

# The Decline of the Welfare State

## The United Kingdom

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# United Kingdom: the Welfare State

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- **Three principal elements of the British welfare state:**
  - a guarantee of minimum standards, including a minimum income
  - social protection in the event of insecurity
  - the provision of services at the best level possible
- **This is the 'institutional' model of welfare: the key elements are social protection, and the provision of welfare services on the basis of right**
- **Social welfare in the UK is very different from the ideal. Coverage is extensive, but benefits and services are delivered at a low level. The social protection provided is patchy, and services are tightly rationed.**

# NHS Allocations for 2013/14

- Overall, NHS England has a budget of £95.6 billion to deliver the mandate.
- Within this overall funding, it has allocated £65.6 billion to local health economy commissioners: that is, CCGs and local authorities.
- This represents 2.6% growth compared to equivalent 2012/13 baselines – a real term increase of 0.6% at a time of limited resources.

# Medical Challenges

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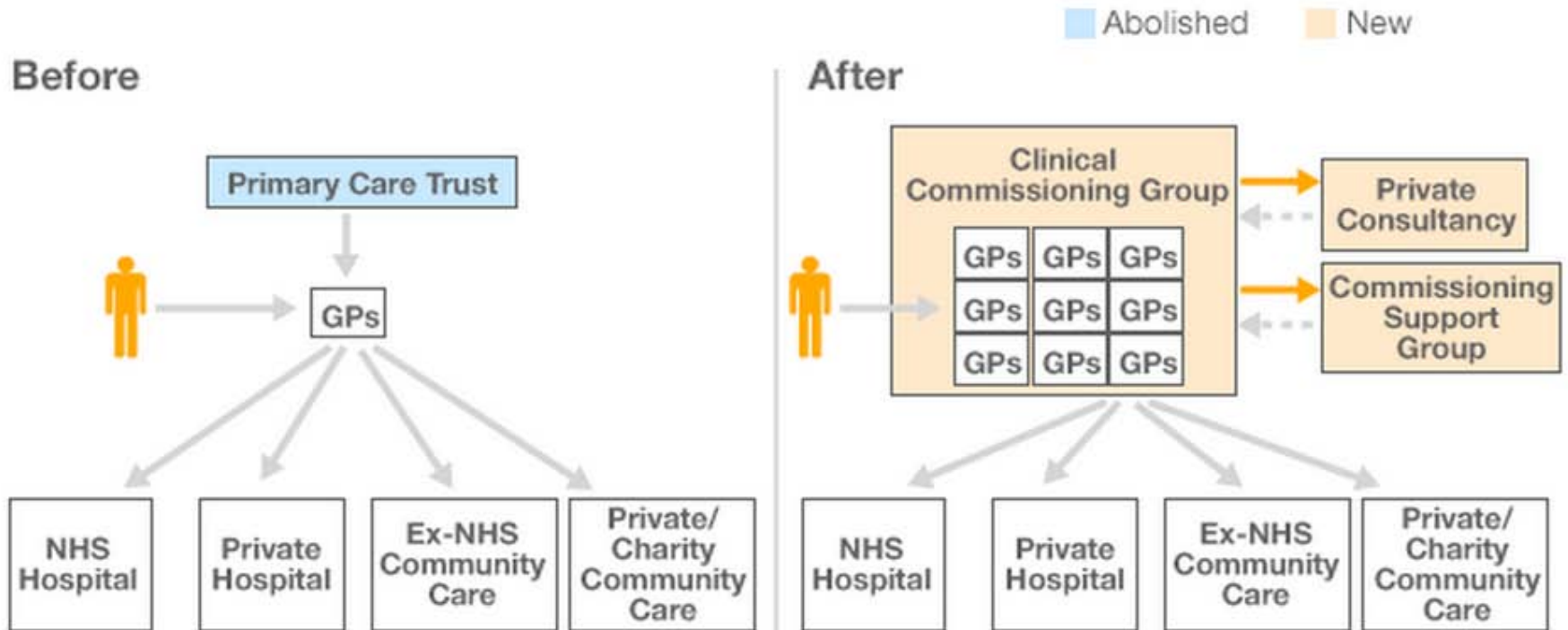
- Advances in medicine have revolutionised health care, but these have come at a cost.
- People survive cancer, strokes and heart attacks - although many are left with disabilities that require careful care/support.
- IVF Rx is helping thousands of couples conceive each year.
- Organ transplants – after 1960s - are now saving over 3,000 lives a year, while hip and knee replacements are now routine treatments.
- The Blair government responded to the revolution in medicine by setting up an independent body, NICE, to ration what could and could not be afforded. Many treatments are not being approved for NHS - despite protests from patients groups.
- Paying for progress in medical technology costs the NHS an extra £10bn a year, according to estimates.

# Centralization of Services

- There is a drive to centralise services in fewer "super" units in a host of areas, such as stroke, heart disease and cancer care.
- In London, this was done for stroke services in 2010. About 11,000 Londoners have a stroke each year, making it the second biggest killer in the capital and the most common cause of disability.
- Traditionally care was provided from 30 hospitals, but there are now eight specialist centres that see all stroke patients.
- They provide expert emergency care to stroke patients including access to CT scans and clot-busting drugs which save lives and reduce long-term disability. It is estimated the changes are preventing 400 deaths a year.



