

BMA briefing – Lord Darzi's independent investigation into NHS performance

General debate – House of Commons 07 October 2024

About the BMA

The BMA is a professional association and trade union representing and negotiating on behalf of all doctors and medical students in the UK. It is a leading voice advocating for outstanding health care and a healthy population. It is an association providing members with excellent individual services and support throughout their lives.

Introduction

Lord Ara Darzi's independent investigation of the NHS in England provides a deeply sobering assessment of a severely broken NHS. It is imperative that the new Government fully appreciates the gravity of the situation, trusting doctors and experts to facilitate swift action. As well as secondary care and elective waiting lists, this action must focus on primary care, which, as Lord Darzi points out, is under severe pressure. The Government must engage GPs, and fund them properly, as the expert gatekeepers to the rest of the healthcare system; it must reverse previous poor policy decisions, which have led to avoidable and undesirable working conditions for staff working across the system; and it must reverse the exodus of highly skilled doctors who feel undervalued and overworked.

Lord Darzi's review – key points

Lord Darzi's Independent Review of the NHS was commissioned by the Government to understand the performance issues facing the system, and the causes of these challenges. Its findings will inform the upcoming ten-year plan for the NHS.

The investigation has found the NHS to be in a "critical condition", with surging waiting times, care quality issues in some areas, a lack of staff and funding for primary care services, and falling productivity rates resulting from poor patient flow. The review cites four interrelated drivers of these performance issues: (1) austerity in funding and capital starvation; (2) the impact of the pandemic, with more appointments cancelled than in other health system; (3) a lack of patient voice and staff engagement, including the effects of staff burnout; and (4) management structures, systems and the disruption caused by past reforms.



Whilst the report does not prescribe what should be done about these challenges, or how, it does list **7 areas of focus for the forthcoming 10-year NHS plan** – they are:

- 1. Re-engage staff and re-empower patients
- 2. Lock in the shift of care closer to home by hardwiring financial flows
- 3. Simplify and innovate care delivery for a neighbourhood NHS
- 4. Drive productivity in hospitals
- 5. Tilt towards technology
- 6. Reform to make the structure deliver
- 7. Contribute to the nation's prosperity

The forthcoming 10-year health plan – the Government's fundamental reforms

Reflecting on Lord Darzi's Review, the Government has since spoken of the "fundamental reforms" that will underpin the forthcoming 10-year-plan.

- 1. **Moving from an analogue to a digital NHS**. Using technology to empower patients and giving them much greater control over their healthcare with the NHS app acting as the digital front door to the NHS.
- 2. Shifting more care from hospitals to communities. Turning the National Health Service into a Neighbourhood Health Service with more tests, scans, healthcare offered on high streets and town centres, and improved GP access.
- 3. Shifting from sickness to prevention, including by investing in technologies that will help catch and prevent problems earlier.

BMA view

During the debate, we would be grateful if MPs could ask the Government the following questions to gain greater clarity and reassurance regarding the Government's next steps for reforming the NHS.

For each of these questions, further briefing detail about what we are calling for, and why, can be found in the <u>BMA's recent Budget submission</u>.

Q on investment: Lord Darzi's review is clear that flatlining resource budgets and capital starvation over the past 15 years are a primary cause of the health system's performance issues. Can the Government confirm that the NHS is going to receive the resource and capital funding it needs to deliver improvements to its performance, alongside reforms, and when?

What we are calling for: the BMA is calling for real terms increases to both resource and capital health budgets. The day-to-day budget for the DHSC in 2025/26 should increase at least in line with the previous Labour Government historical average of total real terms funding growth of 6.7%.



This would mean an increase to the total budget of £13.25bn in current prices for 2025/26,¹ which would allow for progress to be made on the priorities set out in <u>the BMA's Budget submission</u>, including investment in primary care, mental health and public health, investment in public capital, and continuing the journey towards valuing doctors and stemming the flow of doctors leaving the profession. Beyond next year, budgets should be set on a multi-year basis to allow forward planning – it is hoped that growth will not need to be as high in future years after the system has 'caught up' for the past years of underfunding.

Why we are calling for this: Over the past fifteen years, underinvestment and a lack of long-term thinking has meant that the NHS is no longer providing an effective service for many, with waiting lists hitting unprecedented highs and many patients struggling to see their GP. We recognise that public finances are tight and there are difficult decisions to be made. However, a lack of adequate investment in the NHS has had significant knock-on effects for economic growth and is, therefore, also impacting public finances.

There were 7.6 million pending elective treatments in June 2024 (6.4 million unique patients). The number of people waiting over 18 weeks for elective treatment stood at 3.13 million in June 2024 – representing 41% of patients on the waiting list. This has significant knock-on effects on the economy and the public purse, as many people are unable to work while waiting for treatment.

<u>IPPR estimated</u> in 2023 that the economic benefit of bringing down the waiting list would be £73 billion from 2023-27, as it would allow more people to go back to work/work longer hours, as well as enabling them to take part in tasks which have a social benefit, such as volunteering and caring for family members. Consequently, investing in the NHS to bring down the waiting lists, and ensuring it provides timely care for those that need it, is an investment in the economy and future sustainability of public finances.

