Cadwaladr University had the biggest NHS expenditure whilst Powys Teaching had the smallest NHS expenditure. NHS expenditure per head ranged from £1,881 in Cardiff and Vale University LHB to £2,185 in Cwm Taf University LHB in 2016-17.

Table 1: NHS expenditure and NHS expenditure per head by local health board, 2016-17

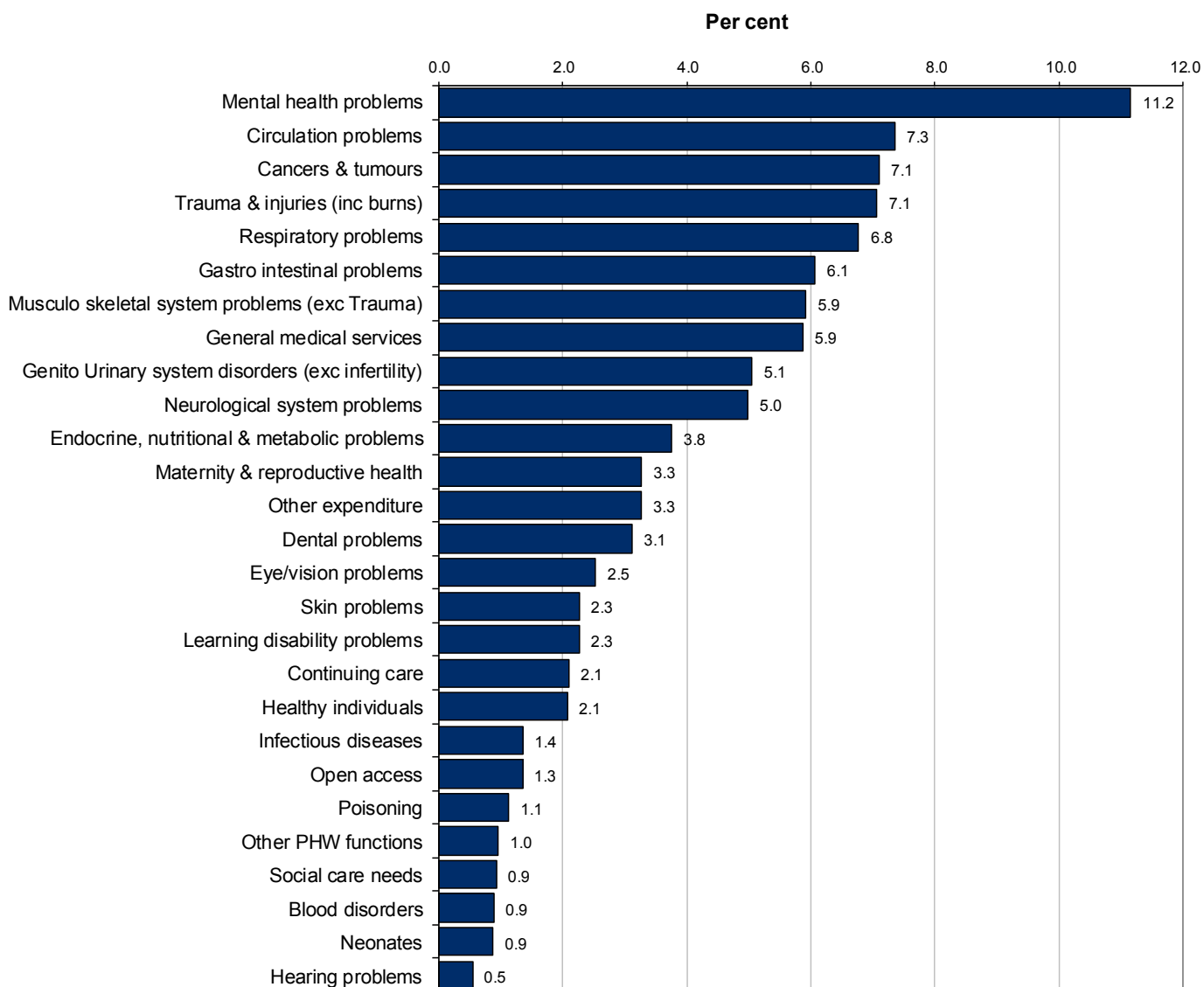
| Local Health Board | NHS expenditure (£'million) | NHS expenditure per head |
|---------------------------------------|--|-------------------------------------|
| Betsi Cadwaladr University LHB | 1,432.10 | 2,061 |
| Hywel Dda University LHB | 825.65 | 2,152 |
| Abertawe Bro Morgannwg University LHB | 1,099.80 | 2,077 |
| Cardiff and Vale University LHB | 921.84 | 1,881 |
| Cwm Taf University LHB | 650.78 | 2,185 |
| Aneurin Bevan University LHB | 1,166.11 | 1,994 |
| Powys Teaching LHB | 285.18 | 2,155 |
| Wales | 6,381.46 | 2,050 |

Expenditure by programme budget category and sector

Chart 2 shows the breakdown of the total NHS expenditure in Wales for 2016-17, by programme budget category. Mental health problems (excluding 'other programme expenditure') form the largest proportion, accounting for 11.2 per cent of all NHS expenditure.

