

Outlook for health and care in 2024

Sarah Woolnough
Chief Executive

Who we are

The King's Fund is an independent charity working to improve health and care in England. Our vision is that the best possible care is available to all. We strive to realise this vision by influencing the way health care and related social care in England is organised, funded and delivered and by supporting individuals, teams and organisations to lead change in order to improve care.



What we do



Help shape
policy through
research and
analysis



Develop
individuals,
teams and
organisations



Promote
understanding of
the health and
social care system



Bring people
together to learn,
share knowledge
and debate

2024 – a year of challenge and change for health and care

- Services under significant pressure – activity increasing but inability to match growing demand
- Life expectancy and health outcomes lower in England than Europe
- Deep societal inequalities, exacerbated by a cost-of-living crisis
- 2.8m people not working due to long-term sickness

Hope on the horizon?

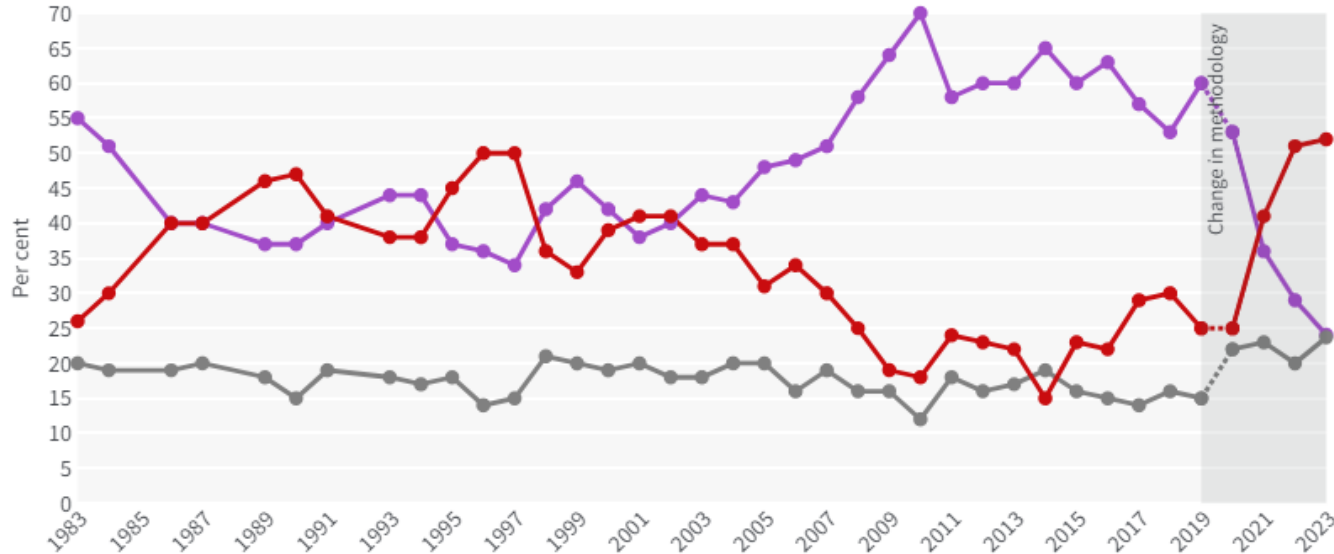
- Bold plan on phased smoking ban + public support for prevention
- Some signs of moving care into the community e.g. Pharmacy First services
- Investment in tech and innovation welcome

Latest public attitudes

Public satisfaction with the NHS

Question asked: 'All in all, how satisfied or dissatisfied would you say you are with the way in which the National Health Service runs nowadays?'

Very or quite satisfied Neither satisfied nor dissatisfied Very or quite dissatisfied



52%
Dissatisfied
Highest on
record

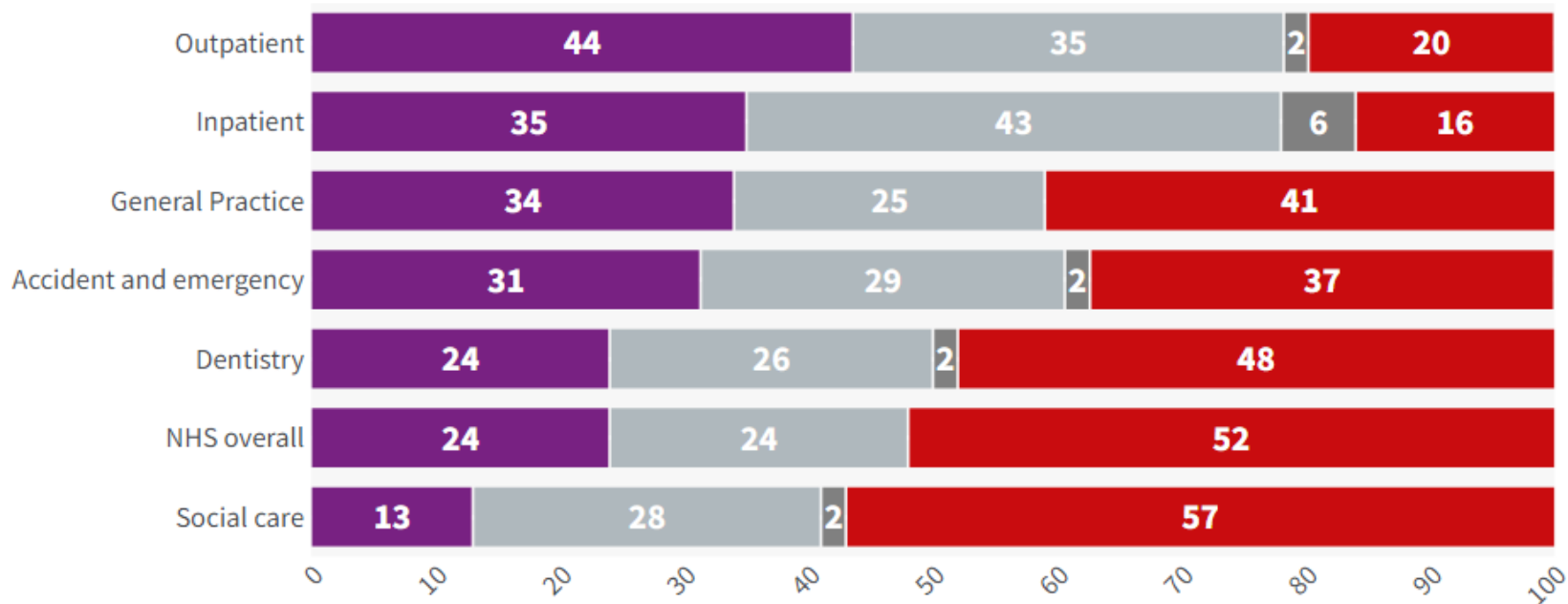
24%
Satisfied
Down 5ppt
Lowest on
record

Source: The King's Fund and Nuffield Trust analysis of NatCen's BSA survey data

2023 sample size = 3,374. This question was not asked in 1985, 1988 and 1992; 'don't know' and 'refusal' responses are not shown, in 2023 these response categories were selected by 0.41% of respondents. Data has been carefully weighted to minimise differences due to the change in methodology from 2020 onwards.

