# COVID INQUIRY SUBMISSION CAROLINE LUCAS MP, BRIGHTON PAVILION RESILIENCE AND PREPAREDNESS (MODULE 1) August 2023

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# 1. Introduction to Module 1 submission

Whilst the Inquiry will be closely scrutinising the data on Covid-19 death rates, there is no disputing that the UK suffered a high number of Covid-19 deaths. Indeed, recent BBC analysis suggests our death rates were amongst the worst compared with other large European economies<sup>1</sup>.

It is essential to consider the reasons for these outcomes and, in particular, to assess the impact of cuts to public services during the decade that preceded the pandemic. These public services and the UK's social security safety net were the critical frontline in our response to the Covid-19 pandemic. We depended on them, and their adequacy and resilience were tested and exposed as never before.

The Inquiry is uniquely placed to understand the connection between public spending decisions, Covid-19 and the ongoing and well documented NHS and social care crisis. For example, there are currently over 7.4m people waiting for hospital treatment in England<sup>2</sup>; there are not enough social care places for the discharge of well patients<sup>3</sup>; terrible ambulance delays are a regular occurrence<sup>4</sup>, with crews forced to queue outside hospitals that are full<sup>5</sup>; 12-hour A&E waits are not unusual<sup>6</sup>, nor are reports of patients lying for hours on trollies in corridors<sup>7</sup>; there's a serious workforce shortage<sup>8</sup>; and for months, NHS staff have been taking the extraordinarily difficult decision to strike for fair pay, including nurses striking for the first time in their trade union's 106 year history<sup>9</sup>.

# An MP's perspective

In this submission, I aim to provide the Inquiry with information on these issues from an MP's perspective, including constituency case examples, covering the

<sup>&</sup>lt;sup>1</sup> https://www.bbc.co.uk/news/health-65975154

<sup>&</sup>lt;sup>2</sup> https://www.thetimes.co.uk/article/nhs-waiting-lists-record-high-2023-pqtqt9rrv

<sup>&</sup>lt;sup>3</sup> December 2022, there are 13,000 patients in beds who should be receiving care in the community: https://www.gov.uk/government/news/health-and-social-care-secretary-sets-out-plan-for-patients-with-new-funding-to-bolster-social-care-over-winter

<sup>&</sup>lt;sup>4</sup> https://www.nuffieldtrust.org.uk/resource/ambulance-handover-delays

<sup>&</sup>lt;sup>5</sup> https://www.bma.org.uk/news-and-opinion/40-ambulance-queue-to-access-hospital

<sup>&</sup>lt;sup>6</sup> https://www.theguardian.com/society/2023/apr/13/accident-emergency-patients-nhs-england-dangerous-wait-times-12-hours

<sup>&</sup>lt;sup>7</sup> https://www.bbc.co.uk/news/health-63890726

<sup>8</sup> https://lordslibrary.parliament.uk/staff-shortages-in-the-nhs-and-social-care-sectors/

<sup>&</sup>lt;sup>9</sup> https://www.rcn.org.uk/news-and-events/news/uk-rcn-nhs-nursing-strikes-2022-first-day-151222

2010 –2019 period, and focusing on questions around public service resilience after a decade of central Government funding reductions.

MPs have the opportunity to scrutinise legislation and to challenge the Government's policy programme as it is being translated into law. We are also in a unique position to assess the impact on our constituents, including with reference to the correspondence and case work we receive. It is this perspective that I hope to bring to the Inquiry, with a particular focus in this submission on three areas:

- (I) underfunding of the NHS, 2010-19 (page 6);
- (II) public health funding cuts, 2015 onwards (page 19);
- (III) unprecedented local government funding cuts, 2010-19 (page 22)

I will provide some brief examples of expert stakeholder analysis of the state of our public services prior to the pandemic; brief information on the extent of the cuts to the three areas set out above; and evidence from my constituency casework files of the impact of the cuts on local services and my constituents during the 10-year period in question.

This evidence has informed my view that public spending cuts exacerbated inequality, undermined public health and caused a grave lack of public sector resilience both during the pandemic, and as we recover.

As a backbench MP, I repeatedly made the case, throughout the decade prior to the pandemic, that the 2010-15 Coalition Government's policy of 'austerity' was both cruel and counterproductive <sup>101112</sup>. I have noted the claims to the contrary made in recent oral evidence to the Inquiry by the former Prime Minister, David Cameron <sup>13</sup> and Chancellor, George Osborne <sup>14</sup>.

At the end of this submission, I challenge their assertion that the cuts were a necessary response to the 2008 economic emergency – to the contrary, they

 $<sup>^{10}</sup>$  https://publications.parliament.uk/pa/cm201516/cmhansrd/cm150707/debtext/150707-0003.htm#150707-0003.htm spnew23

 $<sup>^{11}\,</sup>https://publications.parliament.uk/pa/cm201213/cmhansrd/cm130227/debtext/130227-0001.htm#130227-0001.htm\_spnew120$ 

 $<sup>^{12}\</sup> https://publications.parliament.uk/pa/cm201213/cmhansrd/cm130108/debtext/130108-0004.htm\#13010855002168$ 

<sup>&</sup>lt;sup>13</sup> https://covid19.public-inquiry.uk/hearings/resilience-and-preparedness/

<sup>&</sup>lt;sup>14</sup> https://covid19.public-inquiry.uk/hearings/resilience-and-preparedness/

were a political choice which affected our pandemic preparedness, and things could (and should) have been done differently.

# 2. The state of our public services prior to the pandemic

The Inquiry will be aware of multiple independent expert assessments of the impact of the Coalition's spending cuts on the state of the NHS, public health, local councils and social care. For ease of reference, I refer below to some examples of analysis from a range of expert stakeholders which reflect my experience and knowledge from 10 years of constituency casework:

#### Institute for Government

The IfG report entitled "How fit were public services for coronavirus?" concluded that spending cuts harmed the resilience of public services before the pandemic:

"public services were far less resilient after a decade of budget pressures" with "reduced access, longer waiting times, missed targets, rising public dissatisfaction and other signs of declining standards".

Amongst other findings, the IfG raised the issue of cuts to capital and infrastructure funding, and found the Covid-19 response was:

"hampered by historic underinvestment in buildings and equipment...public services have had to operate out of crumbling prisons, courthouses and hospitals that are difficult to clean or repurpose".

# Kings Fund June 2023 report

A major Kings Fund report published in June 2023, comparing the NHS with health care systems in other countries, <sup>15</sup> found that:

"...the UK health care system has fewer key resources than its peers."

In relation to workforce concerns, the report found the NHS lags behind other countries' health systems in terms of doctor and nurse numbers:

"We have a high reliance on foreign-trained staff but strikingly fewer doctors and nurses per head than most of our peer countries."

There are also serious concerns about lack of capital investment, including in beds and equipment:

<sup>&</sup>lt;sup>15</sup> https://www.kingsfund.org.uk/publications/nhs-compare-health-care-systems-other-countries

"Although health spending overall is roughly average at best, capital investment lags behind many other advanced economies, so it is no surprise that the UK compares poorly in its level of key equipment and facilities such as diagnostic technology and hospital beds."

