

Sir Andrew Dilnot UK Statistics Authority Drummond Gate London SW1V 2QQ

HOUSE OF COMMONS LONDON SW1A 0AA

Our Ref: sc/ASHW01002/05160002 Your Ref:

01 November 2016

Dear Andrew.

Re: NHS Funding

I am writing following the publication of today's letter from the Health Select Committee to the Chancellor of the Exchequer, regarding NHS funding and the use and misuse of funding figures.

It has become increasingly clear that the Prime Minister and Government Ministers have been making inaccurate statements about spending on the NHS over the next five years.

Ministers have repeatedly claimed that they have given the NHS the money it asked for and will be giving it £10 billion extra over the course of the Parliament. There have been a number of recent statements to this effect, including at the Prime Minister's recent conference speech:

- The Government is "investing an extra £10 billion in the NHS more than its leaders asked for" [Theresa May, Birmingham, 5 October 2016]
- "We have committed to the NHS's own plan, which asks for £10 billion more a year during the course of this Parliament in real terms." [Jeremy Hunt, Health Questions, 11 October 2016]
- "The NHS came up with its five-year plan, led by Simon Stevens as its chief executive. He said that £8 billion was needed. We are giving £10 billion of extra funding to the NHS." [Theresa May, Prime Minister's Questions, 19 October 2016]



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Members of the Health Select Committee have announced this morning that they have written to the Chancellor of the Exchequer to say that the continued use of the £10 billion figure is "not only incorrect but risks giving a false impression that the NHS is awash with cash" and that the figure 'does not stand up to scrutiny.'

The Nuffield Trust, a leading health think tank, have added to this criticism saying: "The 'real' increase in NHS spending above inflation between 2015-16 and 2020-21 is then just over half what the government claims, at £4.5 billion." However, they go on to add that "even that figure is a bit of a stretch."

There are now four specific concerns that have been identified in the Government's statements:

- Firstly, the figure is made up of spending for the entire Department of Health not just the NHS. It therefore includes spending on other areas, including public health and health education.
- Secondly, the figure covers an extra year of the spending review period, rather than solely this Parliament.
- Thirdly, as identified by the Nuffield Trust, once NHS-specific inflation is factored in spend will be just £800 million by 2020-21.
- Finally, the Chief Executive of NHS England told the Health Select Committee on Tuesday 18 October that the NHS "didn't get the funding we requested" for 2017-18, 2018-19 and 2019-20.

There is no doubt that the NHS is going through the biggest financial squeeze in a generation. Without drastic action we will see a dramatic cut in hospital services and patient care suffering as a result. The public deserve an honest and accurate account of NHS spending over the course of this Parliament and what it means for services in their area.

In light of this, I would be grateful if you could conduct an urgent inquiry into the Government's NHS spending plans and the accuracy of recent statements made by the Prime Minister and Ministers. In particular, claims that the NHS budget will increase in real-terms by £10 billion between 2014/15 and 2020/21.

Jonathan Ashworth House of Commons SW1 0AA



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I believe the results of this inquiry should be published before the Autumn Statement so Parliament has the opportunity to accurately scrutinise the Government's spending plans.

I look forward to hearing from you.

Ja Ashwall

Yours sincerely,

Jonathan Ashworth

Shadow Secretary of State for Health