# NHS faces drastic service cuts amid £6.6 billion deficit and staffing crisis



Hospitals across the UK are in crisis mode, facing unprecedented cuts to vital services, including diabetes and mental health clinics, as the National Health Service (NHS) grapples with massive financial pressures. A recent report unveils that these cuts are a desperate attempt to address a staggering projected deficit of £6.6 billion, a situation largely stemming from the misguided priorities of the NHS’s new chief executive, Sir Jim Mackey.

Produced by NHS Providers, the report paints a grim picture: many rehabilitation centres, essential talking therapies, and even end-of-life care beds are being severely reduced. Nearly half of the trust leaders surveyed reported having to scale back services, with over a third slashing clinical positions. Shockingly, one trust disclosed the elimination of 600 clinical roles, including vital doctors and nurses, alongside 1,000 administrative positions.

Despite the NHS receiving an additional £11 billion earlier this year, much of this funding has been swallowed up by hefty pay increases, particularly a staggering 22% rise for junior doctors—now absurdly termed "resident doctors." This situation exposes the untenable financial model underpinning the NHS. Sir Jim’s acknowledgment that care standards have reached an "unacceptable" level—especially for the elderly—highlights the depths to which the NHS has fallen, with prolonged waits for emergency services becoming a tragic norm.

For the nearly 4.6 million individuals grappling with diabetes in the UK, the implications of these cuts are dire. Untreated diabetes can lead to severe health complications, including heart disease and strokes, which will only balloon NHS spending—currently estimated at approximately £10 billion annually. Alarmingly, over a quarter of trusts are contemplating closing essential services such as diabetes clinics and rehabilitation programmes.

The mental health sector is equally beleaguered, facing severe funding pressures. A mental health trust has shockingly declared its inability to accept referrals for adults with Attention Deficit Hyperactivity Disorder (ADHD), whilst waiting times for psychological therapies have stretched beyond a year. The ongoing pandemic has only worsened mental health issues among children, with referrals for specialist anxiety treatment doubling over the past four years. Currently, more than 200,000 children are left waiting for treatment, highlighting an urgent need for resource allocation.

These financial issues facing the NHS illustrate a broader crisis in care delivery. The National Audit Office has raised serious concerns about the system's capacity to handle skyrocketing patient demands amidst dwindling resources. Despite receiving extra government funding, numerous NHS bodies reported deficits in 2023-24. Experts warn that these financial strains, coupled with inflation and the legacy of the Covid-19 pandemic, put patient care at grave risk.

Further complicating matters, data shows that NHS deficits have more than doubled in the last year, now reaching £1.2 billion—or 0.9% of total revenue. The ongoing reliance on temporary staffing and increased outsourcing exacerbates the financial burden. Such budgetary constraints force difficult, often harmful decisions that negatively impact patient care and the functionality of various NHS services.

The government's response to these financial pressures has been to promise restructuring of the NHS and efficiencies, claiming a £26 billion increase in health and social care funding. However, health leaders warn these promised reforms must not come at the expense of frontline services—particularly in already under-resourced areas suffering from high deprivation.

In this precarious landscape, NHS leaders’ perspectives are alarming. A recent survey revealed that 45% of trust executives fear cost-saving measures will compromise patient care, with 61% believing that patient experience is under threat. Professor Nicola Ranger, General Secretary of the Royal College of Nursing, articulated grave concerns over reducing clinical jobs, stressing that such cuts inevitably lead to increased patient suffering and ballooning waiting lists.