Like the IfG, the Kings Fund found that weaknesses pre-date the pandemic:

"although Covid-19 has clearly had an impact on the UK's health services and population, many of these issues pre-date the pandemic."

This is an important point to underscore: far from saving money or serving the greater good, public spending cuts caused serious weaknesses in our essential public services. These weaknesses led to adverse consequences with costs attached.

#### TUC

The TUC, as a core participant in this Inquiry module, has submitted a report that sets out how cuts damaged the four vital pillars of pandemic resilience<sup>16</sup>. This resonates with the messages I received from constituents, service providers, stakeholders and charities, and reflects my experience of a decade of constituent casework prior to the pandemic. I will provide examples later in this submission.

#### Sir Michael Marmot

In evidence to this Inquiry, Sir Michael Marmot and Professor Clare Bambra stated that the UK entered the pandemic with:

"public services depleted, health improvement stalled, health inequalities increased and health among the poorest people in a state of decline" <sup>17</sup>.

Sir Michael Marmot's 2020 report, Build Back Fairer<sup>18</sup>, reveals that between 2009 and 2020, in local authorities in the 10 percent of most deprived areas, net expenditure per person fell by 31 per cent, compared with a 16 per cent

<sup>&</sup>lt;sup>16</sup> https://www.tuc.org.uk/research-analysis/reports/austerity-and-pandemic

<sup>&</sup>lt;sup>17</sup> https://covid19.public-inquiry.uk/documents/inq000195843-expert-report-by-professor-clare-bambra-and-professor-sir-michael-marmot-dated-30-may-2023/

<sup>&</sup>lt;sup>18</sup> https://www.health.org.uk/publications/build-back-fairer-the-covid-19-marmot-review

decrease in the least deprived areas. This comes at a time of rising demand for services in deprived areas <sup>19202122</sup>. In particular, Marmot concludes that:

"inequalities in social and economic conditions before the pandemic contributed to the high and unequal death toll from COVID-19"

Professor Marmot has also recently pointed to evidence that, since 2010, five-year-olds have been showing signs of reduced growth, an alarming symptom of the 'austerity' policies that have led to poverty and deprivation<sup>23</sup>.

<sup>&</sup>lt;sup>19</sup> https://www.sigoma.gov.uk/ documents/public/Inquiry-Local-Government-Finance-Final.pdf

<sup>&</sup>lt;sup>20</sup> https://ifs.org.uk/news/councils-deprived-and-affluent-areas-face-serious-financial-risks-covid-19-crisis-incomes-fall

<sup>&</sup>lt;sup>21</sup> https://committees.parliament.uk/writtenevidence/17445/html/

 $<sup>^{22}\</sup> https://www.instituteforgovernment.org.uk/publication/neighbourhood-services-under-strain$ 

 $<sup>^{23}\</sup> https://www.theguardian.com/comment is free/2023/jun/25/britains-shorter-children-reveal-a-grim-story-about-austerity-but-its-scars-run-far-deeper$ 

# 3. Underfunding of the NHS in the decade prior to the pandemic

#### The Nuffield Trust

The <u>Nuffield Trust</u> has looked at the resources made available to the NHS over and above what's needed to keep up with inflation, population growth and the increasing health needs of an ageing demographic<sup>24</sup>. Their analysis shows the picture over the last 40 years has been one of uneven increases, and that the lowest level of NHS spending was in the decade prior to the pandemic:

- 2.1% increase in the 17 years prior to 1997
- 5.7% increase a year between 1997/98 and 2009/10
- 0.4% increase in the decade leading up to the pandemic, including four years in which spending per head actually fell

#### The Health Foundation

<u>The Health Foundation</u> has analysed how total UK health spending compares with spending across Europe over the decade prior to the pandemic, to shed further light on how trends in spending may have impacted health care resilience<sup>25</sup>.

# They found:

- Average day-to-day health spending in the UK between 2010 and 2019 was £3,005 per person **18% below the EU14 average** of £3,655.
- The UK needed to spend an average of £40bn a year more during this period to match the EU14 per head average; to match Germany, this rises to £73bn more each year.
- Over the past decade, the UK had a lower level of capital investment in health care compared with the EU14 countries for which data is available

<sup>&</sup>lt;sup>24</sup> https://www.nuffieldtrust.org.uk/news-item/the-past-present-and-future-of-government-spending-on-the-nhs

<sup>&</sup>lt;sup>25</sup> https://www.health.org.uk/news-and-comment/charts-and-infographics/how-does-uk-health-spending-compare-across-europe-over-the-past-decade

- matching the EU14 average as a share of GDP would have required **£33bn more** in the decade prior to the pandemic<sup>26</sup>.

## Constituency perspective

Ministers were warned well before the pandemic that underfunding of the NHS and cuts to local government funding were having a grave impact on local health services and populations.

As of July 2016, there were over 9,000 people waiting more than 18 weeks to start treatment at the Royal Sussex County Hospital (RSCH). Patients in Brighton and Hove had seen 6 GP practices close in 2016 alone. The city's mental health services, including those serving children and young people, were over stretched and underfunded. Adult social care services in Brighton and Hove faced ongoing cuts - despite the cost to individuals and the NHS. Brighton and Hove National Pensioners Convention began a valiant campaign to protect Adult Social Care services from cuts, with unions fighting alongside them. I made Ministers aware of all these issues and more, including in a debate on 24 October 2016 in the House of Commons<sup>27</sup>.

The impact on individuals of real term cuts to NHS funding was repeatedly demonstrated to me by my constituents. I have selected 4 casework areas to illustrate this. For the purposes of this submission, I have not set out full case histories, the actions I took to support the constituents or the outcomes of my interventions. I have instead sought to demonstrate the kinds of problems being brought to my attention, to illustrate the strain the NHS was under in the decade prior to the pandemic.

<sup>26</sup> Between 2010 and 2019, average health capital investment in the UK was £5.8bn a year. If the UK had matched other EU14 countries' average investment in health capital (as a share of GDP), the UK would have invested £33bn more between 2010 and 2019 (around 55% higher than actual investment during that period).

27 https://hansard.parliament.uk/commons/2016-10-24/debates/AB2B4EB5-BA5F-4EBE-9A62-8395CED45363/NHSProvision(BrightonAndHove)

# Constituency Example 1: Digestive disease delays 2013-2015

Summary: From 2013 onwards, it became clear that very serious delays were occurring for patients needing surgery for digestive diseases. These were being impacted by system wide pressures, including lack of beds and staffing pressures and stresses in other parts of the service, which were having knock on effects on planned surgeries.

