Briefing

Health in the 2015 General Election: an analysis of party manifestos

This briefing provides analysis of and commentary on the manifesto pledges of the parties that have made up the opposition or government in the most recent parliament – the Conservative, Liberal Democrat and Labour parties. We have not been able to include other parties for reasons of brevity.

The briefing focuses specifically on the parties' pledges regarding the NHS in England, which is why we have not included parties from the devolved countries. However, we have previously analysed the performance of the NHS across the four countries of the UK.

Our analysis covers the following areas: funding, service integration, GP access, mental health, cancer services, public health, competition and implications.

Introduction

The main political parties have published their manifestos and leaders have taken to the airwaves to define their ideas and criticise those of their opponents. But reading between the lines, there is a degree of common ground between Labour, the Conservatives and the Liberal Democrats' proposals on health. So can we draw any conclusions about what will be in the NHS in-tray after 7 May 2015, regardless of the colour and composition of the eventual new government? In this paper, we spot common themes, highlight important differences and comment on the likelihood of pledges being implemented.

Funding

Prior to 2010, the NHS was accustomed to above-inflation increases in funding, but the story of this parliament has been one of an unprecedented squeeze on the health service's finances, alongside deep cuts to other government departments. Despite coping well with

austerity in the first few years of the parliament, the NHS's finances have deteriorated rapidly in the last two financial years, prompting us to <u>warn</u> of an imminent funding crisis. With the service struggling to cope with the needs of an ageing and growing population, it has <u>become clear</u> that 'flat-real' funding – i.e. increasing funding in line with inflation – is not adequate to provide what the health service needs.

The three parties are united in emphasising that they have got the message that the NHS needs additional funding to survive. The <u>Conservatives</u> and the <u>Liberal Democrats</u> have both pledged at least £8 billion additional funding for the NHS by 2020. This is the shortfall of the additional £30 billion to maintain services until 2020 that NHS England has identified, minus the £22 billion efficiency savings that NHS chief executive Simon Stevens <u>says</u> the service should be able to generate. <u>Labour</u>, on the other hand, has committed an extra £2.5 billion in the first two years of the next parliament – well below NHS England's £8 billion figure – but shadow health secretary Andy Burnham has <u>told journalists</u> that he believes the funding gap could be smaller than £8 billion if Labour implements its integration plans.

The debate about funding that has ensued between the parties has mostly centred on the degree to which their pledges are funded. Labour has attempted to occupy the fiscal high ground by insisting that it has the only properly funded NHS funding pledge (via the proposed mansion tax), while the Conservatives and Liberal Democrats insist that their reliability on delivering economic growth guarantees their figures.

The point at which these pledges translate into hard cash for the NHS is important too. The Liberal Democrats are only party to have <u>provided</u> detailed year-by-year costings for their manifesto. Their plans reveal that they do not intend for the bulk of the £8 billion to kick in until after the 2017/18 financial year, when they have met their fiscal rules that allow them to spend more. Labour <u>says</u> that its funding will fully come on-stream from 2016/17, but how much and when depends on its ability to collect and process the new taxes. The Conservatives have not specified when their £8 billion increase would take effect – although, if they are following the letter of the Five Year Forward View, one would assume that it would be a steady increase from 2016/17. If the Conservatives choose to 'backload' the funding increase like the Liberal Democrats – as implied by Jeremy Hunt in a recent HSI interview – the NHS will be subject to an extremely difficult financial environment in the early years of the next parliament.

None of the parties directly address the implications (and feasibility) of the extremely ambitious efficiency assumptions that lie behind the £22 billion of savings identified by NHS England or the degree of financial distress already being felt in the system, particularly the acute hospital sector. This colours everything else set out in the manifestos, which contain many welcome and much-needed initiatives on mental health, primary care, social care and prevention. Those working in the NHS with its 'efficiency challenge' will wonder how any of these initiatives will be possible if they imply redirecting funds from other parts of the NHS that are already failing to balance their books.

