

NIESR Election Briefing No. 5

IS NHS FUNDING IN CRISIS?

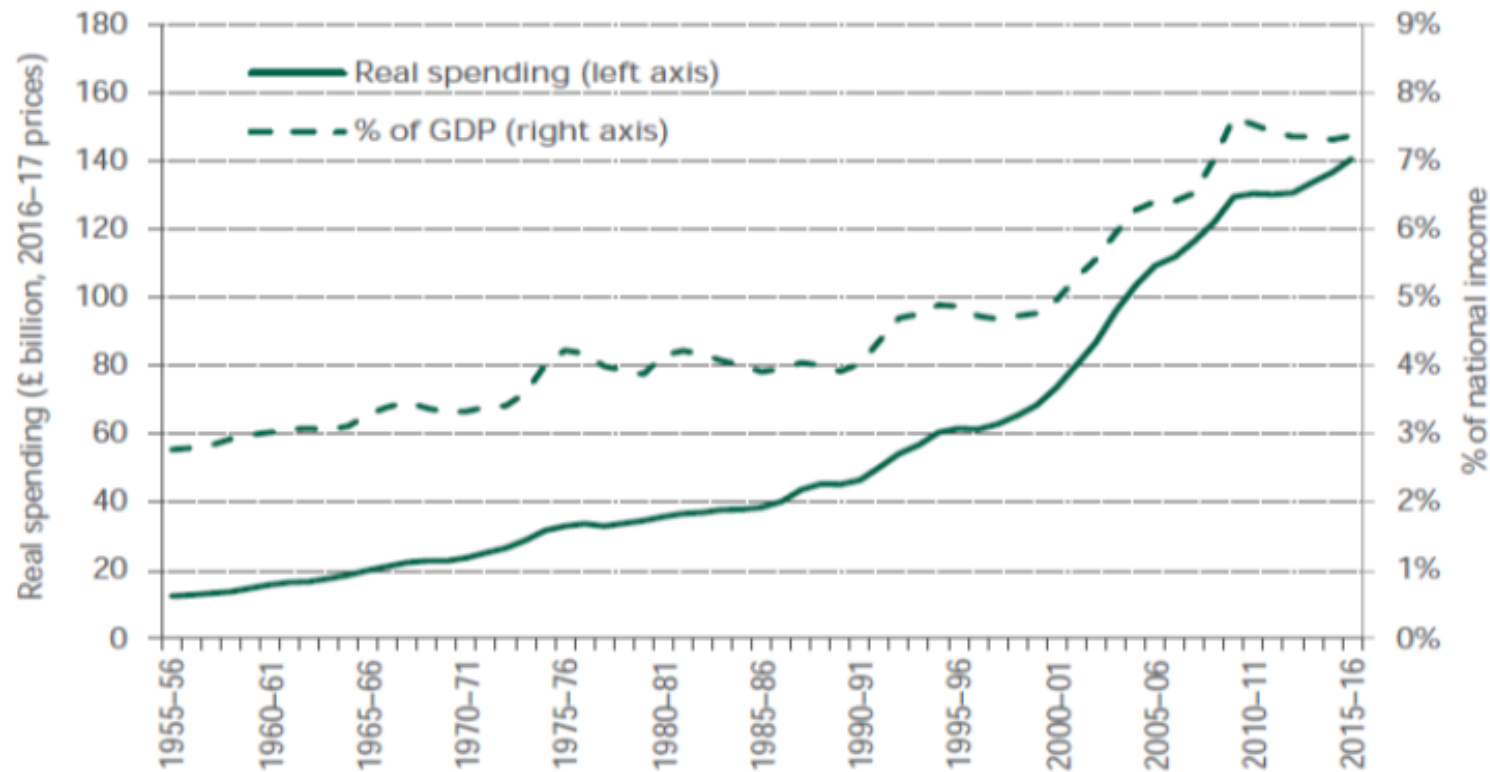
**Peter Dolton,
Research Director**

NIESR

30th May 2017



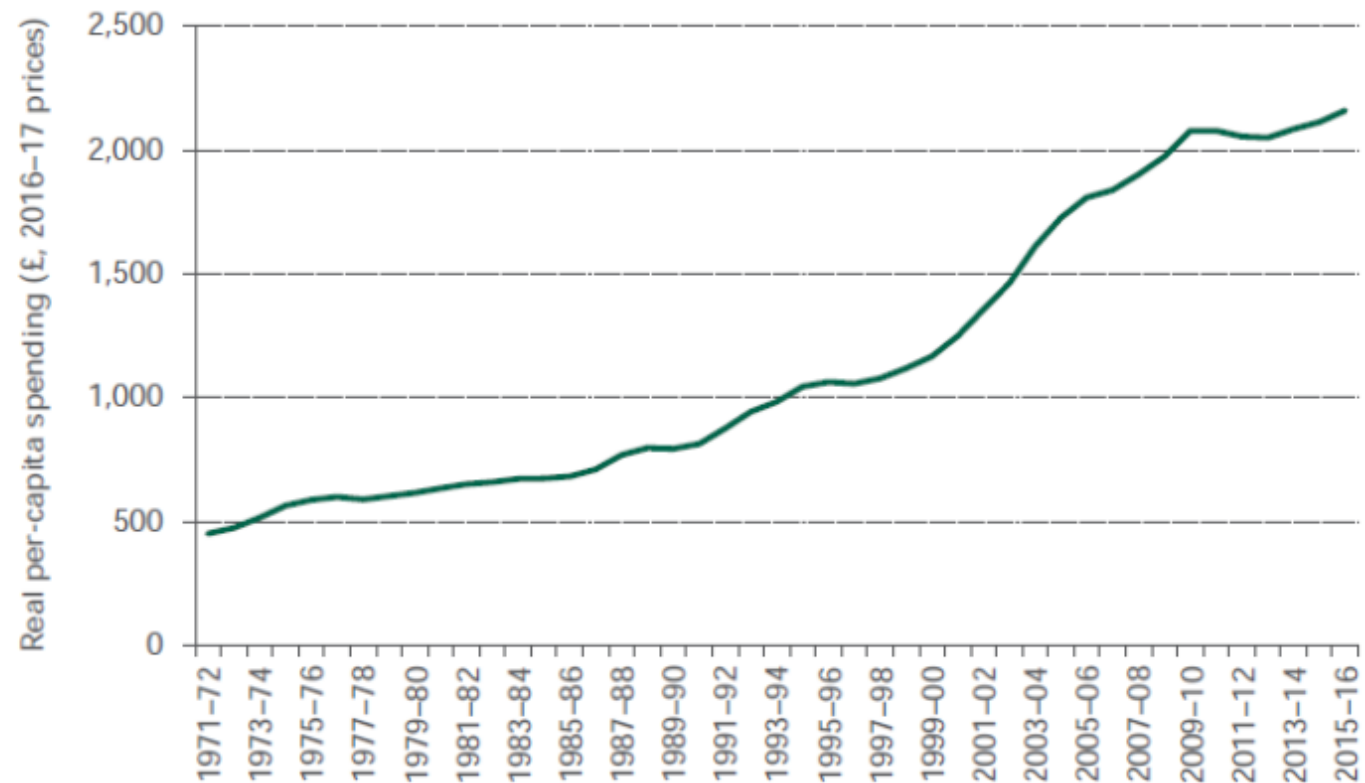
Figure 1: Annual UK public spending on health in real terms (2016–17 prices) and as a percentage of national income, 1955–56 to 2015–16



Source Luchinskaya et al (2017) Figure 5.3.

Note: Nominal health spending data from Office of Health Economics (1955–56 to 1990–91) and HM Treasury *Public Expenditure Statistical Analyses* (1991–92 to 2015–16). Real spending refers to 2016–17 prices, using the GDP deflator from the OBR in November 2016.