In addition to the expenditure that can be categorised by medical diagnosis, there are two specific groups for 'Healthy Individuals' and 'Social Care Needs'. These capture the costs of prevention programmes and services that support individuals with social rather than health care needs. Together they amounted to 3.0 per cent of total expenditure in 2016-17.

Chart 2: Percentage NHS expenditure by programme budget category, 2016-17



[Table 2](#) and [Table 3](#) analyse Local Health Board expenditure by programme budget category and sector. Local Health Boards fund services provided by primary care practitioners such as GPs and dentists, who are generally the first point of contact with the NHS for the patient, and secondary care services such as hospital treatment. These are usually provided following a referral of the patient by their primary care provider.

Table 2: NHS expenditure by programme budget category and sector, 2016-17

£millions

| Programme budget category | LHB primary | LHB secondary | LHB and PHW total (a) |
|--|----------------|----------------|-----------------------|
| Infectious diseases | 32.3 | 54.3 | 86.7 |
| Cancers & tumours | 29.0 | 422.7 | 452.8 |
| Blood disorders | 5.8 | 51.0 | 56.7 |
| Endocrine, nutritional & metabolic problems | 163.7 | 75.9 | 239.7 |
| Diabetes | 88.9 | 22.4 | 111.3 |
| Other endocrine, nutritional and metabolic problems | 74.9 | 53.5 | 128.3 |
| Mental health problems | 59.9 | 649.8 | 712.3 |
| General mental illness | 12.7 | 297.6 | 312.1 |
| Elderly mental illness | 6.7 | 221.8 | 228.8 |
| Child & adolescent mental health services | 4.1 | 44.8 | 48.9 |
| Other mental health problems | 36.5 | 85.7 | 122.6 |
| Learning disability problems | 2.9 | 141.6 | 144.5 |
| Neurological system problems | 72.4 | 245.4 | 317.8 |
| Eye/vision problems | 58.4 | 103.3 | 161.6 |
| Hearing problems | 0.9 | 33.8 | 34.7 |
| Circulation problems | 97.3 | 371.4 | 468.9 |
| Respiratory problems | 125.6 | 306.6 | 432.1 |
| Dental problems | 152.0 | 47.0 | 199.0 |
| Gastro intestinal problems | 71.7 | 315.2 | 386.9 |
| Skin problems | 38.2 | 106.4 | 144.5 |
| Musculo skeletal system problems (exc Trauma) | 38.7 | 338.8 | 377.5 |
| Trauma & injuries (inc burns) | 11.2 | 439.3 | 450.5 |
| Genito Urinary system disorders (exc infertility) | 41.6 | 280.8 | 322.3 |
| Genital tract problems | 8.3 | 58.6 | 67.0 |
| Renal problems | 1.6 | 101.0 | 102.6 |
| Chronic renal failure (b) | 0.0 | 0.0 | 0.0 |
| Sexually transmitted infections (b) | 0.0 | 7.1 | 7.1 |
| Other problems of the genito urinary system | 31.6 | 114.1 | 145.7 |
| Maternity & reproductive health | 9.2 | 199.6 | 208.7 |
| Neonates | 0.2 | 56.0 | 56.1 |
| Poisoning | 0.1 | 72.1 | 72.2 |
| Healthy individuals | 13.0 | 77.2 | 132.2 |
| Social care needs | 2.9 | 56.3 | 59.2 |
| Other programme expenditure | 386.9 | 415.3 | 864.3 |
| General medical services | 366.9 | 7.3 | 374.3 |
| Open access | 0.0 | 86.1 | 86.1 |
| Continuing care | 0.9 | 132.6 | 134.0 |
| Other PHW functions (c) | 0.0 | 0.0 | 61.5 |
| Other expenditure | 19.1 | 189.3 | 208.4 |
| Total, all PBC | 1,413.8 | 4,859.7 | 6,381.5 |

(a) Includes 'LHB Primary', 'LHB Secondary', 'LHB Other' and Public Health Wales.

(b) From 2012-13, the subcategory of chronic renal failure is included with renal problems and a new subcategory of sexually transmitted infections has been introduced for expenditure formerly included with genital tract problems.

(c) Includes health improvement, healthcare improvement, health protection and corporate functions. Expenditure on Other Public Health Wales Trust's functions was included in other spending in years before 2010-11.

In some cases, it was not possible to assign activity by medical condition, preventative activity or social care need. In such instances expenditure was allocated to a category of 'other programme expenditure', which accounted for 13.5 per cent of the total in 2016-17. 43.3 per cent of the other programme expenditure was expenditure on general medical services provided by GPs.

Total LHB expenditure includes a small amount of other expenditure which can not be classified to primary or secondary care, e.g. payments to other providers, such as charities.