Service integration

With the population living longer and a growing number of people living with long-term conditions, the long-standing search for more seamless care is likely to become a central challenge in the next parliament. At the same time, funding for social care for older adults has been cut by <u>around 16 per cent</u> over the course of this parliament. Although the Care Act will bring some much-needed clarity and consistency to social care entitlements, it will not end the rationing of social care, eliminate the fragmentation that exists between health

and social care, or change the <u>illogical and unfair variations</u> in who gets access to NHS-funded continuing care.

All three manifestos promote the importance of joined-up care, particularly for older people and those with chronic ill-health. Detail is extremely light from the Conservatives, who reiterate existing policies (the Better Care Fund and the Greater Manchester initiative). Labour speaks about "integrat[ing] health and social care services into a seamless system of 'whole-person care", with "integrated multi-disciplinary teams working around the individual". The Lib Dems promise to "encourage the development of joined-up health providers, which cover hospital and community services, including GPs".

There are very few concrete or quantifiable elements attached to any of these ambitions: Labour promises all people with complex needs a care plan and single point of contact, and both Labour and the Liberal Democrats promise more personal budgets. Both parties say they will enable this through changes to the payments system, combining the outcomes frameworks, bigger roles for Health and Wellbeing Boards, and pooling budgets, but only the Liberal Democrats put a tentative date on this latter point for "full pooling of budgets" by 2018. This is an extremely ambitious pledge that raises questions about the degree to which the party's £8 billion funding pledge would actually flow to the NHS rather than social care services. No party acknowledges the reality that evidence on the short-term financial benefits of greater integration is patchy.

The glaring omission here is any commitment by any party to increase funding for social care specifically, in addition to any increases to the NHS budget, and the changes linked to the Care Act. It is unclear how, without extra funds, either Labour or the Liberal Democrats would be able to take action over rushed social care visits, low pay for workers and free social care at the end of life. Under the subheading "we will look after you as you grow older", the Conservatives reiterate the policies contained in the Care Act: the cap will protect people from "unlimited" care costs, but, in the meantime, the reality is that many people will have to look after themselves as they grow older.

The only hint that the debate over funding for social care might need to be opened up again comes in the Liberal Democrat manifesto, with its suggestion of a non-partisan 'fundamental review'. This would be a welcome and much-needed way of addressing an issue that has been consistently ducked by politicians, but it needs to lead to concrete change, rather than raise the issues and be shelved.

GP access

With spending on GP services falling during this parliament and the workforce being stretched, primary care services are under <u>severe strain</u>. All three manifestos make pledges about better access to GP services. Labour and the Conservatives offer specific commitments: same-day appointments for over-75s and seven-day-a-week access to a GP for everyone by 2020 (Conservatives), and a guarantee of a GP appointment within 48 hours (Labour). The Liberal Democrats promise easier access via phone and Skype, and longer opening hours. Only Labour attempts to explore the workforce implications of this, with a promise of 8,000 new GPs and 20,000 more nurses (but it's far from clear how many of these nurses would work in primary care). A promise to train and hire new staff must not neglect the very real pressures that existing staff are experiencing in all sectors, the symptoms of which are <u>stress</u>, turnover and low morale.

Improving access to GPs is a well-worn policy path and the danger here is over-specification and the perverse consequences of aggressive performance management of access targets. We know from our work on the four-hour A&E target that monitoring and reporting access targets can be onerous, and discretion will be needed from commissioners and regulators. It is hard to see how seven-day GP services could become a reality with funding as tight as it looks set to be.

Mental health

The deteriorating quality of mental health services and the growing need for care across all age groups look set to be major issues of concern for the next government. All three manifestos are clear on the need to address mental health provision – an issue given striking prominence in the Liberal Democrat manifesto. The Liberal Democrats are the only party to identify a specific amount for mental health services – promising to increase spending in England by £500 million a year by 2016/17 – while continuing to introduce access and waiting time targets; increasing access to talking therapies; more support for pregnant women, new mothers and those who have experienced miscarriages; improvements to children's mental health; better mental health crisis care; and care navigators. Labour promises a 28-day waiting time standard for access to talking therapies, universal schoolbased counselling services, social prescribing and boosted mental health training for all NHS staff, but stops short of any specific funding pledges for mental health as a whole, promising instead to ensure that a greater proportion of the mental health budget flows to children's services "over time". The Conservatives promise to enforce access and waiting time standards for mental health services, promise to increase access to perinatal mental health services and state that they "are increasing funding".