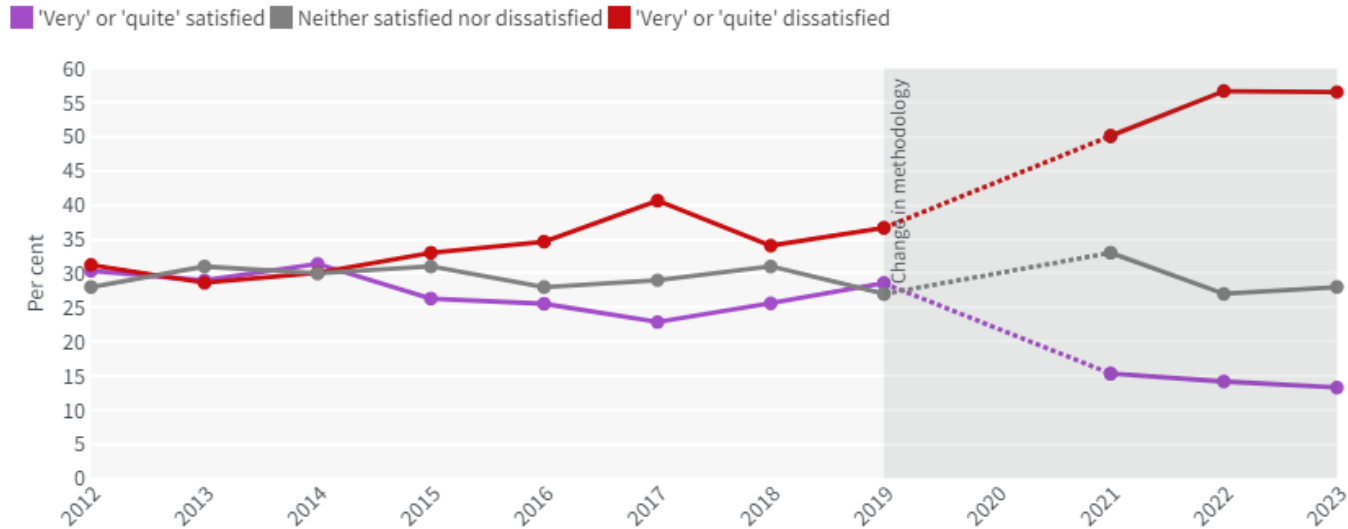
Satisfaction low across all services in 2023

Very and quite satisfied Neither Don't know/refused Very and quite dissatisfied



Especially social care services

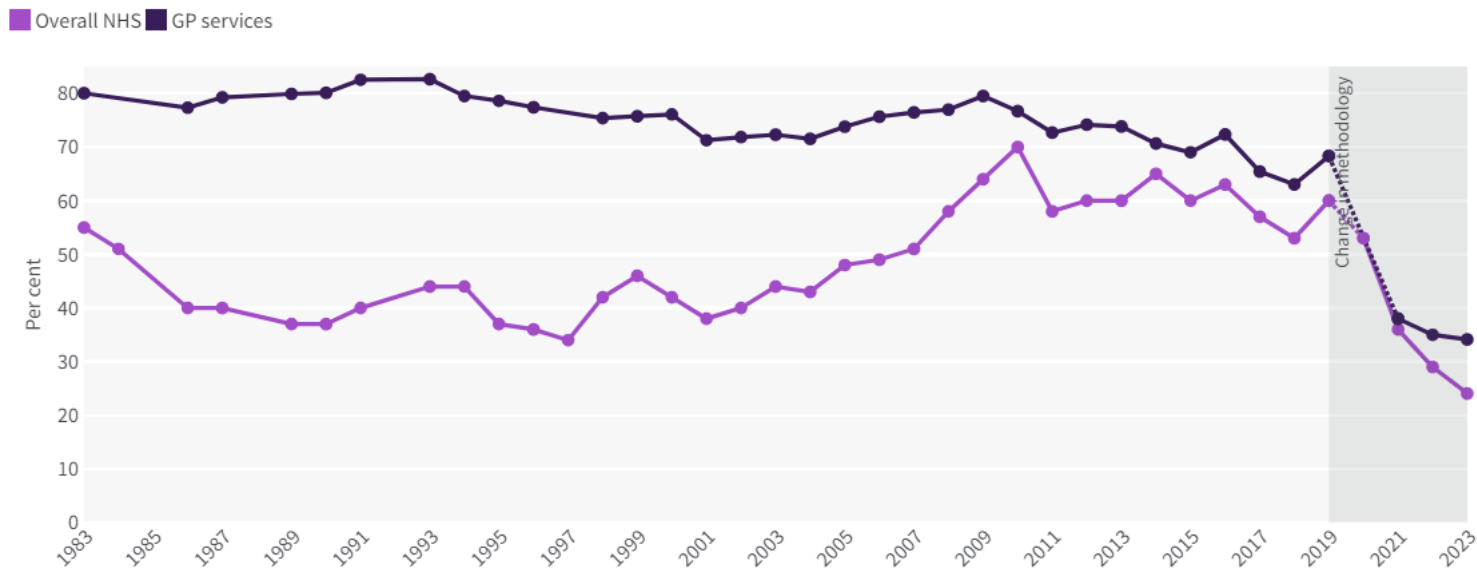
Question asked: (until 2019) 'How satisfied or dissatisfied are you with social care provided by local authorities for people who cannot look after themselves because of illness, disability or old age?', (from 2021) 'From your own experience, or from what you have heard, how satisfied or dissatisfied are you with social care for people who cannot look after themselves because of illness, disability or old age?'



Source: The King's Fund and Nuffield Trust analysis of NatCen's BSA survey data
2023 sample size = 3,374. This question was not asked in 2020; 'don't know' and 'refusal' responses are not shown, in 2023 these response categories were selected by 2.2% of respondents. Data has been carefully weighted to minimise differences due to the change in methodology between 2020 and previous years.

