

Research Briefing

30 July 2024

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# NHS funding and expenditure



## Summary

- 1 The NHS across the UK
- 2 NHS England
- 3 Spending on covid-19

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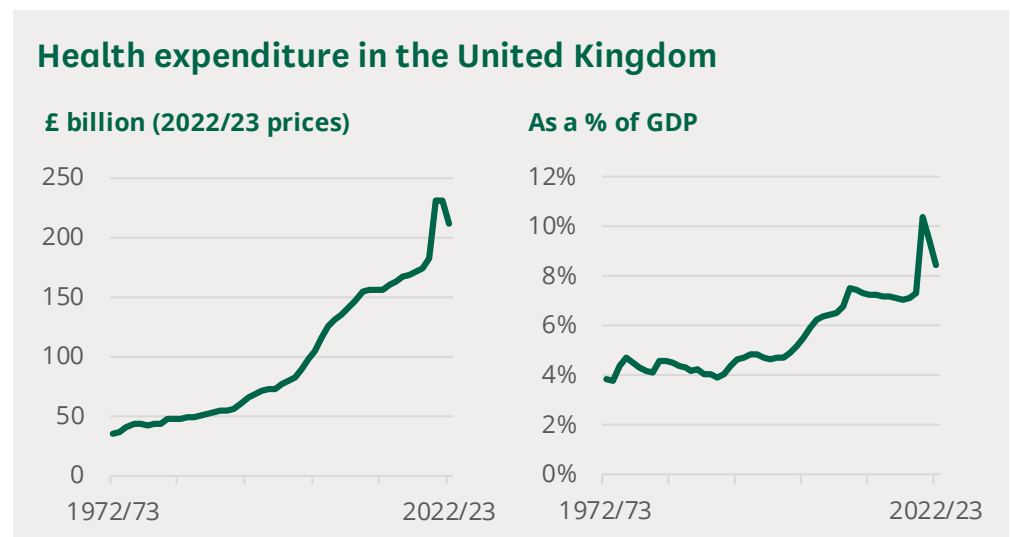
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## Summary

Over the past 50 years, real terms UK health expenditure has increased over five-fold. Rising from around £36 billion in 1972/73 to £212 billion in 2022/23.<sup>1</sup> Real terms expenditure takes into account the impact of inflation on the purchasing power of a currency.

The average real terms annual expenditure increase over the period from 1972/73 to 2022/23 was 3.8%. Between 2000/01 and 2004/05 average annual spending growth was 8.7%, higher than at any other time in the history of the NHS.



Responsibility for health services is devolved to the Scottish, Welsh and Northern Irish administrations. In 2022/23, health expenditure per head was highest in Wales (£3,337 per head) and lowest in England (£3,064 per head).<sup>2</sup>

This briefing covers NHS expenditure of the devolved administrations, the funding process of NHS England, as well as a breakdown of spending and spending during the Covid-19 pandemic.

More details on the commissioning role of ICBs and the organisation of the NHS in England can be found in the Library Briefing Paper: [The Structure of the NHS in England](#).

<sup>1</sup> [HMT Public Expenditure Statistical Analyses \(PESA\)](#) Table 4.2

<sup>2</sup> [HM Treasury Country and regional analysis 2023](#), Tables A11 and A15

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# 1 The NHS across the UK

## 1.1 Structure of the NHS

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For more details on the current structure of the NHS, see our [briefing on the structure of the NHS in England](#)

The NHS was established on 5 July 1948, with the aim of providing a comprehensive range of health services to all UK citizens, financed by general taxation and free at the point of use.

In the late 1990s, health became a devolved area. Responsibility for providing and developing health services lies ultimately with:

- the Secretary of State for Health and Social Care in England
- the Cabinet Secretary for Health and Social Care for Scotland
- the Minister for Health and Social Services for Wales
- the Minister for Health, Social Services and Public Safety for Northern Ireland

The UK Government allocates a set budget for healthcare in England, whereas Scotland, Wales, and Northern Ireland receive a general block grant for public spending. This grant is distributed across all policy areas according to funding priorities decided by each devolved administration. More details on fiscal devolution can be found in the [Barnett formula and fiscal devolution briefing paper](#).

Each country has chosen to structure its National Health Service differently. However, a common theme of NHS funding across the countries is the allocation of a significant proportion of the NHS budget to local NHS bodies.

At the local level, integrated care boards (ICBs) in England, health boards in Scotland and Wales, and the health and social care board in Northern Ireland are responsible for commissioning or planning health and care services in their respective areas.

In each country, needs-based funding formulas determine how much funding is allocated to these organisations. The aim of these formulas is to achieve equal access to healthcare for people at equal risk.

## 1.2

## Total UK health expenditure

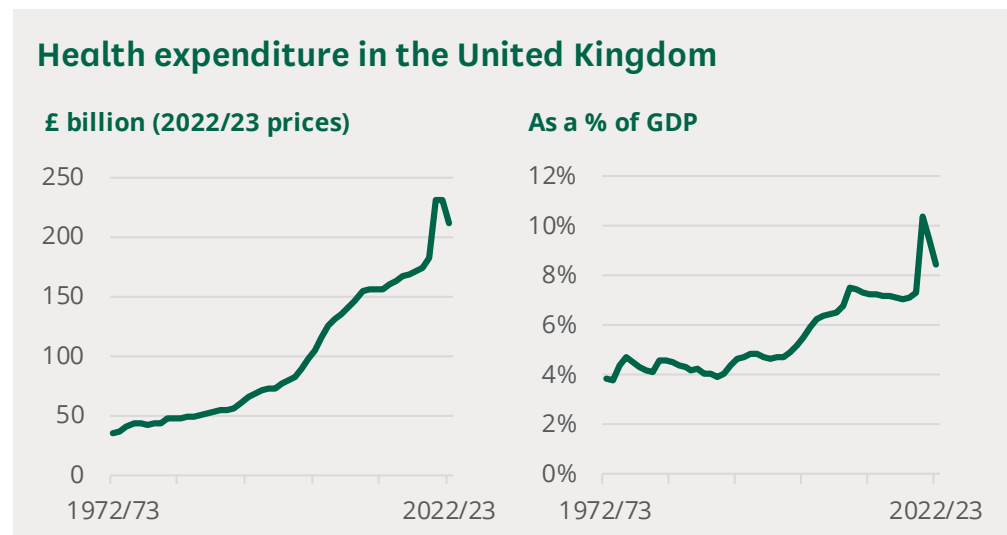
Figures for total UK health expenditure are based on the UN's Classification Of the Functions Of Government (COFOG), as published in HM Treasury's [Public Expenditure Statistical Analyses](#)

Over the past 50 years, real-terms UK health expenditure has increased over five-fold, rising from around £36 billion in 1972/73 to £212 billion in 2022/23, as shown in the chart below. Real-terms expenditure figures are adjusted for the effects of inflation on the purchasing power of a currency.

