



Press briefing

**Securing the future: funding  
health and social care to the 2030s**

**Paul Johnson**, Director, Institute for Fiscal Studies

**Anita Charlesworth**, Director of Economics and Research, The Health Foundation

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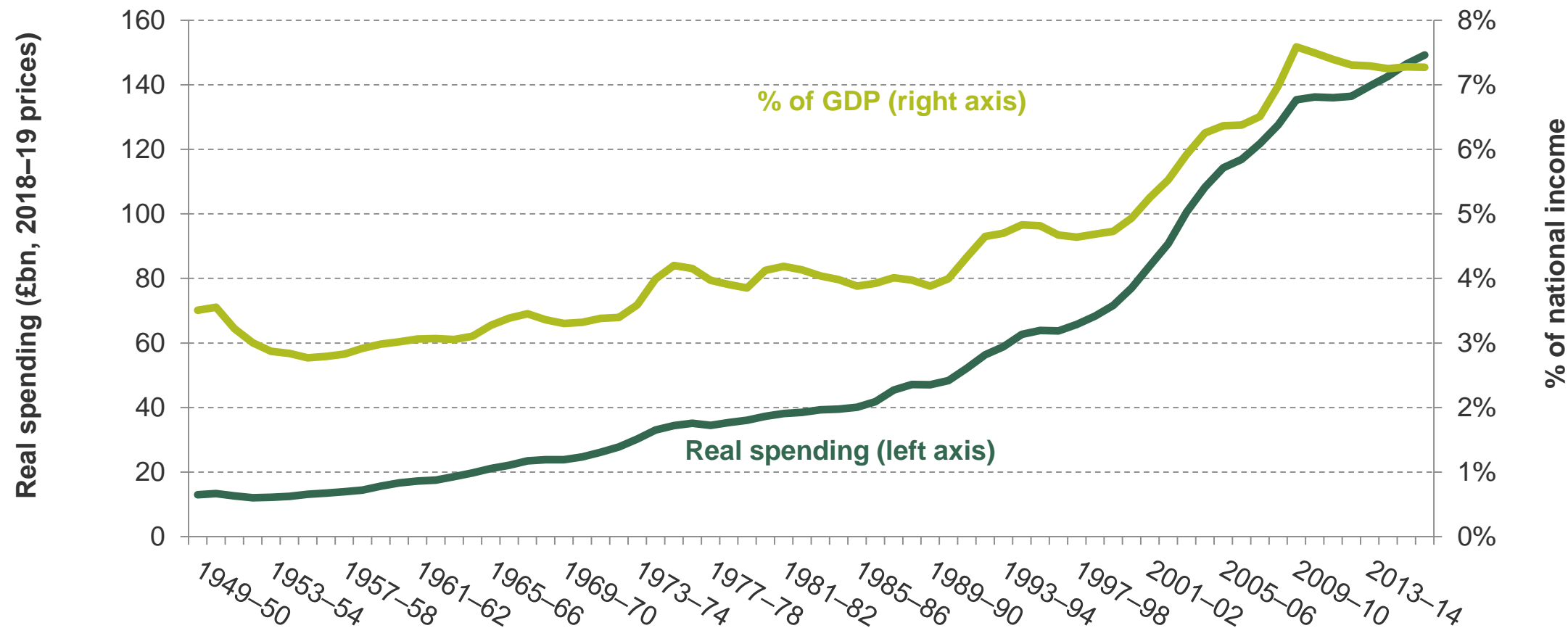




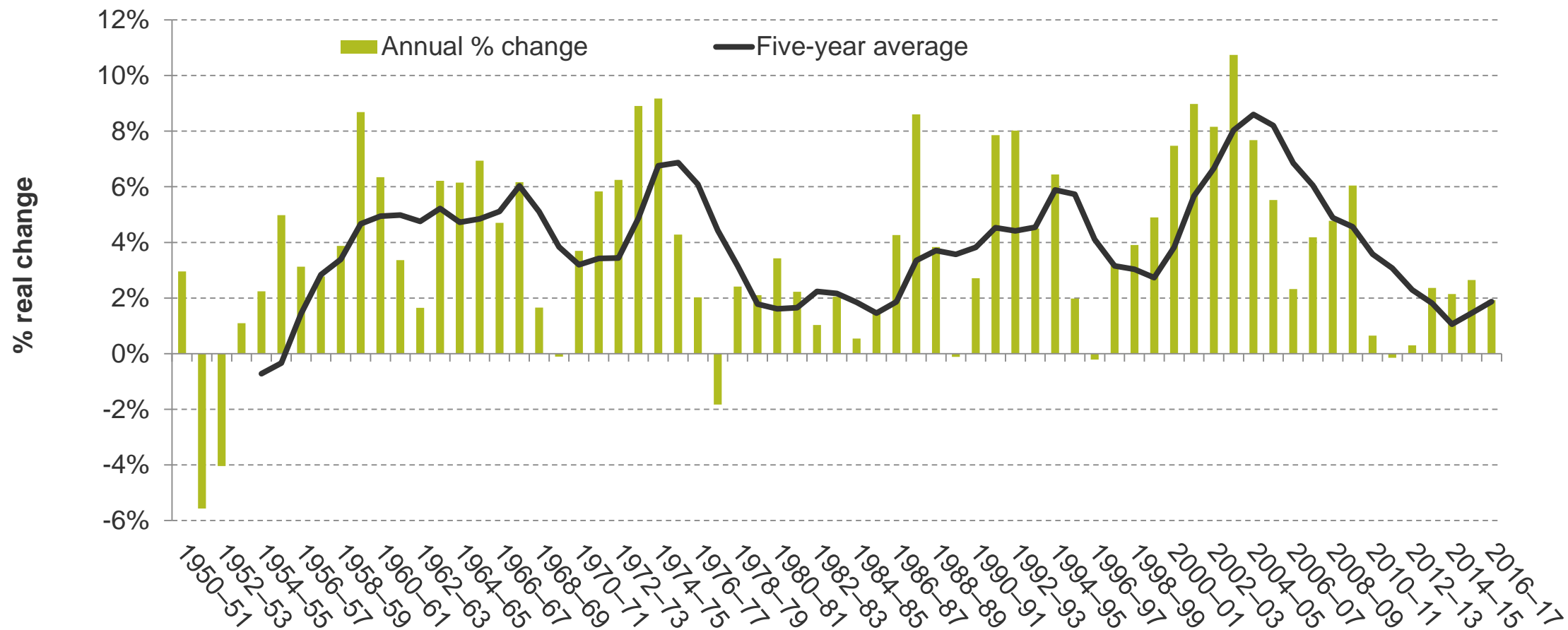
## **Securing the future: funding health and social care to the 2030s**