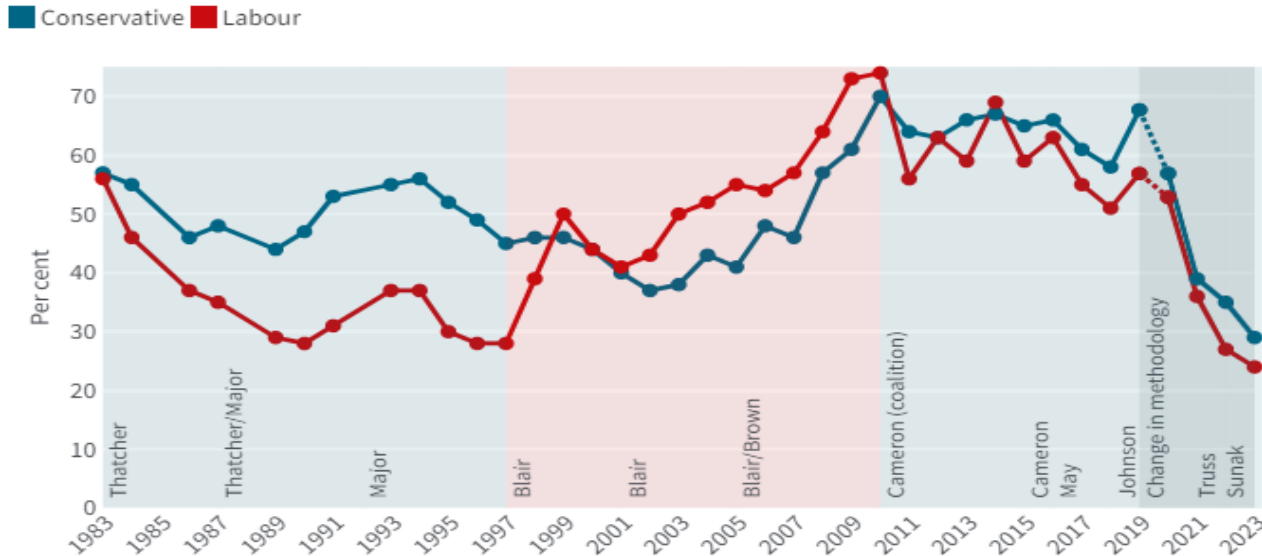
Comparisons with previous periods of low satisfaction

When satisfaction with the NHS overall fell in the mid 90s (dropping to 34% in 1997), satisfaction with individual services remained relatively high – that is not the case now



And differences between supporters of political parties

In the years leading up to the election in 1997, Conservative supporters were significantly more satisfied with the NHS overall than Labour supporters. As we approach an election in 2024, low levels of satisfaction with the NHS are now more consistent across the political divide.



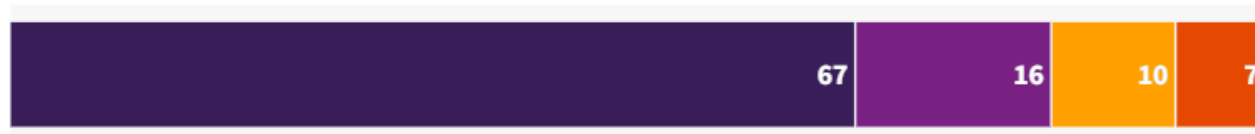
Majority of people still believe in NHS founding principles

■ Definitely applies ■ Probably applies ■ Probably does not apply ■ Definitely does not apply

The NHS should be free of charge when you need to use it



The NHS should be available to everyone

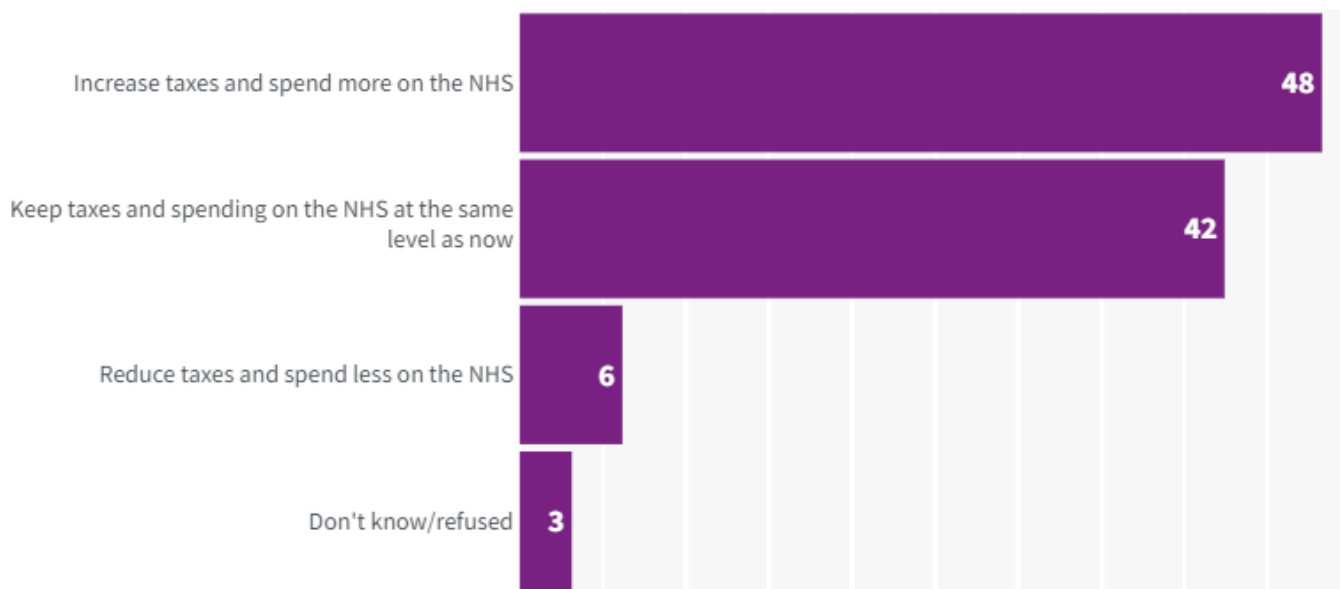


The NHS should primarily be funded through taxes



Nearly half of respondents support the government to increase taxes and spend more

Question asked: 'Suppose the government had to choose between the following three options, which do you think it should choose?'