Q on retention: Lord Darzi's review rightly points out that staff morale is low, but it does not mention the number of doctors leaving the health service early for preventable reasons. What is the Government planning to do to hold on to the skilled and experienced doctors that we already have; and will these plans form a part of the 10-year health plan?

What we are calling for:

The BMA is calling for action in four key areas:

- 1. **Pay and debt:** reversing years of real-terms pay erosion is the first step in rebuilding good faith, showing doctors they are valued and retaining them. A failure to do so will mean that doctors will continue to leave for better paid jobs elsewhere.
- 2. Working conditions: working conditions need to make doctors want to stay, not push them out of the door, but too frequently they are uncaring, uncomfortable and unsafe. Governments, health systems and employers must act to reduce workload pressures, improve

¹ This is calculated using 6.7% real-terms increase for DHSC TDEL budget, applied to planned 24/25 DHSC TDEL budget as set out in 2024 PESA using ONS GDP deflators published June 2024.



work-life balance, expand access to basic facilities and services and stamp out harassment and abuse.

- 3. **Diversity and inclusion**: the NHS is fortunate to have a workforce that has become more diverse over time. To keep this diverse workforce, action needs to be taken to end discrimination and support those with additional needs to contribute to their potential.
- 4. **Development and support**: in the context of relentlessly pressured environments, staff are afforded less and less time for learning and development. To better retain staff, employers need to ensure that doctors are able to practise in roles that make the most of their skills and experience, with the support to develop and progress personally and professionally.

Why we are calling for this: A rising number of doctors are leaving the NHS. <u>The BMA estimates</u> that between 15,000 and 23,000 doctors left the NHS prematurely in England between September 2022 and September 2023.² Though some doctors leave to retire, or for other unavoidable reasons, too many doctors leave the NHS early. NHS data shows a growing number of doctors citing largely preventable reasons for leaving NHS organisations, including health concerns, work-life balance, working relationships and their reward package.

As well as the loss of doctors with experience built up over years in the health service – with knock on impacts for care quality, health service productivity and the ability to train the future generation of doctors – this is slowing the rate of workforce growth. Between March 2023 to March 2024, for every 10 hospital and community health services doctors that joined an NHS organisation, around 7 doctors left. Extra recruitment, without tackling high levels of preventable attrition, is an inefficient and costly solution to the NHS's workforce problem.

<u>The BMA estimates</u> that medical attrition cost NHS employers and the public purse a minimum of between £1.6 and £2.4 billion in 2022/23. Without action, doctors will continue to leave the health service. For every doctor that leaves, pressures worsen for those who stay – increasing the likelihood that they too will vote with their feet and leave. And there are signs that more doctors are going to leave in the future, representing a rising cost to the public purse. The GMC report that 16% of doctors in the UK in 2023, and 15% in 2022, have taken 'hard steps' to leave, compared to 7% in 2021.³

Q on pay: As a result of pay erosion and poor working conditions, doctors have had to make the difficult decision to take industrial action over the past two years, with knock on impacts for health service productivity – a key issue highlighted in Lord Darzi's review. Can the Government confirm that it is committed to continuing to improve pay and conditions, both to better retain the staff we have and to prevent future industrial action with knock on impacts for health service productivity?

What we are calling for: the BMA is calling for the government to ensure that pay is uplifted with the aim of reaching full pay restoration.⁴

⁴ The BMA is separately calling for reform to the doctors' annual pay review body, the DDRB. We have set out the key requirements for reform <u>here</u>, including a restoration of its independence in line with its original purpose, autonomy and authority.

² BMA report: Tackling medical attrition in the UK's health services

³ https://www.gmc-uk.org/-/media/documents/somep-workplace-report-2024-full-report_pdf-107930713.pdf



Furthermore, any pay uplift afforded to the NHS must be matched in the academic sector and for public health doctors working outside the NHS, as well as in the 2024/25 GP contract so salaried GPs also receive the appropriate uplift.

Why we are calling for this: a significant issue leading to doctor stress and desire to leave is pay. Over the last decade and a half, doctor pay has been cut significantly in real terms. Doctors have faced much larger real terms pay cuts than other workers in the economy and compared to other staff groups in the NHS. Doctors' pay has been progressively eroded over time, reaching a peak of over 30% real-terms decline in pay in 2022/23 since 2008/09, and a 2022 BMA survey showed that 45% of Resident doctors, highly trained professionals, struggled to pay their rent or mortgage, and 50.6% struggled to pay utility bills.

Whilst current pay offers are a step in the right direction, they still leave a long way to go to reversing the many years of pay erosion staff have experienced. These offers leave the Consultant, SAS, and Resident doctors' real-terms base pay at approximately -22.7%, -19.7%, and -20.8% respectively, of 2008/09 base pay (RPI terms, and the exact erosion varies slightly for different pay scales).

In order to reduce the risk of future Industrial Action, the BMA is calling for additional funding for the NHS to ensure that pay scales are increased above RPI inflation in 2025/26, and beyond, with the aim of reaching full pay restoration.

