

NHS needs £32 billion cash injection to recover shortfall and help tackle current crisis, report says

March 21 2024



Credit: Unsplash/CC0 Public Domain

The NHS needs an immediate cash injection of around £8.5bn a year over the next four years to make up a £32bn shortfall in funding and help tackle the current crisis, especially in areas such as waiting times, access to primary care, workforce and capital investment, say experts in the [second report](#) of *The BMJ Commission* on the Future of the NHS.

John Appleby and colleagues argue that, while the government's recent spring budget funding pledges are a start, they "certainly will not make up the significant shortfall that the NHS now faces."

And while it will be up to the NHS to decide the detail of how best to spend additional funds, they say "it is clear that an immediate priority should be given to investment that will sustainably reduce elective, [mental health](#) and cancer waiting times, improve access to [primary care](#), and address the workforce and [capital investment](#) challenges that the NHS is currently facing."

They also recommend establishing a new independent body to produce regular reports on health and health care, and on medium term (five to 10 years) and long term (50 years) funding projections.

The BMJ Commission brings together leading experts from medicine and health care to identify the key challenges and priorities and make recommendations aimed at ensuring that the vision of the NHS is realized.

Amid rising demand, rising costs, and worsening performance, the second paper asks how should we finance the NHS? How much do we want to spend? And how do we decide how much to spend?

Their first recommendation is that the current model of NHS funding,

primarily through taxation, is maintained.

"This mandatory payment system avoids many of the problems associated with voluntary insurance markets," they write. "It benefits from economies of scale in terms of administration, risk management, and purchasing power .. and avoids the inevitable disruption of moving to a new model."

They also suggest that NHS performance should be monitored by a new independent body, the Office for NHS Policy and Budgetary Responsibility (OPBR), the concept for which was outlined in the [first BMJ Commission report](#) to hold government to account for delivery of NHS plans and policies.

Drawing on existing work from other organizations, they explain that it would produce an [annual report](#) on the performance of the NHS, including population health outcomes, access, and waiting lists, plus patient and public satisfaction and an analysis of expenditure.

Every five years, ahead of a [general election](#), it should also produce a report on the future of health care in the following 10 years, and a very long-term indicative view (over the next 50 years) of spending pressures based on known drivers of such pressures.

Governments should be required to respond to the report within six months of taking office, in consultation with professionals and the public, they add. This would result in a five year [strategic plan](#) for the NHS with a detailed five-year financial settlement, and a provisional settlement over the five to 10-year horizon.

Finally, they call for an immediate cash injection to start to recover a £32bn shortfall in funding over the decade to 2020 and to help to tackle the current NHS crisis, especially the surgery backlog and access to

primary care, as well as addressing workforce challenges and funding for delayed capital projects (estimated to be £10.2bn in England in 2022).

They acknowledge that catching up on this shortfall in revenue and capital spending would, realistically, take time. But say a start could be made with a real increase of 4% for 2024/25, equivalent to around £8.5bn at 2022–23 prices, with similar increases over the subsequent four years.

Given current economic conditions and financial pressures across public services in general, no easy short-term fixes to public finances are available, they write. "Future governments will need to grapple with [difficult decisions](#), including the probability of raising more money from general taxation."

However, following these recommendations "would ensure the stability of the NHS [funding](#) model, with ongoing independent analyses of population health outcomes and the health care system, and a five-year strategic plan that would increase government accountability and facilitate health care planning," they conclude.

More information: John Appleby et al, NHS funding for a secure future, *BMJ* (2024). [DOI: 10.1136/bmj-2024-079341](https://doi.org/10.1136/bmj-2024-079341)

Provided by British Medical Journal

Citation: NHS needs £32 billion cash injection to recover shortfall and help tackle current crisis, report says (2024, March 21) retrieved 13 May 2024 from <https://medicalxpress.com/news/2024-03-nhs-billion-cash-recover-shortfall.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.