The increase was particularly pronounced in 2020/21 when health spending rose by 26%. This was partly because of additional spending related to the covid-19 pandemic.

Health spending as a proportion of gross domestic product (GDP) also peaked in 2021/22, when 10.4% of GDP was due to health spending. Before this, health spending as a percentage of GDP had declined between 2010/11 and 2018/19.

GDP is the standard measure of the size of a country's economy over a period of time (usually one quarter or one year). If the percentage of GDP increases, it indicates that more of a nation's economy is directed at health.



Sources: [HMT Public Expenditure Statistical Analyses \(PESA\)](#) Table 4.2 (various years), ONS Annual Abstract of Statistics: 1990, Table 10.22, and earlier editions, [HMT GDP deflators and money GDP March 2024](#)

Over the past 50 years, real-terms changes in annual UK health spending as a percentage of GDP have mostly been increases. Negative change has occurred on just six occasions.

The largest decrease (-8.3%) was in 2022/23, but this is likely to be a re-adjustment following additional spending during the covid-19 pandemic in the previous years. Covid-19-related spending contributed towards a 26% increase in overall health expenditure in 2020/21. Spending in 2021/22 remained at a similar level before declining by 8.3% in 2022/23. Before 2022/23, the biggest decrease occurred in 1977/78 (-3.0%).

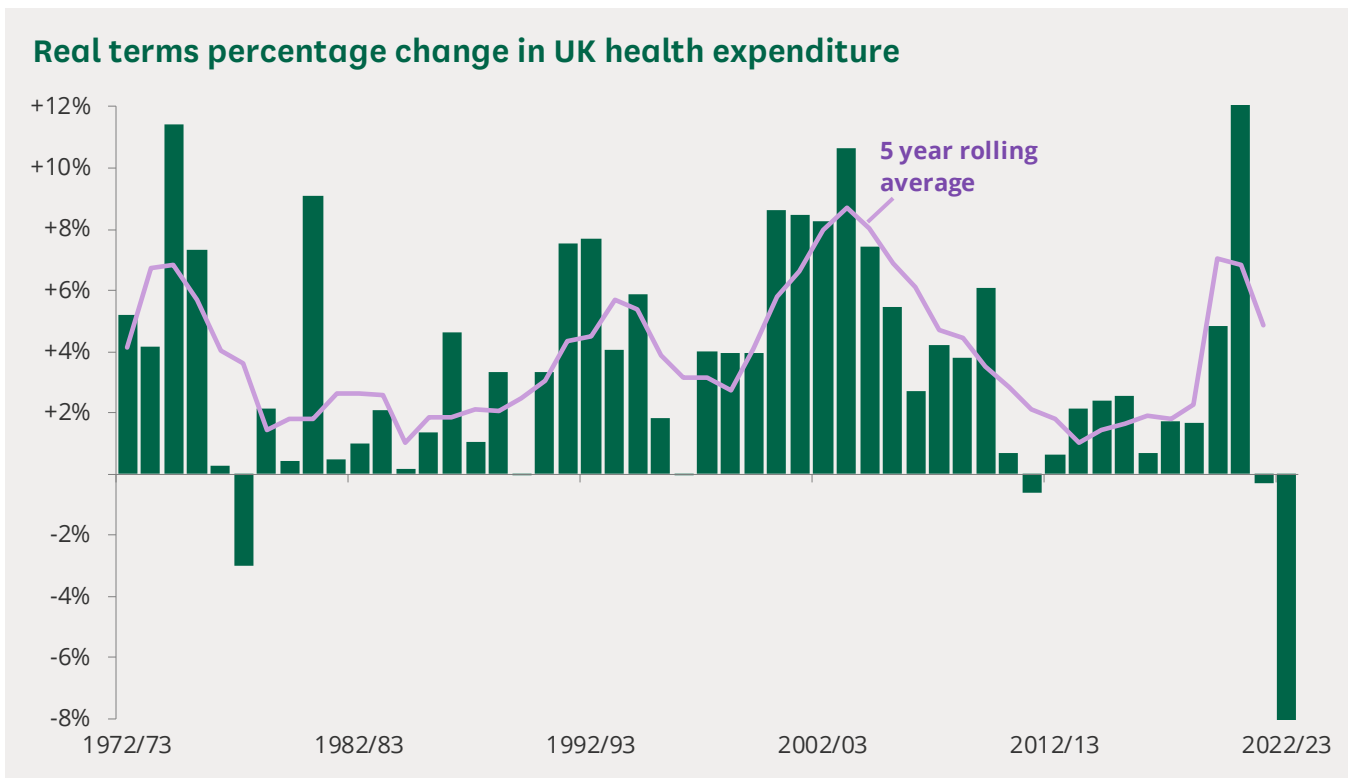
The average real-terms annual expenditure increase between 1972/73 and 2022/23 was 3.8%. Between 2000/01 and 2004/05 average annual spending growth was 8.7%, higher than at any other time in the history of the NHS, as shown in the chart below.<sup>3</sup>

## 1 Health spending during covid-19

The government increased the budget of the Department of Health and Social Care in response to the covid-19 pandemic. Addition funding was used to deliver programmes such as NHS Test and Trace and vaccination roll-out as well as to procure personal protective equipment (PPE) and other materials.

Over £80 billion was spent on covid-19 related areas in England alone between 2020 and 2022.

Further details can be found in section 3 of this research briefing.