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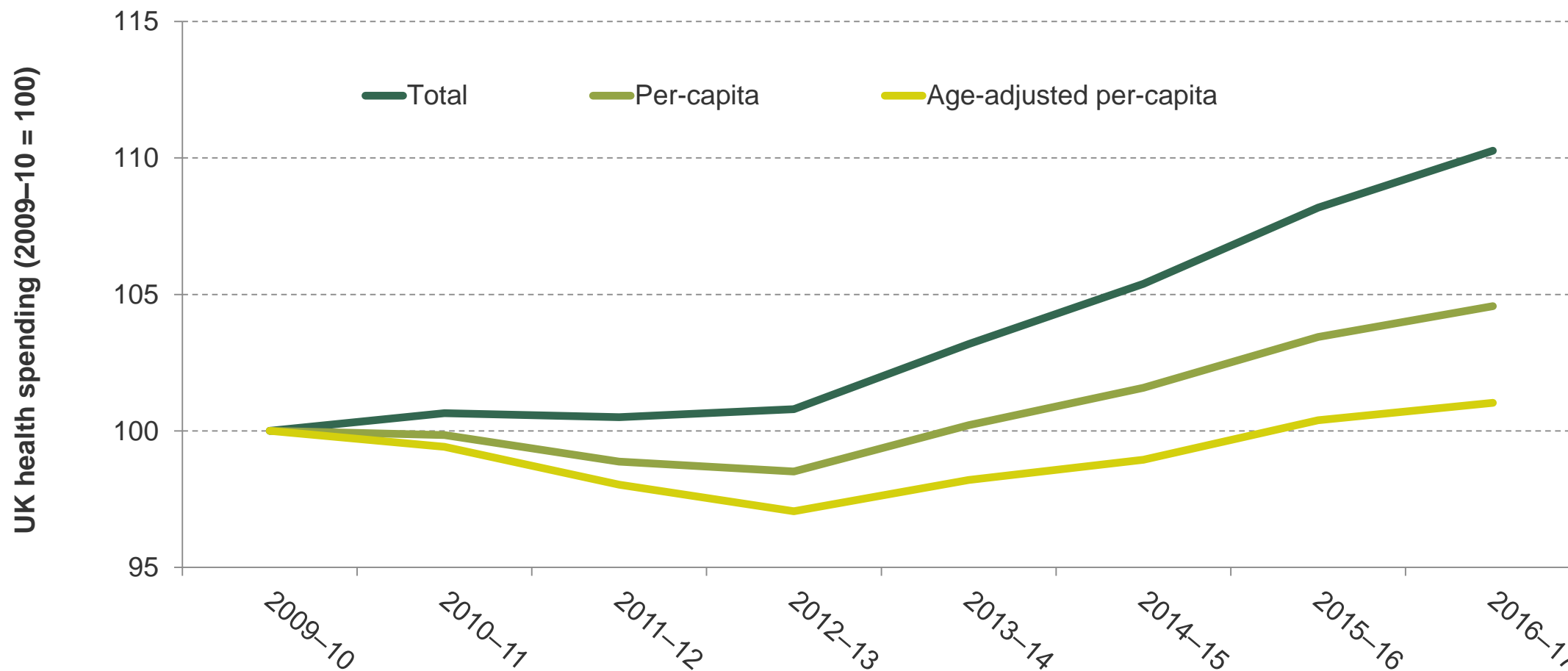
# Health spending has grown by 3.7% a year over last 70 years



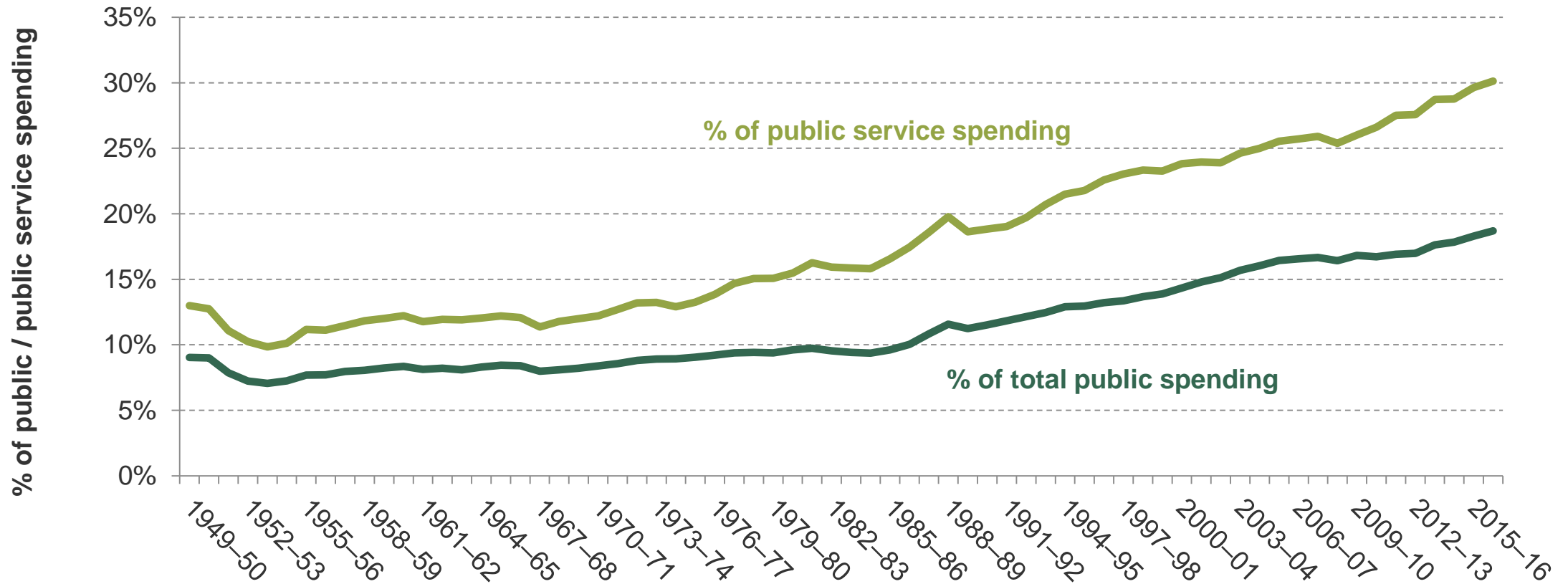
# With recent growth easily lowest in 60 years



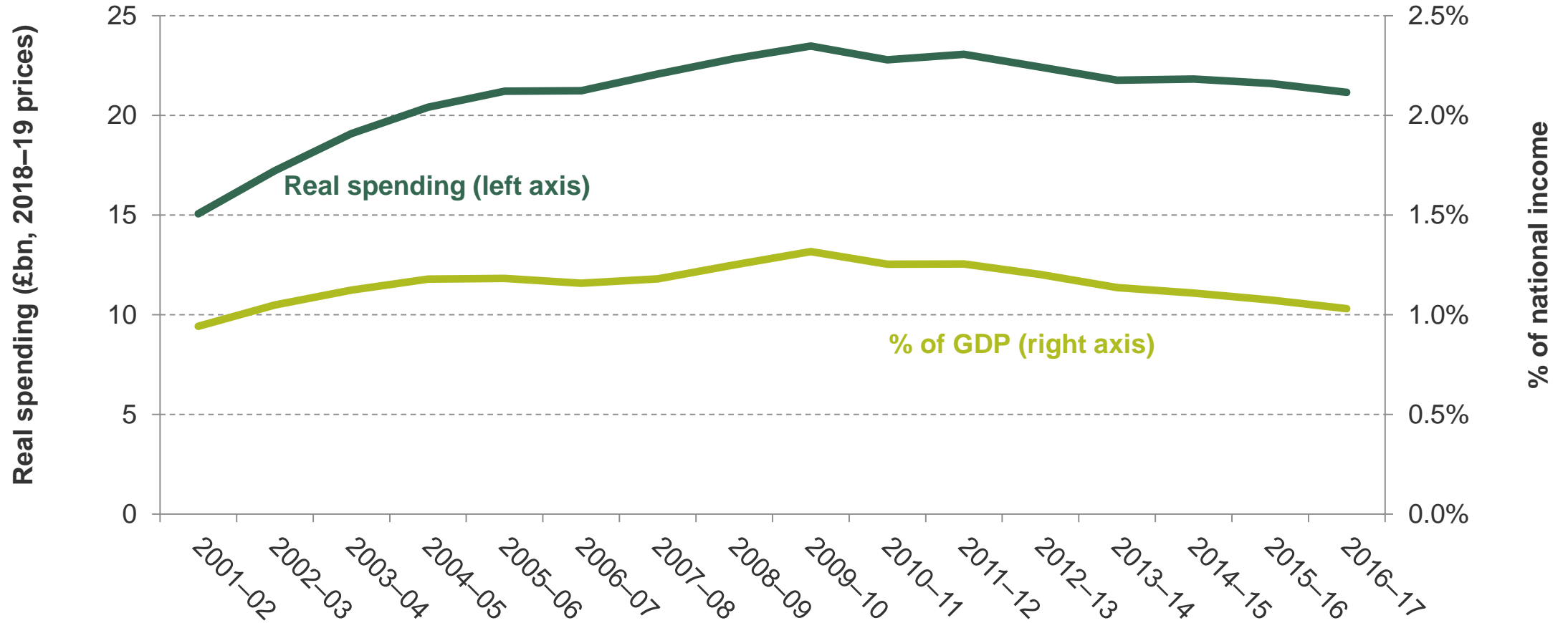
# Especially on an age adjusted per capita basis



