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Rt Hon Rishi Sunak MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
London, SW1A 2HQ

Sent via email

17 March 2022

Dear Chancellor,

RE. Spring Statement 2022/23: Supporting the NHS and healthcare workforce

Ahead of the Spring Statement, I am writing to set out the BMA's key funding priorities over the next year and to urge you to ensure funding is focused on supporting the NHS and the health and care workforce.

The pandemic has reinforced how vital a well-resourced health, public health and social care system is, not only for the people of our country, but also to protect and grow our economy. Although we acknowledge that recent announcements have provided a significant boost to funding for the NHS and social care, historic underfunding, combined with the high levels of demand brought on by the COVID pandemic, mean the health system continues to face unprecedented pressures and must continue to be the focus of further investment.

Central to addressing these pressures will be retaining and growing the healthcare workforce. The present lack of official, publicly available workforce assessments and planning makes it difficult to quantify the full extent of staffing gaps, but chronic workforce shortages across the medical profession have existed for many years. The BMA estimates there is an existing shortage of around 46,300 doctors in England, whilst burnout has led to significant numbers of medical professionals considering leaving the profession or reducing their working commitments. It is essential that action is taken to provide the workforce numbers needed to meet demand and show existing healthcare professionals they are valued and appreciated.

To retain and grow our vital healthcare workforce, we are calling for:

- The development of a long-term, publicly available, fully funded workforce plan
- A £1bn welfare and wellbeing fund for staff
- An enhanced remuneration package including an above inflationary pay award and a solution for punitive pension tax rules
- The expansion of medical school places by up to 11,000 medical graduates per annum on average over the next three years (£2.7bn per year by 2024/25)

To protect the health of staff and patients it is vital that testing of healthcare staff is maintained from April 2022 and funding is specifically for this, not taken from existing budgets. We estimate that this will cost £500m-800m.

Hospitals and NHS estates need to be modernised, expanded and improved to cope with increased demand and the need to reduce the spread of COVID-19 or other future infectious diseases. NHS digital estimates that to fix the backlog of unfit NHS estates infrastructure would require £9.2bn, which is £5bn more than the



existing capital budget when new commitments are considered. Urgent investment is also needed to address the significant proportion of GP practices that are not fit for purpose.

Further funding is needed to ensure the NHS can tackle the continued challenge posed by the backlog of non-COVID care and that elective recovery targets are met. Based on Health Foundation [projections](#) and given that £10bn has already been pledged, we [estimate](#) a further £5-7bn will be needed. This must include 10% of elective recovery spend allocated to primary care, who are currently experiencing knock on effects on workload to support those waiting for care.

Investment is also needed in mental health to ensure true parity of esteem with physical health. Despite additional Government resources for mental health services over the course of the pandemic, the scale of historic unmet need, the COVID backlog and increased demand due to the pandemic, means more is required. We continue to ask for additional mental health spending, so that all those with untreated mental health conditions are able to access treatment. This would mean investing at least £4.6 billion a year by 2024/25 over 2019/20 levels.

The COVID-19 pandemic has highlighted the importance of public health in addressing health inequalities and protecting population health, yet public health services remain significantly underfunded. Compared to 2015/16, and taking population growth and inflation into account, the public health grant for 2022/23 is 24% lower than 2015/16. To restore the grant to its real-terms value, we are calling for an additional £1.4bn per year by 2024/25.

Prevention must also be prioritised to minimise pressure on the health system and reverse the recent, worrying, trends in population health. Improving the nation's health is both an investment in our future and a way to boost the economy; the total economic cost of lost output and health costs have been [estimated](#) at around £100bn a year. To this end, we are calling for a new commitment to make improving health an explicit objective in every major policy decision.

It is vital that social care is also properly funded, both for its own sake and to reduce pressure on the healthcare system. The BMA is calling for increased funding of the social care system, to meet future demand and cost pressures, including an investment in the social care workforce. We [estimate](#) this will require a further £7.5 bn a year by 2024/25.

Over the next decade, the health and care system will continue to face significant pressure. One of the largest pressures on NHS spending has been the [cost implication](#) of rising rates of ill health. A sustainable funding mechanism is therefore essential for the future of the healthcare system. The £12.4 bn per year that the Health and Social Care levy is expected to raise could pay for the equivalent of an additional 4 million hospital admissions alongside 29 million appointments in general practice – capacity that the health system vitally needs¹. If it is withdrawn or delayed, alternative funding sources must be provided.

Recent funding announcements for healthcare are a welcome step in the right direction, but unfortunately do not go far enough. The emphasis must now be in the areas set out above if we are to put the health, care and public health services on a sustainable footing.

The BMA's key spending asks are set in full detail in the enclosed submission to the Spring Statement 2022/23.

Yours sincerely,



Dr Chaand Nagpaul CBE

BMA council chair

¹ This was calculated using unit costs from PSSRU updated by projecting NHS cost inflation based on the last five years to 2022/23 prices, and then allocating 90% of the £12.4 bn expected levy revenue to secondary care and 10% to primary care.