UK Healthcare System

A guide to understanding healthcare in the UK

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Introduction to UK Health System / **Landscape**

The total 2022 healthcare expenditure was estimated to be £282 billion and is made up of ~ 80% public (government) and ~20% private (non-government) spend. Across UK Government-funded health services, each of the four nations have an individual governing body to determine appropriate budget allocation

Public

*Public sector healthcare covers services which are provided by UK Government and funded through taxes levied on UK population. These include **Government Health departments**, **National Health Service (NHS)** and **local authorities** which provide elements of health and social care. Each of the four nations have Government-led governing body, responsible for determining appropriate budget allocation to local organisations to deliver high quality patient services.*

NHS Department of Health & Social Care

£230 billion government healthcare expenditure

81.5% of the total healthcare expenditure

Northern Ireland: Department of Health, Social Services and Public Safety

- **Population:** 1.9 million
- **% of Total Healthcare Spend:** 3.0%
- **Healthcare Spend per Capita**: £2,436

Wales: Welsh NHS Directorate

- **Population:** 3.2 million
- **% of Total Healthcare Spend:** 5.0%
- **Healthcare Spend per Capita**: £2,402

Scotland: Department of Health, Social Services and Public Safety

- **Population:** 5.5 million
- **% of Total Healthcare Spend:** 8.6%
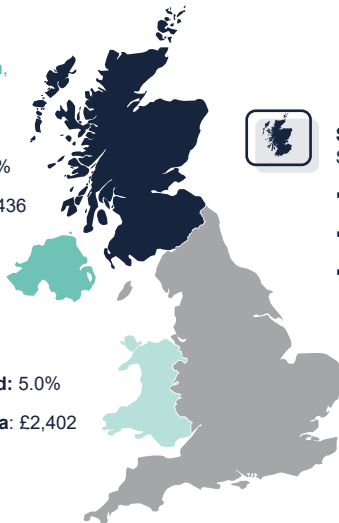- **Healthcare Spend per Capita**: £2,396

England: Department of Health and Social Care

- **Population:** 56.5 million
- **% of Total Healthcare Spend:** 83.5%
- **Healthcare Spend per Capita**: £2,269

Private

*Private sector healthcare encompasses organisations which are privately owned and funded and driven through "for-profit" operations. These include **private healthcare providers**, **retail pharmacies** and additional non-healthcare organisations that sell healthcare related products).*

£52 billion non-government healthcare expenditure

18.5% of the total healthcare expenditure

Private healthcare provision in the UK can either be covered by:

1   Private Healthcare / Medical Insurance

2   Self-pay (to avoid NHS waiting lists)
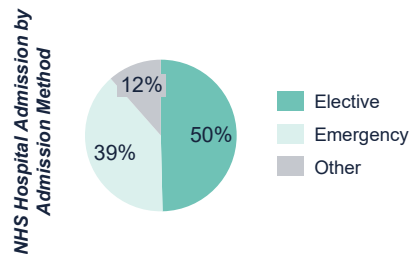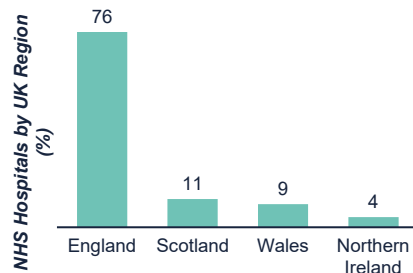
- Examples of Private Healthcare Providers within UK -

Nuffield Health   VitalityHealth   HCA Healthcare.uk   Bupa

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In the UK, 81% of all hospitals are run by the NHS, with the remaining 19% being run by private providers;

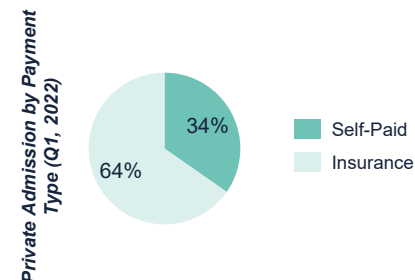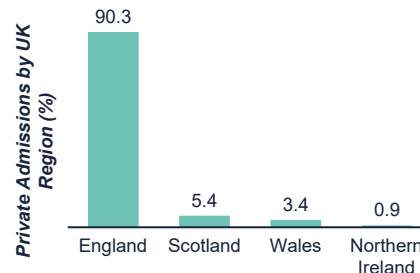| *930 NHS hospitals*		*218 private hospitals*	
Over 27% of all NHS hospitals are located in the Southwest and Southeast regions	Between 2019 and 2022, England had the first sustained reduction in hospital admissions since the early 2000s	The East, London and the Southeast accounted for over 50% of private admission rates	Self-paying admissions in Q1 2022 have increased by 9% since Q1 2019

NHS Hospitals by UK Region (%)

- England: 76
- Scotland: 11
- Wales: 9
- Northern Ireland: 4

NHS Hospital Admission by Admission Method

- Elective: 50%
- Emergency: 39%
- Other: 12%

Private Admissions by UK Region (%)

- England: 90.3
- Scotland: 5.4
- Wales: 3.4
- Northern Ireland: 0.9

Private Admission by Payment Type (Q1, 2022)