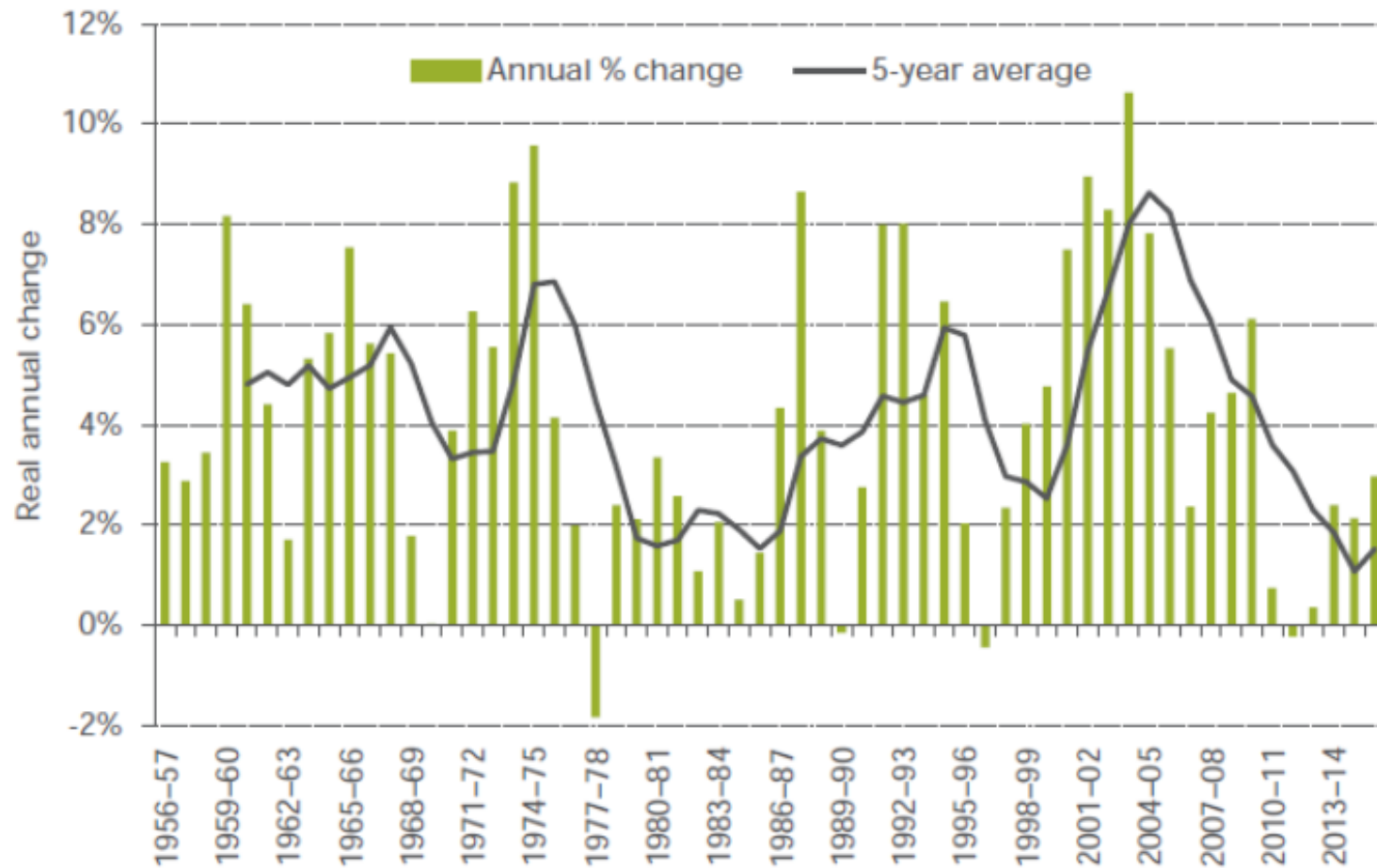
Figure 2: Real per-capita public spending on health (2016–17 prices), 1971–72 to 2015–16



Source Luchinskaya et al (2017) Figure 5.4.

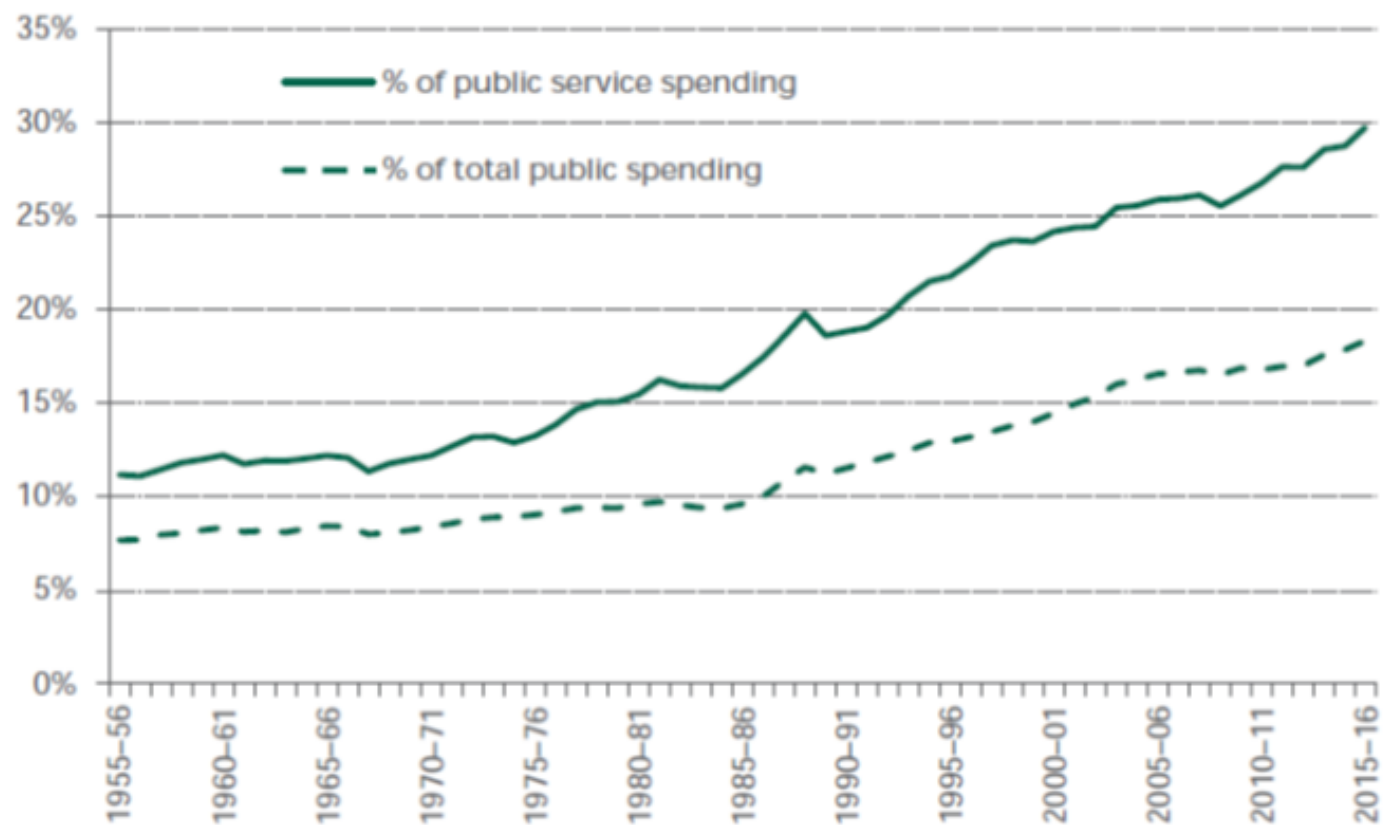
Note: Nominal health spending data from Office of Health Economics (1971–72 to 1990–91) and HM Treasury *Public Expenditure Statistical Analyses* (1991–92 to 2015–16). Real spending refers to 2016–17 prices, using the GDP deflator from the OBR in November 2016. UK population data available on an annual basis (but not financial year) from the Office for National Statistics (ONS) mid-year population estimates (June 2016 release)

Figure 3: Annual real growth rate in UK public spending on health, 1956–57 to 2015–16.



Source Luchinskaya et al (2017) Figure 5.2.