Sources: [HMT Public Expenditure Statistical Analyses \(PESA\)](#) Table 4.2 (various years), ONS Annual Abstract of Statistics: 1990, Table 10.22, and earlier editions, [HMT GDP deflators and money GDP March 2024](#)

<sup>3</sup> Data going back to 1948 can be found in Table 1 of the accompanying excel spreadsheet.

## 1.3 Sources of income

The vast majority of NHS funding comes from central UK taxation. Within the block grant allocated to each devolved administration (via the Barnett formula), Scotland, Wales and Northern Ireland are free to decide how much to spend on the NHS.

The NHS can also raise income from patient charges, sometimes known as 'co-payments' (such as a standard charge for prescription medicines). Devolved administrations have control over the level at which these are set.

### Prescription charging

In England, around 10% of prescriptions involve a prescription charge, currently £9.90 per item<sup>4</sup>. Wales, Scotland and Northern Ireland have abolished prescription charging.

In 2022/23, England raised £670 million through the prescription charge (around 6% of the total £12 billion cost of the NHS prescription service).<sup>5</sup>

### Dental charging

All UK countries charge for NHS dental treatment, although exemptions differ.

In England, patients pay between £26.80 and £319.10 depending on the complexity of work performed.<sup>6</sup> In Wales, the range is £20 to £260.<sup>7</sup>

In Northern Ireland, patients pay 80% of the cost of treatment, up to £384.<sup>8</sup> Scotland operates a similar system with charges applied up to a maximum of £384.<sup>9</sup>

Income raised through dental charges amounted to £807 million in England in 2022/23;<sup>10</sup> in Wales, the figure was £22.7 million.<sup>11</sup> Estimates for Northern Ireland and Scotland are not available.

<sup>4</sup> Department of Health and Social Care (DHSC), [NHS prescription charges from 1 May 2024](#), 5 April 2024

<sup>5</sup> DHSC, [Department of Health Annual Report and Accounts 2022/23](#), table 50

<sup>6</sup> NHS, [How much will I pay for NHS dental treatment in England?](#), 5 March 2024

<sup>7</sup> Welsh Government, [NHS dental charges and exemptions](#), 1 April 2024

<sup>8</sup> NI Direct, [Health Service dental charges and treatments](#), (accessed 17 July 2024)

<sup>9</sup> NHS Inform, [Receiving NHS dental treatment in Scotland](#) (accessed 17 July 2024)

<sup>10</sup> DHSC, [DHSC annual report and accounts: 2018 to 2019](#), 11 July 2019

<sup>11</sup> Welsh Government, [NHS dental services: April 2022 to March 2023](#), 17 October 2023



## Other sources of income

The NHS also receives income from other streams such as:

- charging overseas visitors and their insurers for the cost of NHS treatment.
- revenue from car parking charges and patient telephone services.
- NHS trusts' earned income from treating patients privately.

In 2022/23, NHS trusts in England generated £636 million in income from private patients.<sup>12</sup> In Wales, the figure was £3.2 million in 2021/22.<sup>13</sup> Estimates for Northern Ireland and Scotland are not available.

## 1.4 Expenditure by devolved administrations

Responsibility for health services is devolved to the Scotland, Wales and Northern Ireland. In 2022/23, health expenditure per person was highest in Wales (£3,337 per person) and lowest in England (£3,064).

As shown in the table below, England has spent less per person, and as a percentage of gross value added (GVA), than other nations over the past five years. These figures are not adjusted for any difference in demand for health services.

GVA measures the contribution to the economy of each individual producer, industry or sector. GDP is a key indicator of the state of the whole UK economy and includes GVA plus taxes on profits, minus subsidies on profits. GDP figures are only available for the UK as a whole.

Wales has had the highest spending as a percentage of GVA over the last five years, followed by Northern Ireland, and Scotland has had the lowest.

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<sup>12</sup> DHSC, [DHSC annual report and accounts: 2022 to 2023](#), Financial statements, 25 January 2024, table 2.3

<sup>13</sup> [NHS Summarised Accounts for Wales 2021/22](#)

## Health expenditure by country of the UK

	2018/19	2019/20	2020/21	2021/22	2022/23
<b>Total expenditure £ billion</b>					
England	127.1	136.7	182.9	179.2	175.0
Wales	7.5	8.0	10.2	10.7	10.4
Scotland	13.0	13.7	18.1	19.0	16.9
N. Ireland	4.6	4.9	6.6	6.5	6.2
<b>Expenditure £ per head</b>					
England	£2,272	£2,431	£3,248	£3,169	£3,064
Wales	£2,444	£2,599	£3,291	£3,444	£3,337
Scotland	£2,395	£2,508	£3,314	£3,474	£3,106
N. Ireland	£2,429	£2,603	£3,475	£3,425	£3,236
<b>Expenditure as % GVA</b>					
England	7.7%	8.0%	11.2%	10.1%	9.0%
Wales	11.6%	11.8%	15.8%	15.7%	14.0%
Scotland	9.1%	9.2%	12.9%	12.6%	10.2%
N. Ireland	11.1%	11.3%	15.7%	14.1%	12.4%

Sources: [HM Treasury Country and regional analysis 2023](#), Tables A11 and A15 and [ONS Regional GVA](#)

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## 2 NHS England

### 2.1 Funding process

#### Government health services budget

Funding for health services in England comes from the budget of the Department of Health and Social Care (DHSC). In 2022/23, the total DHSC budget was £181.7 billion for England. Around £170 billion was resource budget, which covers the day to day running of services and administration costs.<sup>14</sup>

The majority of the DHSC resource budget (£153 billion) is transferred to NHS England with the remainder divided between DHSC's other agencies and programmes, including funding for arm's-length bodies like the Care Quality Commission (CQC) and the National Institute for Health and Care Excellence (NICE).

NHS England's budget is used to support and oversee the commissioning of health services. It allocates this budget to different parts of the NHS.

#### Integrated care boards

Most of the NHS England budget goes to integrated care boards (£107.8 billion in 2022/23).

ICBs came into existence on 1 July 2022 when they replaced clinical commissioning groups. While ICBs have taken on many of the functions of clinical commissioning groups, they are intended to be a different type of decision-making body, bringing in a wider range of partners, with a greater focus on population health.

ICBs use their funding to commission a wide range of services including mental health services, urgent and emergency care, elective hospital services, primary care services (general practice), medicines and community care.