- A) 2013 case note: I received a response from our local Hospital Trust, at the time Brighton and Sussex University Hospitals (BSUH), about a digestive disease case involving a constituent who had her surgery cancelled multiple times. The response refers to digestive diseases' pressures: "I know you are very aware of the enormous challenges faced by the Digestive Diseases team and we are very sorry these combined with the recent bed pressures have impacted adversely on xxx. Sadly her situation is not unique...".
- B) 2015 case note: XXX called up because of the NHS delays he's experiencing. He's been waiting for an apt regarding his operational hernia for some time. He had an appointment scheduled early in July with his consultant, it was cancelled 2 days before it was scheduled to take place. Another appointment was obtained for August but the consultant was unavailable and the next appointment was for October. The constituent is on 40 grams of morphine a day, and patches, and his GP is concerned that he will become morphine addicted.
- C) 2015 case note: XXX called up to request a surgery appointment to discuss NHS delay. He was diagnosed with type 2 diabetes in June last year. Constituent has problems with his circulation and has been unable to work since diagnosis. They were initially told that they needed to attend a pre-surgery program that would last around 6 months (it started in August). It was indicated to him that his operation would take place around April 2015, but he's now been told it's more likely to be April 2016. The impact of their health is huge financially, they've been unable to work, and had renegotiated their mortgage taking into account his operation was likely to be spring 2015.

D) 2016 case note: I received a letter from the partner of a constituent who died in hospital on 8 March 2016. My constituent received a letter from our local Hospital Trust in October 2016, 7 months after he had died, about an appointment at the Trust. The original referral was made in December 2015 and in the second letter attached BSUH note that "I can confirm that waiting lists for Digestive Diseases (Medical) are under extreme pressure with the majority of our patients waiting in excess of the 18-week RTT standard".

# Constituency Example 2: Urology/corrective surgery delay 2015

Summary: The parents of a young man came to me when he had his life put on hold as he had to wait so long for corrective surgery following a previous operation that went wrong. His case highlighted that after 5 years of underfunding, patients were experiencing very serious backlogs in urology and were finding that only previously cancelled urology operations were being scheduled, with some patients waiting 30 or 40 weeks.

E) 2015 case note: A constituent has written to say: "Our current problem is with waiting times at Brighton and Sussex University Hospitals, but XXX's difficulties with the NHS began in April last year when, on his 23<sup>rd</sup> birthday, he underwent what was supposed to be a routine investigative operation in Bath, where he was then a student, to investigate the cause of some blood in his urine. This operation went wrong. As a result XXX's urethra was 'obliterated,' and for the past 10 months he has had to be fitted with a supra-pubic catheter, which in itself puts limits on his well being. The hospital in Bath did not have the expertise to remedy the situation and referred XXX to Bristol, where he was operated on in July 2014. This surgery evidenced the need for two reconstructive operations, to be scheduled 6 months apart, with need for careful recuperation to try to avoid foreseeable complications. The Bristol surgeon explained that he has a colleague in Brighton, a Consultant Urologist, who he felt could perform these operations and, as our family home is here, we could then take care of XXX in the crucial weeks after his surgeries.

XXX waited until the end of September 2014 to see the consultant in Brighton and was then put on an operation waiting list for the Princes

Royal hospital in Haywards Heath. The 18 week target date has come and gone and, when XXX spoke to the person who manages the waiting list yesterday, he was told they had no idea when he could have his next surgery. Furthermore, he was told that, due to backlogs, only previously cancelled urology operations are currently being scheduled, and some people have been waiting 30 or 40 weeks.

This is so very dispiriting. XXX has started a PhD in XXX. It feels all of our lives are on hold."

# Constituency Example 3: Neurosurgery cancellations 2018

Summary: I have included this case which illustrates the extent to which neurosurgeries were being cancelled for my constituents by 2018. By this time, the system was operating with a lack of spare capacity for emergencies, which meant that vital elective surgery needed for my constituent was cancelled four times in seven months. This had major knock-on impacts, including on his ability to work, as well as on the dedicated NHS staff who were forced to cancel his operation multiple times.

F) **2018 case note:** I received the following from a constituent: "I am writing to you with regard to my partner, who is waiting to undergo neurosurgery at the RSCH in Brighton but has had his surgery cancelled (for non-clinical reasons) four times in the last seven months.

The last time was yesterday, when we waited for six hours at the RSCH to hear if a high dependency bed would be available for him. It wasn't and we had to return home and wait to see if in a few weeks time he will be 'luckier'. Although my partner's operation is not an emergency, he does need to have it done as his condition is life-limiting, and doing nothing, as his neurosurgeon plainly stated (15 months ago) is not an option.

My partner and I are both self-employed freelancers. Each time we prepare for the operation (which we have done four times now) we have to plan our work schedules - clearing time so that he can recover and I can take some time out to look after him. If we don't work we don't get paid, so this has had an impact on our incomes. On Monday my partner turned

down two weeks' work, assuming he would be in hospital recovering from surgery. He's lost this work now and won't get it back. But this pales in comparison to the emotional stress of having the prospect of surgery looming over us for more than a year.

The first time his operation was cancelled we were given a week's notice, but on the last three occasions it has been cancelled on the day of the surgery. Each time my partner has gone in for the operation we have had to face the small but real risks that neurosurgery presents, from loss of taste, smell or sight, to stroke or even death. Yesterday he got as far as being taken down to theatre, prepped for the operation and hooked up to monitors before he was told that the surgery could not go ahead because there was no bed waiting for him. It's exhausting and it's unfair to put someone through this (not once but three times).

The last three times my partner's operation has been cancelled it was for the same reason - lack of a bed in the High Dependency Unit for him to go into after surgery. The Royal Sussex seems to be operating at a dangerously high capacity which does not appear to be sustainable. We have been given a new date at the beginning of April, but will anything be different then?

The staff at the RSCH are amazing; skilled and compassionate people who desperately want to do their jobs effectively, but are unable to because of the chronic lack of funding and the undermining of infrastructure that the NHS is undergoing at the hands of the current Conservative Government. My partner's case is not an isolated event, the staff in the neurosurgery department say they have had to cancel many surgeries due to lack of beds. We have seen their distress at having to let us down once again - it's not right that people have to work under these conditions. It is also incredibly wasteful to have operating theatres empty and surgeons unable to do surgery because of a lack of beds."

# Constituency Example 4: Low Vision Service commissioning 2018

Summary: At the start of 2018, a number of constituents started writing to me about the Low Vision service in Brighton and Hove, a vital service that prevents the problems that coping with sight loss without support can cause. It was funded by Brighton and Hove Clinical Commissioning Group (CCG) but, due to funding pressures, they made the decision to no longer commission the service. This has meant scrambling for temporary/insecure funding for something vital that saves the NHS money overall and should be embedded. And whilst the service did stay open, it has shrunk and is now only available to people within Brighton and Hove, when previously it had been Sussex wide.

G) 2018 case notes: Constituents writing to ask me to do all I can to save the Low Vision Service. Constituents explain the incredible support they have received from the service, invaluable when they've had to face the fear and trauma that a diagnosis of sight loss can bring.

