OUR NATIONAL HEALTH SERVICE NHS

The NHS & The Truth We All Need To Know !

Jan Zablocki - May 2022

With a **waiting list**, for treatment on our *NHS,* now reaching 6.4 million (almost 10% of the UK population) and the UK economy claimed to be the 5th largest in the world it surely raises questions of how and why we have got to this state and what we should do about it ?

At the **North Staffs Pensioners Convention** (NSPC) Meeting of the 9th of May I was asked to speak about this. I tried to offer some explanation for this using information and data from reliable and authoritative sources. And this is what I found and my perspective on it.

WAITING TIMES & WAITING LISTS

According to the **British Medical Association (BMA)** there were 4.43 million people on the NHS England waiting list at the end of 2019 prior to the COVID outbreak but this has risen to 6.1 million by February 2022 and now stands at 6.4 million. The proportion of patients receiving cancer treatment within two months of an urgent GP referral has fallen from almost 80% (Against a "target of 93%) at December 2019 to just over 65%. By February this year with the numbers of people waiting for more than 12 hours to be admitted to hospital from A&E departments had increased twenty fold ! The number of GP referrals to consultant-led outpatient services that have been unsuccessful because there are no slots available has also jumped from 238,859 in February 2020 to a staggering 401,115 in November 2021 - an 87% increase – meaning GPs have to continue treating symptoms of illness until a slot becomes available for full and proper diagnosis and treatment to commence.

These statistics must be very worrying so what explanation might there be for this ?

STAFFING NUMBERS

A report published by the **Nuffield Trust** on the 8th May 2019 showed *the number of GPs* per 100,000 people across the UK had fallen from 65 in 2014 to 60 by 2018 and the *number of doctors* in the UK was the fourth lowest in Europe with 2.8 doctors per thousand population - below the EU average of 3.4 - with only Ireland, Slovenia, Romania and Poland having lower numbers of doctors per thousand people. Incredibly the **BMA** calculate England would need the equivalent of an additional 46,300 full time doctors simply to put us on an equivalent standard with today's EU average of 3.7 doctors per 1,000 people. That same year, immediately prior to the outbreak of the COVID pandemic, the **National Audit Office** recorded the number of (full-time equivalent) *nursing vacancies* reported by NHS trusts between July–September 2019 was at 43,590. **BMA** statistics show the pressures on doctors and nurses during the COVID pandemic led to an increase in sick absence of 15% between April 2020 and August of that year.

HOSPITAL BEDS

In June 2019 prior to the outbreak of the COVID Pandemic Sir Simon Stevens, the NHS England Chief Executive, said "hospital bed numbers were overly pressurised". Under his

direction NHS national planning guidance for 2020/21 explicitly called for an increase in acute hospital beds.

A report published by **The Kings Fund** on the 5th November 2021 revealed "the total number of NHS *hospital beds* fell by 53 per cent – from 299,400 to 141,000 between 1988 and 2020 whilst the number of patients treated has increased significantly". They noted "research shows that initiatives to moderate demand for hospital care often struggle to succeed and progress depends on having sufficient capacity to provide appropriate care outside hospital, yet evidence suggests that intermediate care capacity is currently only enough to meet around half of demand and cuts in funding have led to significant reductions in publicly funded social care" and "before the Covid-19 pandemic there was widespread evidence of a growing shortage of beds. Their report shows that during 2019/20, overnight general and acute bed occupancy averaged 90.2 per cent, and regularly exceeded 95 per cent in winter, well above the level many consider safe. The largest percentage reductions in bed numbers have occurred in mental illness and learning disability beds as a result of long-term policies to move these patients out of hospital and provide care in the community, however the number of hospital beds for general and acute care has fallen by 44 per cent since 1988; the bulk of this fall is due to closures of beds for the long-term care of older people. Medical innovation, including an increase in day-case surgery, has also had an impact by reducing the time that many patients spend in hospital but – "with hospitals under real strain from rising demand, significant waiting lists following the Covid-19 pandemic, staff shortages and many competing demands on NHS budgets after a decade-long funding squeeze, further reductions are both unachievable and undesirable".