# Though health spending has recently grown especially fast as a proportion of public service spending

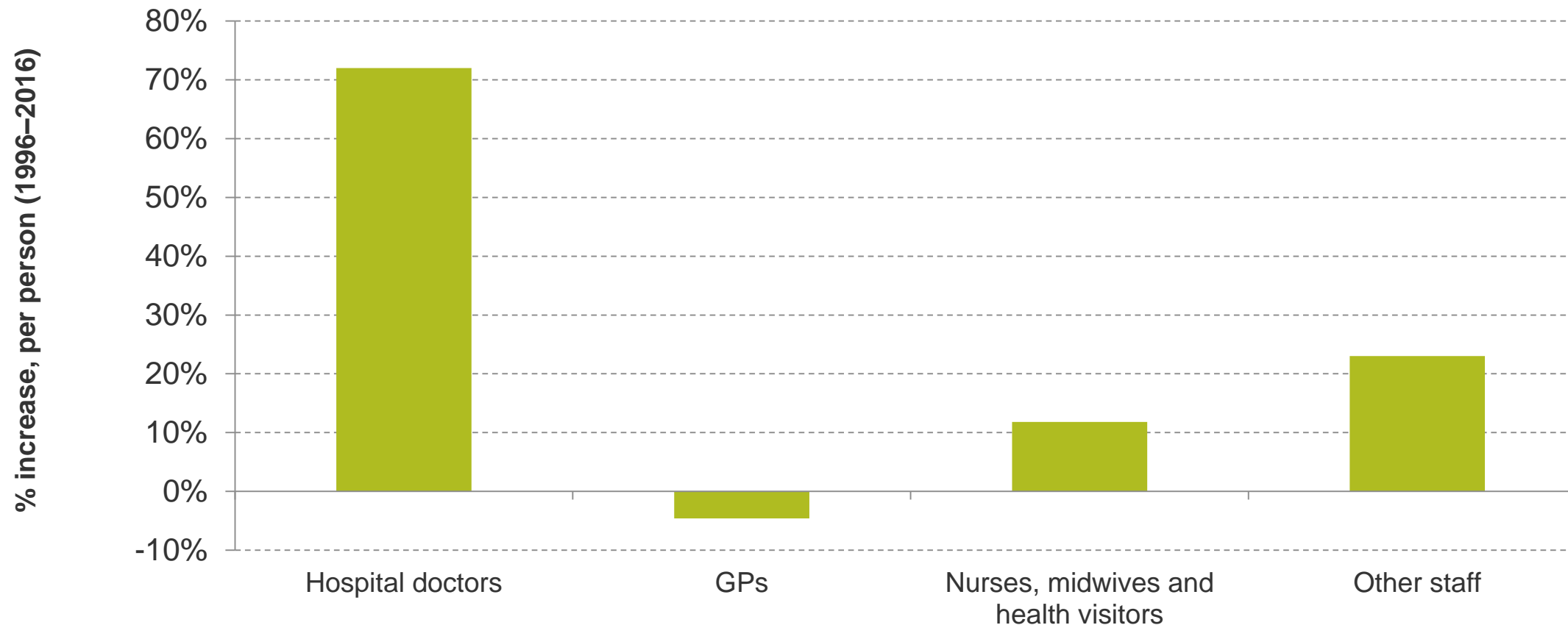


# By contrast social care spending has fallen



# Staff are biggest element of NHS spending

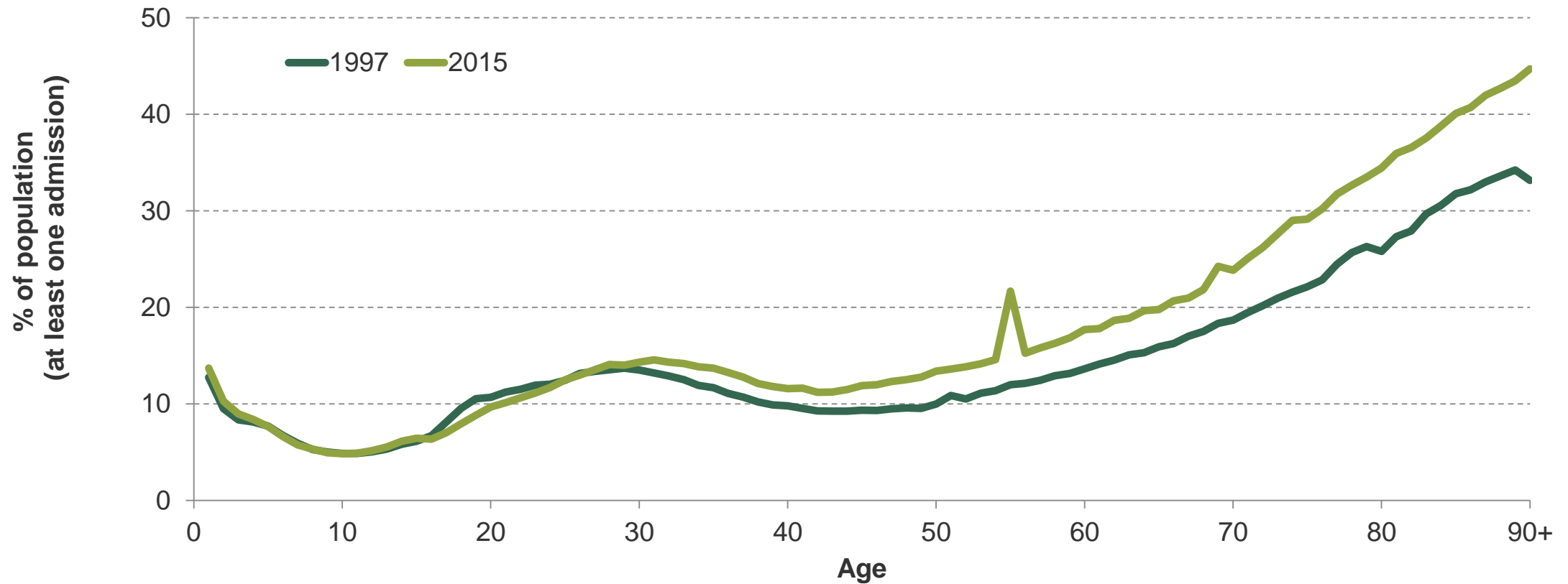
Composition has changed a lot over past 20 years





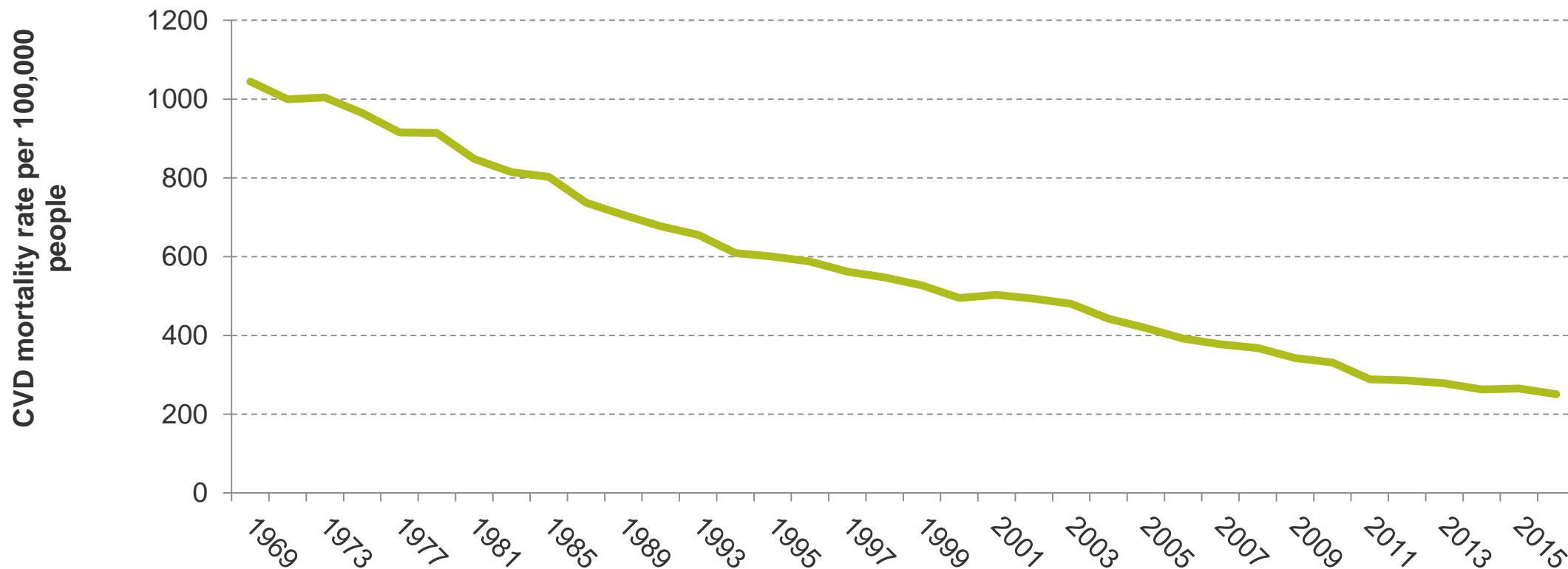
# The extra money has bought a lot of extra activity