Research carried out by the Royal National Institute of Blind People (RNIB) found that people believe that losing their sight would have a bigger impact on their life than other long-term health conditions, with fears that they would lose their independence and jobs.

With sight loss having the potential to impact on every part of our lives; driving, reading, the ability to cook a meal, or pop to the shop, it's easy to understand why low vision and sight loss are such a daunting and frightening diagnosis to receive. That's why specialist support and advice at the outset is so important. It also saves money.

At the time of the cut to the service, the RNIB stated that "research has revealed that sight loss advisers create significant financial savings for health and social care budgets with every £1 invested in the service delivering a return of £10.57."

Whilst short term 'savings' might be gained by not commissioning a preventive service, there are obvious longer-term costs of not preventing future problems and continuing to fund a hugely successful and popular service like this one.

Whilst this decision was made locally, unacceptable commissioning decisions like this were made because of the Government's cuts to, and underfunding of, public services. The service has now shrunk, only serving people in Brighton and Hove, instead of Sussex-wide, and now operates on a temporary and insecure funding basis.

# 4. Workforce concerns predating the pandemic

As the above examples demonstrate, going into the pandemic my constituents were already experiencing problems arising from an overall lack of funding, and specifically from reduced workforce investment and capacity in the NHS and social care.

NHS Improvement reported 100,986 full time equivalent vacancies as at Q3 of 2018/19. Whilst this fell to 96,348 by Q4 of 2018/19, the staffing picture was clearly not marked by sustainability or resilience<sup>28</sup>.

Since becoming an MP in 2010, I have been in close touch with unions representing local NHS staff and I correspond directly with many constituents who work in health and social care. All repeatedly raised the alarm about lack of investment in the NHS workforce during the decade preceding the pandemic.

One constituent wrote to me in January 2023 after taking his wife to A&E. He reports seeing corridors full of people on trollies and asked me, "why does the Conservative Government treat the crisis as a situation that has only suddenly appeared?" He hit the nail on the head - the current workforce crisis was entirely predictable and has been unfolding for years thanks to under investment in NHS staff, a profound failure to address the social care crisis, and a situation in which care staff can earn more working for McDonalds or Amazon. Last year, the Kings Fund reported that 9 out of the 10 largest supermarkets in the UK paid wages higher than the average for a social care worker<sup>29</sup>. This followed a report from the Health and Social Care Select Committee which heard evidence on the health and care workforce, including this quote from a social care provider:

'I dread hearing Aldi opening up nearby... I know I will lose staff.'30

<sup>28</sup> 

https://improvement.nhs.uk/documents/5404/Performance\_of\_the\_NHS\_provider\_sector\_for\_the\_quarter\_4\_1819.pdf

<sup>&</sup>lt;sup>29</sup> https://www.kingsfund.org.uk/publications/social-care-

<sup>360?</sup>utm\_medium=Newsletter&utm\_source=Sailthru&utm\_campaign=i\_politics\_120723&utm\_term=editorial \_politics\_active\_users

<sup>&</sup>lt;sup>30</sup> https://committees.parliament.uk/publications/23246/documents/171671/default/ page 43

There is no doubt in my mind that recruiting and keeping staff requires decent levels of pay – and that the serial undervaluing and underpaying of NHS and social care staff creates serious problems for the resilience of our system.

NHS staff in my constituency are remarkably dedicated and they consistently work well over their contracted hours, including to cover the rota gaps caused routinely by the Government's workforce planning failures. This is a problem that pre-dates Covid-19 and to which NHS staff have been responding in this way for years.

Despite attempts by Ministers to suggest the current NHS crisis has arisen post-Covid-19, the alarm was repeatedly raised before the pandemic.

There are many examples I could include to illustrate this. Two high profile ones are the Junior Doctor dispute of 2016 and the campaign against the scrapping of the NHS nursing bursary in 2015/16. As an MP, I received many constituent representations about both these campaigns and extensively lobbied and alerted Ministers about the wider impacts on NHS resilience and future staffing levels.

# Junior Doctor dispute 2016

In 2016, I held a surgery for local junior doctors because I was receiving such a high volume of communications from doctors deeply unhappy and concerned at their treatment by the Government. Over 40 local doctors attended, and further to that meeting that I tabled Early Day Motion 539 in Parliament, as follows:

Early day motion 539 JUNIOR DOCTORS<sup>31</sup>

Session: 2015-16

Date tabled: 19.10.2015

Primary sponsor: Lucas, Caroline

That this House recognises that junior doctors are dedicated professionals who are the backbone of the NHS, providing the best quality care for their patients; believes it is essential to ensure a contract that is safe for

<sup>31</sup> http://www.parliament.uk/edm/2015-16/539

patients, junior doctors and the NHS; supports the view of the BMA's Junior Doctors Committee that the best outcome for junior doctors is a contract agreed through genuine and meaningful negotiations and therefore calls on the Secretary of State for Health to drop all preconditions; further believes it is essential that proper hours safeguards are introduced to protect patients and their doctors, together with proper recognition of unsocial hours as a premium time, and an agreement that work on Saturdays and late evenings cannot be considered the same as daytime on a weekday; believes there should be no disadvantage for those working unsocial hours compared to the current system, nor for those working less than full time and taking parental leave; is concerned that the NHS Trust's responsibility to monitor the number of hours worked has been withdrawn and urges its reintroduction; further recognises that junior doctors already work seven days a week for emergency work, and that the barriers to extend that to non-urgent elective work are the lack of complementary services, for example social care packages and pharmacists, not doctors' working patterns; and urges the Secretary of State to accurately reflect this reality in his statements, to work to restore morale within the NHS, and to bring an evidence-based approach to renewed negotiations.

The Inquiry will be aware that junior doctors remain deeply unhappy with their pay and conditions, and are now seeking pay restoration, with the BMA setting out their case that during a time of record high workload and waiting lists, junior doctors' pay has been effectively cut by more than a quarter since 2008<sup>32</sup>.

#### Scrapping of the Nursing Bursary 2015-16

Constituents also contacted me in significant numbers about the 2015 decision taken under the then Chancellor, George Osborne, to end the nursing bursary from 2016. The g bursary offered student nurses at least £10,000 a year in funding, and whilst the Government has gone some way to reversing this

<sup>32</sup> https://www.bma.org.uk/our-campaigns/junior-doctor-campaigns/pay/pay-restoration

obviously harmful and counterproductive decision, they have consistently failed to respond in a manner commensurate with the scale of the workforce crisis.

At the time of the 2015 decision, Ministers ignored the evidence that the loss of the bursary, alongside the introduction of student loans, would create a very real risk that the number of people applying to train as nurses or in allied health professions would drop. It was clear from my postbag and email inbox that older people with children, who may have spent some of the earlier part of their lives in caring roles, were very likely to be amongst those for whom the loss of the bursary would be a disincentive. This policy decision was particularly irresponsible at a time when NHS Trusts faced growing deficits, due in part to struggling with a nursing shortage and high agency fees.