The Library research briefing [The structure of the NHS in England](#) provides further details on the current organization of the NHS and the role of ICBs.

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<sup>14</sup> HM Treasury, [Spring Budget 2024](#), 6 March 2024

## Remaining NHS England resources

From the remaining resources (£45.2 billion in 2022/23) NHS England directly commissions certain services at a national level. For example, NHS England directly commissions ‘specialised’ services (such as treatments for rare conditions and secure mental health care), military and veteran health services and health services for people in prisons.

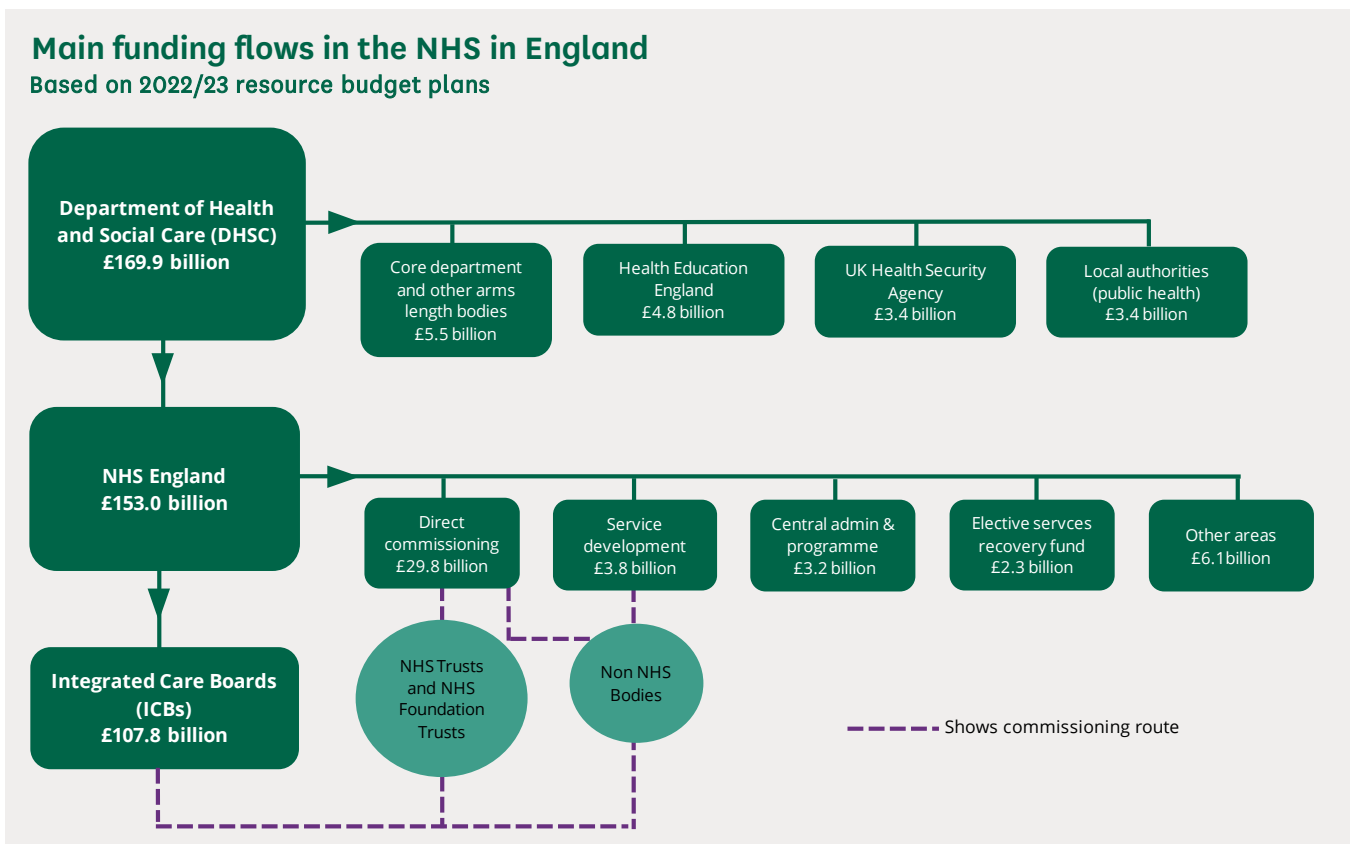
In 2022/23, it spent £29.8 billion on specialised services, and other directly commissioned services.

The remainder of NHS England’s budget is spent on centrally administered projects and services, such as national immunisation and screening programmes.

## Flow of funding

Funds flow from ICBs to NHS hospitals and other providers either via contracts, or through a system known as Payment by Results, which uses a “tariff” based on national average costs for each type of treatment.

The diagram below shows the main funding flows in the NHS in England.



Notes: This diagram reflects the NHS organisational structure in 2022/23. In April 2023, Health Education England merged with NHS England.

Sources: HM Treasury: [Public Expenditure Statistical Analyses 2022](#), NHS England: [Business plan 2022/23](#), Health Education England: [Business Plan 2022/23](#) and UKHSA: [Annual Report and Accounts 2021/22](#)

## 2.2 Overall health expenditure in England

The latest figures from DHSC show that health expenditure in England totalled £181.7 billion in 2022/23.

The table below gives details of expenditure since 2010/11. The largest annual real-terms increase was between 2021/22 and 2022/23, when spending increased by 11.3% from £163.3 billion to £181.7 billion.

Figures for recent years do not include additional covid-19-related expenditure (see section 3 of this briefing for details of covid-related spending).