Table 3: NHS expenditure per head of population by programme budget category and sector, 2016-17

| Programme budget category | <i>£ per head</i> | | |
|--|-------------------|-----------------|--------------------------|
| | LHB primary | LHB secondary | LHB and PHW total (a) |
| Infectious diseases | 10.39 | 17.44 | 27.84 |
| Cancers & tumours | 9.30 | 135.77 | 145.46 |
| Blood disorders | 1.86 | 16.37 | 18.22 |
| Endocrine, nutritional & metabolic problems | 52.60 | 24.38 | 76.98 |
| Diabetes | 28.54 | 7.21 | 35.75 |
| Other endocrine, nutritional and metabolic problems | 24.05 | 17.17 | 41.23 |
| Mental health problems | 19.25 | 208.73 | 228.79 |
| General mental illness | 4.07 | 95.58 | 100.24 |
| Elderly mental illness | 2.15 | 71.25 | 73.49 |
| Child & adolescent mental health services | 1.32 | 14.38 | 15.69 |
| Other mental health problems | 11.72 | 27.53 | 39.37 |
| Learning disability problems | 0.93 | 45.47 | 46.40 |
| Neurological system problems | 23.26 | 78.81 | 102.10 |
| Eye/vision problems | 18.75 | 33.18 | 51.92 |
| Hearing problems | 0.30 | 10.86 | 11.16 |
| Circulation problems | 31.27 | 119.31 | 150.63 |
| Respiratory problems | 40.33 | 98.48 | 138.81 |
| Dental problems | 48.83 | 15.11 | 63.94 |
| Gastro intestinal problems | 23.03 | 101.25 | 124.27 |
| Skin problems | 12.26 | 34.17 | 46.43 |
| Musculo skeletal system problems (exc Trauma) | 12.43 | 108.83 | 121.26 |
| Trauma & injuries (inc burns) | 3.59 | 141.11 | 144.71 |
| Genito Urinary system disorders (exc infertility) | 13.35 | 90.19 | 103.54 |
| Genital tract problems | 2.68 | 18.83 | 21.51 |
| Renal problems | 0.51 | 32.44 | 32.95 |
| Chronic renal failure (b) | 0.00 | 0.00 | 0.00 |
| Sexually transmitted infections (b) | 0.01 | 2.28 | 2.28 |
| Other problems of the genito urinary system | 10.15 | 36.64 | 46.79 |
| Maternity & reproductive health | 2.95 | 64.11 | 67.05 |
| Neonates | 0.05 | 17.98 | 18.03 |
| Poisoning | 0.03 | 23.18 | 23.20 |
| Healthy individuals | 4.16 | 24.81 | 42.45 |
| Social care needs | 0.93 | 18.07 | 19.02 |
| Other programme expenditure | 124.29 | 133.41 | 277.62 |
| General medical services | 117.87 | 2.35 | 120.22 |
| Open access | 0.00 | 27.65 | 27.66 |
| Continuing care | 0.29 | 42.59 | 43.05 |
| Other PHW functions (c) | 0.00 | 0.00 | 19.76 |
| Other expenditure | 6.13 | 60.81 | 66.94 |
| Total, all PBC | 454.12 | 1,561.01 | 2,049.84 |

(a) Includes 'LHB Primary', 'LHB Secondary', 'LHB Other' and Public Health Wales.

(b) From 2012-13, the subcategory of chronic renal failure is included with renal problems and a new subcategory of sexually transmitted infections has been introduced for expenditure formerly included with genital tract problems.

(c) Includes health improvement, healthcare improvement, health protection and corporate functions. Expenditure on Other Public Health Wales Trust's functions was included in other spending in years before 2010-11.