An Early Day Motion from this time, with an exceptional number of 156 crossparty signatories, is reproduced below to demonstrate the strength of feeling and concern about this misjudged spending cut:

Early day motion 1081 THE NHS BURSARY<sup>33</sup>

Session: 2015-16

Date tabled: 08.02.2016

That this House celebrates the contribution of student nurses, midwives, allied health professionals and other healthcare staff; has serious concerns about the potential impact of removing NHS bursaries on the recruitment and retention of staff; and calls on the Government to drop its plans to remove NHS bursaries and instead consult on how it can best fund and support the future healthcare workforce.

<sup>33</sup> http://www.parliament.uk/edm/2015-16/1081

#### Current workforce crisis

Post pandemic NHS staff vacancy levels are now over 133,000<sup>34</sup> and 165,000<sup>35</sup> in social care. There are 43,000 nursing vacancies<sup>36</sup>. Last year, saw a 25% increase in the number of NHS nurses leaving their role, with an additional 7,000 leaving compared to the previous year<sup>37</sup>. There is also a serious consultant and GP workforce crisis, and I am in close correspondence with doctors in my constituency who are telling me services are unsafe on a daily basis.

One of the many knock-on effects is huge sums being spent on agency fees. This makes no economic sense and is the result of a clear and deliberate political choice to underfund the NHS, both before the pandemic and now.

Last year, when the current Chancellor, Jeremy Hunt MP, was the Chair of the Health Select Committee, the Committee reported on the urgent issue of clearing the backlog in the NHS. The cross-party report pointed out, in no uncertain terms, that there is a gap between Ministers' statements and actions in terms of supporting frontline staff to look after patients.

The report described the Government's decision to vote down a Health and Care Bill amendment that would have required annual public reports on workforce projections, as a "refusal in practice to do the biggest single long-term change" to relieve pressure on staff<sup>38</sup>. At the end of June 2023, Ministers set out their plan to train and keep more NHS staff<sup>39</sup>.

If we had had independently verifiable assessments of the health and care workforce requirements in the decade leading up to the pandemic, with a

 $<sup>^{34}\</sup> https://www.health.org.uk/news-and-comment/news/nhs-vacancy-rates-point-to-deepening-workforce-crisis#: $$`:text=The%20latest%20NHS%20Vacancy%20Statistics, the%20quarter%20to%20September%202022.$ 

<sup>&</sup>lt;sup>35</sup> https://www.kingsfund.org.uk/publications/social-care-360/workforce-and-carers#:~:text=What%20was%20the%20annual%20change,grown%20to%204.3%20per%20cent.

<sup>&</sup>lt;sup>36</sup> https://www.nursingtimes.net/news/workforce/nurse-vacancies-in-england-remain-high-at-more-than-43000-03-03-

<sup>2023/#:~:</sup>text=Registered%20nurse%20vacancies%20across%20the,year%2C%20new%20data%20has%20reve aled.

<sup>&</sup>lt;sup>37</sup> https://www.kingsfund.org.uk/blog/2022/10/nhs-nursing-workforce

<sup>&</sup>lt;sup>38</sup> https://committees.parliament.uk/work/1647/workforce-recruitment-training-and-retention-in-health-and-social-care/publications/

<sup>&</sup>lt;sup>39</sup> https://www.gov.uk/government/speeches/what-the-nhs-long-term-workforce-plan-means-for-you

requirement for the Treasury to provide funding commensurate with the needs of the population, I have no doubt we would be in a different position today.

Brexit was also a significant contributory factor to the challenges facing the NHS, as reflected in Nuffield Trust research published in December 2021<sup>41</sup>. This found that long-standing workforce shortages in nursing and social care, driven by an ongoing lack of planning or strategy, were exacerbated by Brexit. The research also pointed to uncertainty for key health industries:

"The medicines, medical devices and life sciences industry in the UK faces great uncertainty. The UK now enforces outdated versions of EU rules on devices, border bureaucracy has increased dramatically, and clear plans are lacking to keep these areas of health care attractive or competitive. We heard that these factors are a deterrent to investment in the UK, and they appear to be linked to a drop in UK exports and a higher level of shortages during the Covid-19 pandemic." 42

Subsequent Nuffield Trust research found that the picture for doctors is more complex, but suggests that stagnating number of EU doctors with particular specialties had the result of exacerbating existing shortages; and that while more research is needed, they consider it likely that the 2016 decision to leave the EU played a contributory role<sup>43</sup>.

The current and any future Government must prioritise rebuilding and restoring services according to the founding principles of the NHS, to tackle under staffing and waiting times, and provide the NHS with the short and long-term funds it needs to offer robust, consistent and person-centred care. Workforce planning is absolutely critical, and it is a responsibility that should be statutory.

<sup>&</sup>lt;sup>40</sup> 4.3. In November 2022, following RCN lobbying, the Chancellor of the Exchequer announced Government would publish NHS workforce planning forecasts that would be subject to independent analysis. However, there has been no progress on this despite the current nursing workforce crisis. We have been clear that this plan must be fully funded, and include an independently verified assessment of future health, social care and public health workforce numbers and skill mix needed in England, based on the projected health and care needs of the population for the following five, ten and twenty years.

 $<sup>^{41}\,</sup>https://www.nuffieldtrust.org.uk/research/going-it-alone-health-and-brexit-in-the-uk$ 

<sup>&</sup>lt;sup>42</sup> Page 4, Research report December 2021 Going it alone Health and Brexit in the UK

<sup>&</sup>lt;sup>43</sup> https://www.nuffieldtrust.org.uk/news-item/has-brexit-affected-the-uk-s-medical-workforce

# 5. <u>Public Health and Local Government funding cuts in the decade</u> prior to the pandemic

My constituency work has allowed me to witness – and highlight and oppose – the extent to which public health and local government services, upon which people rely, were also under serious strain as specific cuts to those budgets took effect.

#### **Public Health**

From 2014/2015 onwards, the ring-fenced public health budget faced hundreds of millions of pounds in cuts.

### The Kings Fund point out:

- the public health grant in 2020/21 was 22 per cent lower per head in real terms compared to 2015/16<sup>44</sup>
- Revenue expenditure on public health services in England has decreased by 13 per cent on a like-for-like basis since 2013/14<sup>45</sup>

The Institute for Public Policy Research's (IPPR) calculations from 2019, using local government data, show an estimated £850 million decline in net public health expenditure in England since 2014<sup>46</sup>. These are the budgets for services such as health checks, drug and alcohol abuse support, smoking cessation programmes, and sexual health services. These are all services that help to reduce inequalities and keep the population healthy and well. For example, work has been done that demonstrates a link between poor sexual health and inequality<sup>47</sup>. We also know that smoking is far more common amongst people with lower incomes<sup>48</sup> and that it causes long-term health conditions which put some people at increased risk from Covid-19<sup>49</sup>.