- Self-Paid: 34%
- Insurance: 64%

Key Trusts/Groups

The 3 largest NHS trusts in the UK;

Manchester University NHS Foundation Trust
- Operating 10 hospitals in Greater Manchester
- An estimated income of £2.2bn in 2021/22

Guy's and St Thomas' NHS Foundation Trust
- Operating 5 main hospitals in London
- An estimated income of £1.7bn in 2019/20

Barts Health NHS Trust
- Operating 6 main hospitals in London
- An estimated income of £1.25bn in 2021/22

The 3 largest private hospital providers in the UK;

Circle Health Group
- Operating 54 private hospitals
- An estimated £985m in annual revenue

Spire Healthcare
- Operating 38 private hospitals
- An estimated £1.1bn in annual revenue

HCA Healthcare UK
- Operating 9 private hospitals
- The world's largest private healthcare provider

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PHE Strategy 2020-25

September 2019 – Public Health England (PHE) published their 5-year plan for improving healthcare management and provisions in England.

The strategy outlines **10 key priority areas;**

- Smoke-free society
- Healthier diets, healthier weights
- Cleaner air
- Better mental health
- Better start in life
- Effective responses to major incidents
- Reduced risk from antimicrobial resistance
- Predictive prevention
- Enhanced data and surveillance capabilities
- New national science campus

HM Government's 'Plan For Social Care'

September 2021 – HM Government announced a far-reaching healthcare plan focused around 3 central tenets; tackling elective backlogs, sustainability and prevention.

The Government's 2022-23 Mandate to NHS England

March 2022 –The Department of Health and Social Care's (DHSC) 2022/23 mandate outlines 3 key missions for NHS England and the wider healthcare system.

Women's Health Strategy for England

August 2022 – The Department of Health and Social Care (DHSC) presented a healthcare strategy targeted specifically at alleviating women's health inequalities.

Strategy & Policies / **Growing Focus within UK Policy**

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In recent years, a number of national policies have been released to support development and adopt of medical technologies, culminating earlier this year to the release of the first ever Medical Technology Strategy, setting our Government's ambition to accelerate access to these innovative technologies

- Growing focus of the UK MedTech Sector -

2019 **2020** **2021** **2022** **2023**

NHS Long Term Plan (2019)

NHS LTP committed to ensuring that digitally-enabled care becomes the default model across all health services to drive world-leading health IT industry and support in harnessing technological innovation

Impact of COVID (2020)

COVID-19 has resulted in a rapid adoption of digital technology to meet the mass-scale demand for diagnostic tests and has catalysed digitisation

MedTech Directorate (2022)

The MedTech Directorate was established to support the procurement, supply and distribution of medical technologies following significant disruption during COVID-19 which often jeopardised the functioning of health services

Digital Health and Social Care (2022)

Government recently published a plan identifying the allocation of £2 billion to digitise health and social care systems including care models such as remote monitoring and virtual wards

NHS MedTech Funding Mandate (2019)

A particular commitment laid out in the NHS LTP was the MedTech Funding Mandate to support in getting selected NICE-approved, cost-saving medical technologies to the right patient more quickly

NICE Strategy (2021)

Within 2021 to 2026 strategy, NICE have placed significant focus on digital health particularly in identifying technologies that offer the greatest potential to improve health and wellbeing

Medical Technology Strategy (2023)

Published earlier this year, this strategy outlines the four priority areas to address current gaps and opportunities within the industry and sets out steps that need to be taken to ensure patients can access technology through the NHS

There is growing focus and with significant opportunities for investment, MedTech has become an attractive industry to establish and consolidate a positioning in the market, particularly with the UK leading the way in research and innovation across European market

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Regulatory Landscape / **UK MHRA Guidelines**

MHRA is a branch of the UK Department of Health and Social Care – playing a leading role in protecting and improving public health through scientific research and development;

Who are MHRA?

Formed in 2003, The Medicines and Healthcare products Regulatory Agency operate in a statutory framework set by HM Government, working within government and the wider health system to direct overall policy in our regulatory field. The body regulates medicines, medical devices and blood components for transfusion in the UK.

What are the MHRA Guidelines?

Overall, the MHRA plays a critical role in safeguarding the health and well-being of the UK population by regulating and overseeing the development, manufacturing, distribution, and use of healthcare products in the country. Its responsibilities encompass a wide range of activities aimed at ensuring that medicines and medical devices meet the highest standards of quality, safety, and efficacy.

Key Regulatory Responsibilities	Regulation Categories	Regulation Use	Regulation Outcomes
Ensure the applicable standards of safety, quality and efficacy (effectiveness) for; - Medicines - Medical devices - Blood components for transfusion The body must also **survey and secure safe supply chain** for medicines, medical devices and blood components	*There are currently 6 priority regulatory pathways;* - Vaccines and immunotherapies - Biotherapeutics, cell and gene therapies - Diagnostics and genomics - Data science - Artificial Intelligence (AI) and software as a medical device.	*Regulatory guidelines are intended for use by;* - Pharmaceutical companies/pharmacists - Blood and tissue establishments - Medical Device manufacturers - Clinical researchers - Importers and distributors - Patients	- Incidences of continued or gross non-compliance or serious risk to public health require may result in the use of enforcement powers - These are given under the MDR 2022 and GPSR 2005 - Enforcement powers include warnings, restrictions, suspensions (<6 months), bans, forfeiture of goods

Regulatory Landscape / **UK NICE Guidelines**

NICE are an independent organisation established to promote clinical excellence and the effective use of NHS resources supported by development of a large number of guidelines to help drive appropriate and informed decisions for patient care;

NICE

Who are NICE?

