

Serious questions surround increased NHS funding – an inadequate response for cash-starved service

Joint press release by Keep Our NHS Public, Health Campaigns Together and The People's Assembly Against Austerity 17 June 2018

<https://keepournhspublic.com/news/serious-questions-surround-increased-nhs-funding/>

Theresa May has announced today an increase in NHS funding by 3.4% a year for the next 5 years. The headline 3.4% increase only applies to the NHS England budget and *not to the whole NHS budget*. Importantly, it also *excludes medical and nurse training and public health budgets* – these are crucial to the delivery of NHS services. ***The overall increase promised is in fact only 3% a year.***

Even this is a reluctant response from the Government to the unrelenting pressure exerted by campaigners, health unions and the electorate – and even health think-tanks and NHS Providers – to provide desperately needed increased funding for the NHS, left in a critical condition after suffering 8 years of virtually flat funding per person.

While any funding increase is to be welcomed, 3% will not be enough to repair the damage already done to the NHS from years of austerity. At least a 5% real uplift next year would be needed to begin to repair the damage done and at least 4% per year is essential after that to ensure the NHS is fit for the future.

As always with the Conservatives, the devil will be in the detail. We don't know exactly how this money will be allocated and what strings will be attached. In 2016 the government announced a £10bn a year increase. However, due to some accounting tricks involving moving money around within the Department of Health budget, *according to the Nuffield Trust it resulted in only £800m in real terms.*

This promised increase must be genuine new money and not a repeat of the 'smoke and mirrors' designed to appease the public without resulting in any significant benefits. Resurrection of the tarnished claim of a 'Brexit dividend' to fund the NHS is political gamesmanship, when most analysts predict a negative fiscal impact, at least in the short term.

Whilst Theresa May talks of extra funding not being wasted, there are no policy measures to ensure that increased funding actually improves health care delivery rather than paying for the private market and wasteful bureaucracy the Government has created. There must be an end to the fragmentation of the NHS and the enforced contracting out of NHS services to the market. The NHS must be reinstated as a public service. Currently £billions are wasted on market transaction costs and outsourcing to the private sector. NHS efficiency, co-ordination of services and collaborative delivery of care is undermined by competition.

With no promised increase in social care funding any funding increase for the NHS will have limited benefit. Social care has suffered from extremely damaging cuts over the past eight years and this has adversely impacted the NHS. Social care cuts have caused real suffering and an increased mortality rate in those who are directly affected. Any new funding settlement for the NHS requires increased funding for social care. Think-tank estimates argue for a 3.9% annual uplift in real terms for social care. There should be no pretence that "integration" of health and social care, without extra funds for both, will solve the problems of either service. True integration will require social care to be brought into the NHS as a public service and to be properly funded.

Health Campaigns Together (1), Keep Our NHS Public (2) and People's Assembly (3) join with NHS staff, other campaigners and concerned members of the public in continuing to apply pressure on this government to fund the NHS properly and reinstate it as a public service according to its founding principles as this is the most economical way to run the system and deliver high quality care for all. We will be calling for these demands on 30 June at the celebration and protest in defence of the NHS at its 70th Birthday. (3)

Dr Louise Irvine is a GP in Lewisham, south London and co-chair of Health Campaigns Together says:

'The Conservative government's promised funding increase for the NHS is too little too late. It is in fact only 3% a year - they've done their usual smoke and mirrors to make it appear more by only counting the increase to the NHS England budget and not the overall Department of Health budget. 4% is the minimum increase needed. 3% won't be enough to repair the untold damage the Tories have done to the NHS over the past eight years of austerity or secure its future as a high-quality service. I fear that patients will continue to suffer needlessly, and staff will continue to leave the profession due to stress and burnout. We'll see more rationing, cuts and closures and insufficient improvement, if any, in waiting times. Any increase in funding is welcome but its a missed opportunity to put the NHS back on its feet. There's so much more the Government could and should do. It could stop wasting precious NHS resources on the failed experiment of the market and outsourcing and reinstate the NHS as a public service - the only way to ensure effective and efficient joined up services. And it needs to increase social care spending by at least 3.9% a year because without decent social care the NHS will continue to pick up the pieces for all the elderly and disabled who are not getting the care they need.'

Dr Tony O'Sullivan, retired paediatrician and co-chair of Keep Our NHS Public says:

'The NHS and social care have been severely damaged by the last 8 years of wilful neglect. NHS workforce planning was abandoned leaving 100,000 vacancies and doctors and nurses working in extremes of pressure and ending up in tears of distress. They do not need more mischievous statements, previously exposed as lies, about 'Brexit dividends' that smack more of electioneering than care for the NHS. We need a commitment to respect NHS staff once again, reinstate the NHS student bursary, pay staff properly and to put the NHS back together again alongside a publicly funded social care system.'

References:

1. Health Campaigns Together is an alliance of over 100 organisations including five national unions and Keep Our NHS Public, formed Autumn 2015 to campaign for a fully funded and fully public NHS: <https://healthcampaignstogether.com/>
2. Keep Our NHS Public was formed in 2005 to campaign for a fully publicly funded, provided and managed universal and comprehensive NHS: <https://keepournhspublic.com/>
3. [The People's Assembly Against Austerity](#)
4. **Celebration rally and protest to defend the NHS:** supported by KONP and HCT, the TUC and 13 health unions, and The People's Assembly Against Austerity : Saturday 30 June 12midday, assembling Portland Place, London and proceeding to Whitehall
<https://keepournhspublic.com/events/events-leading-up-to-ournhs70-birthday-celebrate-and-protest-to-preserve-it/>