## Proportion of population with an inpatient admission by age

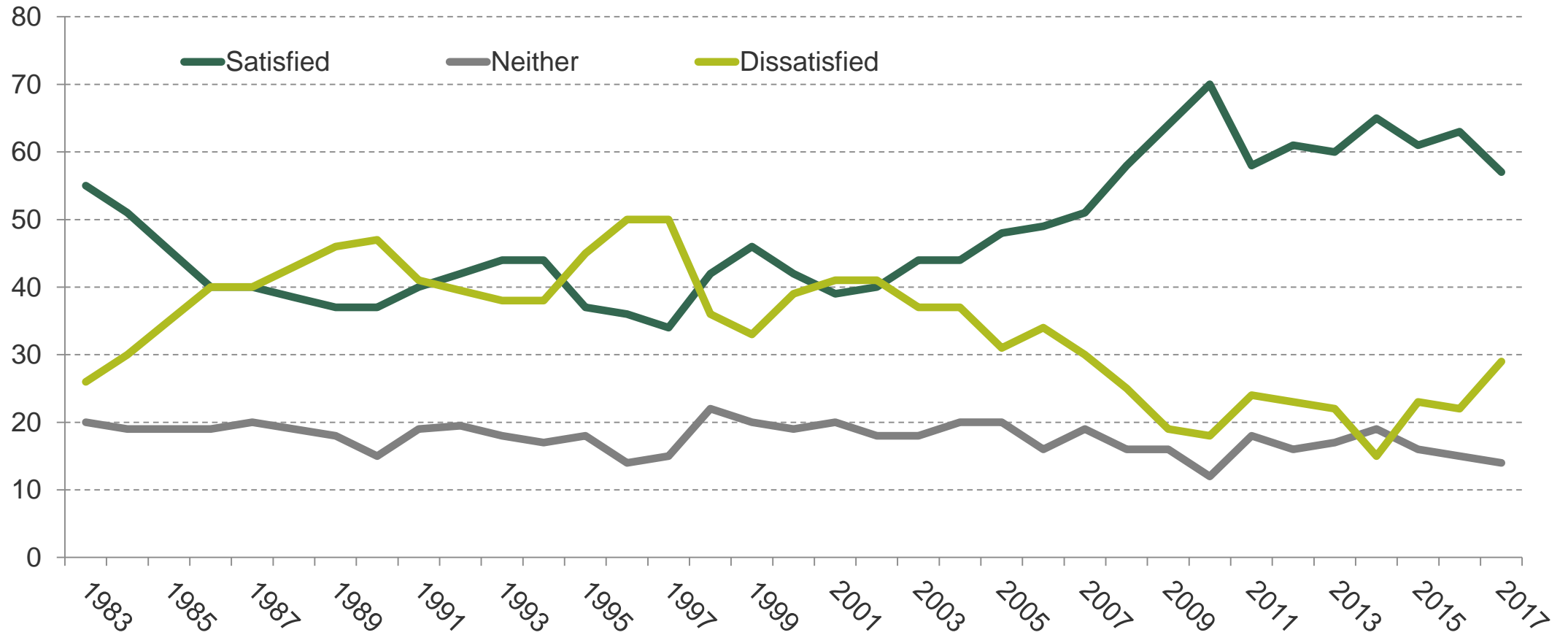


# Performance is far better than in the past

Age-standardised mortality per 100,000 from cardiovascular disease



# As are satisfaction rates





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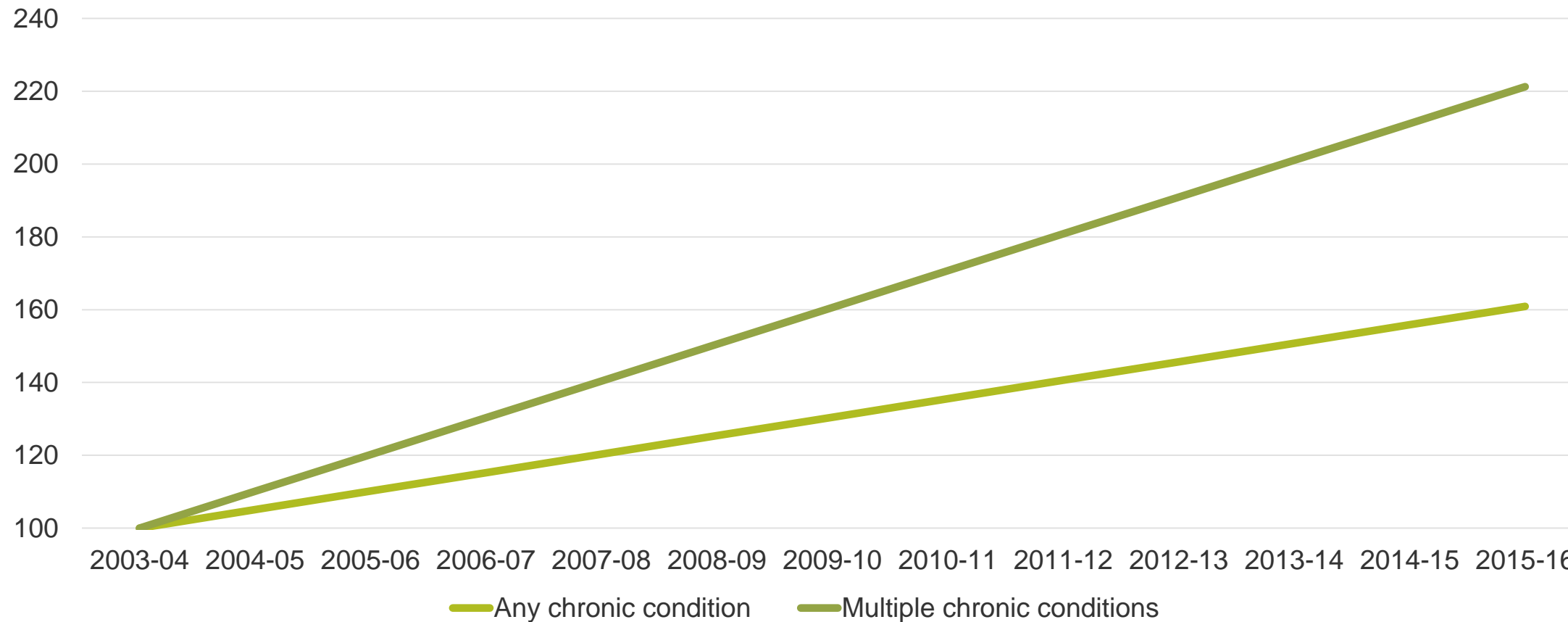
# The number and percentage of the population aged over 65 and over 85

	Population size (million)	
	2018	2033
Total	66.5	72.4
Aged 0–14	11.9	12.3
Aged 15–39	21.3	21.8
Aged 40–64	21.1	21.6
Aged 65–84	10.6	13.7
Aged 85+	1.7	3.0

