

Record £36 billion investment to reform NHS and Social Care

- Prime Minister pledges to tackle NHS Covid backlogs and cut waiting times with new £36 billion investment for health and social care
- Responsible, fair, and necessary action taken to provide biggest catch-up programme in the history of the NHS and reform the adult social care system
- NHS capacity to increase to 110% of planned activity levels by 2023/24, offering more appointments, treatments, and operations
- Social care reform plan will end catastrophic costs for people across the country, and include extra investment in care sector to improve training and support
- Funded by a new Health and Social Care Levy on working adults and an equivalent rise in the rates of dividend tax to make sure everyone pays their fair share

The Prime Minister [today set out responsible, fair, and necessary plans](#) to tackle the Covid backlogs, reform adult social care, and bring the health and social care system closer together on a long term, sustainable footing.

£36 billion will be invested in the health and care system over the next three years, to ensure it has the long term resource it needs.

Patients will benefit from the biggest catch-up programme in the NHS's history, so people no longer face excessive waits for treatment.

Successive governments have failed to provide a long-term solution for social care. The system will finally be reformed, ending unpredictable and catastrophic care costs faced by thousands, and making the system fairer for all.

From April 2022, the government will introduce a new, UK-wide 1.25 per cent Health and Social Care Levy, ringfenced for health and social care. This will be based on National Insurance contributions (NICs) and from 2023 will be legislatively separate.

To ensure everyone contributes fairly, all working adults, including those over the state pension age, will pay the levy and the rates of dividend tax will also increase by 1.25% to help fund this package.

Every individual will contribute according to their means. Those who earn more pay more, with the highest earning 14 per cent of people paying around half the revenues.

Employers, who benefit from a healthy workforce and a tax-payer funded health service, will be asked to contribute so the costs are more widely shared.

This will raise around £12 billion in extra funding per year, to be invested

in frontline health and social care across the UK over the next three years.

The pandemic put unprecedented pressure on the NHS. The number of patients waiting for elective surgery and routine treatment in England is now at a record high of 5.5 million. This could reach 13 million by the end of the year if left unchecked. Before the pandemic, nine out of ten were waiting fewer than 25 weeks in England. This has now risen to 44 weeks.

To fix this, the NHS needs to be able to offer more appointments, operations, and treatments. Rather than simply plugging the gaps, new, innovative practices must be pushed forward so patients continue to receive the best possible care.

The new funding is expected to fund an extra 9 million checks, scans, and operations. The NHS long term plan committed to increasing activity year on year. In recognition of pressures from Covid, this will now increase to 110% of the planned activity levels by 2023/24.

This is in addition to our historic settlement for the NHS in 2018, which will see its budget rise by £33.9 billion a year by 2023/24.

This is a significant, long-term increase in public spending, which will directly improve people's lives.

Speaking in the House, Prime Minister, Boris Johnson said:

You can't fix the Covid backlogs without giving the NHS the money it needs. You can't fix the NHS without fixing social care, you can't fix social care without removing the fear of losing everything to pay for it, and you can't fix health and social care without long-term reform. The plan I am setting out today will fix all of these problems together.

Chancellor of the Exchequer Rishi Sunak said:

We're tackling the NHS backlog and taking decisive action to fix our broken social care system.

This significant £12bn-a-year long-term increase in public spending will improve people's lives across the UK – but our health and social care systems cannot be rebuilt without difficult decisions.

The new Health and Social Care Levy is the necessary and responsible thing to do to protect the NHS, sharing the cost between businesses and individuals and ensuring those earning more pay more.

Amanda Pritchard, NHS chief executive, said:

It's absolutely right that NHS staff, who have worked tirelessly throughout the pandemic to care for hundreds of thousands of Covid patients in hospital, get strong backing to recover routine services and begin to tackle the Covid backlog.

The pandemic is still with us and we will have to live with the impact of Covid for some time, so the additional funding confirmed this week will help meet those additional costs, and give the NHS clarity for the coming years while delivering millions more of the vital checks, tests and operations that patients need.

Health and Social Care Secretary, Sajid Javid said:

Our nurses, doctors and care workers have worked tirelessly throughout the pandemic in our hour of need.

But the pandemic has taken its toll – waiting times are longer than ever before and social care is under even greater pressure.

This additional funding is a critical investment in our country's future – it will give the NHS the extra capacity it needs to get back on its feet and is a vital first step in the reform of our broken care system.

The Prime Minister has been clear that we cannot fix Covid backlogs without fixing the social care system. Taking necessary, responsible, and fair action, the Prime Minister has pledged to end the cruel lottery around social care costs.

Currently, families live with the fear of losing everything they own – including potentially a lifetime's worth of savings.

Around one in seven must pay over £100,000 for care, with bills falling indiscriminately on some of the sickest and most vulnerable.

Thanks to the action announced today, no one in England will now have to pay more than £86,000 in care costs over the course of their lifetime. This is equivalent to around three years in care.

This will apply regardless of where they live, how old they are, what their condition is, or how much they happen to earn.

At the same time, the government will support those without savings – with the state covering all care costs for anyone with assets under £20,000.

Anyone with assets between £20,000 and £100,000 will be expected to contribute to the cost of their care but will also receive state support, which will be means-tested.

The new £100,000 limit is over 4 times higher than the current limit of

£23,250, meaning many more people will be eligible for support than under the current system.

The overall system will be made fairer, to ensure those who fund their own care do not pay more than state-funded individuals for the equivalent standard of care.

The social care workforce will receive new training and qualification opportunities, so they have the opportunity to progress and improve, while providing an even better standard of care.

The Prime Minister is also clear we must address wider issues in how and where people are cared for. We will bring the NHS and the social care system in England closer together – so people can be better cared for at the time and place that is right for them. An integration white paper will be published later this year.

While Scotland, Wales and Northern Ireland have their own systems, we will work together with the Devolved Administrations to tackle treatment backlogs and improve care for our elderly.

An ageing population with increasingly complex needs is putting ever more pressure on the social care system.

So alongside providing a path to long-term financial sustainability, additional support for the care system is also needed.

The government will set out a detailed plan later in the autumn to enable Local Authorities and other providers to invest in technology, innovative methods of care and in their workforce.