<b>Health expenditure in England</b>				
£ billion: Total managed expenditure (excluding covid-19 spending)				
	Cash		2022/23 prices	
	£ billion	Annual % change	£ billion	Annual % change
2010/11	100.4		131.0	
2011/12	102.8	2.4%	131.9	0.6%
2012/13	105.2	2.3%	132.5	0.5%
2013/14	109.8	4.3%	135.6	2.4%
2014/15	113.3	3.3%	138.4	2.0%
2015/16	117.2	3.4%	142.1	2.7%
2016/17	120.6	2.8%	142.9	0.6%
2017/18	125.2	3.8%	146.0	2.2%
2018/19	128.4	2.6%	146.7	0.5%
2019/20	138.5	7.8%	154.6	5.3%
2020/21	144.9	4.7%	158.1	2.3%
2021/22	153.1	5.7%	163.3	3.3%
2022/23	181.7	18.7%	181.7	11.3%
2023/24 planned	189.5	4.3%	177.9	-2.1%
2024/25 planned	192.2	1.4%	179.0	0.6%

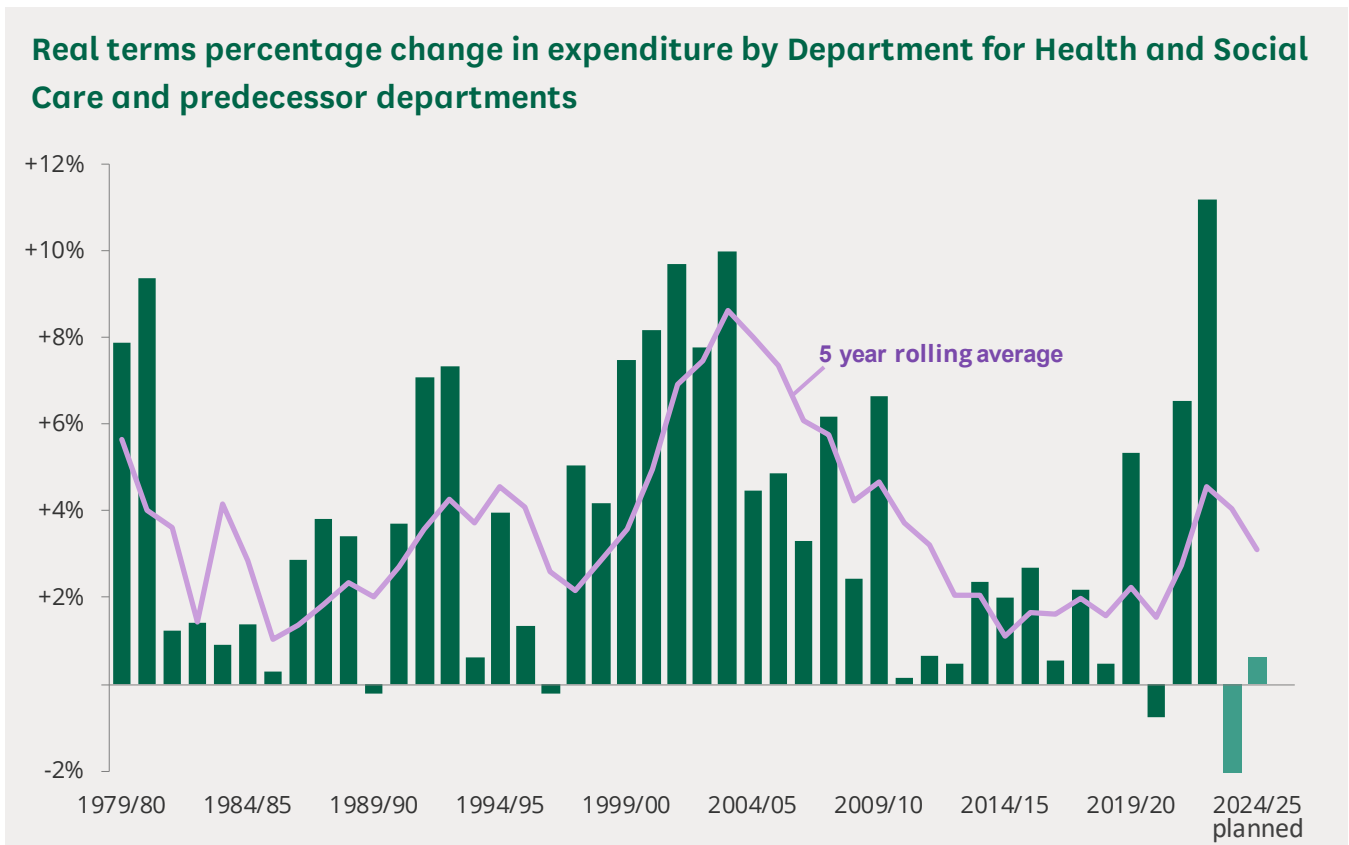
Sources: Pre 2020/21 expenditure - [HMT Public Expenditure Statistical Analyses \(PESA\)](#) Table 10.1 (various years); Post 2020/21 expenditure [Autumn Statement 2022](#) and [Spring Budget 2024](#); [HMT GDP deflators and money GDP March 2024](#)

Changes in departmental responsibilities, accounting procedures and devolution issues preclude consistent comparisons of spending in England over longer time periods. However, we can gain an impression of the relative

change in health spending by looking at year-on-year real-terms increases. The chart below shows annual real terms changes along with a moving five-year average.

Following the largest annual real-terms increase of 11.3% in 2022/23, planned expenditure in 2023/24 is estimated fall in real terms.

The largest growth in the five-year moving average in real terms (+8.6%) occurred between 1999/2000 and 2003/04.



Notes: Lighter green bars indicate that 2023/24 and 2024/25 figures relate to planned spend. Earlier years show outturn expenditure.

Sources: Pre 2020/21 expenditure - [HMT Public Expenditure Statistical Analyses \(PESA\)](#) Table 10.1 (various years); Post 2020/21 expenditure [Autumn Statement 2022](#) and [Spring Budget 2024](#); [HMT GDP deflators and money GDP March 2024](#)

## 2.3

## Breakdown of NHS spending

The DHSC published a breakdown of spending from NHS England's commissioning budget in 2023. The table below shows a comparison between 2015/16 and 2023/24.<sup>15</sup>

