

## The Tony Blair Institute, AI and the future of the NHS

Keep Our NHS Public Data Working Group  
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### Introduction

Where is the new Labour government taking the NHS? Wes Streeting describes the NHS as broken and in need of 'reform', not least to become more productive. We are told that reform entails making more use of technology, while new legislation will facilitate data sharing across the NHS and beyond. But so far there is no published plan – this is to emerge in the Spring of 2025 after a public consultation. What is already clear though is that Starmer is listening to members of the New Labour government who favoured greater involvement of the private sector, such as the infamous [Alan Milburn](#) (now non-executive director for the Department of Health and Social Care).

In particular, [Tony Blair](#) has frequent talks with the new Prime Minister, although he says he is not directly advising him. [Others](#) claim that Starmer is increasingly turning to Blair as an unofficial source of advice. Blair's stance (arguably New Labour on steroids) may be gleaned from the policy unit of the Tony Blair Institute (TBI).

The World Economic Forum claims that the TBI is one of its [centres](#), through which it integrates public-private efforts in an attempt to address the unprecedented challenges facing the world. [Critics](#) have described the TBI as "McKinsey for world leaders" and claim that it's [used by Blair](#) to promote his ideological stance and the interests of the Institute's corporate backers. Among its wealthy donors is Larry Ellison, the world's fifth richest person and CEO of Oracle, the Big Tech corporation which donated [\\$375 million](#) to the TBI, and is [deeply embedded](#) in the NHS. One of Oracle's directors, Awo Ablo, is also the Executive Vice President and Company Director of the TBI, while Tony Blair is the Executive Chairman of the Ellison Institute of Technology.

Papers produced by the TBI policy unit over the summer of 2024 argue that economic growth is paramount and depends on grasping the opportunities offered by AI, and propose a policy agenda for governing in the AI-era in the context of "a reimagined state". There are already [indications](#) that the Institute is influencing the new government's policy agenda. For this reason, this article looks at a range of recent TBI papers that may provide some indication of the direction that the new Labour government will take, especially with regard to the NHS.

### The reimagined state

Several of the TBI papers considered argue that, in the current context of weak economic growth, high government debt, and crumbling public services, there is a need to re-imagine the state. The papers give little direct explanation about what this 'reimagined state' looks like, other than it is [smaller and lower cost](#) than now, and that it

["uses the opportunities technology presents](#) – and AI in particular - to transform society, giving government the tools it needs to do more with less, make better public services a reality and free up capital for other priorities without creating new burdens on the public.

Blair himself provided a little more clarity when he opened a programme of [TBI talks](#) at the 2024 LibDem party conference. He described the reimagined state as one that does not recognise a binary choice between the state and the private sector; is dependent on AI technology; and will change the way information is exchanged between citizens, government and the private sector.

This information exchange would be facilitated by a [digital identity](#) (DI) – a single digital wallet used to gain access to personal data held in various parts of government. While DI is presented as a way for every individual to have "access to their documents (for example, driving licence) and control of their

data”, it also offers worrying possibilities for greater control by both the government *and* the private sector. For example:

“By incorporating biometric data and digital authentication measures, authorities *in both the public and private sectors* could accurately establish individuals’ identities and make it harder for undocumented immigrants to disappear into the underground economy, renting and working illegally. “

In addition, the infrastructure for a digital ID would need to be developed and delivered in close cooperation with the private sector. (ibid)

Proposals for a DI did not appear in the 2024 Labour Manifesto and was recently ruled out by Starmer and other members of the Cabinet. However, the [King’s Speech](#) announced a Digital Information and Smart Data Bill that, for example, aims to provide a statutory footing for new uses of data (and new opportunities for the private sector). Such uses include “the creation and adoption of secure and trusted digital identity products and services from certified providers to help with things like moving house, pre-employment checks, and buying age restricted goods and services”.

## **TBI themes particularly relevant to the NHS**

### **a) AI and the economic case for reimagining the state.**

Alongside the need for economic growth, it’s argued that AI could transform public services, allowing a smaller, lower cost state while delivering better outcomes for citizens. For example, it’s suggested that AI could support a major expansion of the UK’s preventative healthcare system, including a digital record for every citizen, improved health checks on-line and a wider rollout of preventative treatments, leading to more people in work and an estimated net savings to the Exchequer of £600 million by the end of this Parliamentary term. There is little new in this proposal for a preventative healthcare system, except for its emphasis. AI is seen to provide the *only* way forward to deal with the problems of the public sector and its adoption must be prioritised above all else: “The UK cannot be consumed by old debates when the real issue is AI”.

However, the TBI claims that, if AI is to create new possibilities and a reimagined state, the government (among other things) will need to change incentives in the public sector and invest public money in long term technological change. This will require, for example,

- amending the fiscal rules (including “the new government’s arbitrary debt target that threatens to constrain investment spending”);
- an increased tolerance of risk; and most notably,
- “incentivis[ing] ministers and civil servants to take a more venture-capitalist approach to investing in new technologies” - i.e. in ‘partnership’ with the private sector.