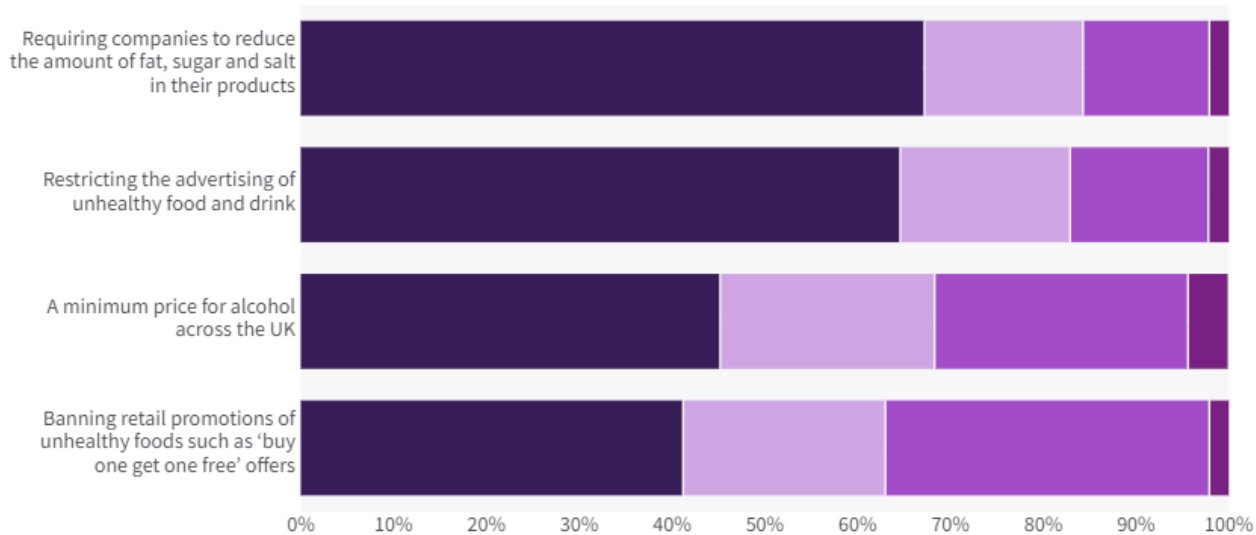
Some reflections on the findings

- Public satisfaction with the NHS and its services now in **uncharted territory**.
- The results are **bleak but should not be surprising** after a year of strikes, scandals and sustained long waits for care.
- Despite the challenges the NHS is currently facing, the **public are not looking for changes to the principles** of the NHS.
- They do not want a different model – they want the one they have got to work. They are clear they want to **see improvements in waiting times, funding and staff numbers**.
- Despite the current challenging economic climate, nearly half of the public (**48%**) **support the government increasing taxes** to spend more on the NHS.
- Recent polling suggests the NHS will be a key issue at the ballot box and the findings on tax pose a difficult question for politicians.

Public also support more preventive interventions

To what extent do you agree or disagree that the government is doing enough to:

Support Neither support nor oppose Oppose Don't know



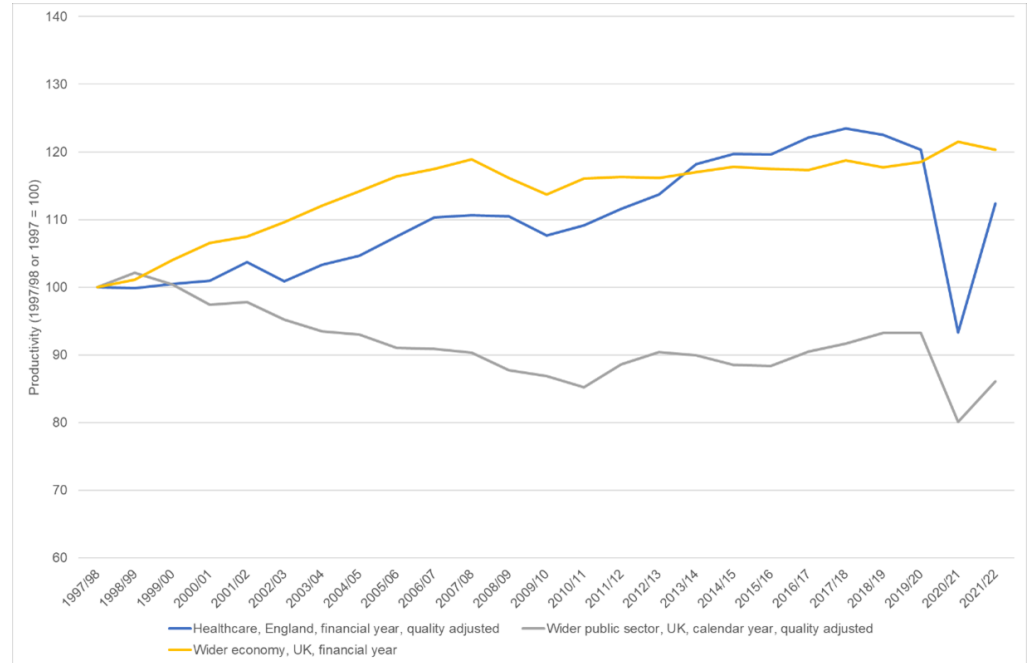
Source: Ipsos polling
Base: 1,115 UK online adults, aged 18+, 21-22 February 2024

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NHS productivity

Aggregate NHS productivity trends

- 10-15 years ahead of the pandemic, NHS significantly increased productivity, keeping pace with wider economy, at times outpacing it
- Covid was significantly disruptive – increased costs and reduced activity
- NHSE anticipates good recovery at aggregate level this year but still some way below pre-pandemic



ONS productivity estimates 1997/98 – 2021/22

What's driving this?

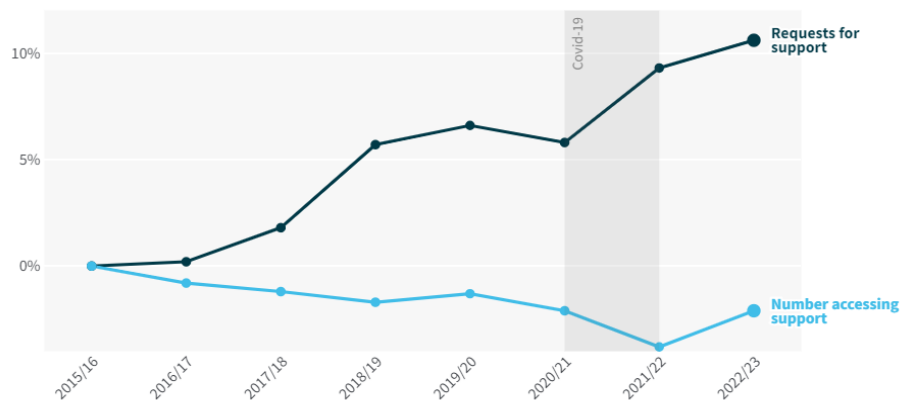
- According to NHS England's latest productivity review:
 - Reduced resilience going into the pandemic
 - More complex/acute population needs
 - Reduced flow across the system and longer length of stay
 - Post-pandemic turnover in experienced leadership and management + growth in more junior staff
 - Staff burnout – sickness absence rates still higher than pre-Covid
 - Increase in depreciation and cost of capital charges after real terms reductions in investment in the prior decade
 - Increase in high-cost medical technologies and novel medicines
 - Temporary staff costs (agency/bank) still higher than pre-covid
 - Significant **pressures in local authorities and social care**