Established in 1999, National Institute of Care Excellence is a branch of the UK Governments Department of Health and Social Care (DHSC) and provides evidence-based guidance and advice to drive continued clinical and operational excellence within services delivered by NHS, local authorities and wider community organisations.

What are the NICE Guidelines?

One of the key functions of NICE is to develop and maintain consistent guidelines based on patient or population circumstances, conditions / disease and setting, to reduce unwarranted variation of care received regardless of where a patient received treatment. All health and social care organisations strive to uphold within their practice through development of local materials. The topics for guidelines are created by NHSE and DHSC, and since the organisation's establishment, over 350 evidence-based guideline recommendation have been developed.

Guideline Development	Guideline Categories	Guideline Use	Guideline Outcomes

Guideline Development

Inputs:
- Robust scientific, clinical and cost-effectiveness evidence from detailed literature searches

Review:
- Evidence is considered by an independent committee to inform a decision on approval and publication

Maintenance:
- Guidelines are continually updated in line with further scientific and clinical research

Guideline Categories

There are six guideline categories;

- Clinical
- Social Care
- Public Health
- Medicines Practice
- Cancer Services
- Antimicrobial Prescribing

Guideline Use

Guidelines are intended for use by;

- Healthcare professionals
- Social Care workers
- Commissioners
- Patients
- Carers

Guideline Outcomes

- Support informed decision making on the appropriate treatment and clinical care
- Optimise patient care and promote and protect good health
- Empower clinical staff confidence in delivering care
- Improve the quality of care and services
- Adapt and provide health and social care services

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The Care Inspectorate regulates and inspects care services in Scotland to make sure that they meet the right standards. In England and Wales, they have the Care Quality Commission (CQC) which has a similar function;

> These 4 bodies regulate the care sectors in their relevant nations. They have a role to play in getting alongside and supporting most care related services across all ages including adoption and fostering services, childcare and child minding, care homes and in-home care for the elderly. Whilst their primary function is not to police services but to serve and assist services, they do also have powers to close down services if it were in the public interest and a service continually failed to meet the right standards.

ENGLAND: The Care Quality Commission (CQC)

The CQC is an executive non-departmental public body, sponsored by the Department of Health and Social Care

The CQC's **assessment framework** applies to all providers, local authorities and integrated care systems;

Key Question Areas;

Safety, effectiveness, quality of care, responsiveness and leadership

Evidence Categories;

- People's experiences
- Feedback from staff/leaders
- Feedback from partners
- Observation
- Processes
- Outcomes

SCOTLAND: The Care Inspectorate

The Care Inspectorate is a public body, operating independently to improve social work and child protection services

The Care Inspectorate's **assessment framework** is based around 5 key questions that are applied differently depending on their relevancy to the service in question;

Key Questions;

- How well do we support people's wellbeing?
- How good is our leadership?
- How good is our staff team?
- How good is our setting?
- How well is our care planned?
- What is the overall capacity for improvement?

WALES: Care Inspectorate Wales

The Care Inspectorate is an independent regulator acting for Welsh ministers to inspect/advise on the quality of care services.

The body operates within **3 key service areas**; adult services, children's services including educational facilities, and childcare and play services;

Key Roles;

- Decide who can provide services
- Inspect/drive improvement of regulated and local authority social services
- Undertake national reviews of social care services
- Take action to ensure services meet legislative and regulatory requirements
- Respond to concerns raised about social and childcare services

N. IRELAND: The Regulation and Quality Improvement Authority (RQIA)

The RQIA was established as a non-departmental public body of the Department of Health, Social Services and Public Health

The RQIA cover a variety of different care services such as adult placement agencies, dental practices, independent clinics and residential care homes;

Key Inspection Areas;

- Avoid and prevent harm to service users from the care intended to help them.
- Offer the right care, at the right time in the right place with the best outcome
- Treat services users with dignity and respect
- Ensure effective leadership, management and governance to deliver safe, effective and compassionate care.

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Making up 84% of total spend, England healthcare is delivered on the largest scale. NHS services are built upon layers of governing partnerships and bodies, with budgets and financial resource allocation funnelling down from DHSC all the way down to individual health and social care providers