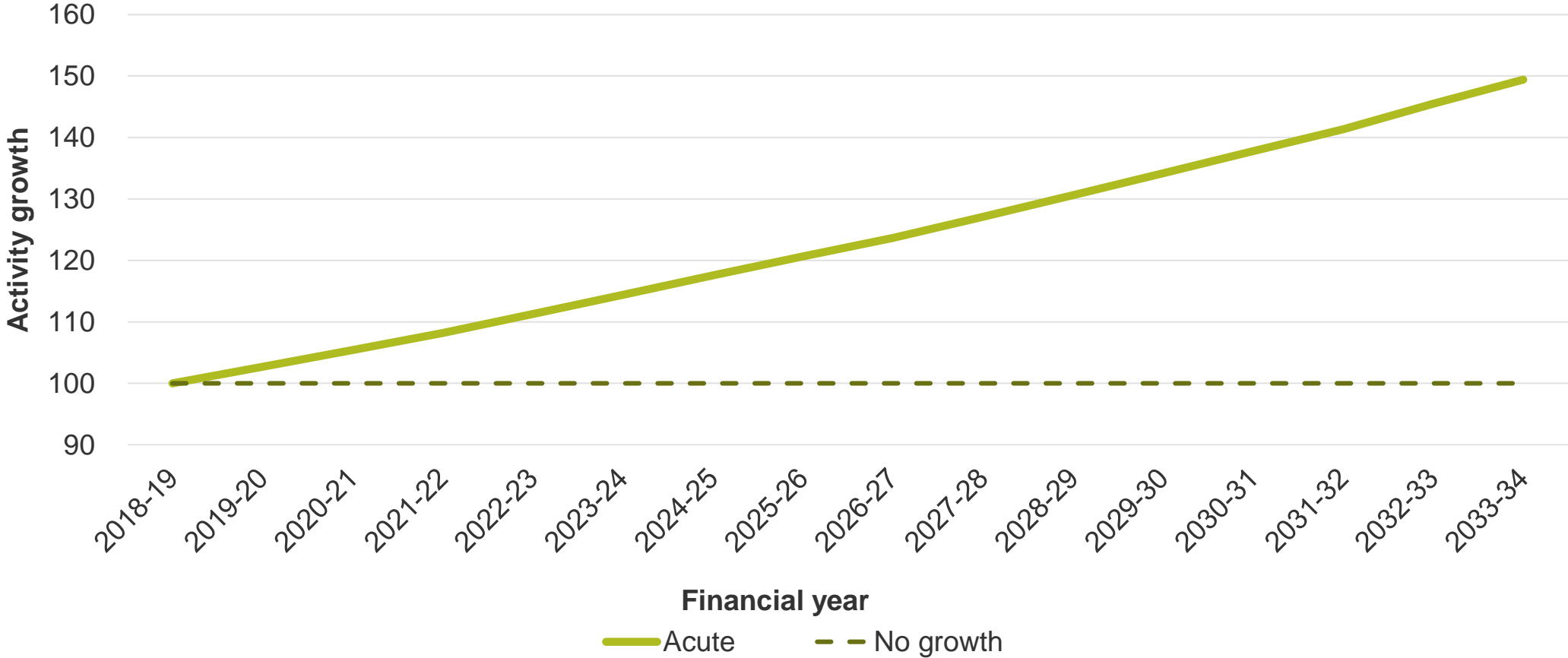
1.5 million (increase for aged 15–39 and 40–64)

4.4 million (increase for aged 65–84 and 85+)

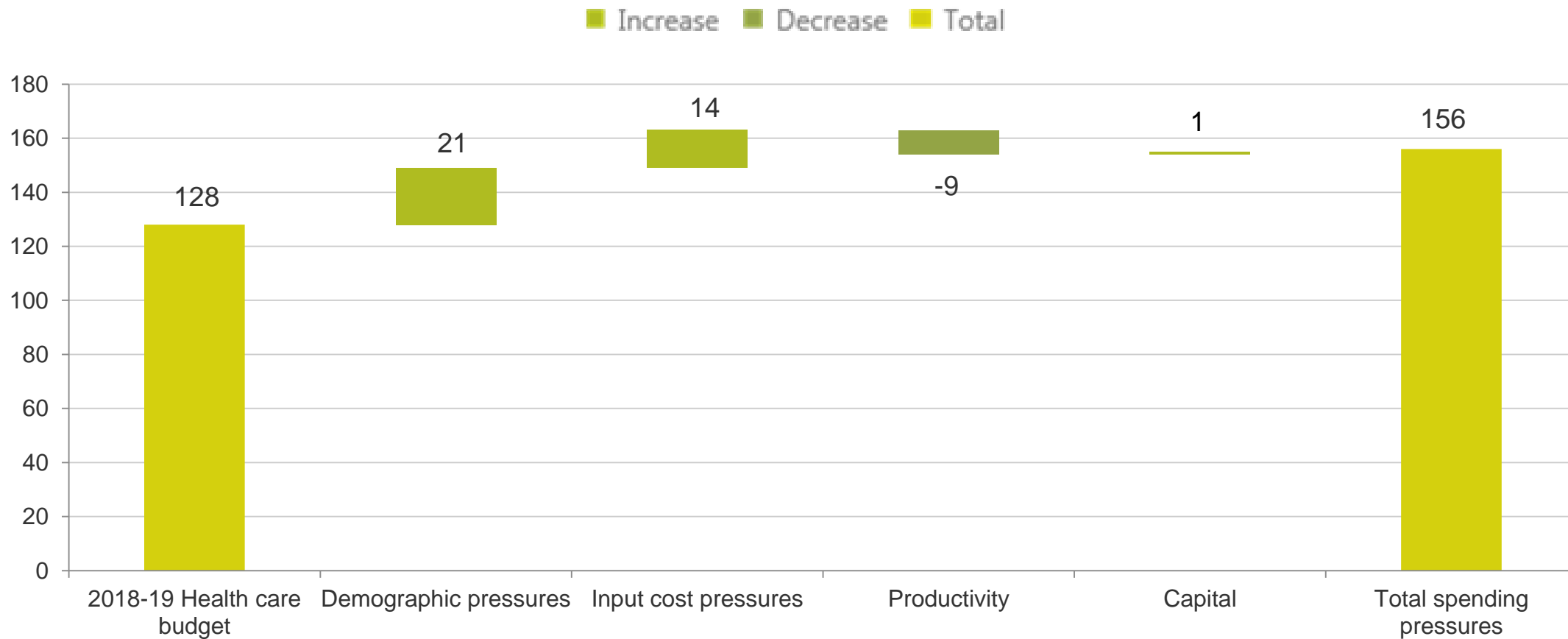
# Growth in chronic conditions for patients aged 65 and over



# NHS acute activity growth in England



# Contribution of different demand and cost pressures to overall spending projections for England under the status quo scenario, 2018–19 to 2023–24