Nothing seems to have been learnt from the introduction of the Private Finance Initiative in which a so-called ‘partnership’ between the public and private sectors led to huge profits for corporations and huge debts for NHS organisations.

It’s also suggested that, to be effective, an AI-era industrial strategy needs underlying conditions and platforms that allow innovation to flourish across the whole economy. This means

“... investing in the critical infrastructure that can be leveraged by multiple industries and applications, as well as removing barriers to the flow of knowledge, data, talent and capital.”

This raises concerns about allowing wealthy corporations, yet again, to benefit from public investment and greater ‘ownership’ of data.

According to the TBI, in terms of policy this requires, for example:

- investing in “digital foundations” - the creation of a shared data architecture;
- reforming research funding to prioritise high-risk, high-reward projects and to reduce bureaucracy;
- investing in infrastructure such as cloud computing, providing resources for businesses and researchers which could “involve partnering with industry to build and operate shared

facilities and platforms as well as providing targeted support and incentives for the adoption of advanced technologies". Foundational models and data sets could be used by multiple sectors and applications.

- Expanding the availability of capital for deep-tech ventures through public investment, co-investment funds and pension reforms (the absorption of various pension funds into a small number of superfunds that could invest in the UK's economic future) and
- creating regulatory sandboxes<sup>1</sup> to facilitate rapid testing of new tech.

These policy proposals raise serious concerns, not least the extent to which the private sector would be allowed even greater access to our personal data, with just lip service to privacy. There is also no apparent awareness that the public sector (most notably the NHS) is already dependent on Big Tech corporations supplying Cloud services and in addition, that these corporations have an ownership monopoly on the key knowledge generated (from our data!) by innovators who rent their services. As one writer on technology put it, we live in "a world of data barons and user serfs".

## **b) The reimagined state and the public sector workforce**

The TBI suggests that AI will massively reshape the way the public sector operates, especially for administrative, back office and policy functions, leading to improved public sector productivity by saving workers' time and thus costs. It claims that more than 40% of tasks performed by public sector workers could be partly automated, e.g. by machine learning models and large-language models. It's calculated that the associated efficiency savings, in aggregate, could help save 20% of workers' time, and a lower wage bill. These savings could be reinvested to boost the numbers of front line staff *or* the government could choose to reduce the size of the sector's workforce by one-sixth (with redundancy probably offering more savings than natural wastage.) Overall, it's claimed that reducing the workforce

"could result in annual net savings of £10billion per year by the end of this Parliament and £34 billion per year by the end of the next – enough to pay for the entire defence budget."

Reducing the public sector workforce "might be viewed negatively", but

"humanity is on the brink of a technological revolution that promises to reshape the world. The challenge for the new government is to understand both the coming change and the risks and opportunities this will bring with it, so the UK can harness its potential to boost growth, improve the public finances and deliver better outcomes for all".

It's not made clear who will benefit most from this revolution or how it will lead to better outcomes for those who lose their jobs because of it.

## **c) NHS data and the reimagined state**

The TBI sees that the NHS's repository of healthcare data - if made more accessible - can be used to improve health and deliver wealth for the nation. To deliver this, it suggests the creation of a publicly owned National Data Trust (NDT) that would integrate the fragmented data landscape, provide huge benefits for patients, and stimulate the biotech and healthtech industry and scientific discovery more generally.

The NDT would be majority owned and controlled by the government and the NHS, and function as a professional commercial entity. With "investment from industry partners, it would connect NHS data and attract private investment in new medical discoveries." It's claimed that the potential benefits, if fully integrated with clinical trial services, could include an additional £2billion of economic growth by 2030.

In addition, the TBI suggests finding a way of sharing the value of the NHS dataset with private enterprise (i.e selling it). Steps have already been taken towards this: NHS England (NHSE) recently set

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<sup>1</sup> A virtual sandbox provides a protected environment for researchers that allows the testing of ideas or programmes during experimentation or trial and error problem solving.

up a business unit, the Centre for Improving Data Collaboration, which offers support, for example in negotiating reimbursement to NHS organisations wishing to share their NHS data with ‘partners’ in industry. The principles underpinning these arrangements (such as “The cost of access should not prevent the use of good data”) are set out in NHSE’s ‘Value Sharing Framework (VSF).

For the TBI, however, the VSF guidance does not go far enough. Although it sees that, in theory, the objectives of the NDT could be met within the public sector, in practice it regards this as unrealistic because of the massive overhaul required of things like funding cycles and operational measures. Given the benefits that the NDT offers to the private sector, the TBI suggests its ‘partners’ would support its creation in much the same way as they have contributed to enterprises such as the UK Biobank, It predicts that “the NDT would aim to initially raise £150 million externally in additional funding”. In other words, Big Tech can acquire the benefits of the NDT for peanuts given that, collectively, they spend over \$156 billion on research in a single year.