Expenditure by year

Table 4: NHS expenditure by programme budget category, 2012-13 to 2016-17

£ Millions

| Programme budget category | 2012-13 | 2013-14 | 2014-15 | 2015-16 (r) | 2016-17 |
|--|----------------|----------------|----------------|----------------|----------------|
| Infectious diseases | 72.8 | 74.9 | 76.8 | 84.8 | 86.7 |
| Cancers & tumours | 360.9 | 380.1 | 409.4 | 437.3 | 452.8 |
| Blood disorders | 41.1 | 47.1 | 49.5 | 55.0 | 56.7 |
| Endocrine, nutritional & metabolic problems | 195.2 | 205.5 | 215.7 | 222.6 | 239.7 |
| Diabetes | 89.8 | 95.2 | 98.4 | 103.3 | 111.3 |
| Other | 105.4 | 110.2 | 117.3 | 144.8 | 128.3 |
| Mental health problems | 617.5 | 634.5 | 663.3 | 680.0 | 712.3 |
| General mental illness | 254.4 | (r) 271.1 | 305.9 | 310.3 | 312.1 |
| Elderly mental illness | 178.9 | (r) 181.9 | 201.7 | 210.0 | 228.8 |
| Child & adolescent mental health | 42.8 | (r) 40.2 | 41.3 | 46.4 | 48.9 |
| Other mental health | 141.4 | (r) 141.1 | 114.4 | 113.3 | 122.6 |
| Learning disability problems | 122.4 | 123.9 | 131.6 | 135.5 | 144.5 |
| Neurological system problems | 247.7 | 266.8 | 283.7 | 315.2 | 317.8 |
| Eye/vision problems | 119.4 | 124.0 | 134.9 | 142.1 | 161.6 |
| Hearing problems | 23.6 | 27.7 | 28.3 | 33.2 | 34.7 |
| Circulation problems | 442.3 | 431.3 | 445.6 | 456.1 | 468.9 |
| Respiratory problems | 361.8 | 363.5 | 387.0 | 406.5 | 432.1 |
| Dental problems | 186.7 | 182.1 | 184.1 | 200.4 | 199.0 |
| Gastro intestinal problems | 303.0 | 314.9 | 339.3 | 365.5 | 386.9 |
| Skin problems | 128.3 | 134.1 | 133.0 | 138.9 | 144.5 |
| Musculo skeletal system problems (exc Trauma) | 345.8 | 342.6 | 352.7 | 357.8 | 377.5 |
| Trauma & injuries (inc burns) | 367.4 | 393.2 | 416.9 | 440.4 | 450.5 |
| Genito Urinary system disorders (exc infertility) | 269.8 | 277.4 | 294.0 | 318.1 | 322.3 |
| Genital tract problems | 61.4 | 60.1 | 59.6 | 66.3 | 67.0 |
| Renal problems (b) | 72.7 | 80.9 | 86.4 | 92.3 | 102.6 |
| Chronic renal failure (a) | . | . | . | . | . |
| Sexually transmitted infections (a) (b) | 15.8 | 17.6 | 16.8 | 17.8 | 7.1 |
| Other | 119.9 | 118.8 | 131.1 | 141.8 | 145.7 |
| Maternity & reproductive health | 178.3 | 189.0 | 192.3 | 200.8 | 208.7 |
| Neonates | 48.9 | 50.1 | 49.0 | 54.3 | 56.1 |
| Poisoning | 64.8 | 66.6 | 65.4 | 68.8 | 72.2 |
| Healthy individuals | 121.1 | 114.6 | 109.2 | 112.3 | 132.2 |
| Social care needs | 45.1 | 49.1 | 50.0 | 57.9 | 59.2 |
| Other programme expenditure | 763.6 | 767.1 | 790.4 | 834.1 | 864.3 |
| General medical services | 342.0 | 334.2 | 361.7 | 368.5 | 374.3 |
| Open access | 82.2 | 82.3 | 80.7 | 82.9 | 86.1 |
| Continuing care | 128.7 | 116.5 | 123.3 | 126.6 | 134.0 |
| Other PHW functions (c) | 42.4 | 70.8 | 73.5 | 76.7 | 61.5 |
| Other expenditure | 168.2 | 163.3 | 151.2 | 179.4 | 208.4 |
| Total, all PBC | 5,427.5 | 5,560.1 | 5,802.1 | 6,117.7 | 6,381.5 |

- (a) From 2012-13, the subcategory of chronic renal failure is included with renal problems and a new subcategory of sexually transmitted infections has been introduced for expenditure formerly included with genital tract problems.
- (b) A review of GU System disorders activity between C&VUHB and WHSSC has resulted in a further revision of spend in 2016/17, transferring approx. £11m spend from the Sexually Transmitted Diseases sub-category to Renal Problems.
- (c) Includes health improvement, healthcare improvement, health protection and corporate functions. Expenditure on Other Public Health Wales Trust's functions was included in other spending in years before 2010-11.
- (r) Revised. Further details are available in the ['Key Quality Information'](#) section of this release.
- . Not applicable

Table 5: NHS expenditure per head of population by programme budget category, 2012-13 to 2016-17