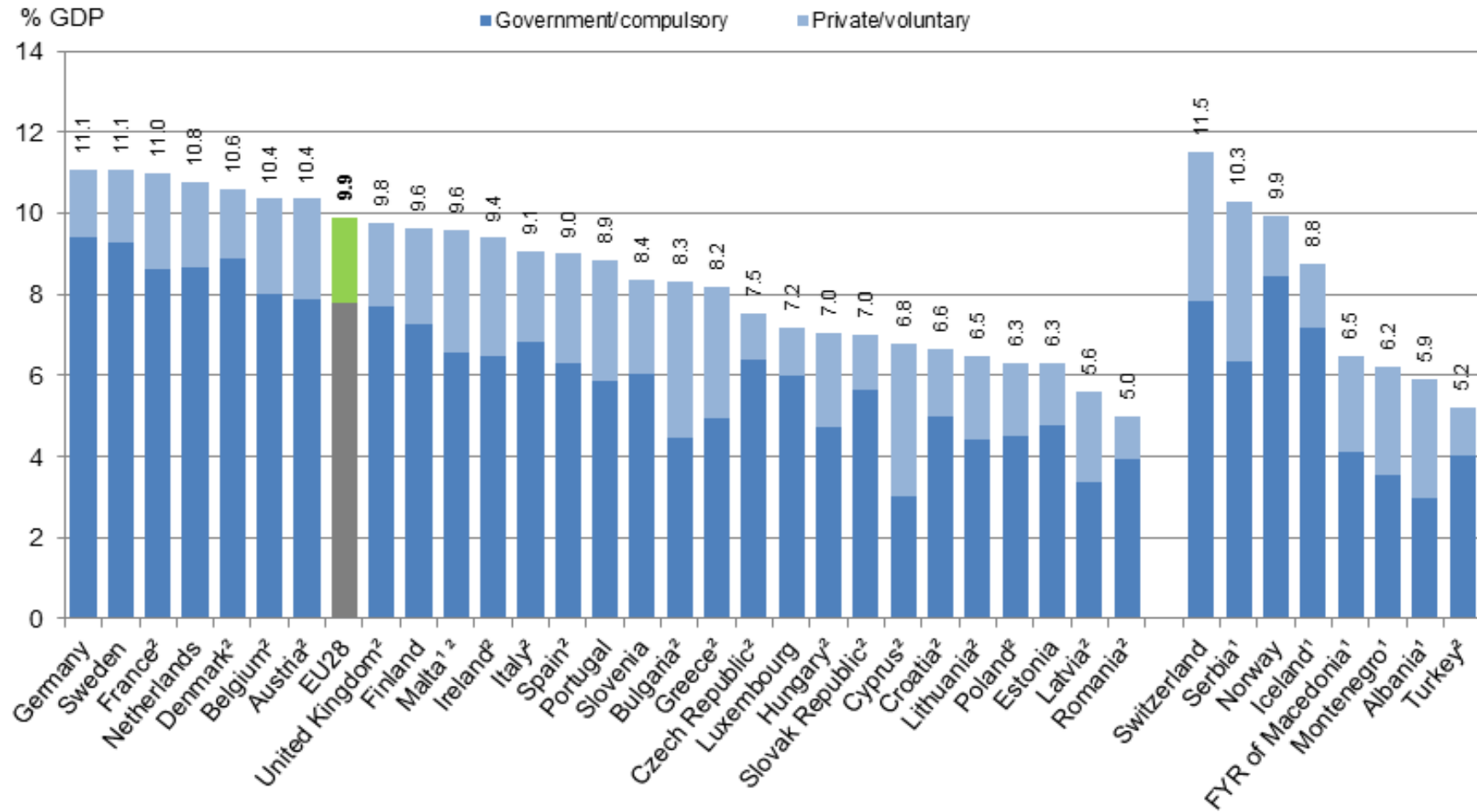
Figure 4: Annual UK public spending on health as a percentage of total public and public service spending, 1955–56 to 2015–16.



Source Luchinskaya et al (2017) Figure 5.3.

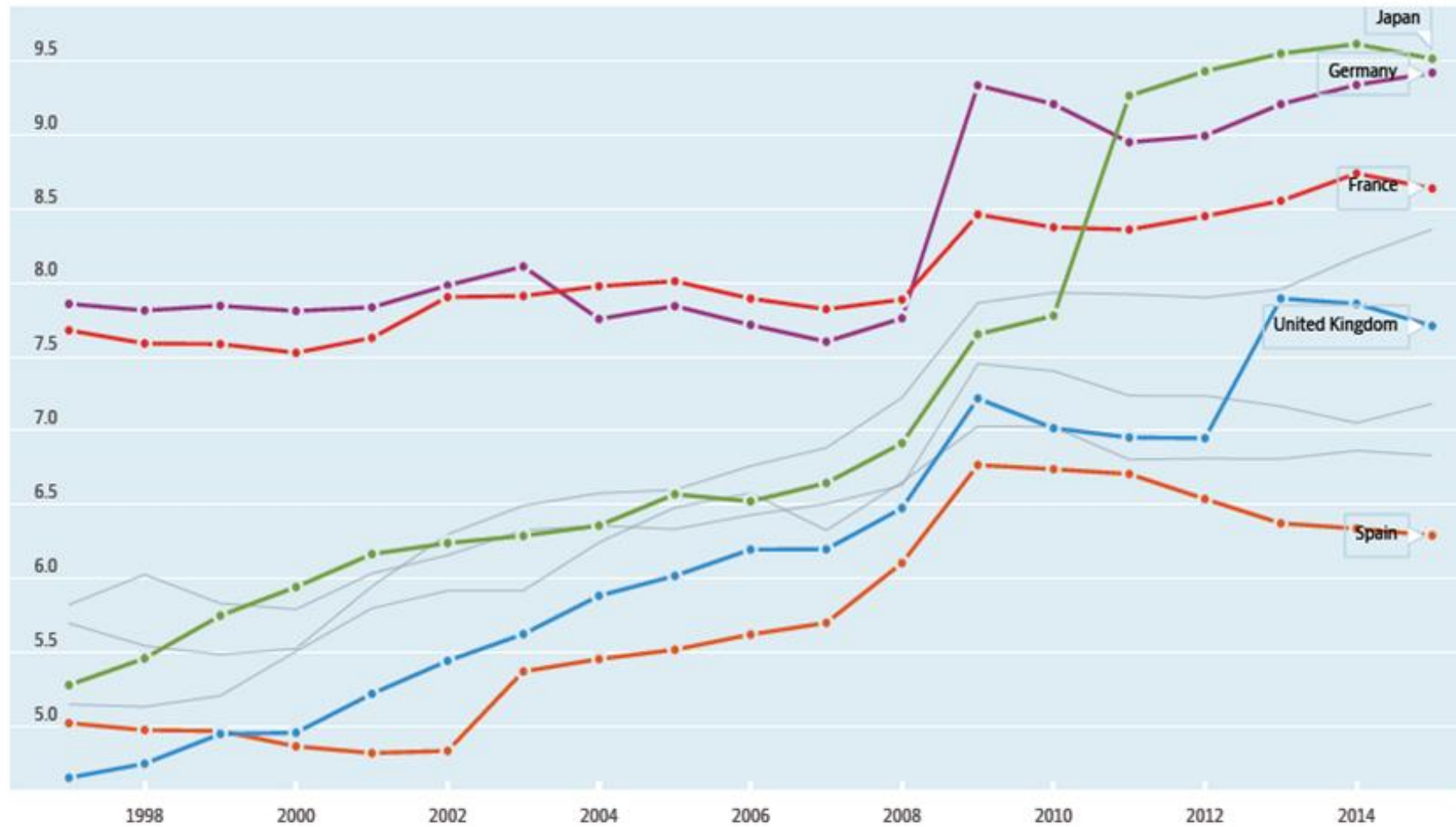
Note: Public spending is total managed expenditure. Public service spending is defined as total public spending less spending on gross debt interest and less spending on benefits and tax credits.

Figure 5: Health expenditure as a share of GDP, by Country 2015 (or nearest year)



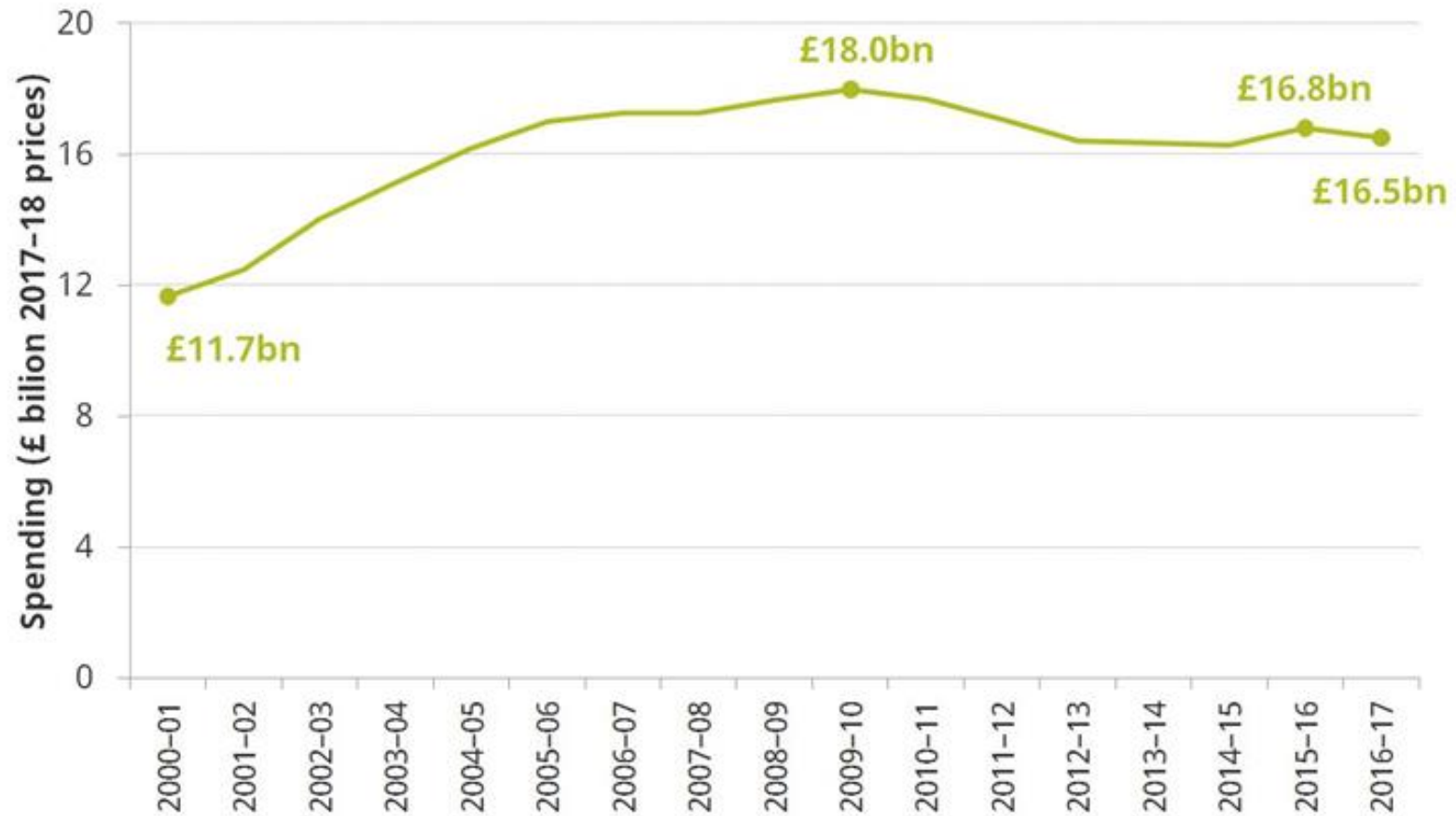
Source: OECD Health at a Glance 2006 Figure 5.3