Organisation	*Organisation Description*	*Budget Allocations (22/23)*
DHSC	▪ DHSC is a branch of the UK Government department responsible for setting the foundation of how health and social care should be shaped and delivered ▪ DHSC is assigned a budget from HM Treasury with the majority of budget allocated to NHS England (NHSE), the remainder is divided amongst other bodies including Public Health, NICE and Care Quality Commission ▪ DHSC sets out a mandate of what NHSE are expected to deliver within the assigned budget	*£174 billion*
NHSE	▪ NHS England is the national governing body for NHS services across England and sets the operational priorities for healthcare services ▪ Based on budget received from DHSC, NHSE is responsible for appropriately determining financial resource allocation across healthcare services including ICS's, central admin, additional system recovery funding to ensure they deliver on the mandate established by DHSC	*£153 billion*
Integrated Care Systems	▪ The majority of NHSE budget is funnelled through to the 42 ICSs, assigned as an individual budget dependant on distributions to reflect local healthcare needs and reduce health inequalities ▪ The Health and Care Act 2022 placed a legal framework on the ICS bodies, becoming statutory bodies from July 2022, further encouraging close collaboration ▪ ICSs consist of two core entities; Integrated Care Boards & Integrated Care Partnerships and on average cover a population of ~ 1.5 million	*£113 billion*
Health & Social Care Providers Secondary / Primary / Community / Other	▪ At a sub-ICS level sits numerous health and social care organisations and partnerships spanning across secondary (Acute Trusts), primary (GP's, pharmacies) and community care ▪ There is a shift within healthcare delivery for increased collaboration amongst these providers as well as local authorities and third-party sectors to help increase prevention of health conditions, drive equalities of access (particularly in vulnerable populations) and better integrate currently fragmented care pathways	Individual organisation allocations are decided at an ICS-level

Public Healthcare / **England Public Healthcare Structure**

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NHS England is the national body which provides direction, leadership and oversight of the health service delivery. It is supported by several layers of NHS sub-structures down to individual service providers. However, these NHS-led services are also supported by additional structures, services and collaboratives

National Bodies

- Department of Health & Social Care
- Department of Levelling Up, Housing & Communities
- UK Health Security Agency (UKHSA)
- **NHS England**
- Care Quality Commission

Regional

- **NHS South West**
- **NHS South East**
- **NHS Midlands**
- **NHS London**
- **NHS North-West**
- **NHS North-East & Yorkshire**
- **NHS East of England**

Sub-Regional

- **42 Integrated Care Systems**

Local

- **Primary Care Networks**
- Place-based partnerships
- Provider Collaboratives

Individual

- **Acute Trusts** (General & Specialist)
- **Ambulance**
- **Primary Care**
- Local Authorities
- Social Care Providers
- Local Public Health Services
- Voluntary & Community Sector

Solely NHS | Other

Public Healthcare / **Primary Care**

The UK healthcare landscape is broken down into three core components of care models: secondary, primary and community, with additional organisations also playing a role in and / or delivering health and social care services
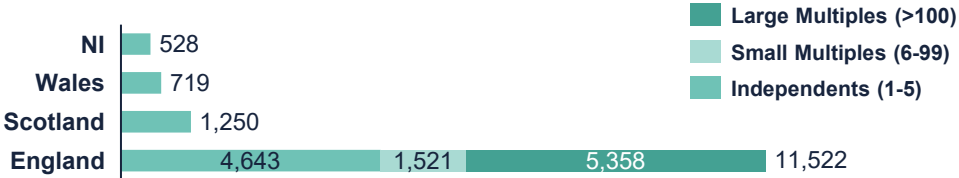
Primary

Encompasses first "point of contact" services for people in need of non-urgent healthcare. These organisations work collaboratively via Primary Care Networks of which there are 1250 across England

Care Service	No.	Services
General Practices	7454	Treat common medical conditions and often refer more critical patients to secondary care for relevant services/treatment
Community Pharmacy	11,539	Provide NHS services commissioned under Community Pharmacy Contractual Framework as well as provision of "over the counter" medicines and products
Dentists	11,626	Treat dental / oral disease, correct dental irregularities and treat dental and facial injuries under the NHS as directed by local ICS commissioning boards
Optical Services	8,080	Examine eyes, test sight, diagnose abnormalities and prescribe corrective lenses as part of a General Ophthalmic Services contract

Region	practices	persons
North East and Yorkshire	1,005	**9,028,728**
North West	985	**7,693,574**
Midlands	1,304	**11,577,614**
East of England	668	**7,089,019**
London	1,195	**10,660,008**
South East	836	**9,589,076**
South West	560	**6,001,439**
England	6,553	**61,639,458**

Number of Community Pharmacies within the UK

- **Large Multiples (>100)**
- **Small Multiples (6-99)**
- **Independents (1-5)**

NI	528
Wales	719
Scotland	1,250
England	4,643	1,521	5,358	11,522

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The UK healthcare landscape is broken down into three core components of care models: secondary, primary and community, with additional organisations also playing a role in and / or delivering health and social care services

Secondary

Usually refers to hospital-based services encompassing both urgent and emergency care and elective ("planned") care across acute services also incorporating mental health services

Care Service	No.	Services
Acute Trust (General)	140 *(1200 hospitals) (126?)*	An acute Trust covers hospital-based care including emergency departments, surgery, extended-stay care, day-care and maternity services
Acute Specialist	18 (17?)	Hospitals of single specialism across orthopaedics, optometry, cancer and other critical specialist services, also including children's hospitals
Mental Health	55 (48?)	Support patients whose mental health conditions put them at a high risk of harm towards themselves or others and require a safe environment
Ambulance	10	Co-ordinate responses to 999 emergency calls, acting as the "front door" for patients to NHS emergency clinical treatment

Public Healthcare / **Community Care & Other Health Services**

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The UK healthcare landscape is broken down into three core components of care models: secondary, primary and community, with additional organisations also playing a role in and / or delivering health and social care services

