



Ms Sarah Cremin  
Committee Secretariat  
Committee of Public Accounts

By email: [PAC@oireachtas.ie](mailto:PAC@oireachtas.ie)

17 February 2022

Dear Ms. Cremin,

Further to my letter of 16<sup>th</sup> February 2022, which sets out the position in relation to governance and oversight of supplementary expenditure in the HSE during 2020, I am writing to you in relation to reports in the media of internal meetings of officials in my Department. These recordings and transcripts were made and released without their knowledge and this has led to partial statements that were taken out of context and also contained some factual inaccuracies. I would like to take the opportunity to correct some factual inaccuracies in the report and clarify the Department of Health's position on some of the matters raised.

#### Mental Health Budget

The article reported that the HSE sought just €10 million in additional funding for 2022 and that government had pushed an additional €23 million on the HSE. This is inaccurate. Discussions on Budget 2022 started in August. As Committee members will be aware there is a lot of back and forth during the estimates process with different figures being discussed and changed throughout. The actual sum initially sought by the HSE was €35 million. Ultimately, the final figure agreed was €37 million – a differential of €2 million plus €10 million in one-off funding.)

#### Prior Year Adjustment:

The article reported that a prior year adjustment may be needed for the HSE 2020 accounts and included some speculation that this could run to hundreds of millions. It is the case that the HSE are carrying out a review to assess whether an adjustment is needed. Although they are still finalising the review, they have indicated that what is being considered would be within the range of €10million to €100million and not the higher number reported in the article. The Department accepts the view of the HSE in this matter. If a prior year adjustment is ultimately required the HSE, working in consultation with the C&AG who act as their

auditor, will determine the appropriate next steps here and brief myself and my officials in due course through the appropriate channels.

Alleged 'Fake Recruitment' Targets:

Much of the reporting has focused on the targets for recruitment in the HSE. Budget 2022 secured funding for up to an additional 10,000 WTE reflecting the level of ambition and desire to invest in our health services. Discussions between the Department and HSE officials agreed that, due to the current challenging recruitment environment, 5,500 WTE is a more achievable target for 2022. It is worth noting that these recruitment targets are additional WTE and do not include the replacement of existing staff who retire/leave during the year.

The way in which the information has been reported in relation to recruitment may, to some, suggest that something underhand is occurring. This is absolutely not the case. The HSE themselves identified the more realistic recruitment target of 5,500 WTE alongside a more challenging 'stretch' target of 10,000 WTE set out in the National Service Plan. The Department has been working closely with the HSE to assess potential savings and further decisions on how this funding will be used will be taken. I would like to take this opportunity to clarify that the references to 'fake targets' and other commentary in the newspaper is more accurately described as stretch or ambitious targets. Actual recruitment will, as always, be monitored by the HSE and the Department throughout the course of the year under the governance and oversight arrangements in place.

I hope that my letter sets out greater clarity and context for the Committee on these issues.

Yours sincerely,

A handwritten signature in black ink, reading "Robert Watt". The signature is fluid and cursive, with the first name "Robert" and the last name "Watt" clearly distinguishable.

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Robert Watt  
Secretary General