<sup>44</sup> https://www.health.org.uk/news-and-comment/news/response-to-public-health-grant 45 https://www.kingsfund.org.uk/projects/nhs-in-a-nutshell/spending-public-health

<sup>46</sup> https://www.ippr.org/blog/public-health-cuts#anounce-of-prevention-is-worth-a-pound-of-cure

<sup>&</sup>lt;sup>47</sup> https://www.tht.org.uk/news/we-need-act-inequalities-and-sexual-health

<sup>48</sup> https://ash.org.uk/uploads/ASH-Briefing\_Health-Inequalities.pdf

<sup>&</sup>lt;sup>49</sup> https://www.england.nhs.uk/who-is-at-increased-risk-from-covid-19/

The IPPR research into how public health cuts have been experienced in England's most deprived communitites provides examples of the extent of these cuts to particular services as follows<sup>50</sup>:

- Sexual health cut by £196.4m
- Health check, protection and advice cut by £72m
- Obesity services cut by £26.2m
- Drug and Alcohol services cut by £260.9m
- Stop smoking and tobacco control cut by £85.1m
- Public health for 5-19 year-olds cut by £39.7m

#### Health Equity and public health cuts

The Government were repeatedly warned that the cuts would exacerbate inequality, cause preventable harm and put needless strain on already struggling NHS primary and secondary services. There were specific warnings from the IPPR that public health cuts were hitting the poorest and most excluded the hardest<sup>51</sup>. In 2019 they published research that showed that deprived areas received six times more cuts to public health budgets than the least deprived<sup>5253</sup>.

The BMA Public Health Medicine Committee Chair, Dr Peter English, said in 2019:

'We know that there is a clear link between cuts to public health and deprivation as some of the most vulnerable people in society are being hit the hardest by worsening access to services.'

and

<sup>&</sup>lt;sup>50</sup> https://www.ippr.org/blog/public-health-cuts#anounce-of-prevention-is-worth-a-pound-of-cure

<sup>&</sup>lt;sup>51</sup> https://www.ippr.org/blog/public-health-cuts

<sup>52</sup> https://www.ippr.org/blog/public-health-cuts

<sup>&</sup>lt;sup>53</sup> https://www.pulsetoday.co.uk/news/uncategorised/deprived-areas-receive-six-times-more-cuts-to-public-health-budgets/?cmpredirect

'Sufficient and appropriately allocated public health funding is vital to the future sustainability of the NHS.<sup>54</sup>'

In 2019 the Health Foundation made clear that investment of an extra £1bn a year was urgently needed to ensure local authorities could deliver the vital preventative services that protect and improve health<sup>55</sup>.

I was deeply concerned about how these cuts would impact on my constituents, on top of those already made, and called upon them to be reversed via formal parliamentary questions, for example:

#### Caroline Lucas Green Party Brighton, Pavilion, Commons

Public Health: Finance, PQ 180157, 24 October 2018

Asked by: Lucas, Caroline | Party: Green Party To ask the Secretary of

State for Health and Social Care, if he will reverse the recent reduction in

public health grants to local authorities; and if he will make a statement.

#### Answer: Steve Brine Conservative Winchster

Answered on 24 October 2018 Department: Department of Health and Social Care Indicative local authority public health grant allocations for 2019/20 are available at the following link:

https://www.gov.uk/government/publications/public-health-grantsto-local-authorities-2018-to-2019 Future funding for local authorities' public health responsibilities will be a matter for the next Spending Review<sup>56</sup>.

The Government's response signalled their complacency. Not only did Ministers press on with their approach, in the face of growing evidence about the damage being done, but the Local Authority public health grant allocations for the 20/21 financial year were also delayed. This was despite the Government's own

<sup>&</sup>lt;sup>54</sup> https://www.pulsetoday.co.uk/news/uncategorised/deprived-areas-receive-six-times-more-cuts-to-public-health-budgets/?cmpredirect

 $<sup>^{55}\</sup> https://www.health.org.uk/news-and-comment/news/urgent-call-for-1-billion-a-year-to-reverse-cuts-to-public-health-grant?gclid=Cj0KCQjw9YWDBhDyARIsADt6sGaKU7ymX-$ 

UApXpS3ef4JORtYogyMcRmPF0U1KTrAN0-FYBRKVu\_2DUaAv6vEALw\_wcB

<sup>&</sup>lt;sup>56</sup> https://questions-statements.parliament.uk/written-questions/detail/2018-10-16/180158

Green Paper<sup>57</sup> identifying that there was a huge amount of work to do on public health and committing to make this a priority, and despite funding commitments made in the September spending round<sup>58</sup>.

The delay was a serious issue for my local authority and the HSJ reported<sup>59</sup> that public health directors across the UK were concerned that they faced no real increase in their funding in 2020-21 and that they would have to cancel contracts<sup>60</sup> because allocations for the next financial year were late. Allocations are usually published just before Christmas but in early March 2020 they were still not available for the 2020/21 financial year.

On 10 March, I asked a written parliamentary question asking about the reasons for the delay and the impact on planning of services both for a Covid-19 outbreak and other public health services:

#### Caroline Lucas Green Party Brighton, Pavilion, Commons

To ask the Secretary of State for Health and Social Care, for what reasons the publication of the public health grant allocations to local authorities for 2020-21 has been delayed; what assessment he has made of the effect of that delay on the planning of services for (a) the event of a Covid-19 outbreak and (b) other public health issues; if he will make it his policy to raise those grant allocations to 2010 levels in line with population growth and inflation; and if he will make a statement.

#### Answer: Jo Churchill Conservative, Bury St Edmunds

#### Answered on 18 March 2020

Public health grant allocations for local authorities for 2020-21 were published on 17 March 2020. We have not made a specific assessment of the timing of publication on the COVID-19 outbreak or other public health issues. At the time of the Spending Round 2019, the Government announced that the public health grant would rise in real terms, enabling local government to continue to invest in the services it funds. As part of the response to COVID-19, the Government has announced a new £500

<sup>57 &</sup>lt;a href="https://www.gov.uk/government/consultations/advancing-our-health-prevention-in-the-2020s/advancing-our-health-prevention-in-the-2020s-consultation-document">https://www.gov.uk/government/consultations/advancing-our-health-prevention-in-the-2020s-consultation-document</a>

<sup>&</sup>lt;sup>59</sup> https://www.hsj.co.uk/commissioning/exclusive-fresh-row-over-public-health-funding/7026857.article

<sup>60</sup> https://twitter.com/RupertSuckling/status/1223186784919736320

million hardship fund so local authorities can support economically vulnerable people and households. <sup>61</sup>

The response gave no reason for the delay and Ministers have yet to explain the cause.

The Government was culpable, both for the grossly counterproductive policy of cutting public health budgets from 2014/15 and for delaying promised action to provide some redress. They failed on public health strategy and funding in relation to both long -term strategic and short-term operational ways prior to the pandemic.

## Unprecedented local government funding cuts from 2010-19

Extensive cuts to local government funding are well documented by the National Audit Office, Local Government Association and others.