Figure 6: Government Health Expenditure as % of GDP for selected Countries 1997-2015



Source: data.oecd.org source data plotted by author

Figure 7: Spending on local authority-organised adult social care, 2000–01 to 2016–17



Source: Simpson (2017).

Figure 8: Data Envelopment Analysis Efficiency Scores Across Country 2009.

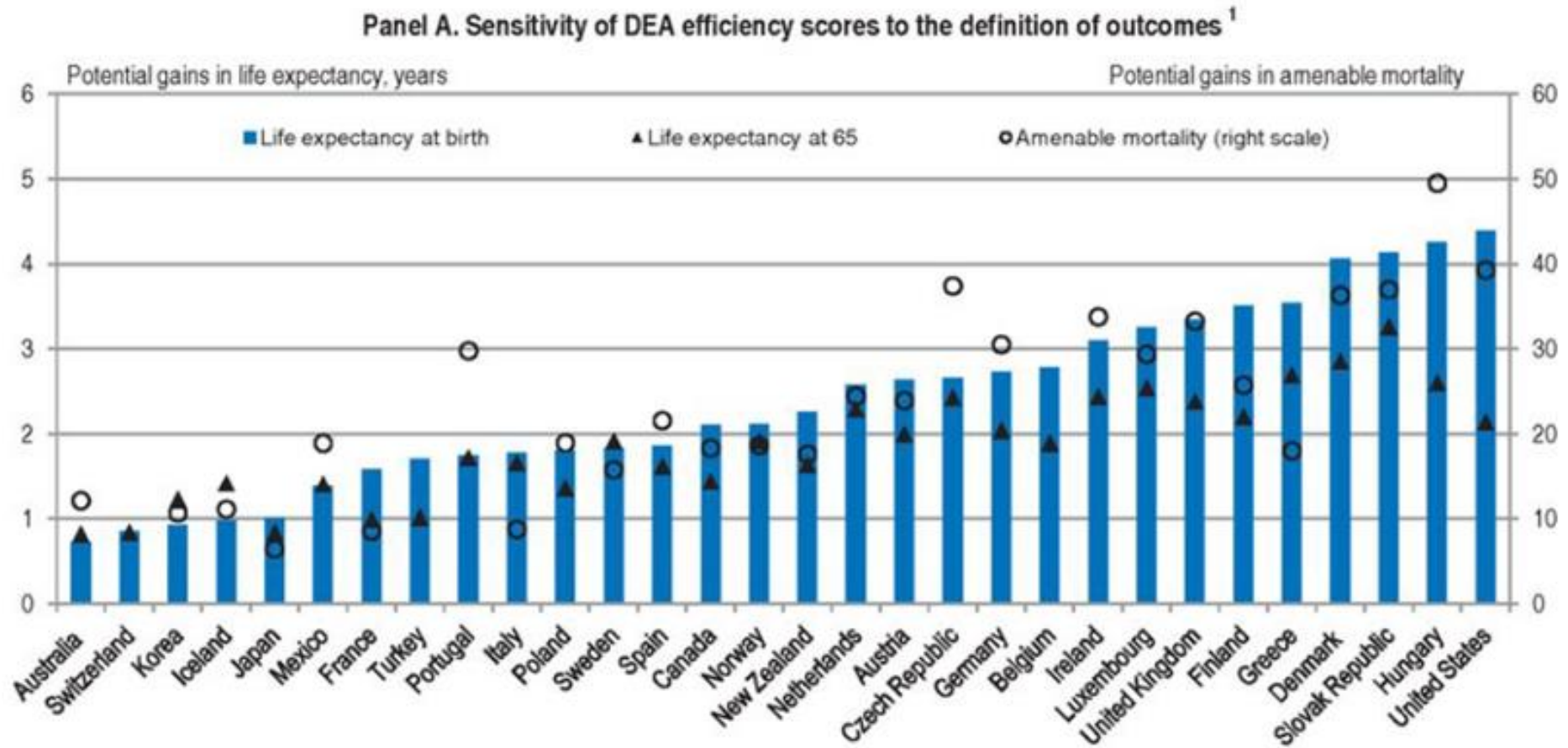
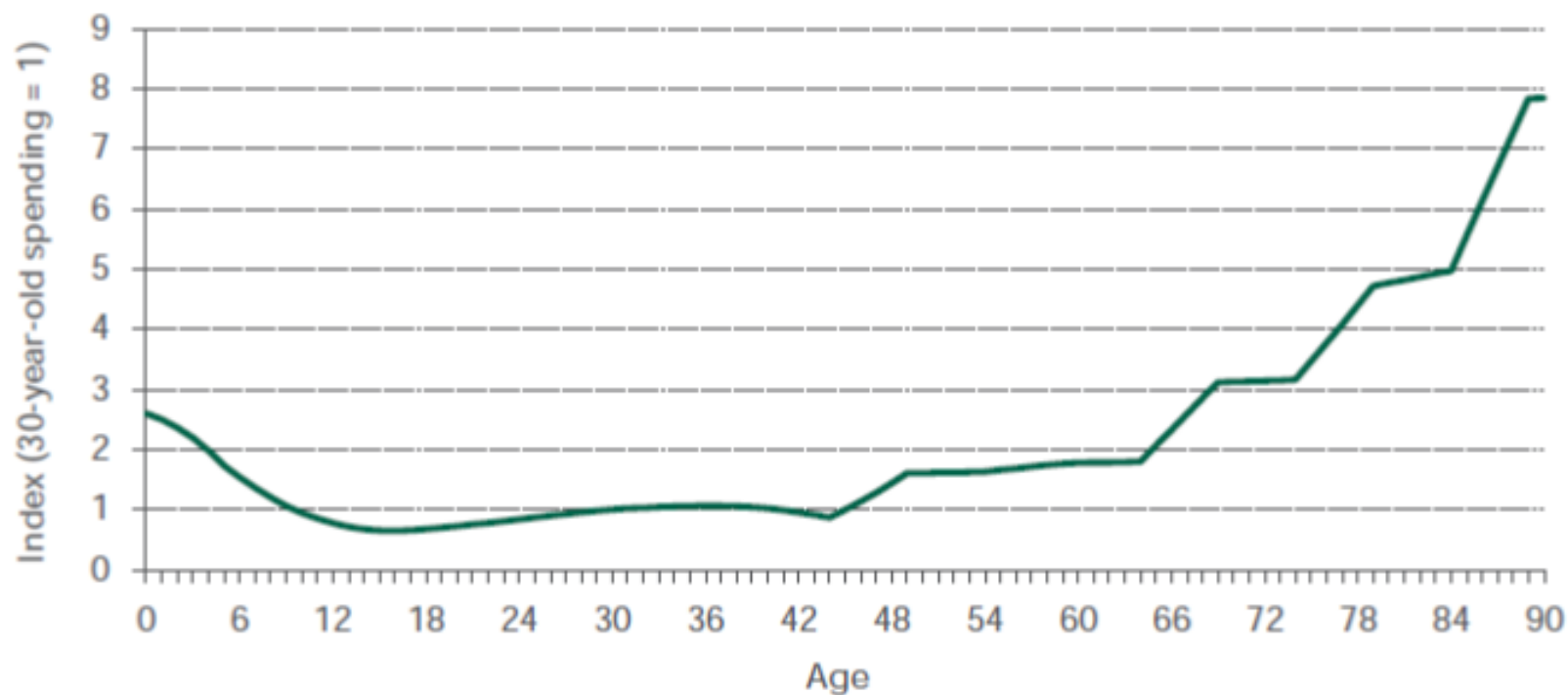
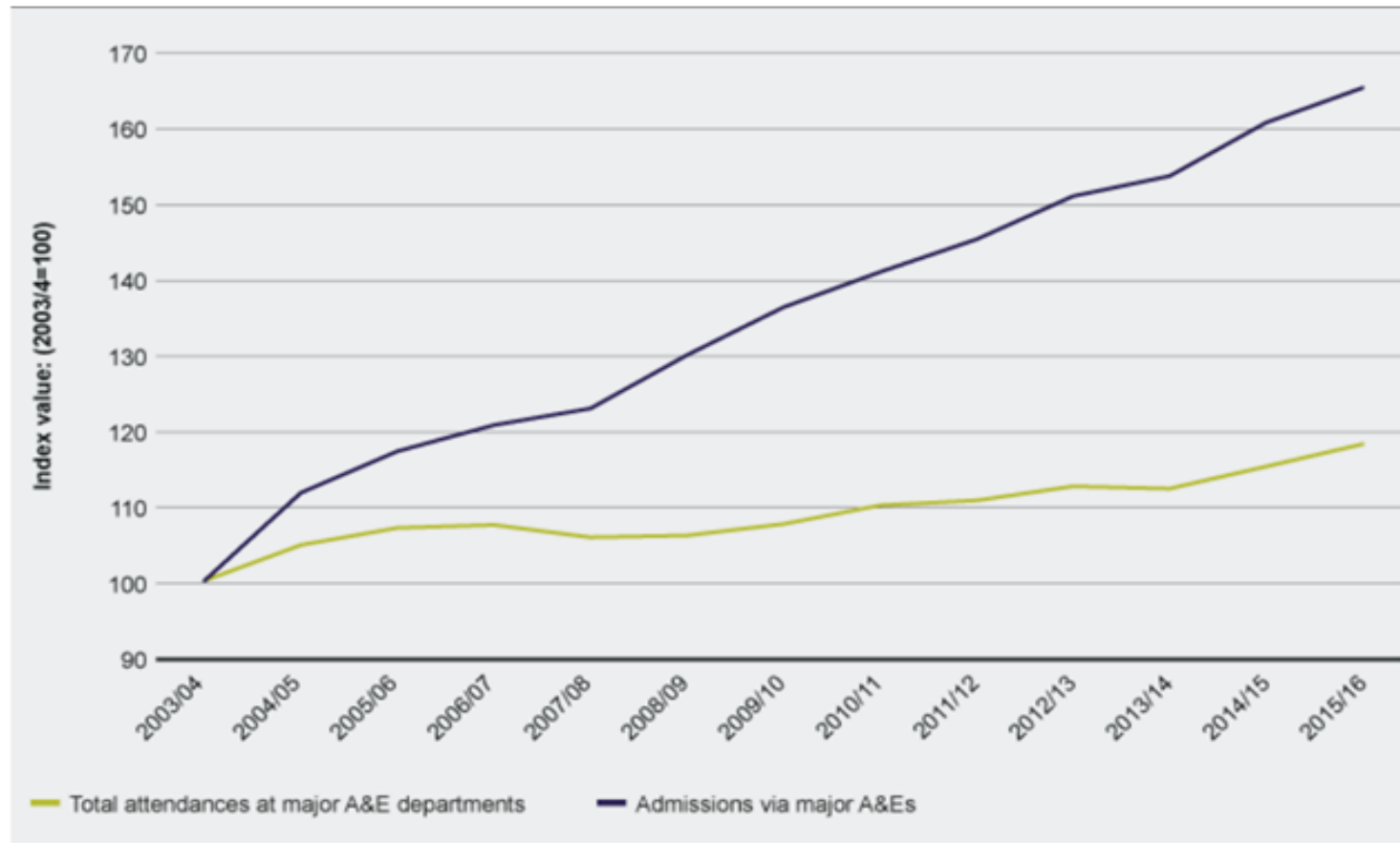


