

NHS Long-Term Plan

Sarah Wollaston Chair, Health and Social Care Committee, Chair, Liaison Committee (Commons)

I recognise and thank the Secretary of State for his tireless efforts in making the case for this funding uplift and for a long-term plan. Will he now go further and set out whether, as a result of the extra funding, we will see an end to capital-to-revenue transfers? Will he also set out the role of transformation funding, because we all know that that is essential to get the best from the resources that we are going to add?

Jeremy Hunt Secretary of State for Health and Social Care

My hon. Friend asks two important questions. As she knows, we have committed to phase out capital-to-revenue funding, because if we are to make the NHS sustainable in the long run, we urgently need to make capital investment in estates, technology and a whole range of new machinery, including cancer-diagnostic machinery and so on, and we will not be able to do that if we continually have to raid capital funds for day-to-day running costs. That was one of the main reasons why we decided that we had to put revenue funding on a more sustainable footing. My hon. Friend is absolutely right about that.

Transformation funding is also important, because when the five year forward view was published, pressures in secondary care and the acute sector meant that a lot of transformation funding was sucked into the hospital sector and we were not able to focus on the really important prevention work that can transform services in the long run. I am very sympathetic to the idea that we need, if not a formal ring fence, a pretty strong ring fence for transformation funding, so that the really exciting progress that we see in some parts of the country can start to spread everywhere.

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