Over the last 13 years central government cut the annual funding of Brighton and Hove City Council by over £110 million in real terms<sup>62</sup>.

In 2015, NGOs concerned with inequality and deprivation such as the Joseph Rowntree Foundation (JRF)<sup>63</sup> published findings on the impact of local government funding cuts from 2010. Some studies of the early years of 'austerity' suggested local government was coping, but by 2015 it was becoming clear that resilience was under increasing strain. The ability of councils to mitigate had all but disappeared and JRF found there had been a marked reduction in frontline services. Their report notes that local authorities in England lost 27 per cent of their spending power between 2010/11 and 2015/16 in real terms. In subsequent years there were yet more cuts to come, and the combined negative impact on local services in my constituency is profound.

I put down repeated motions in Parliament to raise the alarm about the harmful and counterproductive impact of local authority cuts, both before and during the start of the recovery period from the pandemic:

<sup>61</sup> https://questions-statements.parliament.uk/written-questions/detail/2020-03-10/27574

<sup>62</sup> https://www.brighton-hove.gov.uk/news/2023/council-releases-proposals-most-difficult-budget

<sup>63</sup> https://www.jrf.org.uk/sites/default/files/jrf/migrated/files/Summary-Final.pdf

# Early day motion 664 LOCAL GOVERNMENT FUNDING<sup>64</sup>

**Session:** 2017-19

Date tabled: 06.12.2017

Primary sponsor: Lucas, Caroline

That this House remains deeply concerned that Government funding to local authorities in England reduced by 37 per cent in real terms between 2010-11 and 2015 according to the National Audit Office; notes Local Government Association (LGA) analysis that by 2020 local government in England will have lost 75 pence out of every £1 of core central government funding and councils will face an estimated overall funding gap of £5.8 billion; considers such cuts an ongoing risk to cherished community services and essential frontline services, such as adult social care, support for older people, looked-after children, care-leavers, those with disabilities or special educational needs, survivors of domestic violence and low-income families in crisis; further notes the negative impact on initiatives needed to improve equality, sustainability and resilience, such as providing genuinely affordable, energy efficient homes, supporting socially necessary bus services, transforming how we collect and sort waste, and public-backed investment in renewable energy; notes how Government policies, such as the bedroom tax, benefits and pay freezes, the roll-out of universal credit and public health budget cuts are increasing demand for council services; considers the cumulative effect combined with privatisation and outsourcing is putting an end to local government as we know it; calls on the Government to heed warnings from the LGA of real and growing uncertainty about how local services will be funded beyond 2020, and to urgently provide local councils with the money to protect services and restore spending on community and frontline services to sustainable levels.

<sup>&</sup>lt;sup>64</sup> https://edm.parliament.uk/early-day-motion/51132/local-government-funding

#### Early Day Motion 1165 LOCAL GOVERNMENT FUNDING

**Session:** 2019-21

Date tabled: 19.11.2020

Primary sponsor: Lucas, Caroline

That this House thanks local authorities for their leadership during the covid-19 outbreak and for the contribution made by their essential workforces to support communities; notes that, prior to the outbreak, councils were already dealing with a £15 billion reduction to core Government funding since 2010 and a 49.1 per cent real-terms reduction between 2010-11 and 2017-18 according to the National Audit Office; believes that the Government should address in full the financial challenges arising from this decade of unprecedented budget cuts, while also tackling the enhanced financial pressures caused for local authorities by extra costs, loss of income and cash flow challenges associated with covid-19; backs the Local Government Association call for an additional £8.7 billion in core national Government funding in 2021-22 to stabilise the sector and sustain and improve service levels which include: cherished community and essential frontline services, such as adult social care, support for older people, lookedafter children, care leavers, people with disabilities or special educational needs, survivors of domestic violence and low-income families in crisis; considers locally-led initiatives to urgently improve equality, sustainability and resilience, such as providing genuinely affordable, energy efficient homes, supporting socially necessary bus services, transforming how waste is collected and sorted and public-backed investment in renewable energy, should also be funded nationally; and therefore calls on the Government to immediately provide local councils with the money to protect and restore spending on community and frontline services to sustainable levels and reset local economies.

#### **Local Government Association**

The cross-party Local Government Association released a paper in 2018 pointing out that "By 2020, local authorities will have faced a reduction to core funding from the Government of nearly £16 billion over the preceding decade. That means that councils will have lost 60p out of every £1 the Government has

provided to spend on local services in the last eight years. Next year, 168 councils will receive no revenue support grant at all."<sup>65</sup>

The Inquiry will be aware that the Local Government Association has undertaken a thorough analysis of deprivation, poverty and Covid-19<sup>66</sup>. In this, they cover issues such as overcrowding in housing as well as inequalities in the level of risk of exposure to Covid-19 posed by occupation, ethnicity, and gender, all in the context of the extensive and unprecedented cuts to local government funding in the decade before the pandemic.

The conclusion from their July 2021 report on health inequalities was stark:

"COVID-19 has cruelly exposed and exacerbated the many social and health problems which existed before the pandemic, that need to be urgently addressed as part of our national recovery." <sup>67</sup>

This captures and reflects my observations and findings as a backbench MP.

<sup>65</sup> https://www.local.gov.uk/sites/default/files/documents/5.40\_01\_Finance%20publication\_WEB\_0.pdf 66 https://www.local.gov.uk/health-inequalities-deprivation-and-poverty-and-covid-19

<sup>&</sup>lt;sup>67</sup> https://www.local.gov.uk/about/news/lga-covid-19-has-created-perfect-storm-health-inequalities

# 6. <u>Responsibilities of George Osborne, David Cameron and the</u> Coalition Government

In 2010, the incoming Coalition Prime Minister, David Cameron MP, and Chancellor, George Osborne MP, made a political choice to impose 'austerity', arguing erroneously that it was the only way to ensure the country recovered from the 2008 economic crisis.

At the time, and frequently since, I set out why this was neither necessary nor for the common good, despite this being what the PM and Chancellor argued.

In fact, 'austerity' was a misleading word for their policy of radical Government spending cuts as it implies necessity.

Painting spending cuts as unavoidable meant there wasn't a proper debate about the future of public services or the state's role in running them — which in turn meant insufficient attention was given to the negative impact of policy choices on the UK public finances, infrastructure and health of the nation.

It is critical that the Inquiry considers the wealth of evidence which demonstrates 'austerity' was not the only option open to the Chancellor of the day and that the cuts to public spending fatally damaged our public services and our economy in the decade before the pandemic.

We fail in our job of scrutiny if we allow those defending the cuts programme to claim exclusive ownership of the national interest. The decision makers involved may have been doing what they believed in, or thought was right, but it wasn't the only policy open to Governments at the time, despite their claims to the contrary. Indeed, concerns about the cuts programme, and arguments for an alternative approach, were raised from the start of the 'austerity' decade – it didn't require the benefit of hindsight.

For example, when Chancellor George Osborne called the June 2010 Budget<sup>68</sup> "unavoidable"<sup>69</sup>, he was openly challenged both by experienced economic commentators and opposition politicians, who pointed out he was making a political choice.