Figure 9: Age profile of public health spending in the UK (relative to 30-year-olds)



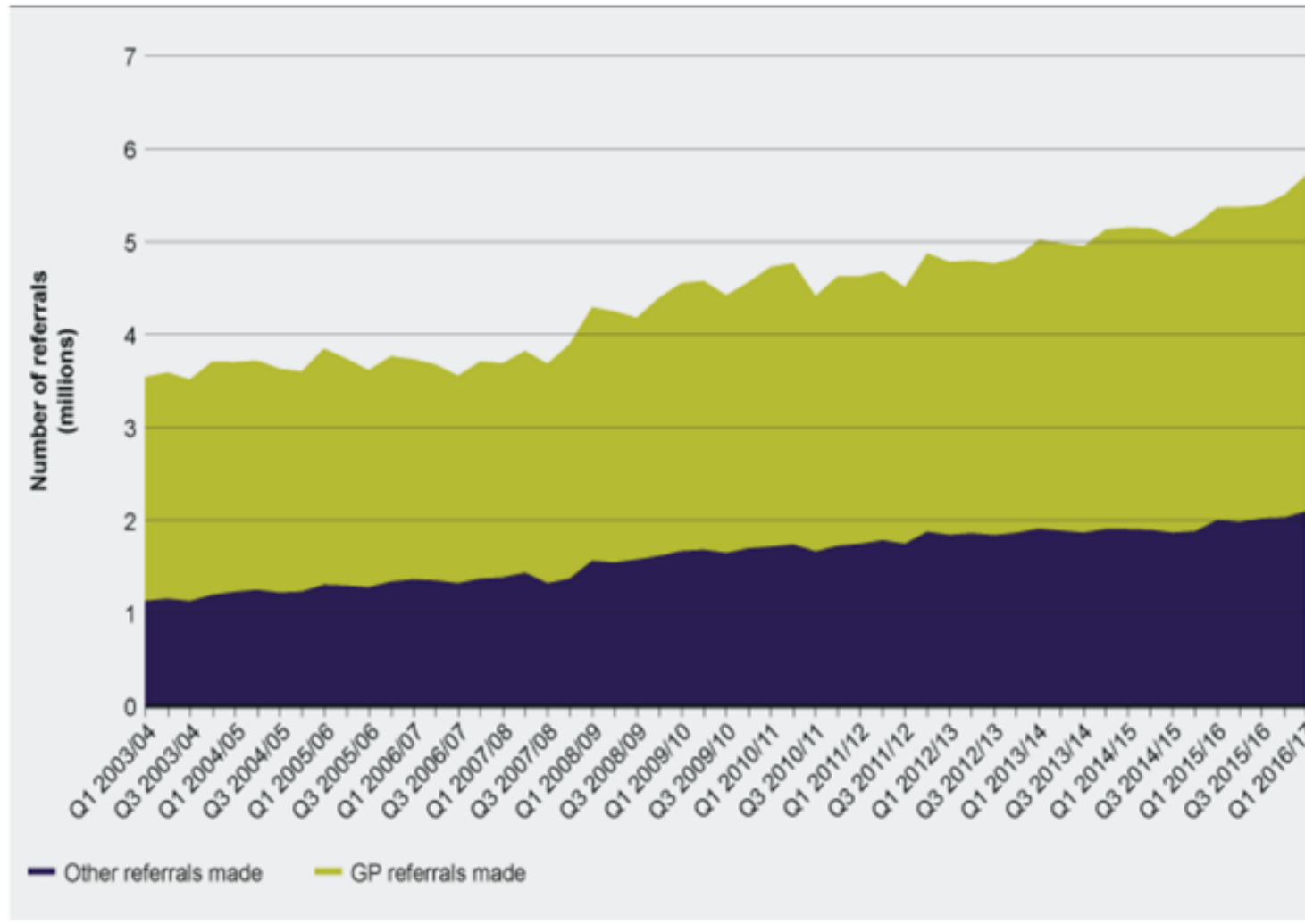
Source Luchinskaya et al (2017) Figure 5.8. previously: Chart 3.7 of Office for Budget Responsibility *Fiscal Sustainability Report 2017*. Costs are reported for individuals of each age between 0 and 90 years, relative to the average cost of treating a 30-year-old in the UK.

Figure 10: Index of attendance at, and emergencies from Major A&E departments, 2003-2016.