The **Organisation for Economic Co-operation and Development** (**OECD)** Data - "Health at a Glance" report, of 2021, records *Hospital Beds per Thousand Population* - amongst the World's leading 25 economies as :- UK 2.4 - Canada 2.5 - USA 2.8 - Ireland 2.9 - Italy 3.2 - France 5.8 - Poland 6.2 - Germany 7.9

There can thus be no doubt the long and vigorous campaign by the **North Staffs Pensioners Convention (NSPC),** Trades Unions and community groups to stop the closure of some 150 hospital beds at **Bradwell, Haywood, Longton Cottage, Cheadle and Leek Hospitals** is fully validated by this report and the fears, this has been a "*political choice*" abetted and enabled by the **North Staffs Clinical Commissioning Group (CCG)** to "*downsize the NHS*", are fully justified. The **Kings Fund** report also notes there is "*mounting evidence that hospitals are struggling: bed-occupancy rates are above recommended levels, A&E performance remains challenged, and the waiting list for elective care is at the highest level since current recording began*". We are certainly seeing the effects of hospital bed closures on the Royal Stoke University Hospital A&E unit and ambulance waiting times and the consequent risk to the local population of North Staffordshire should they require an ambulance urgently.

NHS FUNDING

The **BMA** also point to a £50 Billion annual shortfall in NHS funding arising from the last ten years of this government's decisions. From the year 2000 to 2010 there were annual increases in funding of 4.3% to match inflation, a growing population and improve services but this has not continued since 2010 with the dire consequences we now face from this cut in health spending. Politicians like to throw figures about of how much they are spending on this and that but the **BMA** statistics reveal the truth – if NHS funding had continued as it had in this first decade of this century we would now be spending £50 billion more this year, and each year, than we actually are ! Despite health spending increasing every year during

this period, by an average annual rate of 3.5% in current price terms, the rate of growth in the wider economy was faster, at an average annual rate of 3.9% in current price terms. This deficit in NHS funding is the direct result of political decisions about how governments "tax and spend" and the effect this is having on the health service we have paid for through direct taxation and national insurance contributions is revealed by these statistics.

Statistics from the **Organisation for Economic Co-operation and Development (OECD),** comprising 25 of the world's largest economies, also reveal another significant and shocking weakness in UK healthcare funding in showing that the number of *Diagnostic Computed Tomography (CT) Scanners* - per million population - was one of the worst at:-
(at the last available figures for UK 2014 equivalents)
United Kingdom - 9.46 compared to :- France -15.32 Germany - 35.34
Spain - 17.6 Poland - 15.63 Ireland - 16.53 Italy - 32.9 Greece - 34.61

On the 29th August 2019 our own UK **Office for National Statistics (ONS)** reported:-

- Of the *G7 group* of large, developed economies, (**United States, France, Germany, Japan, Canada, United Kingdom, Italy)** annual UK healthcare spending, equated to 9.6% of GDP at £2,989 per person, was the second-lowest of the G7, with the highest spenders being France (£3,737), Germany (£4,432) and the United States (£7,736).

As a percentage of GDP, (*GDP* or *Gross Domestic Product* being a monetary valuation of all goods and services, produced in a country, in a given period of time - normally annually) UK healthcare spending fell from 9.8% in 2013 to 9.6% in 2017 - while healthcare spending as a percentage of GDP rose for four of the remaining six G7 countries.
On the 1st June 2021 the **Office for National Statistics (ONS)** reported a slight improvement with:-

- Total current healthcare expenditure in 2019 being £225.2 billion, equating to £3,371 per person. *(This would have been around £275 billion had spending continued in line with the average increases for 2000 – 2010)*
- Total current healthcare expenditure in the UK accounted for 10.2% of gross domestic product (GDP) in 2019, compared with 9.9% in 2018 and 9.6% in 2017.