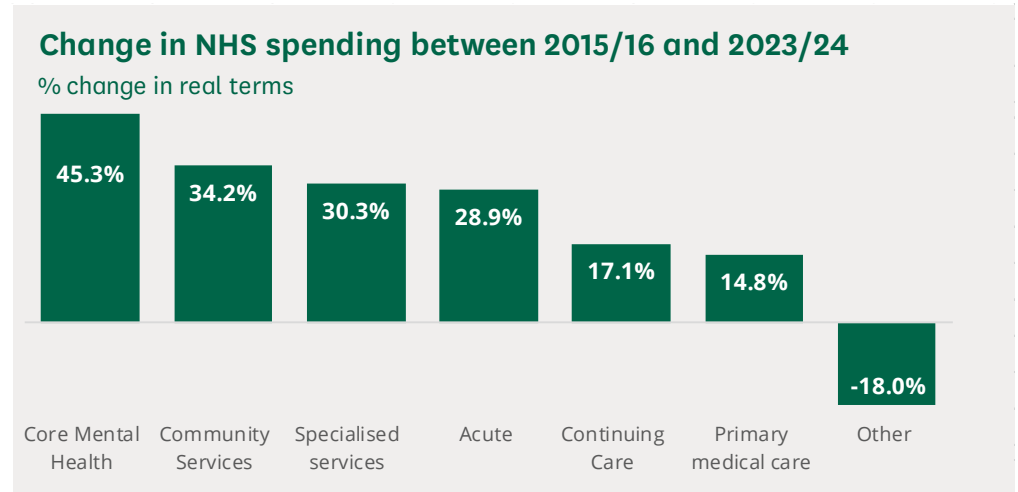
<b>Breakdown of NHS spending</b>				
£ Billion: real terms 2023/24 prices				
	2015/16	2023/24	Change over period	
			£ billion	%
Acute	49.3	63.6	+14.3	+28.9%
Specialised services	19.1	24.9	+5.8	+30.3%
Core mental health	9.4	13.7	+4.3	+45.3%
Primary medical care	11.2	12.9	+1.7	+14.8%
Community services	9.2	12.3	+3.1	+34.2%
Continuing care	5.6	6.5	+0.9	+17.1%
Other	24.4	20.0	-4.4	-18.0%
<b>Total</b>	<b>128.4</b>	<b>153.8</b>	<b>+25.4</b>	<b>+19.8%</b>

Source: PQ 2419 [on [NHS Expenditure](#)], 21 December 2023

Overall NHS spending has increased in real terms since 2015/16. This has been driven by a £14.3 billion increase in spending on acute care, which accounts for over half of the overall increase in spending (£25.4 billion) over this time period.

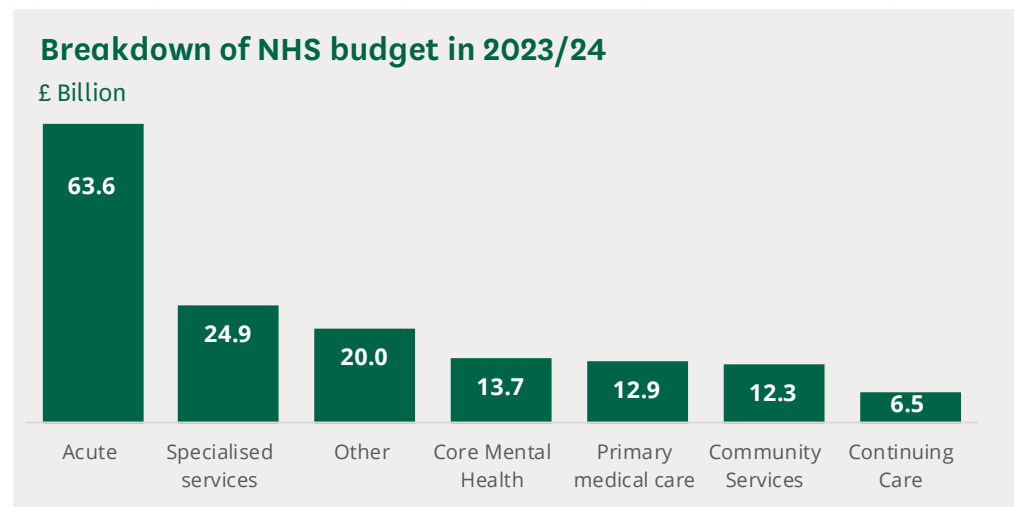
As shown in the chart below, the largest percentage increase in spending since 2015/16 was in core mental health services, which rose from £9.4 billion to £13.7 billion, a 45% increase.

<sup>15</sup> Figures in this section relate to resource budget allocations used to commission NHS services in England. These totals will differ to those provided in section 2.2 which relate to total expenditure (resource budget and capital budget). PQ 2419 [on [NHS Expenditure](#)], 21 December 2023



Source: PQ 2419 [on [NHS Expenditure](#)], 21 December 2023

The chart below shows a breakdown of planned spending in 2023/24 by category. The largest expenditure category was acute services (£63.6 billion), followed by specialised services (£24.5 billion).



Source: PQ 2419 [on [NHS Expenditure](#)], 21 December 2023

## 2.4 Capital expenditure

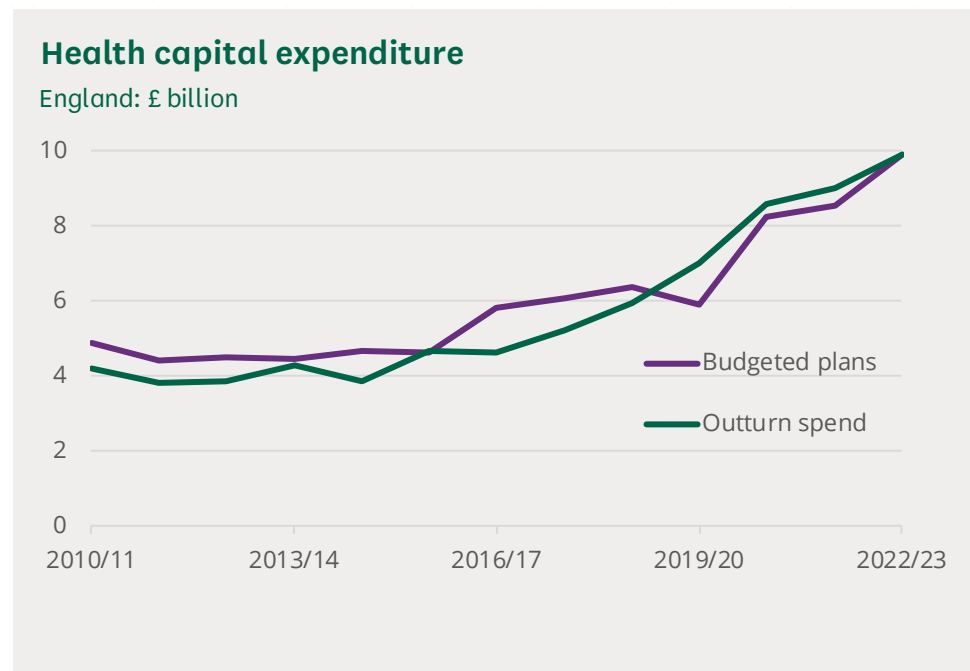
Capital expenditure is used to invest in longer-term assets such as buildings and medical equipment.