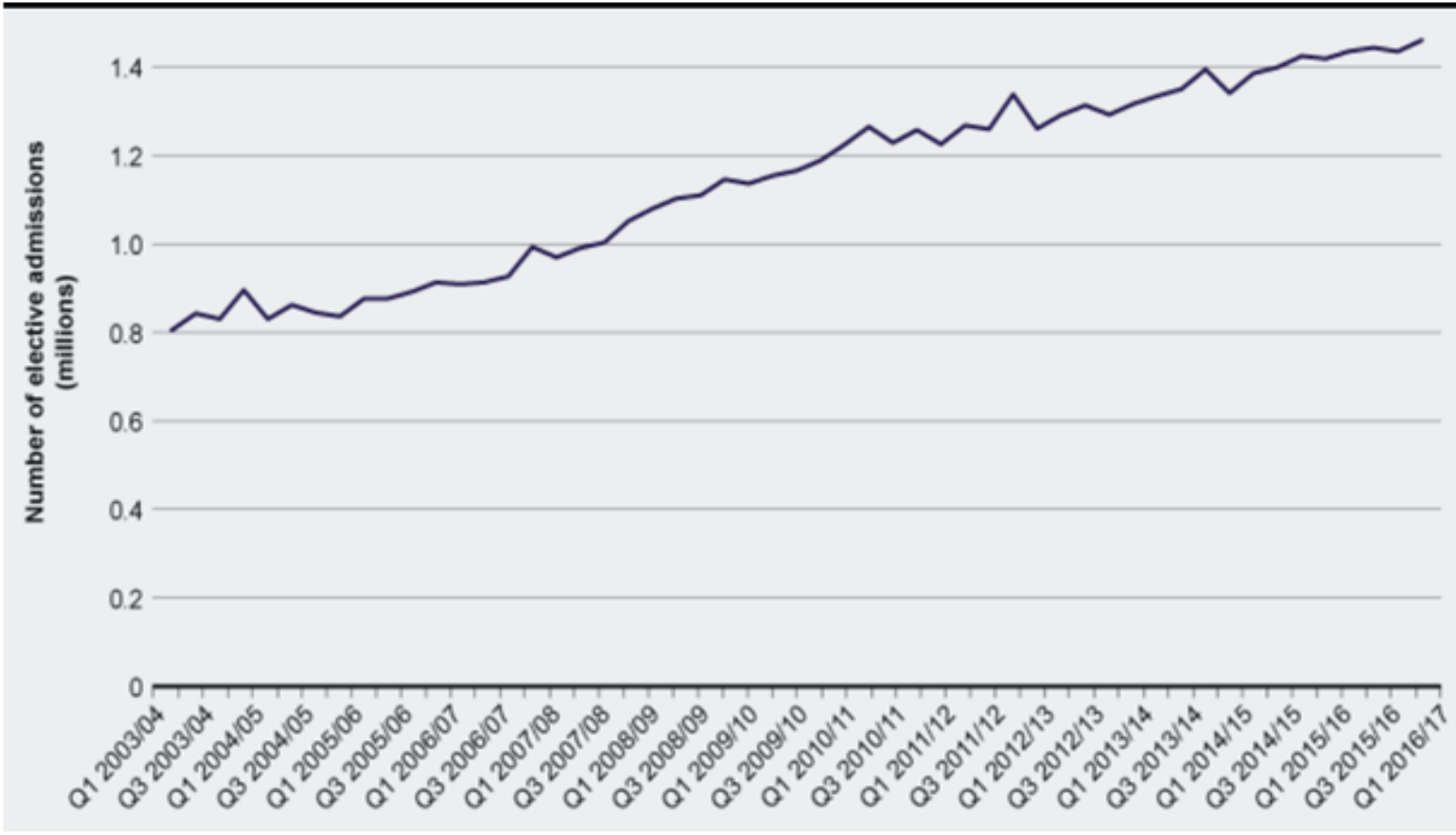
Source Maguire et al (2016).

Figure 11: Number of Referrals in millions 2003-2017.



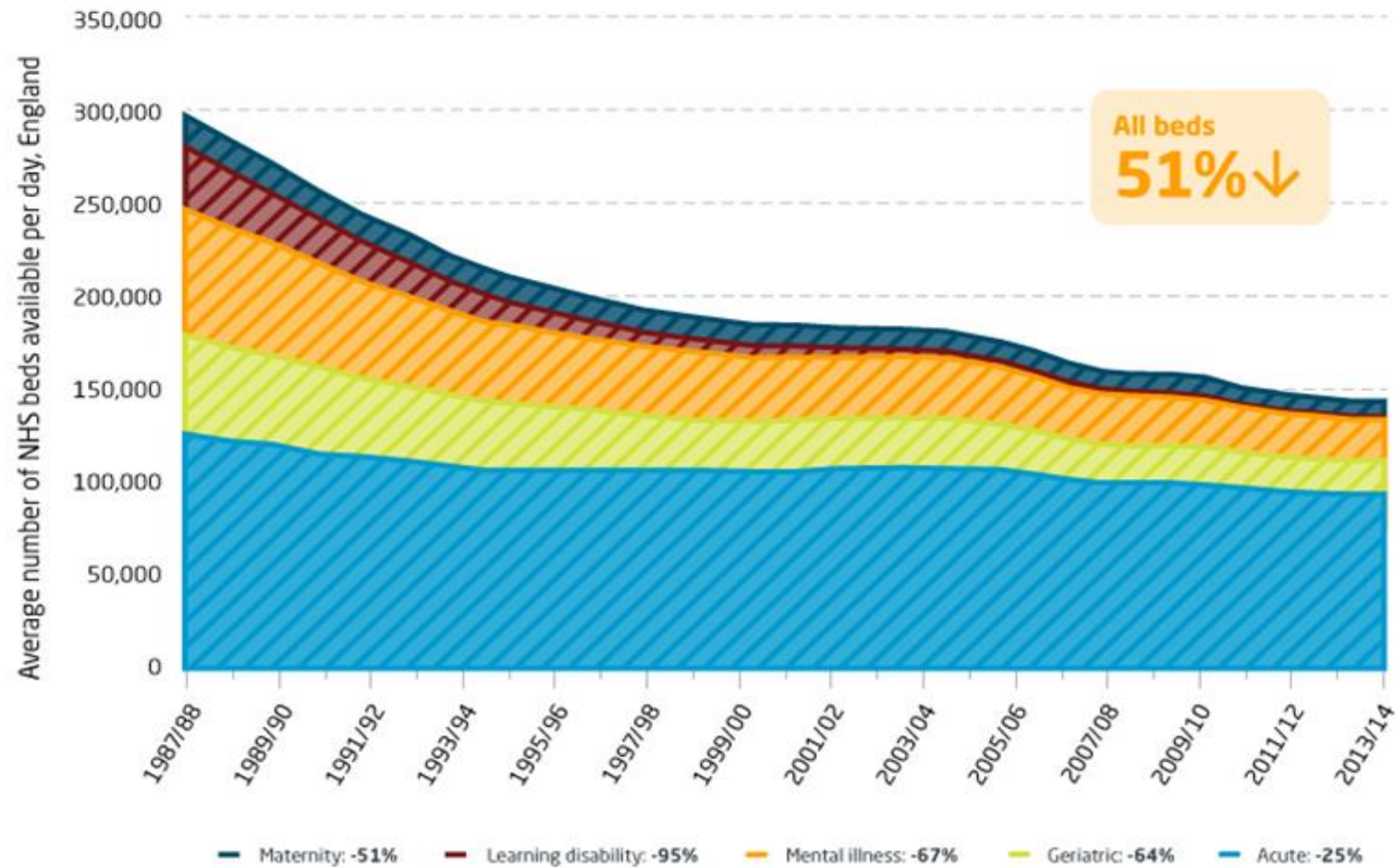
Source Maguire et al (2016).

Figure 12: Number of Elective Admissions in millions from 2003(Q3) to 2016(Q2).



Source Maguire et al (2016).