Community

The core care delivery models are also supported by wider organisations who support and / or deliver additional health and social care services within their setting to promote "out of hospital" care model

Care Service	Services
Community Hospitals	Provide services requiring a short, non-emergency period of continued care in addition to rehabilitation and recovery of patients from an episode of acute care
District Nursing	Trained nurses will visit patient homes and residential care homes to provide community-based care to patients with long-term conditions to maximise their independence
Drugs & Alcohol Services	These services help promote lifestyle change, wellbeing and recovery to patients suffering from substance abuse
Wellbeing Services	These services are focused around psychological and / or talking therapies for patients experiencing common mental health problems
Sexual Health Services	Sexual Health clinics provide support to patients on contraception, pregnancies, and sexually transmitted diseases

Other

The core care delivery models are also supported by wider organisations who support and / or deliver additional health and social care services within their setting

Care Service	Services
Local Authorities	Local authorities organise and support health and social care for those unable to fund or arrange it themselves, often receiving money locally from Government to help fund services
Voluntary Sector	Charities serving specific groups such as the those with dementia, mental health issues, and the homeless assist in providing care for the community, often free-of-charge or not-for-profit
Government Services	A number of Government services may receive health and social care provision including for those in prisons, the police force, and emergency services
Care Homes	Provide residential care and nursing support for the elderly and/or disabled who are unable to live independently, assisting with tasks such as washing, dressing and administering medication
Schools	Healthcare is provisioned within education systems to support the physical and mental needs of children and young people whilst studying e.g., specialist community school nurses

Although the numbers have been referenced from online sources including Daily Discharge Data and NHS Confederation, they should be treated as indicative to the set-up of NHS landscape as frequent mergers and openings can affect numbers

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Healthcare delivery in England is based on the arrangement of 42 Integrated Care Systems, a reform to health and social care structure becoming statutory bodies in July 2022, aiming to strengthen the extent of collaboration across healthcare bodies and local authorities to improve health of populations

"Integrated care systems (ICSs) are partnerships of organisations that come together to plan and deliver joined up health and care services, and to improve the lives of people who live and work in their area." – NHS England

| **42** ICS in England | **1.5m** Average size ICS | **July 2022** Date of new legislation giving ICS increased power | **10%** Target to increase elective activity from pre-pandemic levels | **£1.5bn** Additional budget allocated to ICS in May 2022 to cover rising costs |

Individual ICS Structure

System
↓
Integrated Care Board — Integrated Care Partnership
↓
Place
↓
Neighbourhood
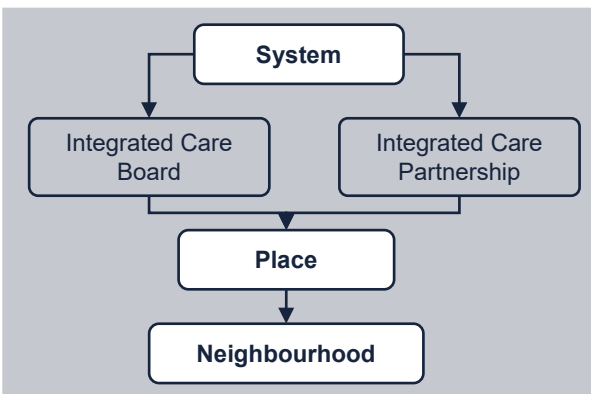
Key Outcomes

- ⊕ Improve outcomes in population health and healthcare
- ⊜ Tackle inequalities in outcomes, experience and access
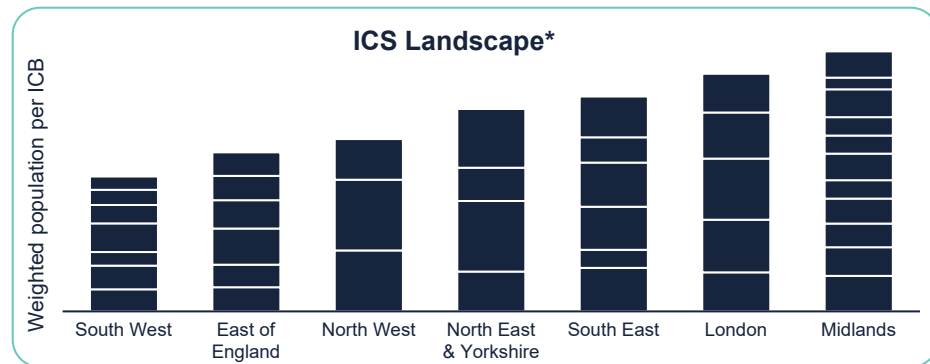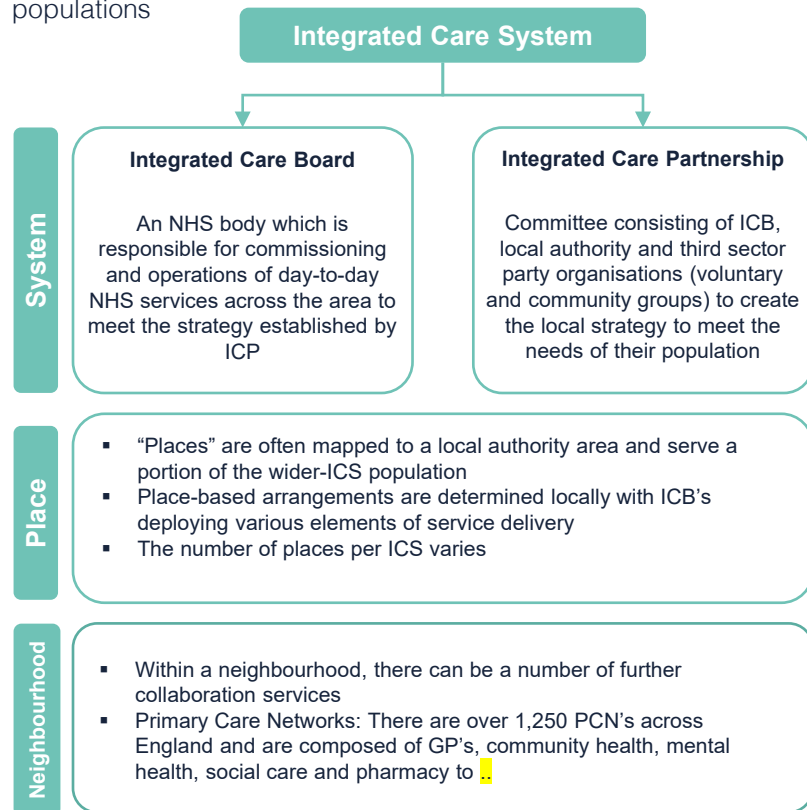- Enhance productivity and value for money
- Help NHS support broader social and economic development

