

Press release: Prime Minister sets out 5-year NHS funding plan

- NHS will receive an average 3.4 per cent a year real-terms increase in funding over the next 5 years
- increased funding will support a new 10-year long-term plan the NHS will bring forward
- the long-term plan will help the NHS tackle waste and improve services.

The NHS will receive increased funding of £20.5bn in real terms per year by the end of the 5 years compared to today – an average 3.4% per year overall – in a move to secure the future of the health service as it approaches its 70th birthday, the Prime Minister announced today.

The increase will mean the NHS can regain core performance and lay the foundations for service improvements. The funding will be front-loaded with increases of 3.6% in the first 2 years, which means £4.1 billion extra next year.

This long-term funding commitment means the NHS has the financial security to develop a 10-year plan. The plan will be developed by the NHS, working closely with government and be published later this year. The priorities include:

- getting back on the path to delivering agreed performance standards – locking in and further building on the recent progress made in the safety and quality of care
- transforming cancer care so that patient outcomes move towards the very best in Europe
- better access to mental health services, to help achieve the government's commitment to parity of esteem between mental and physical health
- better integration of health and social care, so that care does not suffer when patients are moved between systems
- focusing on the prevention of ill-health, so people live longer, healthier lives

It will be essential that every pound in the NHS budget is spent wisely. The government will set the NHS 5 financial tests to show how the NHS will do its part to put the service onto a more sustainable footing:

- improving productivity and efficiency
- eliminating provider deficits
- reducing unwarranted variation in the system so people get the consistently high standards of care wherever they live
- getting much better at managing demand effectively
- making better use of capital investment

Health and Social Care Secretary, Jeremy Hunt said:

This historic long-term funding boost recognises the superhuman efforts made by staff over the last few years to maintain services in the face of rapidly growing demand. But it also presents a big opportunity for the NHS to write an entirely new chapter in its history.

The British public love their health service fiercely, and undoubtedly want it to be the top priority for their hard-earned tax contributions.

The debate over Brexit can be divisive, but that famous campaign promise can now unite us all: the British public voted for £350m a week for the NHS, and that – and more – is exactly what this government will deliver.

In addition to a 5-year revenue settlement, the government will also:

- come forward with proposals to reform social care later this year
- ensure that adult social care doesn't impose additional pressure on the NHS
- consider any proposals from the NHS for legislative changes that will help it to improve patient care and productivity
- consider proposals from the NHS for a multi-year capital plan to support transformation and a multi-year funding plan for clinical training places
- ensure that public health helps people live longer, healthier lives

The government is able to invest in the NHS because it has taken difficult but necessary decisions to get the nation's finances back in order and because it is confident it will secure a good Brexit deal that supports our economy.

The Prime Minister explained that some of the extra funding will come from the money the government will no longer spend on the annual membership subscription to the European Union after Britain has left and as well as that taxpayers will also need to contribute a bit more in a fair and balanced way.

The government will listen to views about how to do this and the Chancellor will set out further details in due course.

Ends