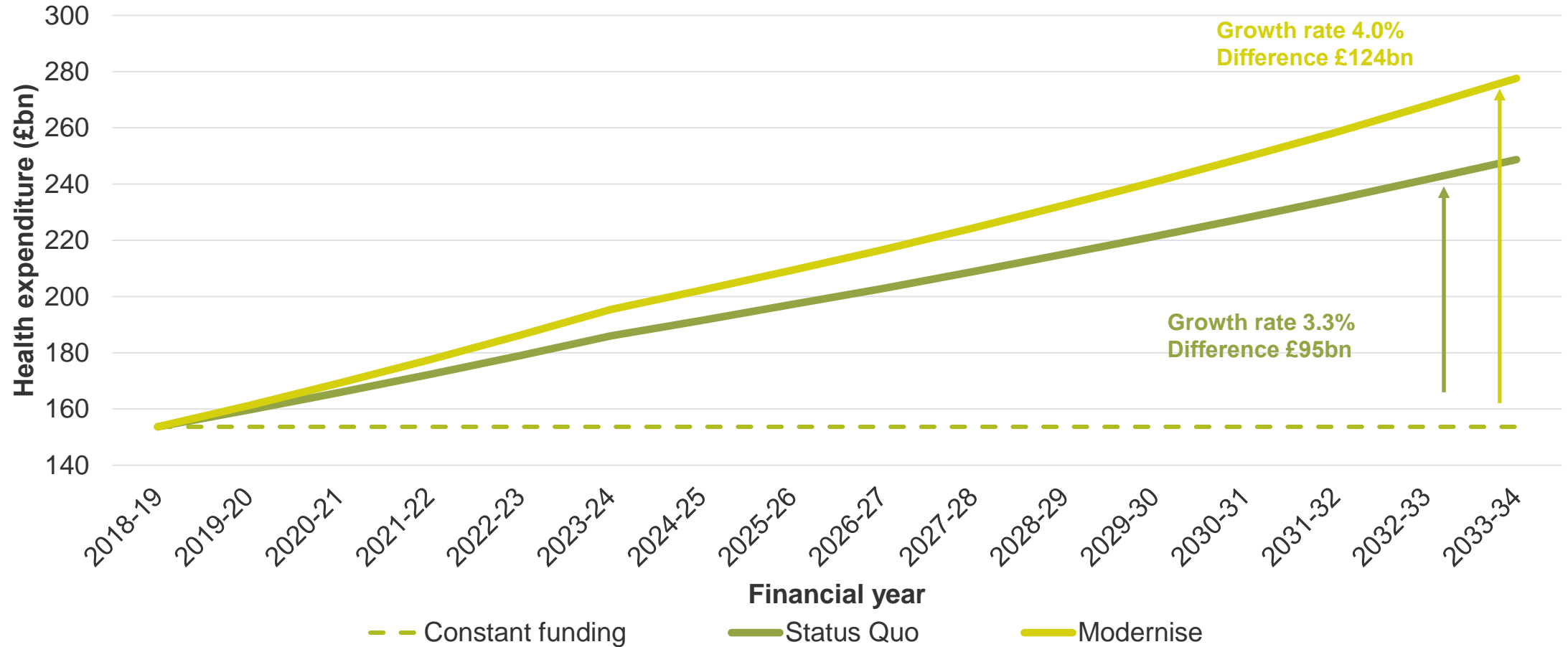




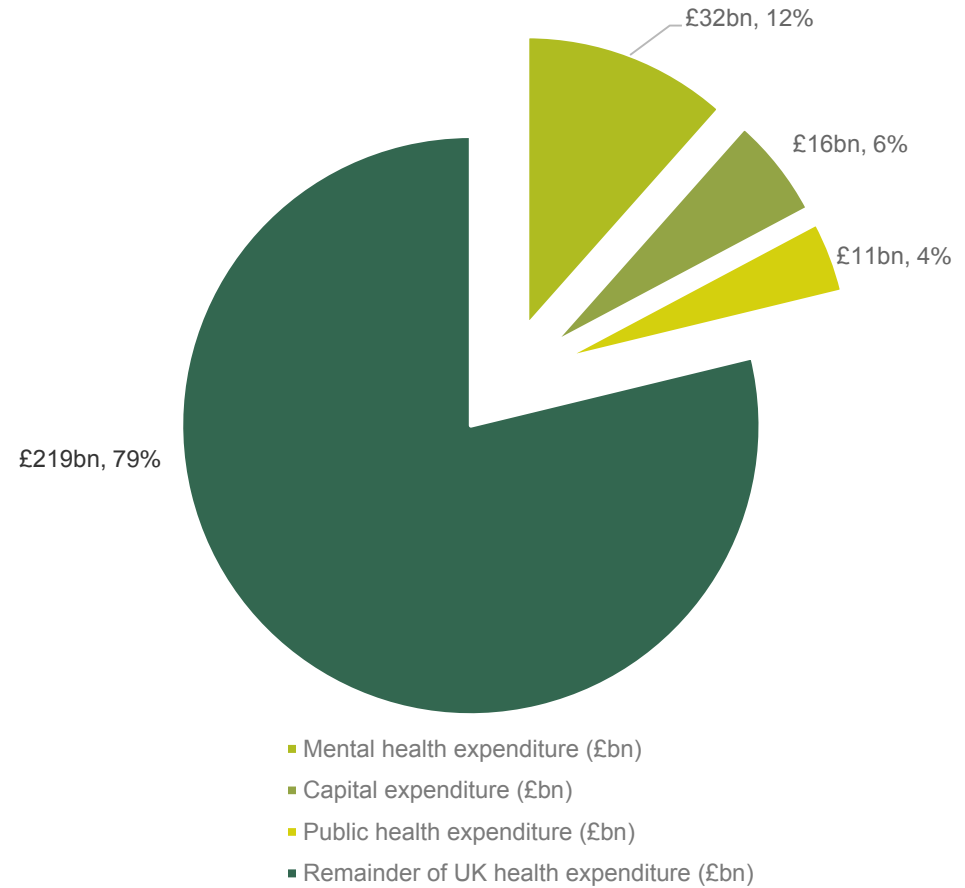
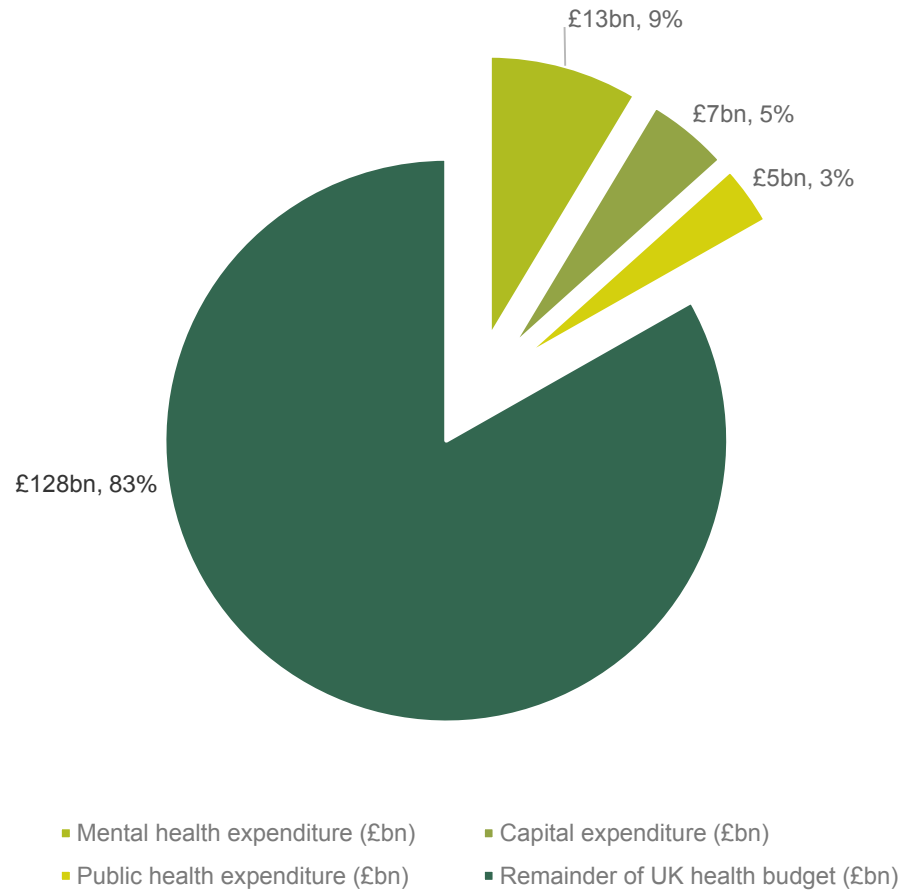
# NHS spending pressures in England: status quo and modernised NHS

	Status quo			Modernised NHS		
	2018–19 to 2023–24	2018–19 to 2028–29	2018–19 to 2033–34	2018–19 to 2023–24	2018–19 to 2028–29	2018–19 to 2033–34
<b>Total spending pressures</b>	£28bn	£53bn	£81bn	£36bn	£67bn	£106bn
<b>Annual average growth</b>	4.0%	3.5%	3.3%	5.0%	4.3%	4.1%