| Programme budget category | <i>£ per head</i> | | | | |
|--|-------------------|----------------|----------------|----------------|----------------|
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 (r) | 2016-17 |
| Infectious diseases | 23.7 | 24.3 | 24.8 | 24.9 | 27.8 |
| Cancers & tumours | 117.4 | 123.3 | 132.4 | 132.8 | 145.5 |
| Blood disorders | 13.4 | 15.3 | 16.0 | 16.1 | 18.2 |
| Endocrine, nutritional & metabolic problems | 63.5 | 66.7 | 69.8 | 70.0 | 77.0 |
| Diabetes | 29.2 | 30.9 | 31.8 | 31.9 | 35.8 |
| Other | 34.3 | 35.8 | 37.9 | 38.1 | 41.2 |
| Mental health problems | 200.9 | 205.8 | 214.5 | 215.2 | 228.8 |
| General mental illness | 82.8 | (r) 87.97 | 98.9 | 99.2 | 100.2 |
| Elderly mental illness | 58.2 | (r) 59.02 | 65.2 | 65.4 | 73.5 |
| Child & adolescent mental health | 13.9 | (r) 13.06 | 13.4 | 13.4 | 15.7 |
| Other mental health | 46.0 | (r) 45.79 | 37.0 | 37.1 | 39.4 |
| Learning disability problems | 39.8 | 40.2 | 42.5 | 42.7 | 46.4 |
| Neurological system problems | 80.6 | 86.6 | 91.8 | 92.0 | 102.1 |
| Eye/vision problems | 38.8 | 40.2 | 43.6 | 43.8 | 51.9 |
| Hearing problems | 7.7 | 9.0 | 9.1 | 9.2 | 11.2 |
| Circulation problems | 143.9 | 139.9 | 144.1 | 144.6 | 150.6 |
| Respiratory problems | 117.7 | 117.9 | 125.2 | 125.6 | 138.8 |
| Dental problems | 60.7 | 59.1 | 59.5 | 59.7 | 63.9 |
| Gastro intestinal problems | 98.6 | 102.2 | 109.7 | 110.1 | 124.3 |
| Skin problems | 41.7 | 43.5 | 43.0 | 43.1 | 46.4 |
| Musculo skeletal system problems (exc Trauma) | 112.5 | 111.2 | 114.1 | 114.4 | 121.3 |
| Trauma & injuries (inc burns) | 119.5 | 127.6 | 134.8 | 135.3 | 144.7 |
| Genito Urinary system disorders (exc infertility) | 87.8 | 90.0 | 95.1 | 95.4 | 103.5 |
| Genital tract problems | 20.0 | 19.5 | 19.3 | 19.3 | 21.5 |
| Renal problems (b) | 23.7 | 26.2 | 28.0 | 28.0 | 33.0 |
| Chronic renal failure (a) | . | . | . | . | . |
| Sexually transmitted infections (a) (b) | 5.1 | 5.7 | 5.4 | 5.4 | 2.3 |
| Other | 39.0 | 38.5 | 42.4 | 42.5 | 46.8 |
| Maternity & reproductive health | 58.0 | 61.3 | 62.2 | 62.4 | 67.1 |
| Neonates | 15.9 | 16.3 | 15.8 | 15.9 | 18.0 |
| Poisoning | 21.1 | 21.6 | 21.2 | 21.2 | 23.2 |
| Healthy individuals | 39.4 | 37.2 | 35.3 | 35.4 | 42.5 |
| Social care needs | 14.7 | 15.9 | 16.2 | 16.2 | 19.0 |
| Other programme expenditure | 248.4 | 248.9 | 255.6 | 256.4 | 277.6 |
| General medical services | 111.2 | 108.4 | 117.0 | 117.3 | 120.2 |
| Open access | 26.8 | 26.7 | 26.1 | 26.2 | 27.7 |
| Continuing care | 41.9 | 37.8 | 39.9 | 40.0 | 43.0 |
| Other PHW functions (c) | 13.8 | 23.0 | 23.8 | 23.8 | 19.8 |
| Other expenditure | 54.7 | 53.0 | 48.9 | 48.8 | 66.9 |
| Total, all PBC | 1,765.6 | 1,803.8 | 1,876.5 | 1,974.0 | 2,049.8 |

- (a) From 2012-13, the subcategory of chronic renal failure is included with renal problems and a new subcategory of sexually transmitted infections has been introduced for expenditure formerly included with genital tract problems.
- (b) A review of GU System disorders activity between C&VUHB and WHSSC has resulted in a further revision of spend in 2016/17, transferring approx. £11m spend from the Sexually Transmitted Diseases sub-category to Renal Problems.
- (c) Includes health improvement, healthcare improvement, health protection and corporate functions. Expenditure on Other Public Health Wales Trust's functions was included in other spending in years before 2010-11.
- (r) Revised. Further details are available in the '[Key Quality Information](#)' section of this release.
- . Not applicable

Total expenditure per head has continued to increase each year. In 2016-17 it increased by 3.8 per cent to £2,049.84 from 1,974.03 in 2015-16.

Spending per head of the population on clinical programmes, ranged from £11.16 on hearing problems to £228.79 on mental health problems.

Table 6: Percentage NHS expenditure by programme budget category, 2012-13 to 2016-17