<sup>68</sup> https://researchbriefings.files.parliament.uk/documents/SN05605/SN05605.pdf

<sup>&</sup>lt;sup>69</sup> https://www.theguardian.com/uk/2010/jun/22/budget-2010-vat-austerity-plan

Joseph Stiglitz<sup>70</sup>, a former chief economist at the World Bank, winner of the Nobel Prize for Economics, and credited with predicting the 2008 global financial crisis, was highly critical of the cuts strategy<sup>71</sup>. He was joined by other knowledgeable voices, like former Bank of England rate setter David Blanchflower who warned that the 2010 Budget of public spending cuts risked recession<sup>72</sup>.

In October 2010 a report by Research Councils UK<sup>73</sup> set out the opinion that cuts to research and development<sup>74</sup> were likely to do damage to the UK economy<sup>75</sup>. In the same year, the London School of Economics (LSE) published a long-read setting out the case that the 'austerity' programme was a political choice with consequences and dubbed the 2010 Budget the 'wrong medicine'<sup>76</sup>. The LSE article specifically queried George Osborne's claim that his measures to slash public spending to an unprecedented degree were "unavoidable".

As a backbench MP, I was one of multiple voices of political opposition in 2010, making the case both in Parliament<sup>77</sup> and in the media that the cuts were "neither unavoidable or fair"<sup>78</sup>.

By 2015, five years of hindsight were also available to Ministers. Respected figures such as economist Andrew Gamble<sup>79</sup>, set out the case that the cuts set back the economic recovery which was underway in the first half of 2010<sup>80</sup>. Oxford University based economist Simon Wren-Lewis<sup>81</sup> also made the case that the Coalition Government's austerity programme had harmed the economy<sup>82</sup>.

This year, the TUC has published analysis<sup>83</sup> setting out a case that spending cuts created a negative cycle which damaged, not bolstered, the UK economy

<sup>70</sup> https://en.wikipedia.org/wiki/Joseph\_Stiglitz

<sup>&</sup>lt;sup>71</sup> https://www.independent.co.uk/news/uk/politics/osborne-s-first-budget-it-s-wrong-wrong-2011501.html

<sup>72</sup> https://en.wikipedia.org/wiki/June 2010 United Kingdom budget#cite note-21

<sup>73</sup> https://en.wikipedia.org/wiki/Research Councils UK

<sup>&</sup>lt;sup>74</sup> https://en.wikipedia.org/wiki/Research\_and\_development

<sup>75</sup> https://en.wikipedia.org/wiki/June 2010 United Kingdom budget#cite note-bbc science cuts-25

<sup>&</sup>lt;sup>76</sup> https://blogs.lse.ac.uk/politicsandpolicy/extreme-austerity-is-the-wrong-medicine/

<sup>77</sup> https://www.theyworkforyou.com/debates/?id=2010-06-23b.298.2&s=cuts+speaker%3A24910#g373.1

<sup>&</sup>lt;sup>78</sup> https://www.bbc.co.uk/news/10371590

<sup>&</sup>lt;sup>79</sup> https://en.wikipedia.org/wiki/Andrew\_Gamble

<sup>80</sup> https://academic.oup.com/pa/article/68/suppl 1/154/1403373?login=false

<sup>81</sup> https://en.wikipedia.org/wiki/Simon Wren-Lewis

<sup>82</sup> https://mainlymacro.blogspot.com/2015/02/the-size-of-recent-macro-policy-failure.html

 $<sup>^{83}\</sup> https://www.tuc.org.uk/news/uk-economy-has-missed-out-ps400bn-growth-under-conservative-government-2010$ 

following the 2008 financial crisis. Paul Johnson of the IFS, recently pointed to the economic "own goal" of reducing investment spending<sup>84</sup> and cutting spending on vocational and further education.

The purpose of setting out these predictions, views, reactions and analysis is to make the case that it is highly controversial, and by no means above political and economic debate, for George Osborne and David Cameron to make the claims the cuts were a) necessary b) economically successful, as they have attempted to do in their evidence to the Inquiry.

#### False household analogy to sell the policy of cuts

It is important to note that the misrepresentation of deep public spending cuts as "unavoidable" was made by erroneously comparing the national economy to a household budget, seemingly to justify unpopular public service cuts to a public that valued those services.

Household and Government finances are fundamentally different. Even if Ministers believed the cuts were a good idea, it is not accurate to say they were necessary to stop the country going broke in the manner that a household might run out of money.

In a household, cutting your spending can be an effective way to help reduce your debts and live within your means. When the Government reduces its spending on the other hand, it can actually further reduce its income. As public sector wages and benefits fall, there is less tax income for the exchequer and less money spent in the wider economy.

Furthermore, unlike a household, the Government has the backing of a central bank behind it and the Bank of England can significantly help lower Government borrowing costs, and the central bank has the tools of quantitative easing or tightening at its disposal<sup>85</sup>.

Using the household analogy was deeply disingenuous and, again, meant that the longer-term impacts of the 2010 Government's political choices weren't accurately assessed.

<sup>84</sup> https://www.theguardian.com/business/2022/nov/18/british-people-poorer-ifs-uk-autumn-statement

<sup>85</sup> https://www.bankofengland.co.uk/monetary-policy/quantitative-easing

#### Conclusion

Both our fiscal resilience and our NHS and public service preparedness were radically undermined by the spending decisions and political choices made during the decade that preceded Covid-19.

In his evidence to the Inquiry George Osborne suggested that his spending cuts provided the fiscal flexibility later needed for emergency spending in Covid-19, yet he did not confront two key problems with this suggestion.

Firstly, the huge costs of cutting public services below the levels needed.

As an MP, I was repeatedly presented with evidence that the cuts were counterproductive and a false economy. For example, I saw hospital trusts paying for expensive agency staff<sup>86</sup> to cover staffing gaps, as well as increased demand for crisis health and mental health treatment, because there was no longer help on hand when symptoms started. I saw preventable disease going untreated, increased poverty and inequality, ill health caused by lack of housing and social care, and young people missing out on help and support, amongst the many other impacts of cuts to public spending.

All of these have an extremely high knock-on economic, as well as social, cost for our country.

Secondly, George Osborne did not address how his failure to invest in NHS staff, buildings and diagnostics led to inadequate flexibility for the NHS to react to the pandemic. Leaving our NHS, social care and local government with no spare capacity was reckless, costly, and caused profound damage to services and vulnerable people before, during and after the pandemic.

I hope that by drawing on some of my MP casework and policy records, I have been able to assist the Inquiry in weighing up the impact of short-term savings from cuts to essential public services against some of the short, medium, and long-term opportunity costs of failing to provide timely, high-quality public services, resilient support systems or sustainable economic investment.

<sup>&</sup>lt;sup>86</sup> https://www.nuffieldtrust.org.uk/news-item/nhs-agency-staff-costs-treating-the-symptom-not-the-cause