

Health blog

Turning around the NHS – a 5 point plan for meaningful improvement in performance.

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The NHS is a much loved institution in the UK, providing universal health services free at the point of care.

However, you don't have to look that closely to see that the NHS is struggling to meet the growing and changing demands of UK population, and is in urgent need of some new thinking and direction.

The NHS is stuck in a vicious circle of spiralling demand and costs, set against poor performance against its targets, whilst falling behind its peers in the outcomes and experience patients receive.



At the core of this is a crisis in Productivity and Resourcing, and it's going to take some new thinking outside of the traditional NHS playbook, to improve things moving forwards.

The position today:

1. Financial Affordability

Analysis by the [Kings Fund](#) shows average annual real term spending growth of 3.4% over the 10 years FY12/13 to FY23/24. As a % of GDP healthcare spending stood at 11.3% in 2022 up from 9.9% in 2013 ([ONS data](#)), and currently stands just above the average for other developed countries ([Kings Fund analysis](#)). Department of Health & Social Care spending increased from 14.4% of Government Departmental Expenditure in FY16/17 to 15.3% in FY22/23. On all of these measures, future NHS spending growth may not be sustainable at the growth trajectory seen in recent years.

2. Inefficiency

In its [Long Term Plan](#) the NHS has itself identified inefficiencies in 'Administrative costs across Providers and Commissioners, both nationally & locally' and '[the costly and overly bureaucratic contracting process](#)'. It's made a pledge to save £700million between 19/20 and 23/24, comprising £290m from Commissioners and £400m from Providers.

Over and beyond this the increase in healthcare activity delivered by the NHS, has seen a broadly commensurate increase in NHS workforce, implying little change in productivity. Recognising this the [NHS Long Term Plan](#) has a clear commitment to 'cash-releasing productivity growth of at least 1.1% per year', and the Mar-24 spring budget introduced [£2.5B funding for the NHS](#) to help unlock £35 billion in target productivity savings. The NHS will need to decouple the workforce growth rate from the demand growth moving forwards, and improve productivity.

3. Accessibility

If you ask patients what they want from the NHS – you get a really simple answer, focussed on 3 critical things:

- If I fall over and become ill, you'll be there to pick me up and help me.
- When I'm in hospital, I'll be treated safely and with dignity, and I'll get home in a timely fashion
- When I need treatment, I'll not have to wait a very long time, without information or support

Against these expectations, the NHS is struggling to meet its targets. The Wait list for Elective treatment stood at over [7 million in Mar-24](#), 12 hour waits in A&E stood at [150,000 in the first quarter of 2024](#), and the ambulance response time performance against target (75% of Category A immediately life-threatening calls receiving a response within 8 minutes) has been declining and was [last met in January 2014](#). 18% of patients are still waiting over 2 weeks for a GP appointment.

4. Resourcing

The NHS has been successful in increasing the number of clinical staff to meet the growing demand for healthcare from the UK population. The last 10 years (FY13/14 to FY23/24) saw the number of clinical employees increase by nearly 165,000 or 30% (measured as WTEs), including 39,000 more doctors and 75,000 more Nurses & Health Visitors (based on [NHS digital data](#)). These increases have been achieved through much a higher reliance on recruitment of internationally educated staff, alongside those trained at home.

Despite these staffing increases, NHS vacancies still stood at 100,000 in Mar-24 or a 6.9% vacancy rate, including over 31,000 Nurses and nearly 8,800 Medical staff. The NHS has also had a heavy reliance on Agency staff to fill the gap, with £3 billion in Agency spend in FY23/24, or about 1.7% of total health spend.

5. Outcomes

Whilst the NHS is successful in providing universal health coverage at a cost below the average of international peers, it is struggling against some measures of health outcomes. A [2019 study](#) showed the UK has higher avoidable mortality and treatable mortality rates than comparator countries. Analysis of 5 year cancer survival rates has shown the [UK below European peers](#), and the UK has not met its cancer faster and earlier [diagnosis targets](#). Similarly [surveys of patient experience](#) with the NHS have shown satisfaction standing at record lows, with particular concern over waiting times for hospital and GP appointments, staffing shortages and lack of funding, and concerns over waste and reforms.

6. Demand

The UK population has grown at an average annual growth rate of 0.6% over the last decade. By contrast the demand for healthcare has seen average annual growth of 1.9% for emergency hospital admissions and A&E attendances, 2.5% for outpatient attendances and 1.4% for Elective treatment. The drivers of this faster demand growth are growing chronic disease prevalence and an ageing population. Alongside this advances in treatments and medical technologies have improved outcomes, but have further driven the complexity (and cost) of each unit of health delivered.



The Health Analyst

About

The Health Analyst (THAhealth.com) is a blog site discussing the big issues facing the Healthcare and Life Sciences world today. It aims to shine the spotlight on new thinking and ideas that could drive positive change for all.

The Health Analyst works in the Healthcare sector, and has held a variety of different roles over a long career. This has enabled them to develop an innovative perspective on what needs to be changed and how it could be achieved.

The ideas presented in the blogs have been thoroughly researched and fairly presented. If you've got feedback or perspective to add, please contact us on info.thahealth@gmail.com.