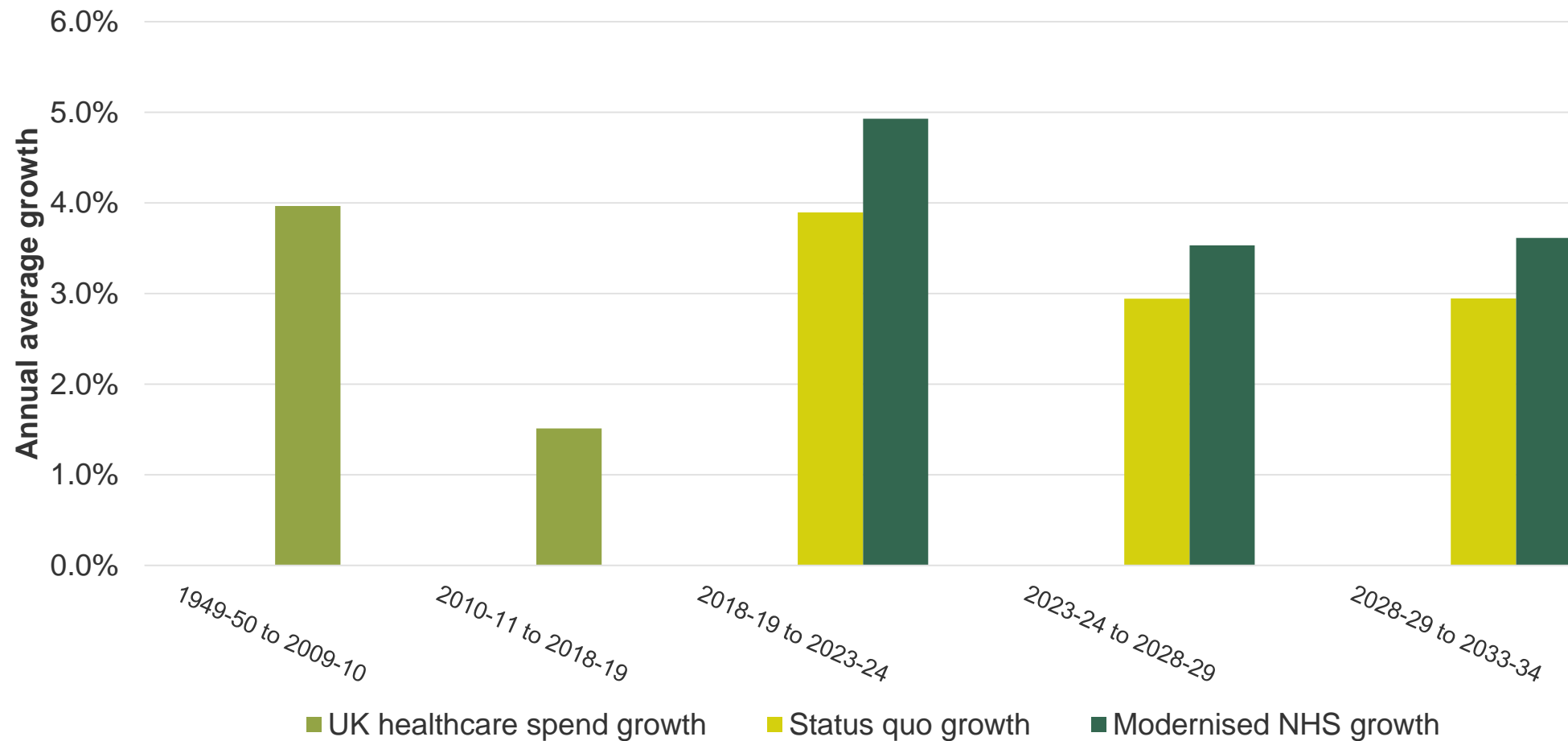
# Projected UK health expenditure under the status quo and modernising scenarios



# A modernised NHS in 2033-34 – Shifting the share of resources spent on mental health, capital and public health



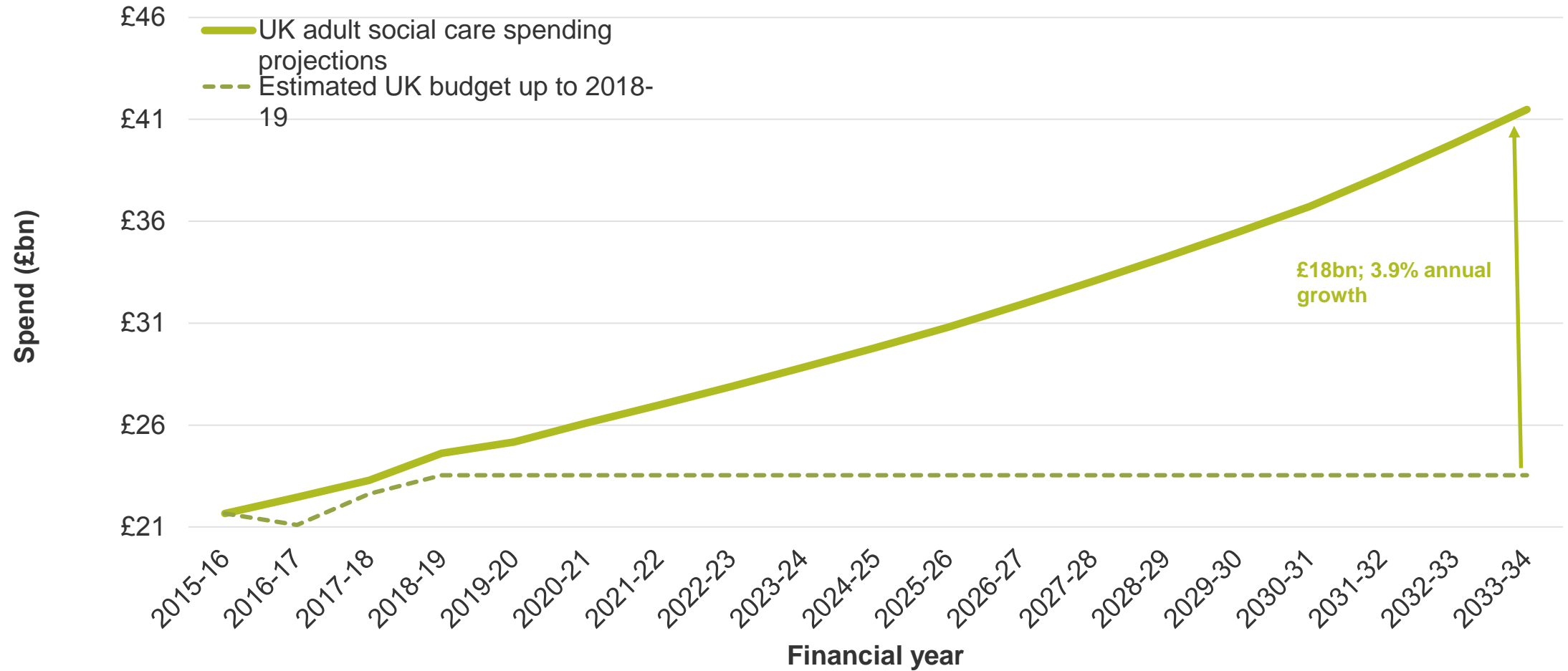
# Historical and projected health care



# NHS spending as a share of GDP

	Healthcare share of GDP under status quo	Healthcare share of GDP under modernised NHS
2018–19	7.3%	7.3%
2023–24	8.2%	8.6%
2028–29	8.6%	9.3%
2033–34	8.9%	9.9%

# Projections of adult social care spending in the UK





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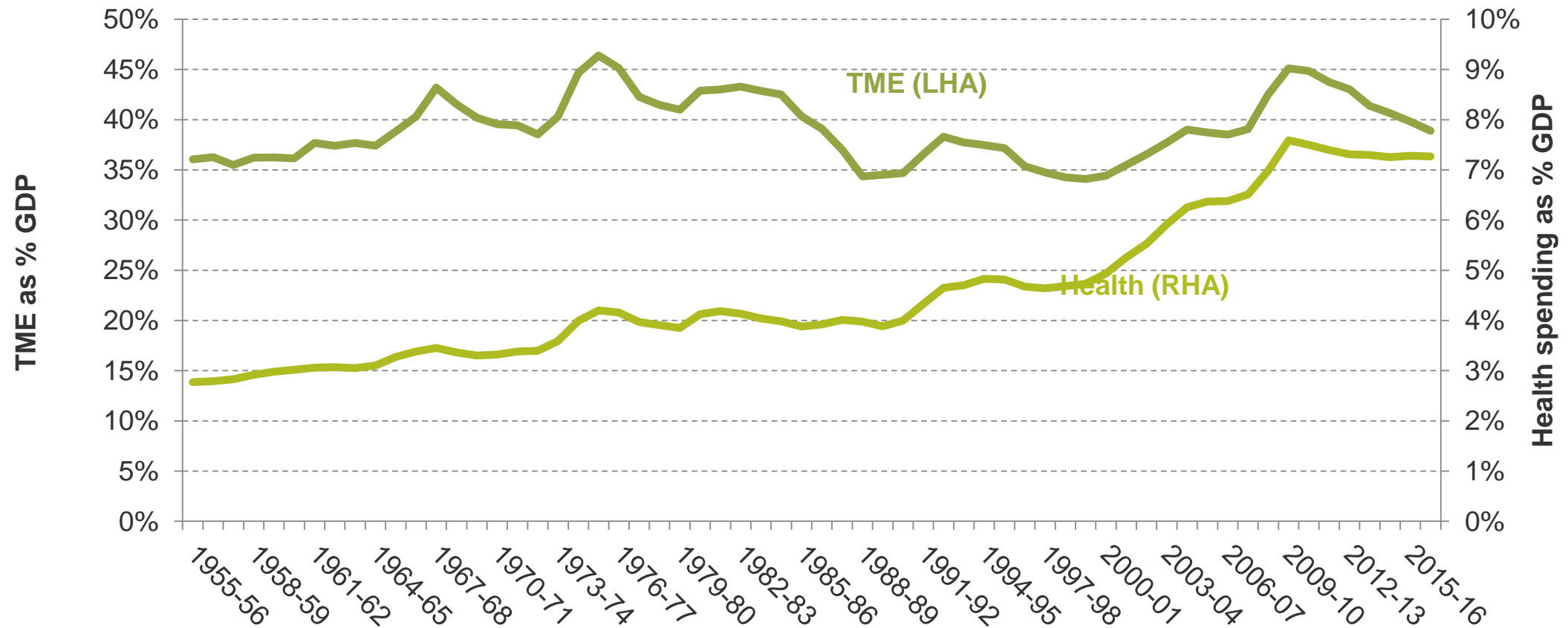
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		NHS status quo	Modernised NHS	Social care
2023–24	Spending in £ billion	186.0	195.4	28.8
	Spending as % of GDP	8.2	8.6	1.3
	<b>Funding gap</b>	<b>£20 billion</b>	<b>£29 billion</b>	<b>£3 billion</b>
2033–34	Spending in £ billion	248.7	277.6	41.5
	Spending as % of GDP	8.9	9.9	1.5
	<b>Funding gap</b>	<b>£34 billion</b>	<b>£56 billion</b>	<b>£8 billion</b>