Spirited words have been written about the importance of mental health in previous manifestos, and our work with our <u>Health Leaders' Panel</u> has reinforced recent reports of declining access and quality of mental health services. The challenge here, just as with social care or primary care, has been making previous manifesto pledges a reality. This might be an area where the blunt instrument of high-profile targets could be effective – not least to raise the profile of mental health services within and across government – but only if accompanied by adequate funding and support for those delivering the services.

Cancer services

Labour proposes to halve the permitted wait for cancer tests to one week by 2020. Both Labour and the Conservatives support a ring-fenced cancer fund, though Labour's pledge encompasses other treatments such as surgery and radiotherapy, while the Conservatives stick with the existing Cancer Drugs Fund. The Lib Dems do not mention a ring-fenced fund, but propose ambitious goals to improve outcomes in cancer and other conditions.

As we have previously argued in our <u>briefing on rationing</u>, it makes little sense to have parallel processes for deciding on expensive cancer drugs and drugs for other conditions. While Labour's pledge at least broadens this to include treatments like radiotherapy and surgery, which is welcomed, it represents an unhelpful continuation of a twin-track process that duplicates the work of NICE.

Public health

All three parties have pledges on public health, although some are more detailed than others. Consensus across the main parties on the subject of tobacco policy had already been reached

in terms of introducing plain-packaged cigarettes – and this is included in each of the manifestos. This is good news for public health.

The Lib Dems are the only party to propose introducing minimum alcohol pricing, with caveats (subject to the outcome of the legal challenges in Scotland). Labour pledges to "crack down on high-strength, low-cost alcohol products" without specifying how, but, along with the Conservatives, stop short of committing to minimum alcohol pricing. The Conservatives say they will undertake a review into how best to support those suffering from treatable conditions including alcohol addiction. It is disappointing that there is not a consensus among the main parties on introducing minimum alcohol pricing.

Tackling obesity features across all manifestos. The Conservatives and Lib Dems will encourage clear food information to support people to make healthier choices – but we know information alone is insufficient to encourage behaviour change. Labour goes beyond the collaborative approach with industry, recognising that the Responsibility Deal is largely ineffective, and pledges to set limits on the amount of sugar, fat and salt in food marketed to children. A step in the right direction, but as always there is much more that can be done across government to tackle the rising levels of obesity in adults and children.

With the NHS facing major funding challenges, it is vital that evidence-based, cost-effective public health interventions are implemented and that health is included in all public policies. The next government has a difficult challenge ahead: to address the current financial strain on the NHS, but also to look beyond 2020. In order to recognise the ambitions of the Five Year Forward View a coordinated and committed approach is needed to improve the health and wellbeing of the population to help support a sustainable NHS.

Competition

The role of the private sector in health care remains a key concern for the public. Our own analysis has documented a small but growing proportion of NHS services contracted out to private or not-for-profit providers, with spending on private community health providers growing by more than 75 per cent in the first two years of the parliament and the total spend on non-NHS providers reaching £10.2 billion in 2013/14. Limited evidence exists about the impact of competition on the quality or sustainability of NHS services, particularly those outside the hospital sector.

Labour and the Liberal Democrats both propose to roll back the extent of competition and market forces in the NHS. Labour's plans are most radical, amounting to an explicit rejection of market forces in the NHS, including repealing the Health and Social Care Act, removing the roles of both Monitor and the Competition and Markets Authority (CMA) in economic regulation, introducing 'NHS preferred provider' arrangements and distinguishing between not-for-profit and for-profit providers. The Lib Dems offer vague promises to "repeal any parts of the Health and Social Care Act 2012 which make NHS services vulnerable to forced privatisation", and end the role of the CMA in health care. Only the Conservatives do not have proposals of this nature – instead, they pledge to increase patient choice.