In addition, with the potential offered by a unified clinical trials service, the UK would become an attractive site for global pharmaceutical research, leading to revenue here alone of more than £250 million annually, “while the wider benefits would amount to billions”. There appears to be no awareness (or if so, a complete disregard) of the public’s unwillingness to share their health data with the private sector. And although there is some mention that the NDT will require strong public oversight and that commercial interests should never take precedence over the public good, at the same time, the TBI argues that the NDT will work with “the agility and expertise of industry partners”. This raises the fear that driven by the huge potential for profit, Big Tech (with their greater resources, expertise and political leverage) will not only benefit from public investment but will take control of our data and possibly future AI strategy.

## Comments

AI holds great potential for improving healthcare. However, the TBI has its eyes on a greater prize, arguing that AI technology provides the only solution that can lift the UK out of its current crises. In this project, our health data is treated as a competitive and strategic asset that can be exploited, not just to improve healthcare, but to fuel the economy. This is already a well rehearsed refrain, but the TBI goes a step further in seeing AI, trained from our data, as the driving force for a reimagined state in which the private sector becomes deeply embedded.

Blair highlights how financial markets are already investing in Artificial Intelligence (AI) and appears to accept, or even welcome, the way that the technological revolution has increased the [global dominance of Big Tech](#) (and Big Pharma), which now have roughly [10 times the market capitalisation](#) of the corporate giants of yesteryear. Indeed, Blair suggests that, in the current era, we need an industrial strategy that prioritises AI-powered UK businesses so they can grow “into the giants of the world economy” (ibid). There appears to be no concern that US-owned multinationals are already controlling the UK economy, and that this [control will tighten](#) with increasing dependence on corporations such as Amazon, Google and Microsoft.

The TBI argues that to address the economic challenges facing the UK, the new Labour government must “tap into the only structural tailwind that is pushing in a positive direction”, namely technological progress, especially in the field of AI. It suggests that if the government adopts a pro-innovation stance and a rapid uptake of AI to support a major expansion of preventative healthcare (and thus, for example, more people in work), this could generate tax revenues of up to £40 billion per year within a decade, and £100 billion by 2040.

The figures provided for savings and growth are optimistic to say the least: the economic case that the TBI makes for its proposed policy agenda comes with an admission that

“the precise figures reported here depend on assumptions that are open to interpretation. The forward-looking nature of the analysis means that there is an element of speculation to it, and a range of different outcomes is possible depending on the pace of technological advancement and how policy reacts.”

This leaves one wondering “how long is a piece of string”?

There is also an unexamined assumption that economic growth, as measured by GDP, is the only way to view success and that healthcare provision is merely a transaction necessary for the efficient functioning of the economy. No thought is given to alternatives, such as the benefits of an economy based on wellbeing in which human rights and equality take priority, or an economics that serves the public good. While promoting the potential benefits of data sharing and AI, there is a failure to highlight the risks to civil liberties as well as the potential risks to safe, humane and ethical health practice.

The TBI papers only provide lip service to the importance of the public’s consent to the commercial use of its data or to safeguards for privacy. There’s also an assumption that patients will welcome the personalised medicine (PM) that the TBI promotes. Our bodies are already mined (e.g. from wearable devices like FitBit) for traces of our embodied existence, such as heart beats, sleep patterns, or where and how far we walk). But will we welcome the further step of our combined genetic, clinical and lifestyle data being used to inform personalised medicine once it’s clear that this will potentially allow the private sector to know us down to the level of the cell? The papers gloss over how this expensive type of medicine, or the requirements of AI, such as sufficient computing power, will be afforded by the NHS without relying increasingly on ‘partnership’ with the private sector.

In addition, and perhaps most worrying of all, is the TBI’s failure to recognise the huge environmental costs of a dependence on AI and other digital technologies. There is some acknowledgement in an earlier paper that the use of AI is creating ‘strain’ on national energy networks and that this needs to be ‘managed’ in the short term. But for the long term the TBI argues that, if the government provides companies with support and incentives to invest in innovation, AI can speed up the transition to clean energy. Even if this can be relied on, there is little to no attention to the environmental and other issues raised by AI, such as the extraction of huge amounts of water involved to generate electricity and cool data stores, or “the exploitation of rare earth elements, other metals and human labour”.

Finally, the objectivity of these papers and the argument that AI must become the driving force behind a reimagined state is highly contentious, given that the TBI receives major funding from IT billionaires and corporations with vested interests. This begs the question as to what extent are recommendations about AI from the TBI motivated by the public interest or the interests of its funders?

KONP is deeply concerned that the TBI has the ear of the government and will be pushing for policy that will fundamentally change the infrastructure of the state to include and support the private sector while creating a dependence on the AI it provides, with all the implications this suggests for the NHS.