The most recent outturn figures show capital expenditure of £9.9 billion in 2022/23.<sup>13</sup> The planned capital budget for health in 2023/24 was £11.0 billion. The budget is planned to rise to £12.6 billion in 2024/25 (a 13.6% real terms



increase).<sup>16</sup> The [2024 Spring Budget](#) also announced £3.4 billion in capital funding between 2025/26 and 2027/28 for digital and technological transformation and to support an NHS productivity plan.

Between 2010/11 and 2018/19, most financial years involved an underspend against the budgeted amount of capital expenditure, with around £4.3 billion transferred from the capital budget into revenue spending between 2014/15 and 2018/19.<sup>17</sup> From 2019/20 onwards capital expenditure has kept pace with, or exceeded, budgeted amounts.



Source: Pre 2020/21 expenditure - [HMT Public Expenditure Statistical Analyses \(PESA\)](#) Table 1.8 (various years); Post 2020/21 expenditure [Autumn Statement 2022](#) and [Spring Budget 2024](#)

## Maintenance backlog

Although recent increases in the NHS capital budget have been welcomed<sup>18</sup>, concerns remain that they do not fully reflect the investment needs of the NHS.

The level of the maintenance backlog and ageing infrastructure are likely to reduce the ability to transform the NHS estate and this could affect the potential for productivity improvements.

The NHS [estates return information collection \(ERIC\)](#) data shows a major deterioration of 'backlog maintenance' across the NHS estate. This is a measure of how much needs to be invested to restore assets to suitable

<sup>16</sup> [Spring Budget 2024](#), 6 March 2024, table 2.2

<sup>17</sup> NHS Providers, [No more sticking plasters: repairing and transforming the NHS estate](#), March 2023

<sup>18</sup> The King's Fund, [Capital investment in the NHS](#), 29 January 2024

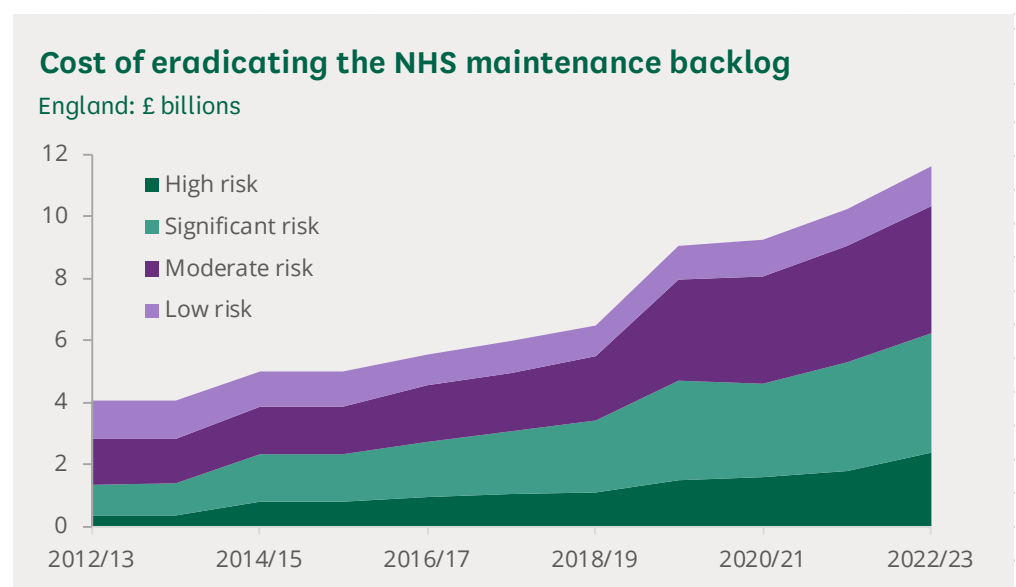
working condition. The backlog refers to work that should already have taken place.

The latest ERIC publication shows that the total cost to eradicate the NHS maintenance backlog in England was £11.6 billion in 2022/23, almost a threefold increase on the cost a decade earlier (£4.0 billion in 2012/13).

The ERIC data also groups costs according to the severity of the need to address backlog maintenance:

- High risk: repairs/replacement must be addressed with urgent priority in order to prevent catastrophic failure, major disruption to clinical services or deficiencies in safety liable to cause serious injury and/or prosecution.
- Significant risk: repairs/replacement require priority management and expenditure in the short term so as not to cause undue concern to statutory enforcement bodies or risk to healthcare delivery or safety.
- Moderate risk: repairs/replacement require effective management and expenditure in the medium term through close monitoring so as not to cause undue concern to statutory enforcement bodies or risk to healthcare delivery or safety.
- Low risk: repairs/replacement require to be addressed through agreed maintenance programmes or included in the later years of an Estates Strategy.

Over the past decade, the cost of eradicating the low-risk maintenance backlog has remained relatively stable at around £1.3 billion, as shown in the chart below. However, increases have occurred in other areas. Between 2012/13 and 2022/23 the high-risk backlog rose from £0.4 billion to £2.4 billion, significant-risk from £1.0 billion to £3.9 billion and moderate-risk from £1.5 billion to £4.1 billion.



Source: [Estates Returns Information Collection - NHS England Digital](#)

## New Hospital Programme

Capital funding for health includes The New Hospital Programme (NHP), established in 2020. This programme combined eight hospital building projects that were already under construction or pending final approval, with a pledge for 40 more, which were to be completed between 2021 and 2030.

The Treasury initially allocated £3.7 billion for the NHP at the [2020 Spending Review](#) for the four years to 2024/25.

