

Embargoed press release until 00:01 hrs on 30 March 2012

Media information: Caron Lett 01904 322029

New research demonstrates constant growth in NHS productivity

A new study by researchers at the Centre for Health Economics, University of York, reveals the productivity of the NHS in England has been broadly constant over the last seven years, increasing by an average of 0.1 per cent per year.

Researchers at CHE used the most detailed and comprehensive information available to compare growth in the total amount of resources (input) used to produce health care provided to NHS patients (output).

The research shows that between 2003/4 to 2009/10 the number of staff has increased by 18 per cent, buildings and equipment by 24 per cent and all other inputs, such as clinical supplies and energy costs, by 76 per cent.

There has also been a corresponding increase in both the quantity and quality of output. The number of patients treated in hospital increased from 12.1m to 15.6m; outpatient attendances from 50m to 77m; community care contacts from 76m to 92m; and primary care consultations from 262m to 300m.

Over the same period, hospital survival rates improved from 99.4 per cent to 99.8 per cent for elective patients and from 95 per cent to 96 per cent for non-electives. Average inpatient waiting times fell from 78 to 57 days, reaching a low of 51 days in 2008/9. Outpatient waiting times fell from 58 days to 24 days.

All in all, growth in activity and changes in quality have tracked the growth in inputs, implying that productivity has been flat over the seven year period.

Professor Andrew Street, from the University's Centre for Health Economics, said: "There has been a big increase in NHS inputs over the last few years, with more staff employed and updated equipment and facilities. This has been matched by commensurate increases in the numbers of patients being treated and in improvements in the quality of care.

"Over the last seven years, NHS productivity growth has been flat. This means that there has been a constant return with NHS output increasing at the same rate as NHS inputs."

Ends

Notes to Editors:

- For further information contact Professor Andrew Street on 01904 321401 or andrew.street@york.ac.uk
- Chris Bojke, Adriana Castelli, Rosalind Goudie, Andrew Street, Padraic Ward. Productivity of the English National Health Service 2003/4-2009/10 CHE Research Paper 76, York: University of York, 2012. Visit: www.york.ac.uk/che/publications/in-house/
- Productivity growth is calculated by comparing growth in the total amount of health care 'output' to growth in the total amount of 'input' used to produce this output. 'Output' consists of the volume of all health care services provided to all NHS

patients in England and also accounts for quality improvements, including changes in hospital survival, health outcomes and waiting times. 'Inputs' include the staff, supplies, energy costs, equipment and building resources that contribute to the production of health care.

- The project was funded by the Department of Health in England as part of a programme of policy research at the Centre for Health Economics, University of York. The views expressed in this publication are those of the author(s) and not necessarily those of the Department of Health.
- The Centre for Health Economics is a department of the University of York. The Centre's aim is to undertake high quality research that is capable of influencing health policy decisions. The Centre is one of the largest health economics research units in the world and its research aims to influence the way decision makers think about the determinants of health and wellbeing, and the organization and delivery of health and social care. Website: www.york.ac.uk/che