INVESTMENT

NHS financial boost alone is not enough

The £20 billion anniversary pledge by the government has failed to address workforce decline in the health service.

It was only a year ago that prime minister Theresa May gave the NHS a substantial funding gift for its 70th anniversary. A new £20 billion five-year deal was expected to ‘secure the future of the health service’ and deliver everything from improved performance against waiting time targets to transformation in service delivery.

But despite this funding boost, a definite sense of concern pervades the King’s Fund’s most recent quarterly monitoring report survey of NHS trust finance directors.

Of those surveyed, 80% thought the health service would miss the key financial targets agreed as part of the funding deal. There was also doubt about whether the changes to clinical care, such as reducing the number of face-to-face outpatient appointments, would be delivered in the next five years.

**Falling short**

So why then, just one year into this new funding deal, does it feel like anything but a time of plenty in health and care services? There are two fundamental reasons: there is not enough funding for growth, and funding alone is not enough.

The new funding deal promises annual increases in NHS funding of 3.4%. This is far greater than what the health service has received annually over the past five years. But this deal is not a bonanza, and is still less than the 3.7% average annual growth the NHS has made over the past 70 years.

And crucially, the new funding deal only applies to a narrow definition of health spending – services covered by NHS England’s mandate. This means funding for crucial budgets such as the continuing education and training of the workforce, investment in buildings and equipment, public health services and social care are all unprotected from further cuts or pressures.

These budgets matter. The cost of returning NHS buildings and equipment to their desired state has now reached £6 billion. And underinvestment in capital budgets has led to staff increasingly working with unreliable equipment and in unsafe environments. Chronic underinvestment in adult social care has led to patients waiting longer in hospital than is clinically needed, with bed occupancy levels now sky-high throughout the year.

Unsurprisingly then, finance directors in our survey gave a high priority to further investment in these areas. In July, the health and social care secretary Matt Hancock described the ‘historical oddity’ of treating budgets for education and training differently to the rest of the NHS England budget. It is entirely in the government’s power to erase this oddity and make good on its commitment to provide the resources the workforce needs to deliver the ambitions of the NHS Long Term Plan.

‘Underinvestment has led to staff working with unreliable equipment and in unsafe environments’

But funding is only part of the story. In the past two to three years it has become apparent that the factor that most affects our ability to improve care for patients and transform services is not the level of funding but the state of the workforce.

With 40,000 vacant nursing posts and increasing numbers of staff leaving due to poor work-life balance, we know that not enough new staff members are being trained or recruited and not enough is being done to retain staff.

**Signs of hope**

But some bright green shoots are emerging. NHS national bodies are coming together to develop a People Plan that will coordinate workforce planning for the first time in a generation. And more importantly, local organisations are taking practical steps that could make the health service a better, more compassionate and flexible employer – whether that is proposals for free staff car parking at Milton Keynes NHS Foundation Trust, or Guy’s and St Thomas’ NHS Foundation Trust trying to protect time for staff to have breaks.

The workforce is the growth factor for any significant improvement in patient care that the health service hopes to deliver. But unless national and local leaders embrace this reality, and provide the resources and support the workforce needs, patients will face a long wait before they see the improvements in care that the NHS’s anniversary funding boost promised.