The **Organisation for Economic Co-operation and Development (OECD)** comprising the World's largest 25 economies reported in 2020 that the nations with the *highest proportion of health funding from public funds* were:-

- Norway – 85.5% publicly funded - (14.5% from private healthcare)
- Luxemburg – 84.6%
- Japan & Denmark - 84%
- Sweden – 83.7%
- Iceland – 81.8%
- UK – 79.4%
- Turkey & Germany – 77.7%

In 2019 48% of government NHS funding was for hospitals with outpatient facilities, including GP surgeries, dentists, and home care health services, comprising a further 24%. The **NHS** reports that provider trusts are spending over £3.2 billion a year on back office administration for finance, outsource contracting, payroll and similar services. Whilst claims are contentious there are credible and respected sources that estimate administration and management costs have significantly increased since the Health & Social Care Act of 2012 to some 14% of total budget. In 2019/20 the UK's Department of Health and Social Care also

spent a total of around £9.7 billion on purchasing health care from independent private sector providers.

NHS DEBT

As if this was not bad enough a report by the **Institute for Public Policy Research (IPPR)** in September of 2019 revealed NHS hospital trusts were also being weighed down by the debt accrued through the *Private Finance Initiative (PFI)* that was introduced by John Major's Conservative government but then proliferated in the Blair era. The IPPR calculated an initial £13billion of private sector-funded investment in new hospitals will end up costing the NHS in England a staggering £80billion. They projected that by the time all contracts come to an end in 2050 NHS England will have to make another £55billion in payments to clear the debt. As an example of the scale of this the **IPPR** references the PFI contract for the building of the Royal London hospital, which opened in 2012 and has 845 beds spread across 110 wards. For an outlay of almost £1.2billion the Hospital is spending £116million a year servicing its debt, which is 7.66% of its income the project will have cost the trust £6.2billion by the time it ends. It's absolutely clear the *Private Finance Initiative (PFI)* has left a huge (and damaging ?) impact on the NHS.

BRIDGING THE FUNDING GAP

The Sunday Times in compiling their annual rich list rankings of May 2021 reported there were 171 billionaires in the UK – an increase of 24 over the previous year. Research by the **University of Greenwich** has shown that a progressive net wealth tax that only taxes the top 1% wealthiest households with net wealth - above £3.4 million (the top 1%) taxed at a marginal rate of 1% **-** above £5.7 million (the top 0.5%) at a marginal rate of 5% - and above £18.2 million (the top 0.1%) at a marginal rate of 10%. They estimate that this tax would raise roughly £70-130 billion a year after administration costs and tax avoidance/evasion - more than enough to pay for a high-quality NHS, a universal care service, and more. Extensive respected, academic, independent economic studies have shown that reducing tax on the wealthy brings no economic benefit to nations at all. The economic argument that wealth "trickles down" from the rich has been proven to be pure fiction !

CHALLENGES FOR THE FUTURE

The Office for National Statistics (ONS) record the current, 2022, population of the U.K. as 68,497,907. In the decade to 2020 the population grew by 4.3 million or 6.9% and is predicted to grow to 71.0 million by 2045. It is projected there will be an additional 7.5 million people aged 65 years and over in the UK in the next 50 years despite figures showing a slowdown in improvements in life expectancy since 2011.

The "**National Child Measurement Programme"** of 16th March 2022, measuring childhood obesity in England, found 14.4% of reception age children (age 4-5) are obese, with a further 13.3% overweight. At year 6 (age 10-11), 25.5% are obese and 15.4% overweight. For children living in the most economically deprived areas obesity prevalence was more than double the rate of those living in the least deprived areas.

The Report, **"Statistics on Obesity, Physical Activity and Diet, England"** (2020), also found the majority of adults were *overweight or obese*. This figure stood at 67% for men and 60%

for women. In the years 2019/19, there were 876,000 hospital admissions where obesity was a factor – an increase of 23% on the previous period.