Key Challenges

- ▪ Workforce Recruitment & Retention
- ▪ Degradation of estate leading to backlog maintenance
- ▪ Elective care and diagnostic backlog
- ▪ Ongoing COVID-19 pressures

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Healthcare delivery in England is based on the arrangement of 42 Integrated Care Systems, a reform to health and social care structure becoming statutory bodies in July 2022, aiming to strengthen the extent of collaboration across healthcare bodies and local authorities to improve health of populations

Integrated Care System

System

Integrated Care Board

An NHS body which is responsible for commissioning and operations of day-to-day NHS services across the area to meet the strategy established by ICP

Integrated Care Partnership

Committee consisting of ICB, local authority and third sector party organisations (voluntary and community groups) to create the local strategy to meet the needs of their population

Place

- "Places" are often mapped to a local authority area and serve a portion of the wider-ICS population
- Place-based arrangements are determined locally with ICB's deploying various elements of service delivery
- The number of places per ICS varies

Neighbourhood

- Within a neighbourhood, there can be a number of further collaboration services
- Primary Care Networks: There are over 1,250 PCN's across England and are composed of GP's, community health, mental health, social care and pharmacy to ..

ICS Landscape*

Weighted population per ICB

South West | East of England | North West | North East & Yorkshire | South East | London | Midlands

The transition to an ICS model presents the following opportunities:

1 ICSs encompass primary, secondary, and tertiary care providers, enabling increased access to scale for partnership in terms of the number of providers, clinical touch points, and total activity

2 ICSs have a requirement to demonstrate integration and collaboration across organisations leading to opportunities within standardisation and singular third-party partnerships

3 ICSs support the move from a fee-for-service to a value-based healthcare model, supporting gainshare arrangements, with the ultimate view to support increased population health

Public Healthcare / ICB Strategy

The Health and Care Act 2022 amends the Local Government and Public Involvement in Health Act 2007, and requires integrated care partnerships to write an integrated care strategy;