| Programme budget category | Percentage | | | | |
|--|--------------|--------------|--------------|--------------|--------------|
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 (r) | 2016-17 |
| Infectious diseases | 1.3 | 1.3 | 1.3 | 1.4 | 1.4 |
| Cancers & tumours | 6.7 | 6.8 | 7.1 | 7.1 | 7.1 |
| Blood disorders | 0.8 | 0.8 | 0.9 | 0.9 | 0.9 |
| Endocrine, nutritional & metabolic problems | 3.6 | 3.7 | 3.7 | 3.6 | 3.8 |
| Diabetes | 1.7 | 1.7 | 1.7 | 1.7 | 1.7 |
| Other | 1.9 | 2.0 | 2.0 | 2.4 | 2.0 |
| Mental health problems | 11.4 | 11.4 | 11.4 | 11.1 | 11.2 |
| General mental illness | 4.7 | (r) 4.9 | 5.3 | 5.1 | 4.9 |
| Elderly mental illness | 3.3 | (r) 3.3 | 3.5 | 3.4 | 3.6 |
| Child & adolescent mental health | 0.8 | (r) 0.7 | 0.7 | 0.8 | 0.8 |
| Other mental health | 2.6 | (r) 2.5 | 2.0 | 1.9 | 1.9 |
| Learning disability problems | 2.3 | 2.2 | 2.3 | 2.2 | 2.3 |
| Neurological system problems | 4.6 | 4.8 | 4.9 | 5.2 | 5.0 |
| Eye/vision problems | 2.2 | 2.2 | 2.3 | 2.3 | 2.5 |
| Hearing problems | 0.4 | 0.5 | 0.5 | 0.5 | 0.5 |
| Circulation problems | 8.1 | 7.8 | 7.7 | 7.5 | 7.3 |
| Respiratory problems | 6.7 | 6.5 | 6.7 | 6.6 | 6.8 |
| Dental problems | 3.4 | 3.3 | 3.2 | 3.3 | 3.1 |
| Gastro intestinal problems | 5.6 | 5.7 | 5.8 | 6.0 | 6.1 |
| Skin problems | 2.4 | 2.4 | 2.3 | 2.3 | 2.3 |
| Musculo skeletal system problems (exc Trauma) | 6.4 | 6.2 | 6.1 | 5.8 | 5.9 |
| Trauma & injuries (inc burns) | 6.8 | 7.1 | 7.2 | 7.2 | 7.1 |
| Genito Urinary system disorders (exc infertility) | 5.0 | 5.0 | 5.1 | 5.2 | 5.1 |
| Genital tract problems | 1.1 | 1.1 | 1.0 | 1.1 | 1.0 |
| Renal problems (b) | 1.3 | 1.5 | 1.5 | 1.5 | 1.6 |
| Chronic renal failure (a) | . | . | . | . | . |
| Sexually transmitted infections (a) (b) | 0.3 | 0.3 | 0.3 | 0.3 | 0.1 |
| Other | 2.2 | 2.1 | 2.3 | 2.3 | 2.3 |
| Maternity & reproductive health | 3.3 | 3.4 | 3.3 | 3.3 | 3.3 |
| Neonates | 0.9 | 0.9 | 0.8 | 0.9 | 0.9 |
| Poisoning | 1.2 | 1.2 | 1.1 | 1.1 | 1.1 |
| Healthy individuals | 2.2 | 2.1 | 1.9 | 1.8 | 2.1 |
| Social care needs | 0.8 | 0.9 | 0.9 | 0.9 | 0.9 |
| Other programme expenditure | 14.1 | 13.8 | 13.6 | 13.6 | 13.5 |
| General medical services | 6.3 | 6.0 | 6.2 | 6.0 | 5.9 |
| Open access | 1.5 | 1.5 | 1.4 | 1.4 | 1.3 |
| Continuing care | 2.4 | 2.1 | 2.1 | 2.1 | 2.1 |
| Other PHW functions (c) | 0.8 | 1.3 | 1.3 | 1.3 | 1.0 |
| Other expenditure | 3.1 | 2.9 | 2.6 | 1.4 | 3.3 |
| Total, all PBC | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

(a) From 2012-13, the subcategory of chronic renal failure is included with renal problems and a new subcategory of sexually transmitted infections has been introduced for expenditure formerly included with genital tract problems.

(b) A review of GU System disorders activity between C&VUHB and WHSSC has resulted in a further revision of spend in 2016/17, transferring approx. £11m spend from the Sexually Transmitted Diseases sub-category to Renal Problems.

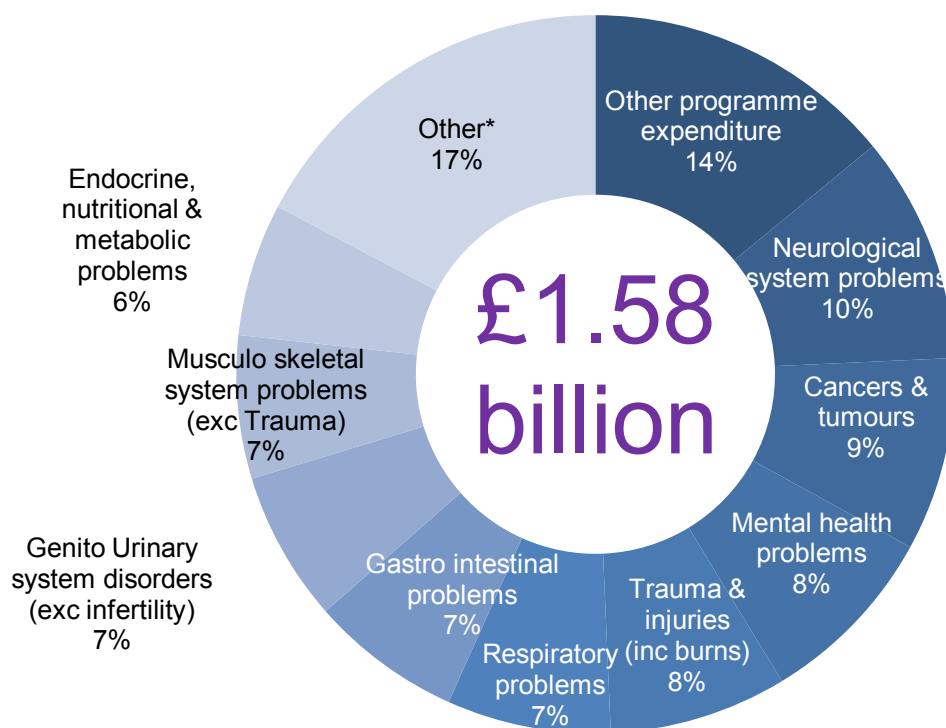
(c) Includes health improvement, healthcare improvement, health protection and corporate functions. Expenditure on Other Public Health Wales Trust's functions was included in other spending in years before 2010-11.

(r) Revised. Further details are available in the '[Key Quality Information](#)' section of this release.

. Not applicable

The percentage share of total expenditure for each category has been broadly consistent over the past few years. See [Key Quality Information](#) section for further discussion on changes in methodology between years.