Key trends in social care

The gap between requests for support and receipt of long-term care has grown

Compared to 2015/16, more people in England are requesting social care support but fewer people are receiving it

Percentage change compared to 2015/16



Source: [NHS England 2022/23](#)

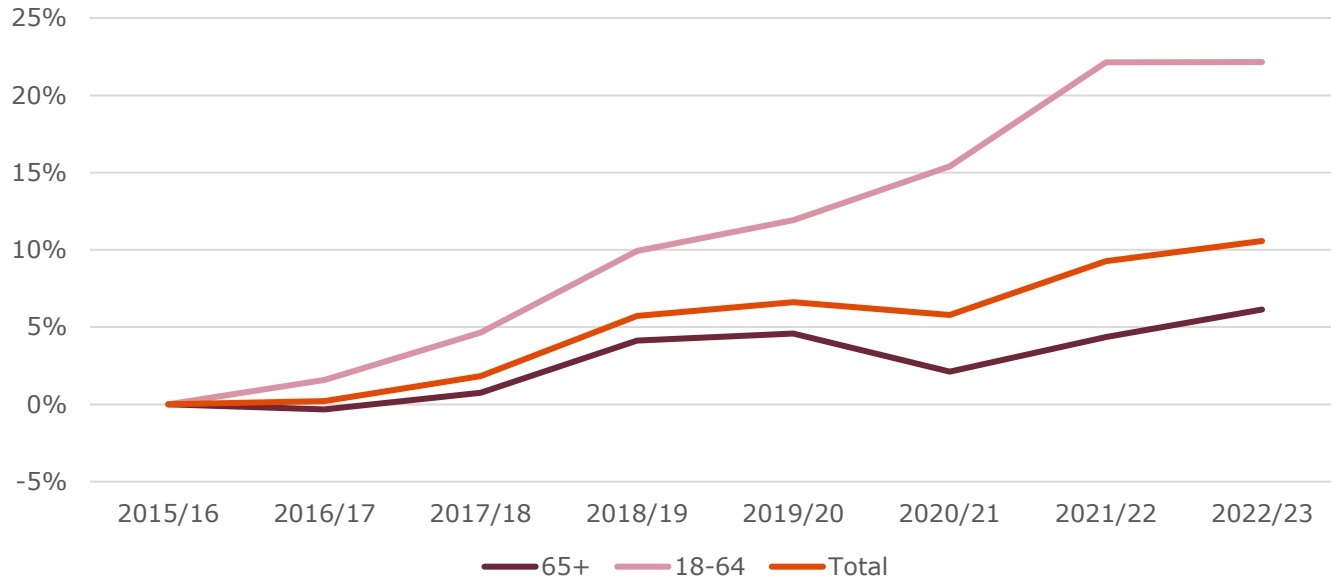
This chart combines the number of people receiving long-term care services with the number of packages of short-term care support to maximise independence (ST-Max) provided. There may be some overlap between these figures: some people who receive long-term care may also receive ST-Max in a year and some people may receive more than one episode of ST-Max.

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A Flourish chart

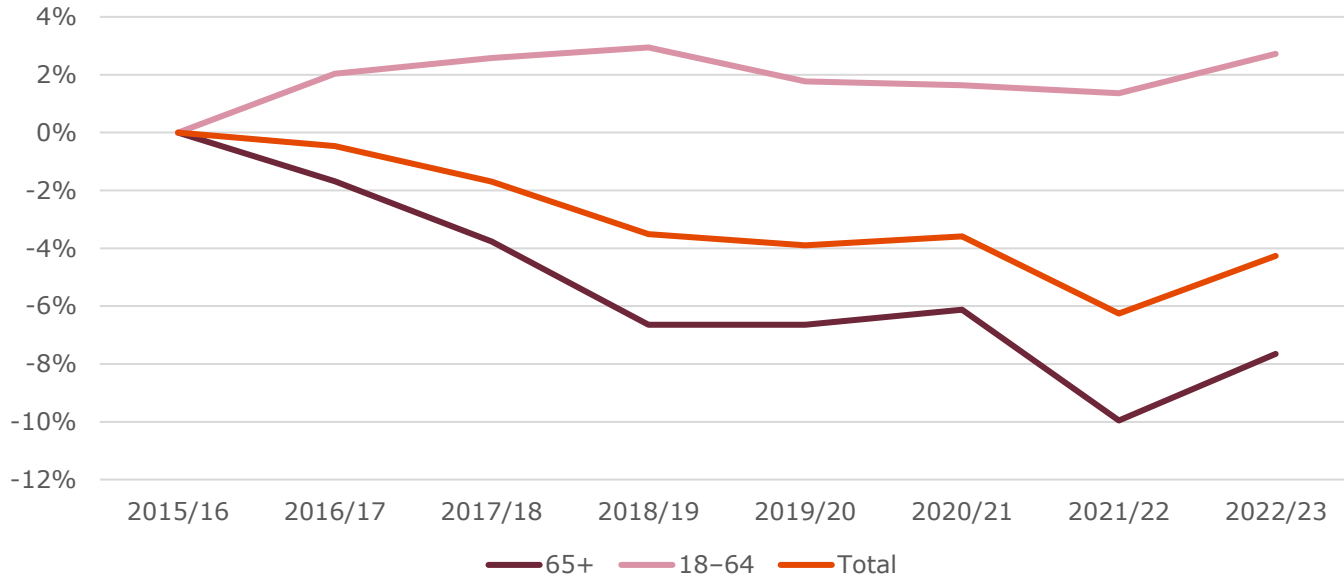
Demand is particularly strong from working age adults...