Department of Health & Social Care

Guidance on Preparation of Integrated Care Strategies

The Health and Care Act 2022 amends the Local Government and Public Involvement in Health Act 2007, and requires integrated care partnerships to write an integrated care strategy to set out how the assessed needs (from the joint strategic needs assessments, see glossary in annex B) can be met through the exercise of the functions of the integrated care board, partner local authorities (see glossary in annex B) or NHS England (NHSE).
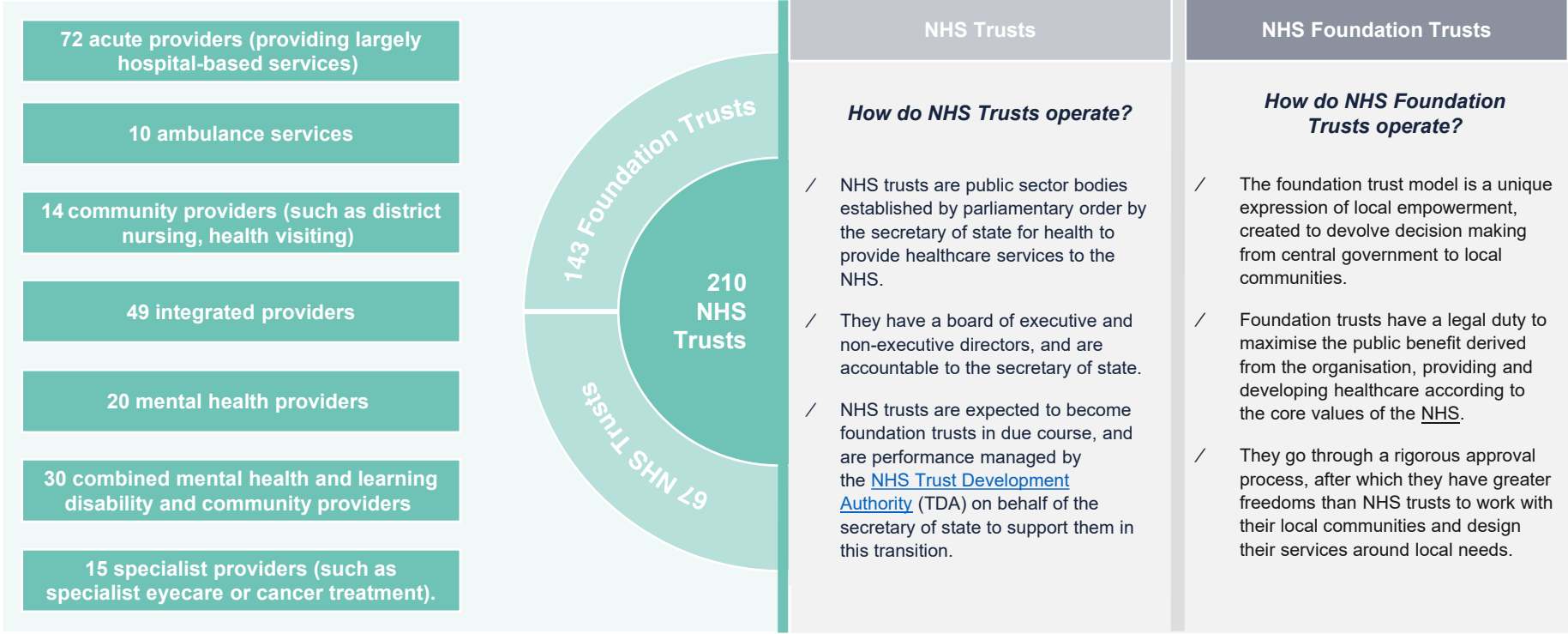

Responsibility for Strategy Development	Evidencing Need	
	Assessment	**Representation and Inclusion**

The integrated care partnership is responsible for preparing the ICS strategy;

The Integrated Care Partnership
Providing NHS services

- ICBs and partner local authorities should engage, cooperate and provide the necessary resources for the preparation for the strategy.

- These bodies should consider the short-, medium- and long-term challenges facing care providers.

*The integrated care strategy is intended to meet the needs of all local people in the relevant **health and wellbeing boards' joint strategic needs assessment**;*

These assessments should;

- Relate to all health (physical and mental), and social care needs of the whole population

- Be used to explore gaps in care, unwarranted variation, and disparities in health and care outcomes – and how system wide action can be used to improve these

- Draw on additional intelligence such as assessments of local communities and providers

Despite limitations in data and information, efforts should be made to include 'socially excluded' groups in strategic needs assessments;

To overcome data limitations, strategies should;

- Identify opportunities for research where there are gaps in evidence of health and care need

- Actively engage the people who live and work in the area covered by the ICP in strategy production
  - Ensure that engagement opportunities are accessible

- Be transparent about the process for preparing the strategy from the outset

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Care Quality Commission

The Care Quality Commission's reviews will assess how the integrated care strategy is used to inform the commissioning and provision of quality and safe services across all partners, within the integrated care system, and that this is a credible strategy for its population.

x

72 acute providers (providing largely hospital-based services)

10 ambulance services

14 community providers (such as district nursing, health visiting)

49 integrated providers

20 mental health providers

30 combined mental health and learning disability and community providers

15 specialist providers (such as specialist eyecare or cancer treatment).

143 Foundation Trusts

210 NHS Trusts

67 NHS Trusts

NHS Trusts

How do NHS Trusts operate?

/ NHS trusts are public sector bodies established by parliamentary order by the secretary of state for health to provide healthcare services to the NHS.

/ They have a board of executive and non-executive directors, and are accountable to the secretary of state.

/ NHS trusts are expected to become foundation trusts in due course, and are performance managed by the NHS Trust Development Authority (TDA) on behalf of the secretary of state to support them in this transition.

NHS Foundation Trusts

How do NHS Foundation Trusts operate?

/ The foundation trust model is a unique expression of local empowerment, created to devolve decision making from central government to local communities.

/ Foundation trusts have a legal duty to maximise the public benefit derived from the organisation, providing and developing healthcare according to the core values of the NHS.

/ They go through a rigorous approval process, after which they have greater freedoms than NHS trusts to work with their local communities and design their services around local needs.

In December 2022, NHS England published their 2023/24 Priority and Operational Planning Guidance, outlining 3 national objectives aiming to recover, maintain and empower its services;

Recovering core services and productivity	Delivering the NHS Long Term Plan ambitions and transforming the NHS	Local empowerment and accountability	

Key Objectives;

- Improve ambulance response and A&E waiting times
- Reduce elective long waits and cancer backlogs, and improve performance against the core diagnostic standard
- Make it easier for people to access primary care services, particularly general practice

- Prevention and effective management of long-term conditions to curb increasing healthcare demand
- Work with ICSs to support delivery of primary and secondary prevention priorities
- Level up digital infrastructure and drive greater connectivity
- Develop a national improvement offer to complement local work

- Continue to support local NHS (integrated care boards (ICBs) and providers) to deliver their objectives and publish information on progress.
- Provide greater transparency and assurance by drawing on the review of ICS oversight by the Rt Hon Patricia Hewitt.
- Work with ICBs to update and manage the NHS oversight framework.