As the NHS faces these daunting challenges, one fundamental question remains: how can it maintain quality care in such a financially hostile environment? With millions languishing on waiting lists and demand for services reaching critical levels, the urgency for effective, long-term solutions has never been more pertinent.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.dailymail.co.uk/health/article-14694787/NHS-unthinkable-cuts-diabetes-mental-health-patients-jim-mackey.html?ns_mchannel=rss&ns_campaign=1490&ito=1490> - Please view link - unable to able to access data
2. <https://nhsproviders.org/news-blogs/news/new-nhs-providers-survey-reveals-daunting-financial-pressures-facing-the-nhs> - A survey by NHS Providers highlights significant financial challenges within the NHS, with over half of respondents expressing deep concern about meeting operational priorities within their 2024/25 budgets. The survey also reveals that 92% of respondents find the efficiency targets for 2024/25 more challenging than those of the previous year. Additionally, 44% of respondents anticipate a financial deficit for their trusts in 2024/25, while 45% expect to break even and 11% forecast a surplus. The chief executive of NHS Providers, Sir Julian Hartley, emphasized the need for long-term, multi-year investment to address these financial pressures.
3. <https://www.ft.com/content/df6a5316-a266-4953-8e0d-7ddc5bf35fc9> - A report by the National Audit Office warns that the NHS in England is at risk of being overwhelmed by rising patient demand. The report highlights a significant mismatch between the demand for services and available funding, driven by an aging population and increasing major illnesses. In 2023-24, many NHS bodies failed to break even, operating with a combined deficit of £1.4bn despite additional government funding. Financial pressures are further exacerbated by inflation and ongoing recovery from the Covid-19 pandemic. The findings pose substantial challenges for the new Labour government and Health Secretary Wes Streeting, who have committed to reform and increased investment in the NHS.
4. <https://www.ft.com/content/45e39986-4f19-4247-a4ef-da673306fdd2> - Deficits at NHS trusts in England have more than doubled over the past year, with the overall deficit for NHS provider trusts standing at £1.2bn or 0.9% of revenue in 2023-24, up from about 0.4% of revenue in 2022-23. This marks the third consecutive year of worsening finances for trusts, despite a temporary funding boost during the pandemic. Rising temporary staffing costs, increased outsourcing to the private sector, and dwindling revenues have contributed to the worsening financial situation. Health Minister Wes Streeting emphasized that 2025-26 must be a year of financial reset for the NHS, though health leaders caution it will be very challenging with over 6 million people waiting for routine procedures and appointments. The Nuffield Trust argues that community and mental health services must be adequately resourced without simply reallocating existing funds, and that trusts are struggling the most in areas of greatest deprivation. The government has pledged a £26bn increase in health and social care funding and aims to drive productivity and efficiency improvements to address these financial challenges.
5. <https://www.itv.com/news/2024-05-30/nhs-health-leaders-planning-staff-cuts-to-balance-the-books> - A survey of 110 health leaders by the NHS Confederation reveals that 67% of NHS trusts and integrated care boards (ICBs) plan to reduce clinical staff to meet substantial saving targets, with 90% considering cuts to non-clinical staff. In primary care, 74% of leaders anticipate reducing clinical staff, and 79% plan to cut non-clinical staff. These measures are being considered to balance budgets amid significant financial pressures, raising concerns about potential impacts on patient care and the ability to address NHS waiting lists.
6. <https://www.the-independent.com/news/uk/home-news/mental-health-nhs-funding-wes-streeting-b2723146.html> - Health Secretary Wes Streeting confirmed that mental health services' share of the NHS budget will decrease to 8.71% in 2025-26, a 0.07% reduction. This decision has faced criticism from health leaders and charities, who express concern over the adequacy of funding amid increasing demand for mental health support. The reduction comes despite growing pressure on mental health services and warnings of a deepening crisis, prompting calls for a reassessment of funding allocations to better support mental health services.
7. <https://www.mentalhealth.org.uk/about-us/news/mental-health-foundation-responds-nhs-england-health-system-cuts> - The Mental Health Foundation has responded to the UK government's announcement of major restructuring and cuts to NHS England, the Department for Health and Social Care, and Integrated Care Systems. Alexa Knight, Director of England at the Mental Health Foundation, expressed concern that focusing on restructuring NHS back offices may divert attention from enhancing services and improving public health. The Foundation hopes that the restructuring will provide an opportunity to place mental health at the center of the Department for Health and Social Care's work, following years of it being sidelined.