Q on infrastructure: Lord Darzi's review highlighted the dire state parts of the NHS estate are in – the Government has already made welcome pledges around more CT scanners, but what further action and investment will be forthcoming?

What we are calling for: an urgent and major injection of capital investment is needed to ensure the NHS can deliver sustainable service recovery.

As Lord Darzi said, the NHS estate is in large parts not fit for purpose, with "crumbling buildings, mental health patients being accommodated in Victoria-era cells infested with vermin with 17 men sharing two showers, and parts of the NHS operating in decrepit portacabins. Twenty per cent of the primary care estate predates the founding of the health service in 1948." The longer repairs are postponed, the more expensive they get. Substantial upfront investment into clearing the maintenance backlog is needed not only to redress acute risks to patients and staff, but also to avoid even higher costs in the future. Over the past decade, the backlog increased by £7.6bn (188%).

Why we are calling for this: NHS estates are in an increasingly poor state. This risks severely undermining NHS productivity, patient safety, and staff wellbeing, and presents a clear threat to the success of elective recovery plans. This can only be resolved with a serious injection of capital funding. This Government has made some steps in this direction, pledging more CT scanners in their election manifesto, but further investment is needed alongside guarantees on funding announced by the previous government.



Q on public health services: The central argument of Lord Darzi's review is that the NHS is struggling to cope with demand. Will the Government take action to reflect the role that public health services play in reducing this level of demand, such as restoring the public health grant to, at least, 2015/16 levels of funding?

What we are calling for: the BMA is calling for the local authority public health grant in England to be restored to at least 2015/16 levels per capita in real terms to allow sufficient investment in public health, with comparable additional funding provided for all other nations.

Why we are calling for this: since 2015/16, the public health grant has been cut significantly by 28% in real terms. Some of the largest reductions in spend over this period are estimated to have been for sexual health services (40%), public health advice (35%) and drug and alcohol services for young people (31%). It is vital the public health grant is restored in order that these vital preventative services can be provided adequately by local authorities.

Public health intervention costs only a quarter of a clinical intervention to add an extra year to life expectancy.⁵ In addition, a failure to properly resource public health has costly implications for the NHS – the BMA has highlighted how doctors and the health service are picking up the pieces from the failure to properly resource public health.

It is vital that national public health bodies are sustainably funded for routine public health functions but also adequate provisions for rapid responses to large scale public health emergencies, learning from the COVID pandemic.

Q on mental health services: The Darzi review acknowledges the rapid deterioration of the country's mental health. Funding and staffing levels have not kept up with need. Will the Government commit to determining mental health service funding based on a full assessment of unmet need?

What we are calling for: The BMA is calling for DHSC to determine the required funding levels for mental health services based on a full assessment of current and unmet need, rather than simply basing it on comparisons to historical rates. Services should then be fully funded, accordingly, by the Treasury.

Why we are calling for this: untreated mental health problems carry a huge cost to individuals, society, and the health and social care system. Mental ill health has been estimated to cost around £118 billion annually to the UK economy, or nearly £101 billion in England alone, equivalent to roughly 5% of the UK's GDP.⁶

Demand for mental health services has increased significantly over the last few years, yet resources provided have not kept pace with demand. Modest funding increases have done little to meet demand for mental healthcare. Between June 2016⁷ and June 2024, the number of new referrals to NHS mental

⁷ This is the first year that comparative data is available

⁵ NHS Confederation Report - Investing to save: the capital requirement for a more sustainable NHS in England

⁶ <u>https://www.lse.ac.uk/News/Latest-news-from-LSE/2022/c-Mar-22/Mental-health-problems-cost-UK-economy-at-least-118-billion-a-year-new-research</u>



health services in England grew by 61% - much higher than the real terms funding increase and the growth in workforce. And these figures only capture those in contact with services – it is estimated that millions more would benefit from support but have not accessed services.⁸

Rising thresholds for accessing care due to scant resources at a time of heightening demand has led to people falling through the gaps, and receiving inappropriate or no care at all.⁹ We welcome the current Government's commitment to expanding the mental health workforce by 8,500 staff, but it is essential that this is made up of highly qualified staff, including doctors, nurses, and psychological therapy practitioners.

We want to hear from you ...

- Tell us what answers the Government gave you to the BMA's questions @TheBMA
- Or get in touch to arrange a meeting with our public affairs team if you'd like to know more about this / another topic: <u>publicaffairs@bma.org.uk</u>
- You can find the BMA's other parliamentary briefings here: <u>https://www.bma.org.uk/what-we-do/working-with-uk-governments/governments/uk-consultations-briefings-and-legislation</u>

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For further information, please contact: Holly Weldin, Senior Public Affairs Officer E: <u>publicaffairs@bma.org.uk</u>

⁸ <u>https://nhsproviders.org/news-blogs/news/millions-waiting-for-care-as-covid-19-lays-bare-the-challenges-facing-mental-health-services</u>
⁹ <u>https://www.bma.org.uk/media/ddclsiii/bma-mental-health-report-2024-web-final.pdf</u>