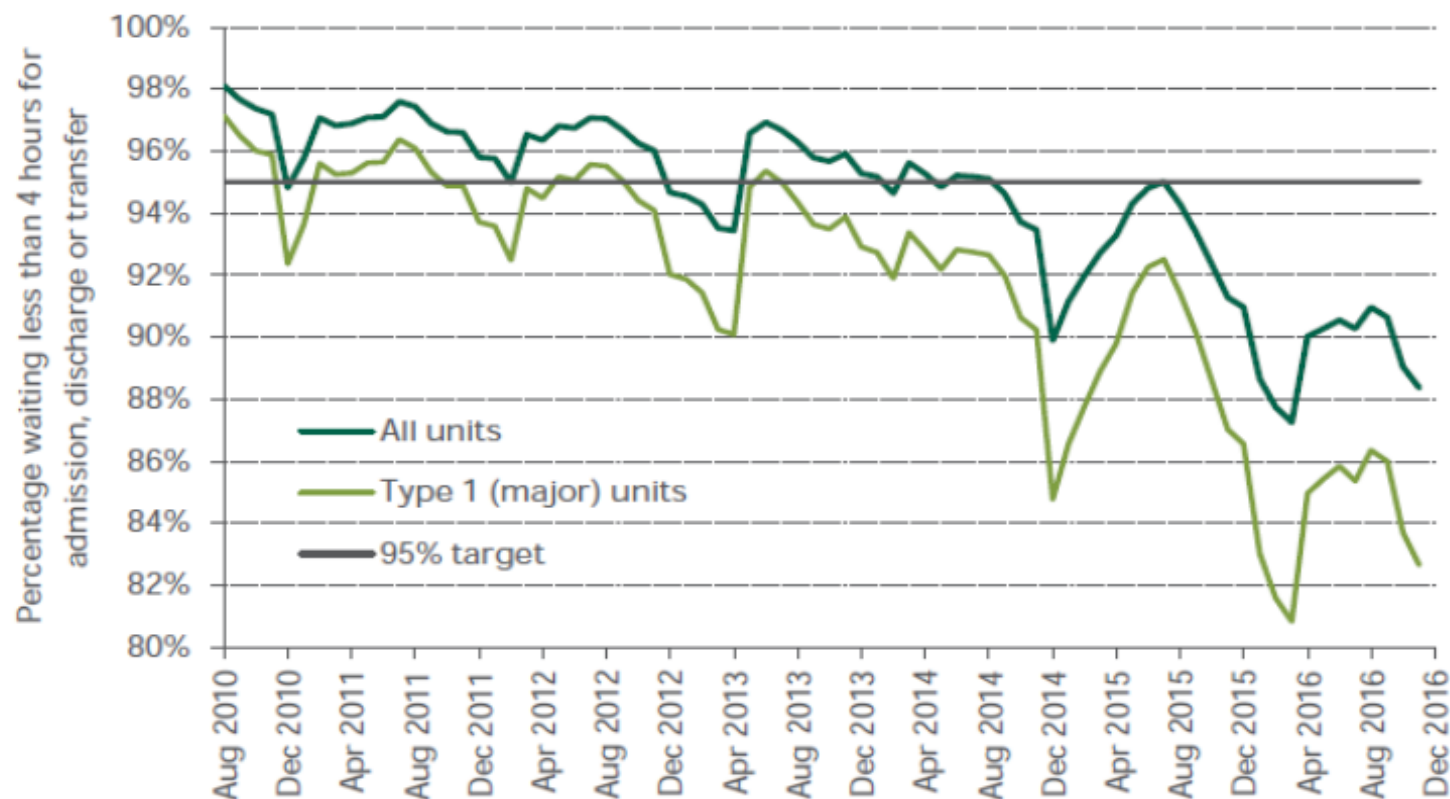
Figure 13: Average Number of Hospital Beds available per day 1987-2014



Source: The Kings Fund – The NHS in a Nutshell.

<https://www.kingsfund.org.uk/projects/nhs-in-a-nutshell/hospital-beds>

Figure 14: Percentage of patients who are admitted, discharged or transferred within four hours of arrival at an A&E department, by unit type, August 2010 to November 2016.

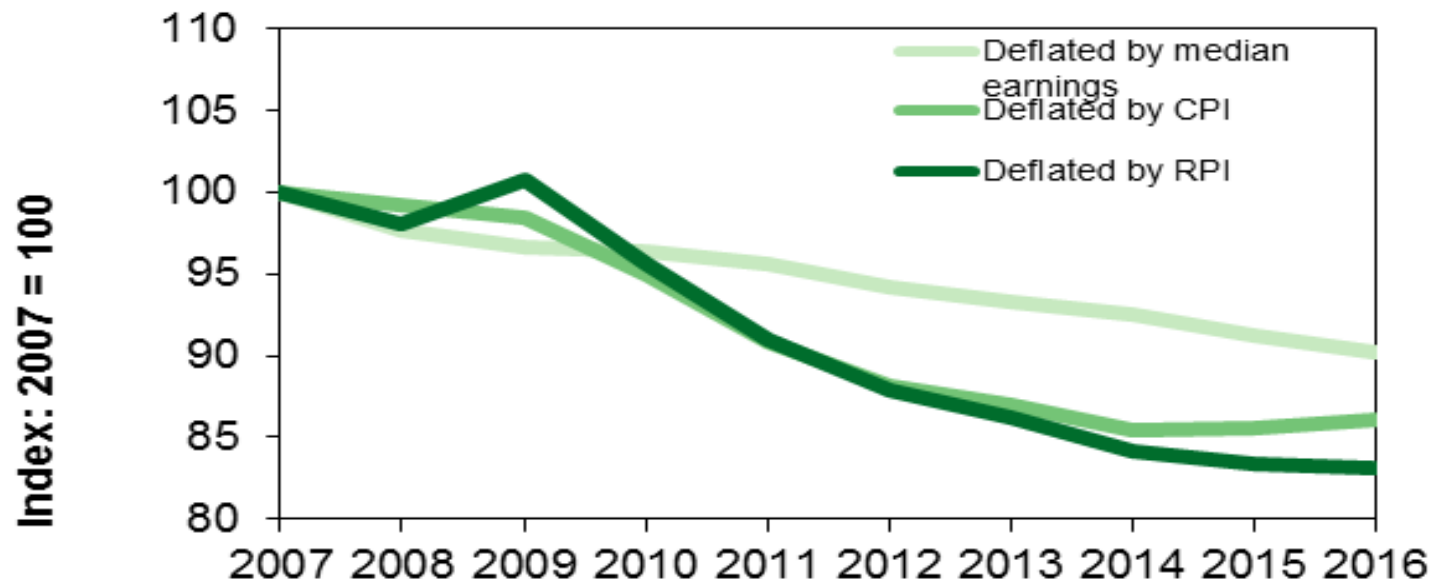


Source Luchinskaya et al (2017) Figure 5.11.

Note: All NHS hospitals and walk-in centres that provide emergency care are subject to the 95% target. Type 1 units are 24-hour consultant-led emergency departments with full resuscitation facilities and designated accommodation for the receipt of A&E patients.

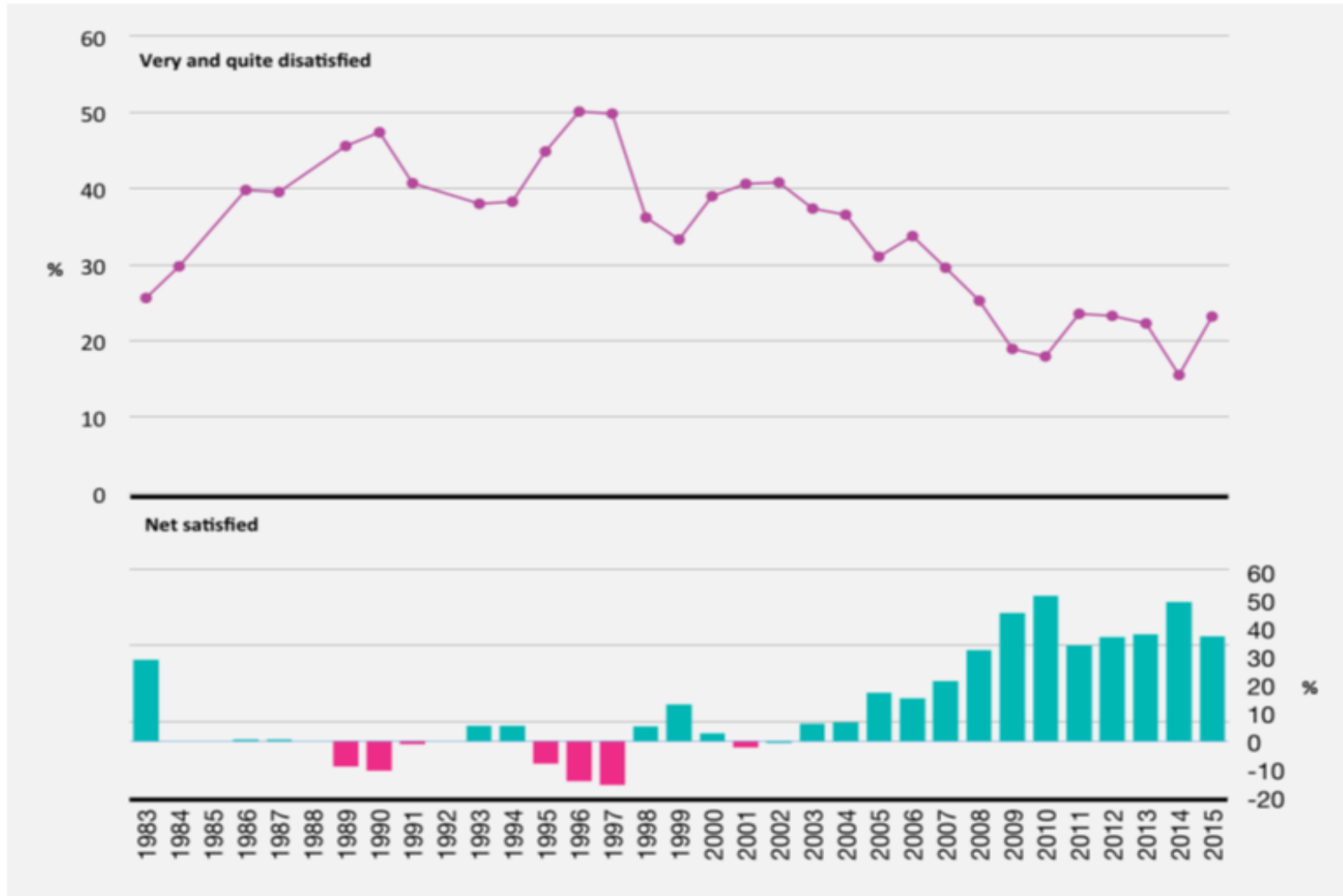
Source: Data from NHS England, 'A&E attendances and emergency admissions', <https://www.england.nhs.uk/statistics/statistical-work-areas/ae-waiting-times-and-activity/statistical-workareasae-waiting-times-and-activity/ae-attendances-and-emergency-admissions-2016-17/>.