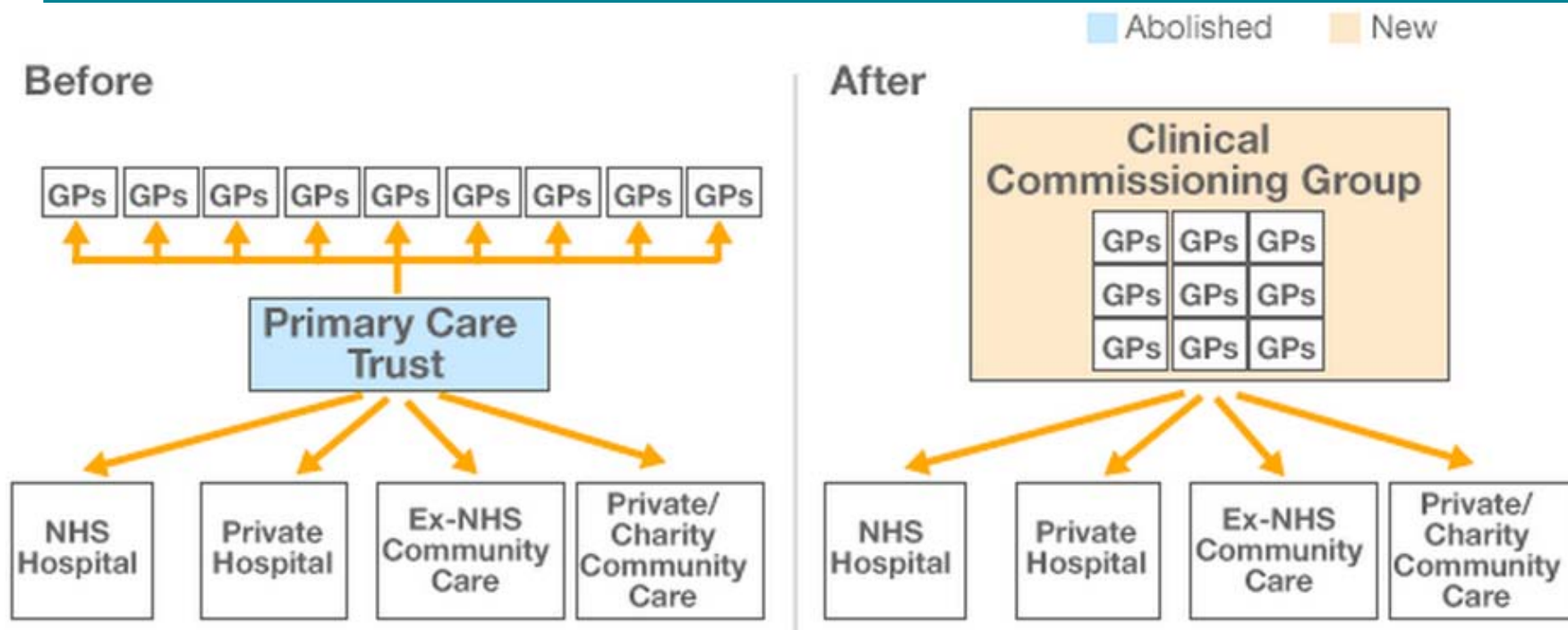
# Who Plans/Buys Treatment for Patients?



152 bodies called primary care trusts (PCTs) did control local spending on dentists, hospital operations and tests, and medicines - accounting for 80% of NHS spending. They are mostly made up of *health managers*.

PCTs will be replaced by more than 200 GP-led organisations called Clinical Commissioning Groups (CCGs). They will be responsible for closer to 60% of the NHS budget. Every GP surgery has to belong to a CCG, although in reality only a small number of GPs will take responsibility for deciding what local services to fund.

# UK NHS: Who Directs Funding?



CCGs will decide whether or not to pay for any hospital care a GP thinks they need  
CCGs will be better placed to decide on priorities because more doctors /nurses involved.  
Some GPs are keen – many fear factoring in costs: compromise doctor-patient relationship

Most care is provided by NHS organisations, but some routine operations are carried out by private companies - but paid for by the NHS

Level playing field for private companies to compete with NHS care

# UK Cannot Afford Welfare State

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- The welfare state is unaffordable, George Osborne will tell MPs this week, and permanent cuts will be required to make the public finances “sustainable”.
- The Chancellor will use his Autumn Statement on Thursday to set out more details of a new cap on welfare spending after the next general election.
- It is an attempt to put permanent limits on around £100 billion a year of spending on items such as Housing Benefit and some unemployment payments.
- Mr Osborne yesterday hinted that, even after the current austerity programme, more fundamental changes will be needed to give Britain an “affordable state”.



# NICE Guidance

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- Produced by the people affected by our work, including health / social care professionals, patients and the public
- Based on the best evidence
- Transparent in its development, consistent, reliable and based on a rigorous development process
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