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Covid-19: Budget has failed to provide recovery funding for NHS, health leaders warn

Adrian O'Dowd

Health leaders have criticised the “striking absence” of any plan for long term recovery of health and social care services in the government’s latest budget.¹

In his annual budget statement on 3 March, the UK chancellor Rishi Sunak pledged an extra £1.65bn (£1.9bn; \$2.3bn) to support the continued rollout of the covid-19 vaccination programme, on top of the £55bn of covid support for public services in 2021-22 that was announced in the last spending review in 2020.

For biosciences, the government said that it was investing £5m on top of £9m funding to help create a “library” of mRNA vaccines for covid-19 variants for possible rapid response deployment and £28m to boost the UK’s vaccine testing capacity. In addition, it was providing £22m for new and expanded vaccine studies.

But although health leaders welcomed the investment in the vaccination programme, they have said that the budget lacked both the short term funding required to help the NHS recover from covid next year and a longer term recovery plan.

Chaand Nagpaul, BMA Council chair, said, “Almost a year ago to the day, the chancellor told the country that the NHS would get ‘whatever it needs’ to tackle the pandemic. Yet we can see from today’s budget that the rhetoric is far from the reality.

“The levels of infection may be slowly reducing, but the NHS remains under more strain than at any other time in recent history. We know that even before the pandemic, independent analysis showed that the NHS needs as a minimum a mean annual growth in core funding of 4.1%—today’s announcement does not address this significant shortfall.”

The fine detail of the budget showed that overall spending on the NHS will actually reduce in 2021-22, as the total Department of Health and Social Care spend (including covid-19 funding) will be £169.1bn, a reduction from the £199.2bn spent in 2020-21.

Danny Mortimer, chief executive of the NHS Confederation, said, “The chancellor had a lot to prove in this budget, but sadly he has once again left funding for health and social care services desperately wanting. NHS leaders will have hoped to see a much greater acknowledgment of the toll the past year has taken on our key public services, yet the health service will feel that it has been left out in the cold.”

Saffron Cordery, deputy chief executive of NHS Providers, which represents NHS trusts, welcomed the extra money for the vaccination rollout, but said, “It is vital that more money is provided to cover additional covid-19 costs in 2021-22 as and when they

arise. The reality is that, in the longer term, we will need to see further investment to help the health service meet the increased demand. Sadly, today’s budget has fallen short on setting out the strategic direction for public services.”

Nigel Edwards, chief executive of the Nuffield Trust think tank, said, “It is striking that a plan and support for the recovery of health and social care services are absent in this budget. Recovery from the pandemic will take several years, not only for the economy, but for the NHS to work through waiting lists, boost capacity, and adjust to the ongoing demands of covid-19 on the health service. An increase in the NHS budget for the next financial year is likely to be needed as well as honesty that patients are going to end up waiting longer for some time.”

Edwards added, “It is disappointing that there was no lifeline for our struggling social care sector hit hard by the pandemic.”

Katherine Henderson, president of the Royal College of Emergency Medicine, said, “This budget is disappointing for the health and social care service which urgently needs a revised funding and investment plan.”

1 HM Treasury. Budget 2021: Protecting the jobs and livelihoods of the British people. 3 Mar 2021. <https://www.gov.uk/government/publications/budget-2021-documents>

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