Labour's proposals, and to some extent the Liberal Democrats' proposals, would take time and political will (and energy) to implement. They may also lead to some as-yet-unforeseen structural changes in other parts of the NHS (for example, changes to the legal status of foundation trusts), and opinion is divided about how effectively the NHS can be protected from national and international competition rules.

Implications

Although there are many common themes in the manifestos, this does not mean that all of these policies are likely to be implemented regardless of who wins the election. They are likely to prove to be the starting point for negotiations on any future coalition agreement.

In the absence of more detailed accounting from the parties, we can only assume that many of the proposals are likely to require funding in excess, even, of the £8 billion promised by the Conservatives and the Liberal Democrats if they are to be realised without stripping funds from other areas of provision. It is therefore unclear how the long list of proposals, such as increased staffing costs implied by the GP access proposals, the additional investment in mental health and expanded cancer services, could be afforded even if the economic upturn continues. In the short-to-medium term, then, manifesto commitments requiring the energies of existing bodies and organisations to be refocused are probably more likely to be implemented.

This raises the question of how much continuity there will be with policies, strategies and initiatives that are already underway. Only the Conservative manifesto mentions the Five Year Forward View and other existing policies such as the Better Care Fund. The absence of an explicit reference to the Forward View in the other manifestos is worrying. This is driven by something more than a wish to see a commitment to the funding identified as essential by the Forward View. It's also about knowing whether what has been started in terms of service redesign will be allowed to continue. In the run-up to the election, parties were eager to reassure voters and those working in the NHS that there would be no more structural reorganisation, but 'policy reorganisation' can be just as disruptive for managers and clinicians across the NHS.

Structural reorganisation is still a risk as well, and the statements made by Labour about the role of Health and Wellbeing Boards and repealing the Health and Social Care Act, and by the Liberal Democrats about pooling budgets in all areas, signal the potential for more reorganisation. The lesson from the 2011–12 reforms is not that there should never be any more centrally led change, but that change has to work with the grain of existing policies and should not undermine the efforts of staff who are already attempting to deliver very challenging efficiencies in both the NHS and social care. Most importantly, there are big questions about whether the NHS has the resilience to withstand any further structural change in future.

There are two major absences from all the manifestos. First, compared to the language used in the manifestos in 2010, the role of choice and competition as a driver for improvement has vanished – explicitly from Labour, but also implicitly from its rivals. While the jury is still out on whether competition can bring any net benefits in the quality and efficiency of health care (particularly outside the hospital sector), there is a long history of using non-NHS providers, including the voluntary and community sector (in end-of-life and mental health care services, for example). This needs to be factored into any 'NHS preferred provider' policy.

This raises a broader question of how improvement will take place in a financially challenged service where staff are under huge pressure. All the manifestos reveal an appetite for setting quite specific details of 'what' sort of changes need to happen, but the 'how' is missing. Recent experience – in A&E, for example – suggests that the standard political approach of setting targets and shouting louder to get things done will need to be rethought.

The second big gap is social care funding. While all of the manifestos are strong on strategies for the medium-to-long term, none of them contains a plausible explanation for how the immediate short-term financial challenges facing this heavily squeezed sector will be met.

Similarly, the manifestos are all silent on how more immediate pressures facing NHS providers across all sectors will be met – for instance, there are no short-term plans to address overheating A&E departments, squeezed mental health services or escalating demand for in-hours primary care.

There can be no doubting the scale of the challenge facing whichever party or parties gets into office in May. It is reassuring that the message that the NHS needs additional funding seems to have got through, but it will be a pyrrhic victory if it comes too late or is at the expense of investment in the kind of large-scale changes to social care and health services need time and stability to yield benefits. It is not clear from any of the manifestos that the scale of the change is truly understood.

evidence for better health care



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