With "*air quality*" having an ever more important impact on human health, particularly in large urban areas like Stoke on Trent, it is unsurprising that **Asthma UK's** analysis of 2014 data from the **Office for National Statistics (ONS)** reported UK deaths from *asthma attacks* were the highest they have been in the last decade and have increased by more than 33% over the last ten years being the most common long-term medical condition in children in the UK, with around one in 11 children and young people living with asthma. The UK has one of the highest prevalence, emergency admission and death rates for childhood asthma in Europe.

Similarly with **Diabetes UK** reporting that 13.6 million people in the UK are at increased risk of developing type 2 diabetes with 4.9 million people in the UK currently having *diabetes* and the NHS currently spending at least £10 billion a year on diagnosis and treatments, which is about 10% of its entire budget, this clearly has important implications for future NHS funding.

The **NHS**'s own statistics show the growing number of people experiencing common *mental health* problems that require support and treatment went up by 20% between 1993 to 2014 in both men and women. The percentage of people reporting severe mental health symptoms in any given week rose from 7% in 1993 to over 9% in 2014 but only 1 in 8 adults with a mental health problem are currently getting any kind of treatment. With news reports regularly reporting on the dire state of underfunding inadequate services it is clear the demand for significant investment in these NHS services is required – and given the cost of failing to deal with this form of illness properly has a hugely damaging impact across various aspects of society then this funding is not only vital but money well spent.

ONE LAST ISSUE

Private – vs – Public Funding of health services. In 2020 the United States national health expenditure as a share of its gross domestic product (GDP) reached an all time high of 19.7% but with only 38% coming from state social security. Importantly it has been estimated that between 15% - 25% is absorbed in administrative and management costs. An **OECD** study of 2014 "***Tackling Wasteful Spending on Health***" found that "*not surprisingly given that profits more often than not play an integral role, administration costs associated with the private health insurance market are significantly higher than those in publicly funded systems"*. The relative cost of administration and fraud in the US was also calculated to be at least double that of the UK. A report of October 2021 about the United States healthcare system, from the **Department of Health Care Policy at Harvard Medical School,** concluded "*Choice gives rise to fragmentation of payers and complexity in billing"* - and efforts by healthcare companies and insurers to negotiate better prices require them "*to "threaten" to (and often do) exclude some clinicians or health care centers from their network*" with the consequence that "*insurance distorts market outcomes, causing utilization and prices to increase*".

ONE EXAMPLE OF FUNDING HEALTH CARE WE SHOULD OBVIOUSLY AVOID LIKE AN OUTBREAK OF BUBONIC PLAGUE !

CONCLUSION

I believe it is necessary to make this broad assessment of our NHS based on these reliable sources of information if we are truly to understand the causes of its current difficulties and failures and the scale and scope of challenges that our NHS faces into the future.

Politicians, too often, get away with throwing expenditure claims about to bedazzle and bamboozle us and I wanted to blow away some of this hype, smoke and mirrors. Given the likelihood of the additional demands of population growth, greater life expectancy and prevalence of emerging health threats, notwithstanding pandemics, the issue of funding our national health services should be of direct concern to everyone.

It is clear that chronic underfunding of the NHS has been ruinous to the standards of service it is now providing. We are clearly at a turning point in addressing this massive issue if the NHS is to continue to provide a genuine "world class health service", to meet future needs - that reflects the wealth of our country in relation to the rest of the world. Politicians have been cynical and dishonest in throwing about claims like "world beating" and "increased funding" when referring to the NHS.

Whether its ambulance waiting times, A&E waiting times, diagnostic waiting times or extended waiting times for treatments the evidence is irrefutable - the NHS has been severely injured itself ! Its efficiency and effectiveness has been dramatically compromised with huge debt and prolonged under investment in vital equipment and training and retaining staff - with consequences for us all !

There seems little doubt, to me, that this has been deliberately done to promote the growth of the private health sector but what is certain - is that if we want our National Health Service to continue to function properly as originally intended, we all need to ensure it has adequate resources to really perform as it should for a country as rich as ours.

BUT the VOTE ON WHETHER OR NOT THIS IS REMEDIED IS FIRMLY IN OUR COURT !

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