Since 2015/16, requests for support have increased more for working-age adults



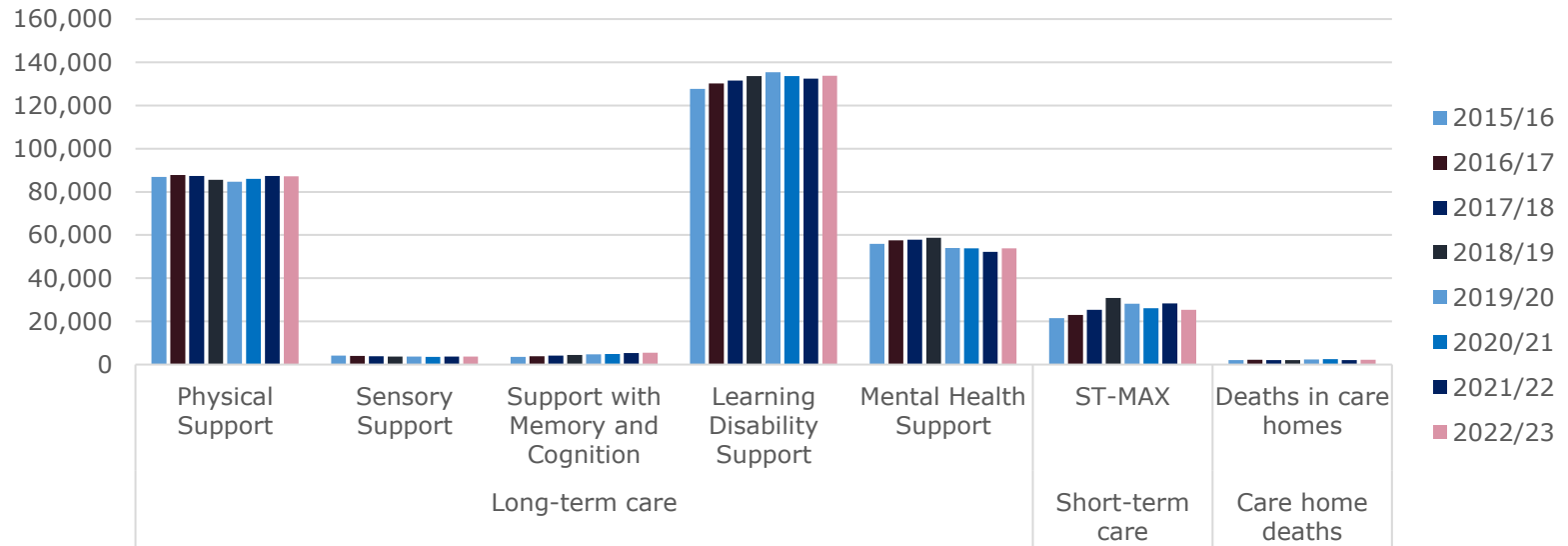
...while older adults have seen the big fall in receipt of care

Since 2015/16, there has been a fall in older adults receiving long-term care, but an increase in working-age adults



Learning disability is the biggest LTC need for working age adults

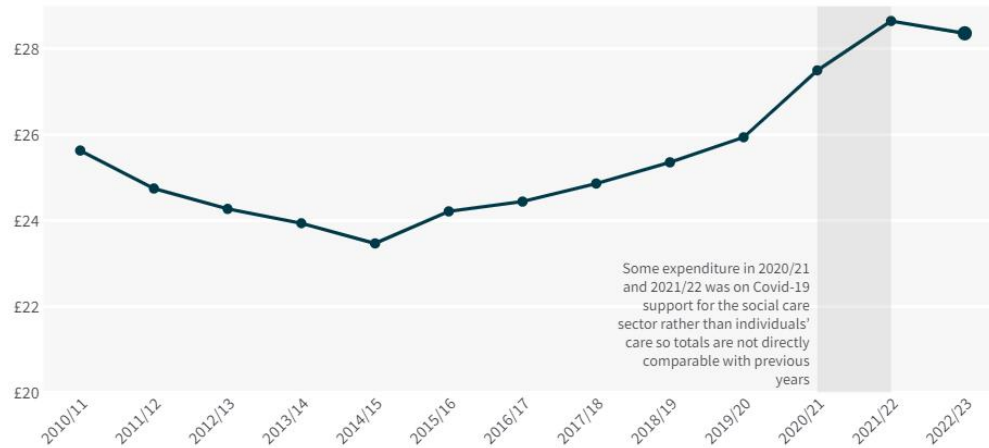
Learning disability support and physical support are the two largest categories of working-age adults receiving care



LA spending has been increasing since 2014/15

Total expenditure on adult social care in England is now more than £2 billion more than in 2010/11

Yearly total expenditure (£ billions), adjusted for inflation



Source: [NHS England 2022/23](#)

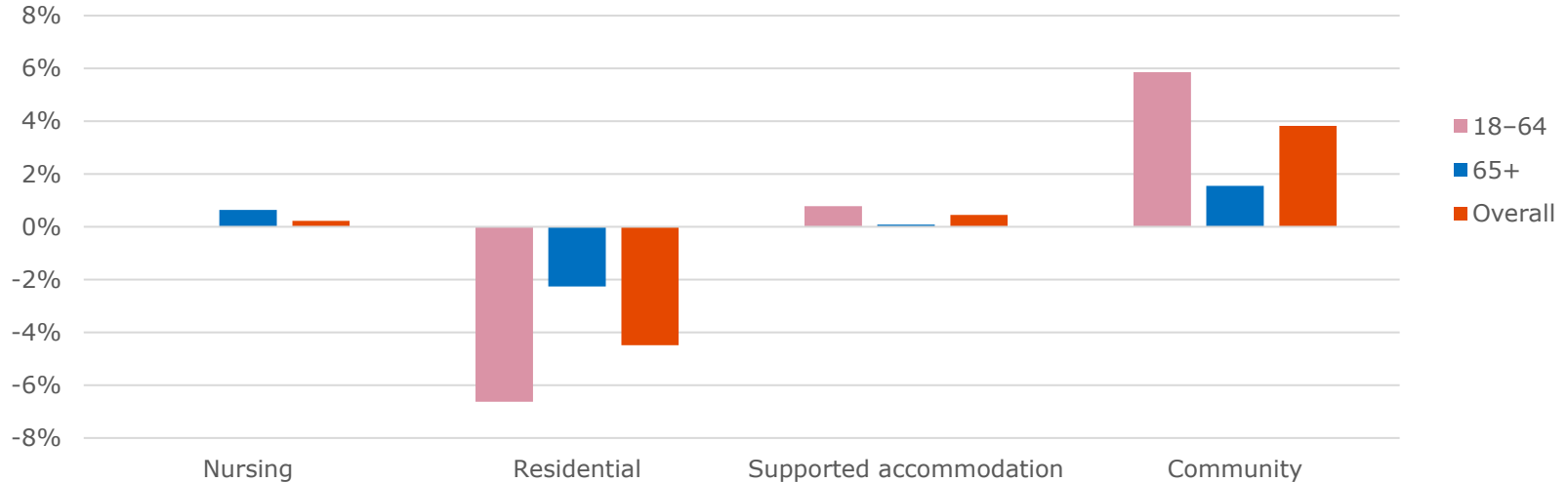
Inflation calculated using September 2023 GDP deflators from HM Treasury. The GDP deflator has been affected by the impact of Covid-19 on the economy.