Chart 3: Contributions to growth over the last decade, between 2007-08 to 2016-17



*Other includes eye/vision problems, skin problems, learning disability problems, maternity & reproductive health, social care needs, infectious diseases, neonates, poisoning, dental problems, hearing problems, blood disorders, healthy individuals, and circulation problems.

Over the last decade NHS expenditure has increased by £1.58 billion (33 per cent). Chart 3 shows which budget categories have received the largest increases in expenditure i.e. of the £1.58 billion increase in expenditure, 9 per cent was in cancers and tumours. Excluding 'other programme expenditure', the category that had the largest increase was neurological system problems, which accounted for £162 million or 10 per cent of the total increase.

Key Quality Information

Relevance

In 2004, the Welsh Government initiated the national programme budget project. The aim of the project is to develop a source of information to give a greater understanding of 'where the money is going' in the NHS. The project aims to provide evidence to answer this question by mapping expenditure to programmes of care based on medical conditions as an alternative to analysis by the type of care or type of institution where care is provided. The programmes of care, i.e. programme budget categories (PBCs), are defined by reference to the [International Classification of Diseases Version 10 codes \(ICD 10\)](#). Most PBCs reflect ICD 10 chapter headings, e.g. cancer, coronary heart disease, problems of the skin, etc. In this context, each category represents a programme of care focused on the recipient, rather than the provider of care.

Data sources

Expenditure data are calculated from Local Health Board programme budgeting returns to the Welsh Government Financial Information Strategy Programme. The allocation of expenditure to programme budget categories is carried out using the best available information, e.g. for acute inpatients and day cases, episodes are allocated to program budget category by ICD10 code and the unit cost of each episode is determined by its HRG (Healthcare Resource Group). For other types of expenditure there may be specific data from the Welsh Costing Return 1 (WCR 1, formerly the TFR2 return) to support an allocation, e.g. WCR 1 expenditure on mental illness services for children and adolescents can be assigned directly to the corresponding programme budget category.

Calculating programme budgeting data is complex and not all healthcare activity or services can be classified directly to a programme budgeting category or care setting. When it is not possible to reasonably estimate a programme budgeting category, expenditure is classified as 'Other'. Expenditure on General Medical Services cannot be reasonably estimated at disease specific level, and is separately identified as a subcategory of 'Other' expenditure.

To calculate the expenditure per head of population, the Office for National Statistics (ONS) revised Mid-Year Population Estimates (MYEs) by local authority were used. The mid year estimate for 2016 was used as a denominator for 2016-17 expenditure, the estimate for 2015 was used for 2015-16 expenditure, etc. Both the 2014 and earlier mid year estimates have been revised to be consistent with the 2011 Census of population.

Coverage

23 programme budget categories (PBCs) are used for analysis of expenditure. Sub-categories have also been identified for some categories to provide additional analysis. The aim of the PBCs is principally to identify the amount of resource deployed to broad areas of illness on a basis that is mutually exclusive, comprehensive and based on the primary diagnosis for any encounter. The primary classification is, therefore, relative to condition rather than health care activity (whether preventative, curative or supportive) and uses chapter headings of the International Classification of Diseases Version 10 codes (ICD 10). It is recognised that a medical model of care may not always be appropriate in the areas of community services and social care. Accordingly there are

two specific groups for 'Healthy Individuals' and 'Social Care Needs'. These capture the costs of prevention programmes and services that support individuals with social rather than health care needs. In some cases, it is not possible to assign activity by medical condition, preventative activity or social care need. In such instances expenditure is allocated to a category of 'other programme expenditure'.

Expenditure data are presented at current prices, i.e. prices relating to the period being measured, and therefore include the effects of inflation in the prices of goods and services. This should be considered when making comparisons between years. An increase in expenditure does not necessarily mean an increase in the quantity of goods and services purchased.

All expenditure on Welsh residents is included in this Release, including expenditure on services funded by Welsh Local Health Boards (LHBs) and provided by NHS and private providers of health care, both within and outside Wales. From 2010-11, services planned by the Welsh Health Specialised Services Committee are included in LHB secondary care expenditure and not shown separately. Earlier years figures have been adjusted to the same basis.

The control total for the PB exercise comprises the total expenditure of LHBs in Wales and the Public Health Wales NHS Trust. The total figure reported in the LHB return must agree with the total expenditure figure shown in the LHB accounts (operating cost statement).

Users and uses

We believe the key users of these statistics are:

- Ministers and their advisors;
- Assembly members and Members Research Service in the National Assembly for Wales;
- Policy makers of the Welsh Government;
- Other government departments;
- NHS Wales;
- Students, academics and universities;
- Media; and
- Individual citizens.

The statistics are used in a variety of ways. Some examples of these include:

- To provide advice to Ministers;
- To inform debate in the National Assembly for Wales and beyond;
- To monitor the number and type of detentions, as well as identify variations in detention rates across reporting periods and within different areas in Wales;
- For trend analysis as well as informing funding arrangements; and
- To help determine the service the public may receive from the relevant organisations.

We consult with key users prior to making changes, and where possible publicise changes on the internet, at committees and other networks to consult with users more widely. We aim to respond quickly to policy changes to ensure our statistics remain relevant.