Funding and planning assumptions

- An extra £3.3bn in 2023/24 and 2023/25 for the NHS to respond to ongoing pressures.
- Core ICB allocations will be topped up by £300 million, nationally.
- IBC allocations will be prioritised to those systems who are able to deliver agreed budgets.
- NHS England will cover additional costs for those systems exceeding activity level targets.

Relevant Service(s)

- Urgent and emergency care
- Community health services
- Primary care
- Elective care
- Cancer
- Diagnostics
- Maternity & neonatal

- Mental Health
- People with a learning disability and autistic people
- Embedding Measures to improve health and reduce inequalities
- Investing in our workforce
- Digital
- System working

- Integrated Care Partnerships (ICPs)
- Integrated Care Boards (ICBs)
- Local authorities in ICS areas
- Provider collaboratives

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The UK Government's 2022-23 Mandate to NHS England outlined its intentions to address some of the greatest challenges which the healthcare system is experiencing;

UK Government's 2022/23 Healthcare Priorities

Cut NHS waiting lists and recover performance

- Continue to tackle the COVID-19 backlog of elective care
- Improve cancer outcomes by expanding diagnostic capabilities
- Strengthen information and processes to ensure patients can properly access all NHS healthcare providers
- Improve A&E and ambulance performance
- Improve GP access via digitalisation and capacity building

Deliver recovery through the use of data and technology

- Ensure innovative, safe and effective delivery of live services following transfer of functions from NHS Digital
  - o Such as electronic health records and inventory management systems

Support the workforce through training, retention and modernisation

- Continue to build on the work of Health Education England to deliver on education and training for workforces.
- Collaborate with the DHSC, ICBs, other to implement the NHS Long Term Workforce Plan

Continue work to deliver the NHS Long Term Plan

- Continue to work with the NHS and other partners on improving patient safety, quality of care and health outcomes, such as;
  - o The 3-year delivery plan for maternity and neonatal services
  - o The children and young people's transformation programme
  - o Improving quality of services for autistic people

The Secretary of State has issued financial direction to NHS England setting revenue and capital resource limits for 2023/24;

Funding

| NHSE's total commissioning budget is £168.8bn | £114.3bn will be allocated to ICBs to commission local healthcare services | £32.3bn will be spent on direct commissioning by NHSE |

Other Priority Areas

Mental Health

The government has commitment to reform mental health legislation. This builds on the strategy set out in 'The five year forward for mental health'.

Public Health

Building on the government's mission to level up health, NHSE launched Core20PLUS5 to support focused action on improving health inequalities.

Social Care

In 2021, the government's announced its plans to transform social care, backed by £5.bn, providing a limit to the cost of care for everyone in the adult social care system.

Content

"Private healthcare is often able to fill the gap between public health and medical technology" .

The NHS is a complex system with a structure biased to achieving short term survival as opposed to long term planning. As a result, private health care is often able to fill the gap between public health and medical technology. This can in turn cause the industry to focus on private health providers, as the NHS lacks the structure to rapidly implement their innovations.

Private Healthcare / Market Sectors

The private sector covers organisations such as private healthcare providers and high-street pharmacies which have greater flexibility for procurement of products due to reduced budget scrutiny;

The UK private healthcare market is forecast to grow from $11.8bn in 2017 to $13.8bn by the end of this year.

Private Healthcare Providers

- Extensive NHS waiting lists have driven demand for private healthcare providers with a 7% increase in non-government healthcare expenditure

- Private Healthcare can be accessed via out-of-pocket, self-pay from patients when treatment is needed to avoid length NHS delays or through private medical insurance

- Private Healthcare services include acute Trust as well as Private GP's

- There are over 90 independent, private healthcare providers in UK but majority of these are signing contracts with NHSE to help clear the backlog

Community Pharmacies

There are over 11,500 community pharmacies located in UK

- As well as the NHS-commissioned services that Community Pharmacies provide including fulfilment of prescriptions, pharmacies also driven additional revenue through stock and sell of over-the-counter medicines and healthcare-related products

- It is estimated that 80% of community pharmacy income is generated through NHS prescription contracts with remaining 20% from private sales

Large, Retail Pharmacies

Operating > 99 Pharmacies

- Make up 49.2% of community pharmacy market

- Top 12 companies own 33.5% of market alone including Boots, Lloyds, Well, Rowlands and Tesco coming in as the Top 5

Small and Independent Pharmacies

Operating 1 - 99 Pharmacies

- Small organisations (6 – 99) own 12.4% of market

- Independent organisations (1 -5) control 38.4% of the market

Non-healthcare organisations

- There are a number of non-healthcare organisations which offer additional options for sales channels and further product marketing and uptake of point of care tests

- Amazon in particular have a wide variety of point of care brands available for online purchasing including leading manufacturers and small, suppliers

- It has been recognised that Community Pharmacy revenue is decreasing due to increase in e-commerce sales making it more convenient for patients to order online

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Thank you