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It has shifted towards community services

The share of spending on residential care has fallen since 2015/16 and community care has increased

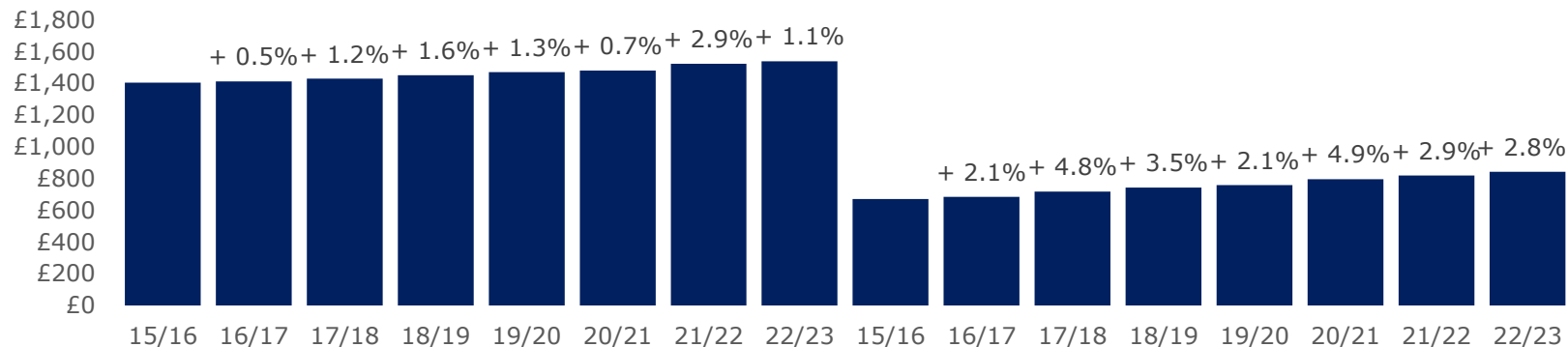
Change in percentage of expenditure on long term care by support setting 2015/16–2022/23, adjusted to 2022/23 prices



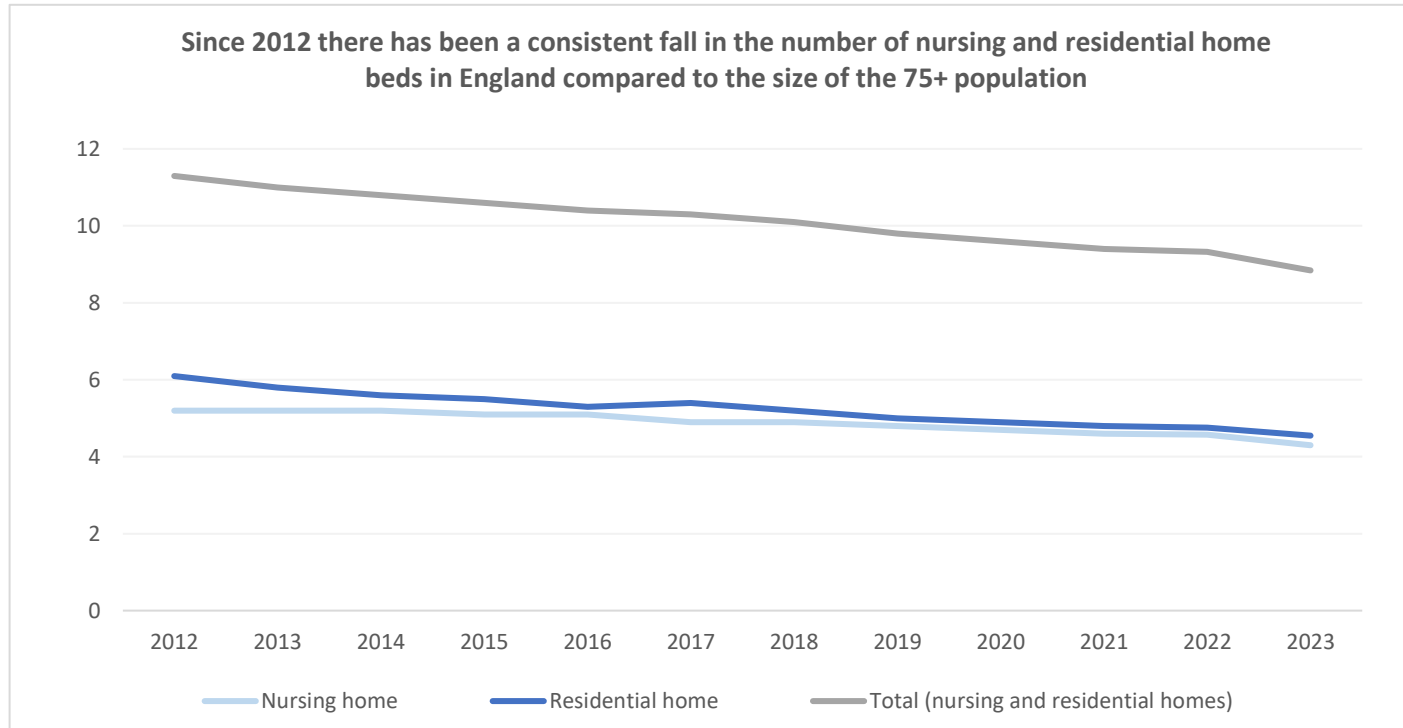
But this is where the money's gone: fees have gone up in real terms, driven by increased provider costs