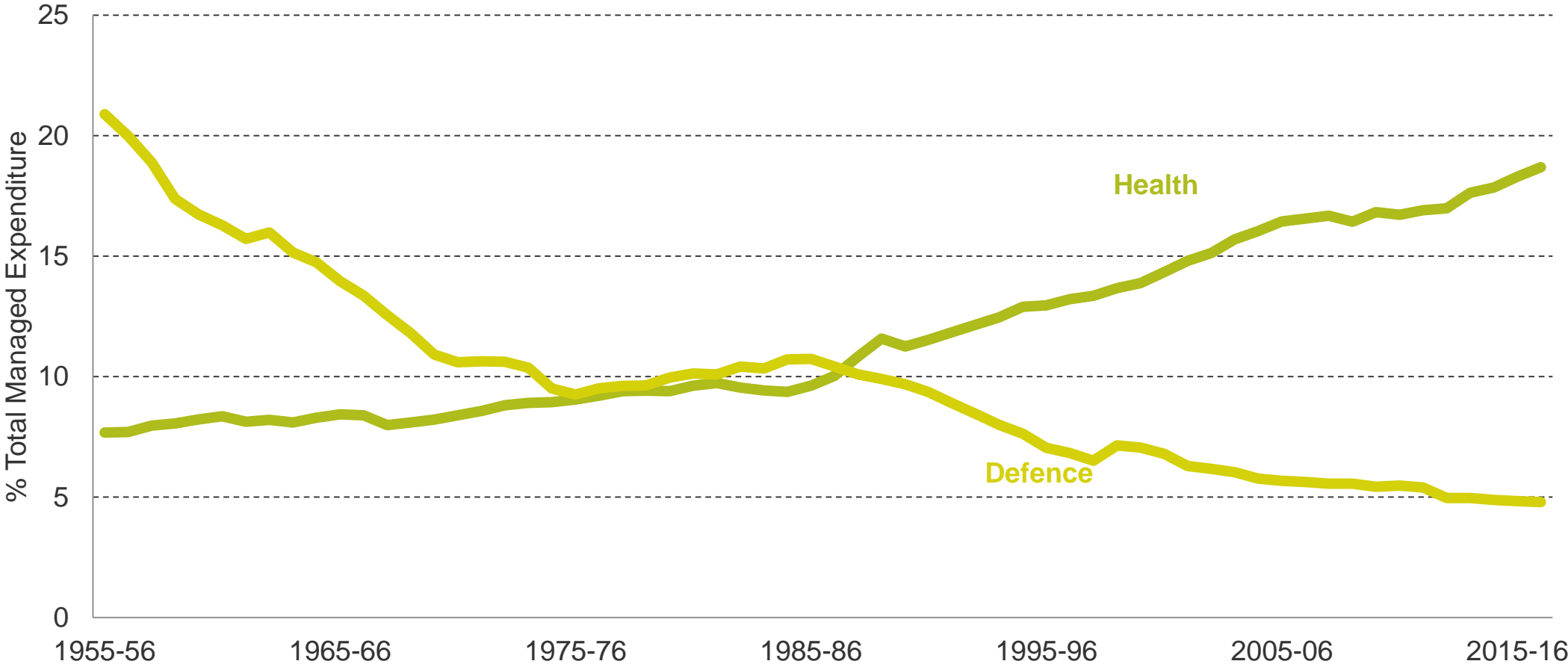


# Health spending has risen without an increase in the overall size of the state

Total spending and health spending as % of GDP

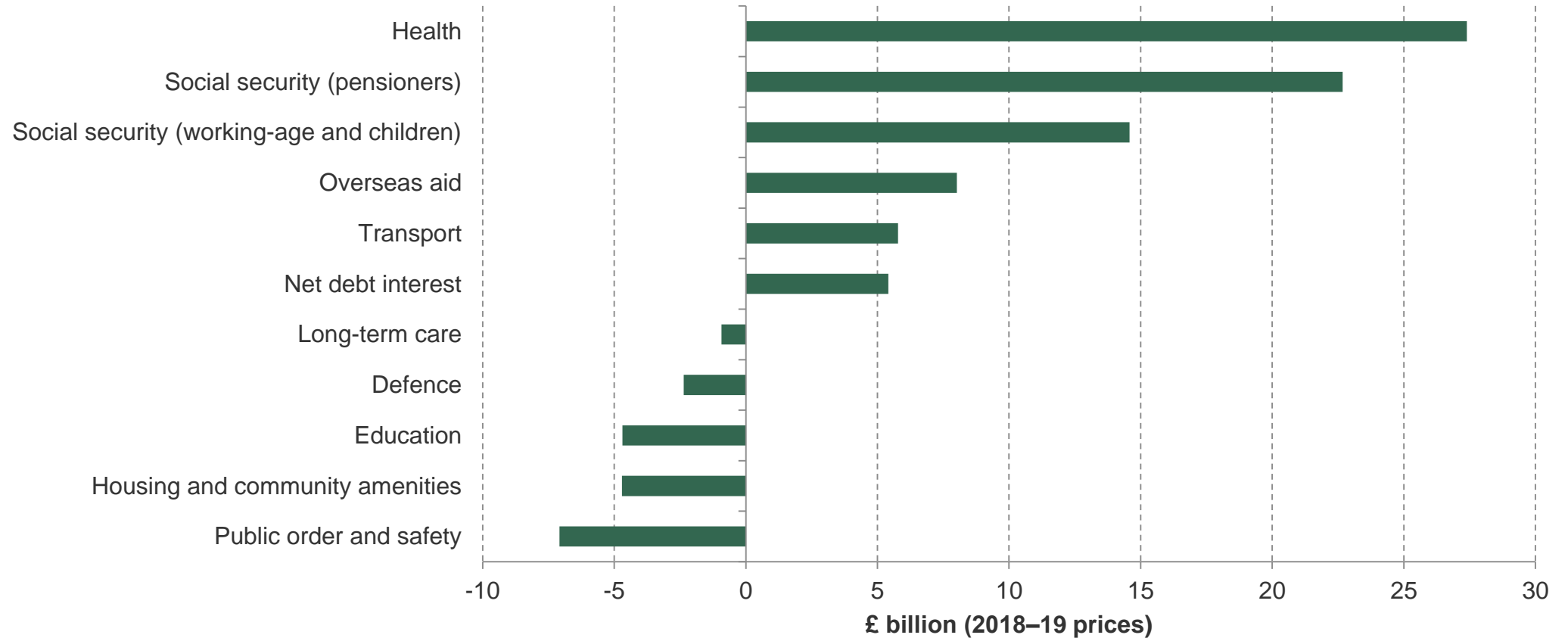


# We've previously paid for increased government spending on health by cutting spending on other things



# This looks implausible for the future

Even since 2007-08 many elements of public spending have suffered real cuts



# Relative to most other G7 and EU-15 countries our tax burden is relatively low