Accuracy

Data is collected by Financial Information Strategy within the NHS Wales Health Collaborative who undertakes quality assurance of the data alongside Welsh Government. Any queries were raised with relevant LHBs before publication of the data.

In the unlikely event of incorrect data being published revisions to data would be made and users informed in conjunction with the Welsh Government's [Revisions, errors and postponements](#) arrangements.

Revisions

A review of the contracted activity in 2016-17 identified an anomaly in the production of 2015-16 data which resulted in an unusual pattern, in particular, of Neonates expenditure, over a three year period (2014-15 to 2016-17). This anomaly has now been addressed with revised expenditure for 2015-16.

Following publication of the 2013-14 original release, errors have been identified relating to the Mental health problems figures for Cwm Taf University Health Board. The breakdowns for the Mental health problems category have been revised; the Mental health problems category total is unaffected.

The tables that accompany the release on [StatsWales](#) have been revised and contain the correct figures.

Level of detail

The allocation of expenditure to programme budgeting subcategories is not always straightforward, and subcategory level data should therefore be used with caution. The category of circulatory disease is not broken down in this release because the subcategory of 'Other circulatory disease' is likely to include a significant amount of expenditure for coronary heart disease and cerebrovascular disease which cannot be analysed directly to those two subcategories.

Year on year changes

The allocation of expenditure to programme budgeting categories is not a straightforward task and methods of allocation are improving each year. Users of the data should note that significant changes to the data calculation methodology were introduced in 2012/13. In consequence, the broad patterns shown in the figures should be considered rather than the most detailed year on year changes, which may be due to improved allocation and not real changes in spending priorities. The underlying data which support programme budgeting data are also subject to yearly changes.

Timeliness and punctuality

All outputs adhere to the Code of Practice by pre-announcing the date of publication through the [Upcoming calendar](#) web pages. Furthermore, should the need arise to postpone an output this would follow the Welsh Government's [Revisions, errors and postponements](#) arrangements.

We publish releases as soon as practical after the relevant time period. This release has met the previously announced date of publication.

Accessibility and clarity

The statistics are published in an accessible, orderly, pre-announced manner on the Welsh Government website at 9:30am on the day of publication. An RSS feed alerts registered users to this publication. Simultaneously the releases are also published on the National Statistics Publication Hub. We also publicise our outputs on [Twitter](#). All releases are available to download for free.

We aim to use Plain English in our outputs and all outputs adhere to the Welsh Government's accessibility policy. Furthermore, all our headlines are published in Welsh and English.

Further information regarding the statistics can be obtained by contacting the relevant staff detailed on the release or via stats.healthinfo@gov.wales.

Comparability and coherence

Where there are changes to the data provided, this is shown clearly in the outputs. Where advance warning is known of future changes these will be pre-announced in accordance with Welsh Government arrangements.

StatsWales

More detailed tables are available via [StatsWales](#) (an interactive data dissemination service).

Other sources of information for UK countries

The Treasury publishes an analysis of identifiable public spending for countries and regions in the [Public Expenditure Statistical Analyses](#) (PESA). PESA is probably the most appropriate source for comparing health spending by country as it is compiled using a common classification system across the UK. The NHS programme budget figures in this release include the total expenditure of Local Health Boards in Wales and the Public Health Wales NHS Trust. However, these figures do not include capital expenditure and items of expenditure funded centrally by the Welsh Government, such as training and research, which will be included in the PESA figures. The programme budget figures are therefore not directly comparable with the PESA figures.

Programme budgets were published by NHS England for expenditure in 2013-14 commissioned by Clinical Commissioning Groups (CCGs), but excluded expenditure commissioned by NHS England (such as specialised care services and primary care services), expenditure of Public Health England and expenditure on public health functions financed by local authorities from grants made by Public Health England. Most screening services, such as screening for cancer, were not commissioned by CCGs and therefore were not included in published 2013-14 data for England, whereas in Wales screening expenditure was included in services to healthy individuals.

Comparisons between programme budgets for Wales and England should therefore not be made unless these factors can be taken into account.

Well-being of Future Generations Act (WFG)

The Well-being of Future Generations Act 2015 is about improving the social, economic, environmental and cultural well-being of Wales. The Act puts in place seven well-being goals for Wales. These are for a more equal, prosperous, resilient, healthier and globally responsible Wales, with cohesive communities and a vibrant culture and thriving Welsh language. Under section (10)(1) of the Act, the Welsh Ministers must (a) publish indicators (“national indicators”) that must be applied for the purpose of measuring progress towards the achievement of the Well-being goals, and (b) lay a copy of the national indicators before the National Assembly. The 46 national indicators were laid in March 2016.

Information on the indicators, along with narratives for each of the well-being goals and associated technical information is available in the [Well-being of Wales report](#).

Further information on the [Well-being of Future Generations \(Wales\) Act 2015](#).

The statistics included in this release could also provide supporting narrative to the national indicators and be used by public services boards in relation to their local well-being assessments and local well-being plans.

Further details

The document is available at:

<http://gov.wales/statistics-and-research/nhs-expenditure-programme-budgets/?lang=en>

Next update

April 2019, this will include data up to 2017-18.

We want your feedback

We welcome any feedback on any aspect of these statistics which can be provided by email to stats.healthinfo@gov.wales

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