Once adjusted for inflation, the cost of residential and nursing care rose for working age and older adults

average cost per week, adjusted to 2021/22 prices
year-on-year percentage change

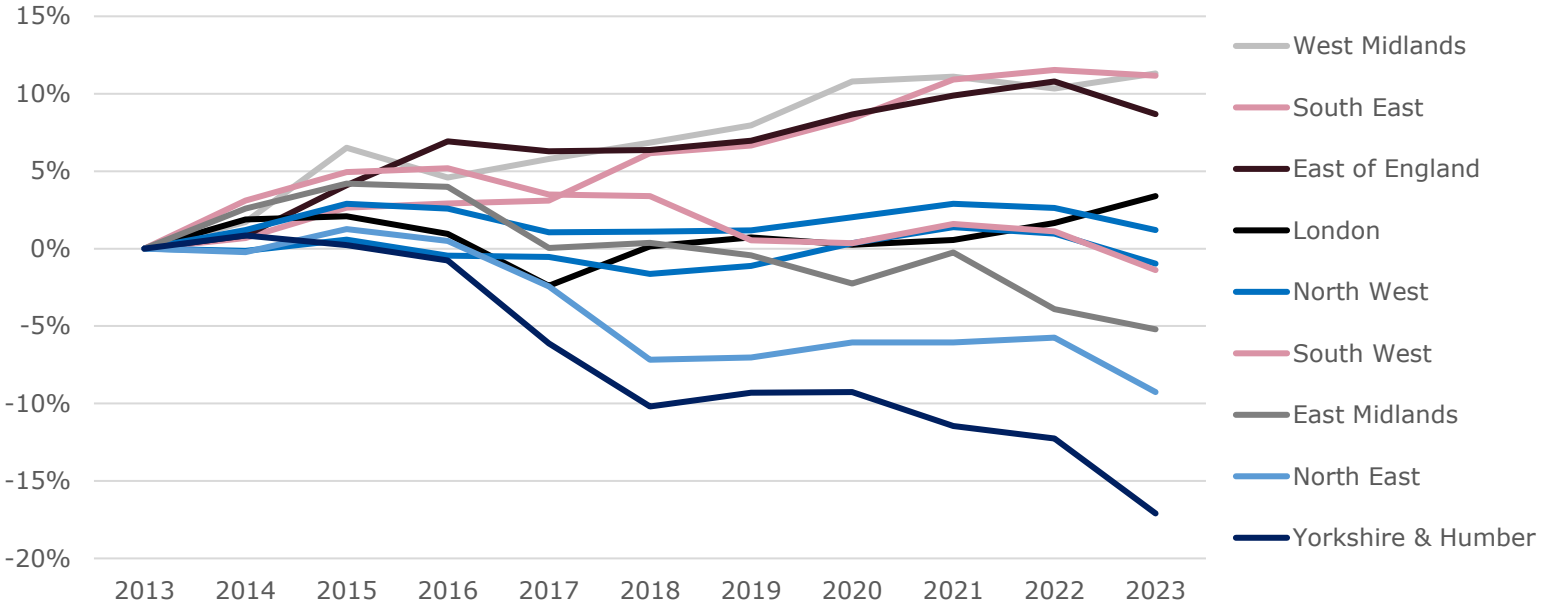


Overall, institutional care capacity is declining



But the trend varies a lot from region to region

Different regions have experienced increases or decreases in their number of nursing home beds over time



What does this mean?

- Stretched and limited adult social care capacity is preventing people from accessing support, yet reform has been repeatedly delayed
- Local authorities have been under intense financial pressure resulting in them trying to limit how much they pay for social care despite providers being hit with increasing costs
- This has in effect led to rationing of care, particularly for older people
- The result is high levels of unmet need and providers struggling to deliver the quality of care that older and working-age adults who need care have a right to expect
- **How should government address this?**
 - Increasing funding to stabilise the sector and enable providers to attract, retain and train the staff needed to meet demand
 - Implement funding and eligibility reforms to make the system fairer
 - Undertake reforms to improve quality and outcomes

Non-NHS spring budget implications

- Glaring omissions in the budget when it came to non-NHS spend on health and care
- The government has already said it will deliver reforms to the costs people pay for social care by Oct 2025... *but so far no funding has been made available to ready the sector*
 - Councils will receive £500 million extra grant funding in 2024/25 announced in Jan...
- Chancellor re-confirmed 1% real term growth for public services
- If the government is to meet its existing commitments on health, defence, schools, childcare and overseas aid spending, then real cuts must happen in all other departmental budgets from 2025/26, including those that contribute to the wider determinants of the nation's health

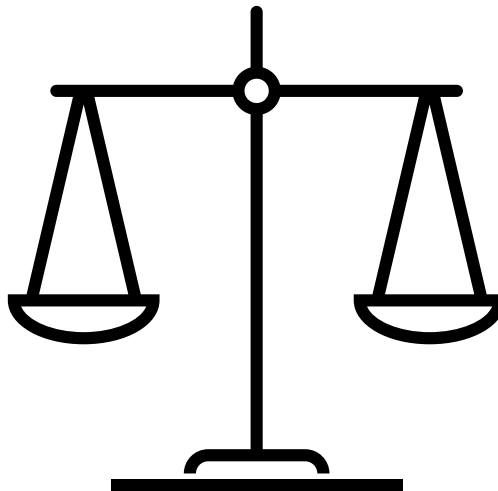
Competing priorities

"All my interview questions were about health inequalities, population health, social and economic wellbeing, and about how I was going to lead. A completely values-based interview. Which was brilliant. I want that. But that is not what the government wants us to be focused on at the moment. What I am going to be measured on is not those things. I am going to be measured on a safe winter, the money being delivered, waiting times, and basically getting performance there or thereabouts."

ICB Chief Executive

Longer term strategic challenges

- Population health
- Health inequalities
- New models of care
- Innovation and learning



Immediate operational pressures

- Acute performance
- Internal organisational matters
- Workforce (incl social care)
- Primary care access

What do we think a new government should prioritise?

Improving access to out-of-hospital care



...such as GPs, physios, district nurses, social care and mental health services.

Making careers in health and social care more attractive



...to attract, recruit and retain the staff we need.

Tackling the biggest risk factors affecting people's health



...to reduce the number of people dying early.

Going forward

- The latest budget represents a tight, challenging settlement for all parts of the system – hope is that it'll enable some incremental improvement in NHS targets, but not more than that (and that itself is a tall order in current environment)
- Productivity and funding policy will be a **political focus** during an election year and its welcome news NHSE is focusing on short- and long-term improvement plans
- Next full spending review likely not due until a year post-election
- Financial policy will also continue to be a focus as the NHS takes an increasing '**system-first**' approach to planning and delivery
- There's little prospect of significant funding growth, so the NHS will need to **use existing resources differently**... with implications for everything from allocations policy to joint-financial management of resources
- Also need to ensure the **financial architecture genuinely supports system-working** – meaning we need to consider how systems are incentivised to ensure health and social care are working well together recognising the significant pressures on all partners

Thank you

www.kingsfund.org.uk