In 2023, seven hospitals that needed rebuilding because they contained [reinforced autoclave aerated concrete \(RAAC\)](#) were also brought into the programme. Due to this reprioritisation and the rising cost of building materials, DHSC says some projects will not now be completed until after 2030.<sup>19</sup>

In March 2023, the Treasury indicated that maximum funding for 2025/26 to 2030/31 will be £18.5 billion (although a spending review has been announced which may result in cuts to this budget).<sup>20-21</sup> This would bring total funding to £22.2 billion.

Further information on the progress of the New Hospital Scheme can be found in our Library Insight: [Hospital building in England: Plans and progress](#).

## 2.5

## Spending on non-NHS providers

The NHS spends a portion of its budget purchasing healthcare services from non-NHS providers, such as local authorities, charitable organisations, and private sector providers. This happens the NHS is unable to meet high levels of demand on the healthcare system.

In 2022/23 the NHS in England spent around £16.6 billion on non-NHS providers. This amounted to 9.4% of its resource budget for that year, an increase from around 8.8% of the resource budget in 2012/13.<sup>22</sup>

Most of the spending on non-NHS providers relates to the private sector, as shown in the table below. Around £11.5 billion was spent on private sector providers in 2022/23 (69% of non-NHS provider spend). The percentage spent on private-sector providers has increased from 5.6% in 2012/13 to 6.5% in 2022/23, although figures peaked at 7.3% in 2017/18 and 2018/19.

<sup>19</sup> DHSC Media Team, [New Hospital Programme – media fact sheet](#), 25 May 2023

<sup>20</sup> National Audit Office, [Progress with the New Hospital Programme](#), 17 July 2023

<sup>21</sup> [Public Spending: Inheritance](#), 29 July 2024, c1037

<sup>22</sup> Department of Health and Social Care, [Annual Report and Accounts 2022-23](#)

Spending on voluntary sector and local authority provision likewise increased in monetary terms over the past decade, from £3.3 billion in 2012/13 to £5.2 billion in 2022/23. However, the proportion of resource budget allocated to these providers fell from 3.3% to 2.9% over this period.

<b>NHS spending on non-NHS providers</b>						
England						
	Private-sector providers		Voluntary sector, local authorities etc		Total spend on non-NHS providers	
	£ billion	% of resource budget	£ billion	% of resource budget	£ billion	% of resource budget
2012/13	5.7	5.6%	3.3	3.3%	9.0	8.8%
2013/14	6.4	6.1%	3.0	2.8%	9.4	8.9%
2014/15	8.1	7.4%	2.3	2.1%	10.4	9.5%
2015/16	8.8	7.8%	3.4	3.0%	12.2	10.8%
2016/17	9.0	7.7%	3.7	3.2%	12.7	10.9%
2017/18	8.8	7.3%	4.3	3.6%	13.1	10.9%
2018/19	9.2	7.3%	4.6	3.6%	13.7	11.0%
2019/20	9.7	7.2%	4.7	3.5%	14.4	10.8%
2020/21	12.1	6.7%	6.2	3.4%	18.4	10.1%
2021/22	10.9	5.9%	6.2	3.4%	17.0	9.3%
2022/23	11.5	6.5%	5.2	2.9%	16.6	9.4%

Source: [Department of Health and Social Care Annual Report and Accounts 2022-23](#)

## 3

## Spending on covid-19

During the covid-19 pandemic, the Department for Health and Social Care (DHSC) received an increased budget to deliver pandemic-related services. This included the procurement of materials, such as personal protective equipment (PPE).

Spending on covid-19 programmes is detailed in the table below. The largest expense was the NHS Test and Trace programme (£29.3 billion), followed by additional spending on health services (£18.1 billion) and the procurement of PPE for medical staff (£15.4 billion).

Total DHSC spending on covid-19 between 2020 and 2022			
£ in million			
NHS Test and Trace programme	29,323	GP and primary care support	449
Spending on health services	18,109	Other central NHS costs	440
PPE	15,436	Nightingale hospitals	362
Vaccines	8,034	Expanded influenza costs	273
Enhanced discharge	2,728	Support for pharmacies	270
Infection Control Fund	2,234	Support for hospices	258
Independent sector programme	2,230	Managed Quarantine Service	255
NHS lost income support 2020-21	2,075	Boosting staffing in social care	120
Elective recovery funding	1,740	Other COVID-19 health costs	104
Medicines and research	842	Medicines delivery programme	72
COVID-19 impact on dentists	748	Support for health charities	63
Ventilators	641	Staff recruitment	63
NHS COVID-19 Capital 2020-21	594	Deployment of student nurses	9
Mental health recovery funding	500	International nurses registration	1

Source: [COVID-19 cost tracker - NAO overview](#)

### Spending on PPE during the covid-19 pandemic

Spending on PPE was the third-largest health expense during the pandemic, amounting to £15 billion.

Around £2.6 billion of this expense was reported to have been spent on unusable PPE.<sup>23-19</sup> This includes PPE that expired before it was used, or PPE that was not produced to NHS specifications. A further £278 million has been reportedly lost to fraudulent providers.<sup>24-25</sup>

Over the past three years, the government has started to recover some of these costs, partly by selling some of the expired or inappropriate PPE, and partly through legal action. Legal action against fraudulent providers is still ongoing and has so far cost around £2 million.<sup>26</sup> Overall, this has led to a loss of almost £2.8 billion, or around 18% of the total spend on PPE during the pandemic.

<b>Unusable or undelivered PPE</b>	
£ in million	
Total spend on PPE	15,436
Unusable PPE	-2,600
Lost to fraud	-278
Recovered	+69
Legal costs	-2
<b>Total amount lost</b>	<b>-2,810</b>
<b>% of total spend lost</b>	<b>18%</b>

Sources: [HC Deb 29 February 2024 c419](#), PQ 125389 [on [Protective Clothing: Procurement](#)], 28 March 2022, NAO, [Investigation into the management of PPE contracts](#), 25 July 2024

<sup>23</sup> NAO, [Investigation into the management of PPE contracts](#), 25 July 2024

<sup>24</sup> Public Accounts Committee, [Management of PPE contracts](#), 20 July 2022

<sup>25</sup> [HC Deb 29 February 2024 c419](#)

<sup>26</sup> PQ 125389 [on [Protective Clothing: Procurement](#)], 28 March 2022



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