Figure 15: Hospital Doctor Real Pay by Year Relative to 2007



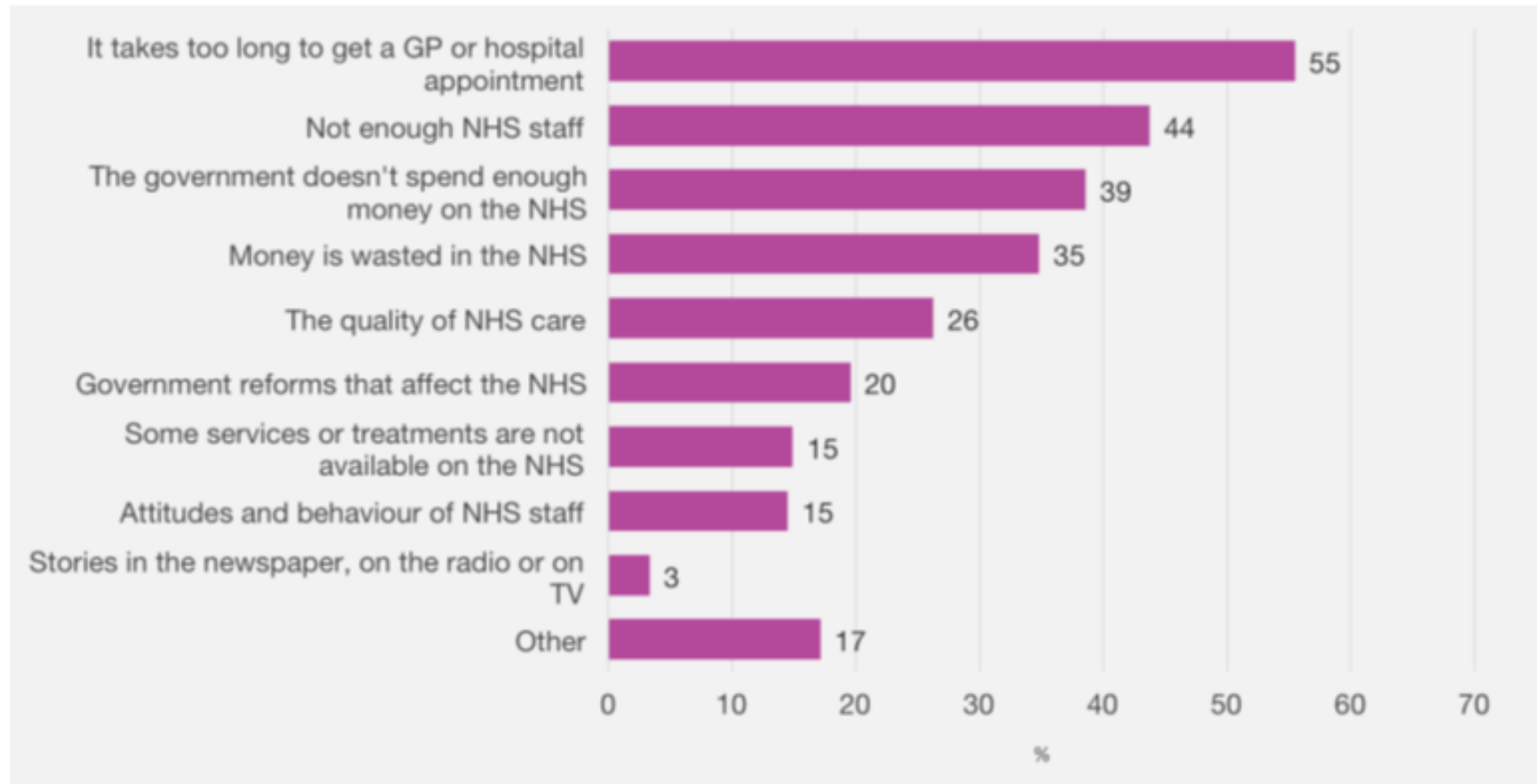
Source: Office of Manpower Economics.

Figure 16: Dissatisfaction with the NHS, 1983-2015



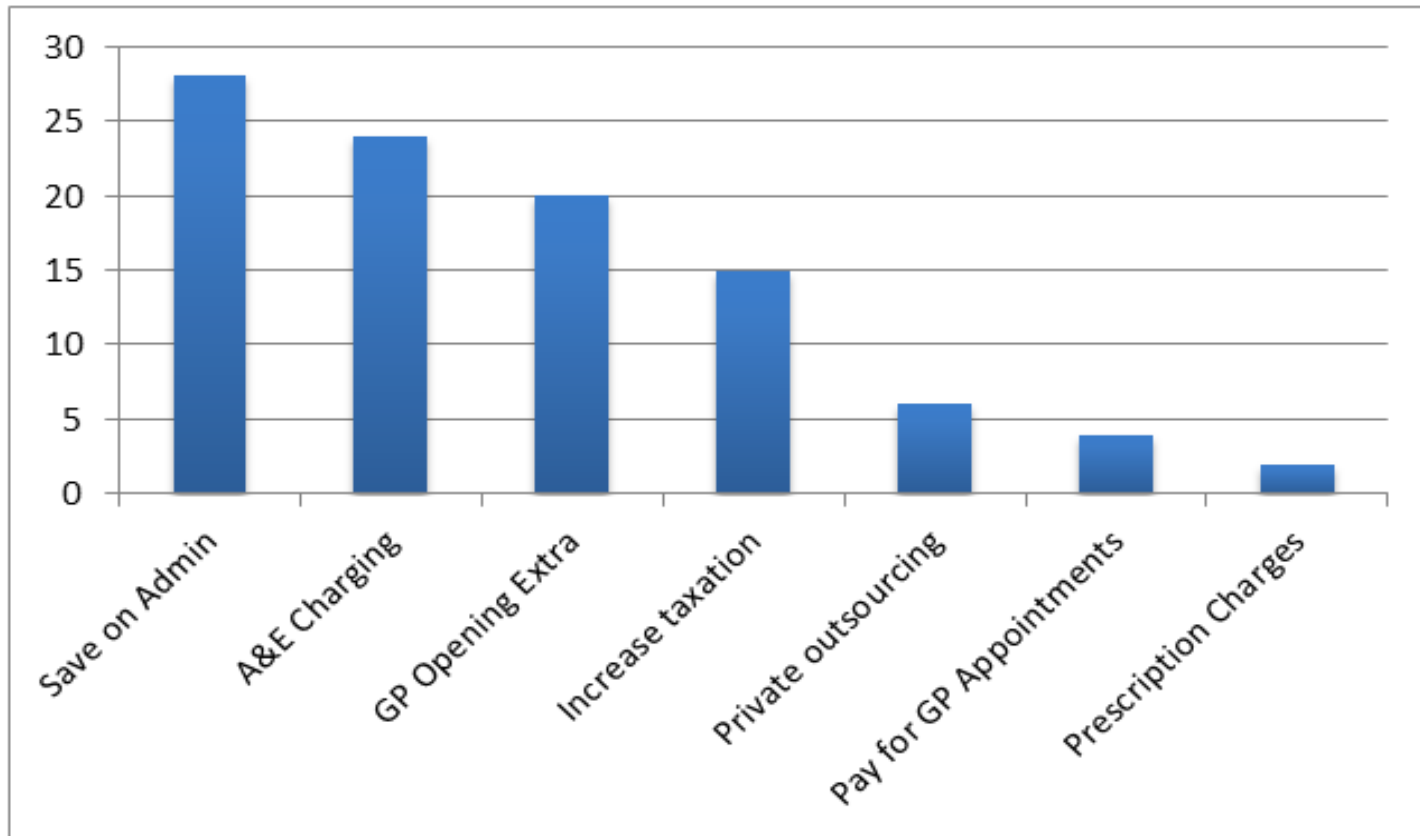
Source Fig. 1 Appleby et al (2016)

Figure 17: Reasons for dissatisfaction with the NHS



Source : Fig. 4 Appleby et al (2016)

Figure 18 : How Should We Pay for the NHS ? Percentage Respondents



Source : Dolton & Tol (2016)

Figure 19 : The Distribution of Extra Willingness to Pay of Taxpayers and Non-Tax Payers

