

POLICY THUMBNAIL

A Better NHS

Not 1 but 4 rival non-profit, publicly-funded healthcare providers, so patients can switch if they aren't happy with what they're offered.



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THE PROBLEM

The NHS is no longer the envy of the world. UK life expectancy is worse than other developed nations which spend similar percentages of their GDP on health, such as Sweden, Switzerland, Australia or Japan. Previously-reliable yearly improvements in our life expectancy have slowed significantly & healthy life expectancy is now static or getting worse; health inequalities are large & haven't changed for decades; productivity has been slow to recover after the pandemic; & staff morale has declined.

Successive Governments have attempted multiple reforms, including stronger local autonomy & commercial incentives (Milburn in 2003); formal separation of Commissioning (Lansley in 2012); local & regional consolidation (Integrated Commissioning in 2022); & now recentralisation with refreshed commercial incentives (Labour in 2025). All of them attempted to solve problems by moving decision-making around to different parts of the NHS organisation chart, but none delivered sustainable solutions to the more fundamental underlying issue: that existing NHS systems, processes & culture aren't delivering

decisions which drive consistent, incremental, yearly performance improvements, no matter where in the organisation they happen.

The reason for this is that the main incentives for change are those created by internal NHS Governance, staff professionalism or political accountability. Those aren't nothing – they certainly help & Labour's refreshed commercial incentives could potentially strengthen them further – but they are inevitably weaker, less consistent & more scattergun than if patients could also take their problems elsewhere, as they can in other walks of life, by switching to an alternative publicly-funded health provider if they aren't happy with the service they are getting at present.



THE SOLUTION

We will solve these problems by:

1. Devolving most of the Department of Health & NHS England into 4 rival, publicly-owned & funded, non-profit National Foundation Trusts (NFTs). Each Trust will:
 - a) be initially responsible for organising healthcare on behalf of 25% of patient households in each part of the country to begin with, with funding to match. But each patient will have the right to switch to any of the other Trusts each year if they think they are offering a better service.
 - b) have to accept any patient who wants to switch to them, and will agree a funding formula between themselves so money follows each patient when they move, depending on their circumstances (eg age, existing health conditions etc).
 - c) initially inherit all existing NHS health & care provider arrangements with NHS GPs, hospitals, Integrated Care Boards etc but will have complete operational freedom to renegotiate them as needed in future.

- d) be given a set of outcome-based health objectives, set by Government & approved by Parliament, which they must deliver for their patients. The objectives will be identical for all 4 NFTs & CQC will publish an independent annual report for each one, including an Ofsted-style one-word summary judgement of their performance, so patients can see how well they are doing compared to the other 3 in case they want to switch. Any NFT that gets a below-par evaluation will be required to publish a performance improvement plan within 3 months to fix the problem, approved by the Department of Health.
- 2. Retaining central services currently provided by the Department of Health & NHS England (such as central drugs buying & maintaining interoperable NHS digital standards), but with NFTs controlling the central services organisation's Board to ensure it delivers their goals as efficiently as possible.
- 3. Allowing other non-profit organisations to become new rival NFTs if they wish, under the same terms & conditions as the initial NHS 4 above, to organise healthcare on behalf of any citizens who decide to switch to them.
- 4. Giving existing NHS providers more in-budget operational freedoms to provide health & social care which meets professional standards in innovative & different ways, so they can respond faster, more creatively & more flexibly to changes & improvements requested by the new NFTs.
- 5. Training significantly more staff than the NHS will need in all disciplines and specialisms, so we become a net exporter of health & care professionals rather than a net importer at present.

THE BENEFITS

- a) Ensuring the new NFTs start by inheriting all the existing NHS health & care provider arrangements will smooth the initial transition away from a single monopoly NHS. But after that patients will have an increasing range of options on everything from GP appointment waiting times to the quality of post-op home care packages, as each NFT progressively drives incremental performance improvements & adjusts which suppliers they work with & how.
- b) Creating a choice of 4 or more different, publicly-funded NHS NFTs will mean citizen-patients won't have to accept whatever healthcare they are offered anymore, even when it isn't very good. If their existing NFT has worse waiting times than the others for a particular treatment they need, or doesn't offer online appointments while they're at work when other NFTs do, or can't provide an NHS dentists nearby when another NFT can, then they will be able to choose a better NFT instead. Patients will get better services & be healthier, high-performing NFTs will grow & prosper, and poor-performing NFTs will have to improve or shrink.
- c) Requiring each NFT to accept any patient who wants to switch to them will stop NFTs artificially-inflating their performance by 'cherry-picking' the healthiest patients, rather than by delivering better & more efficient healthcare instead.
- d) Giving all NFTs the same set of democratically-approved outcome-based health objectives, locked in Statute, will ensure they always remain true to the underlying mission of the NHS in future, and that their performance in delivering it can always be fairly compared too.
- e) Letting NFTs agree & update the funding formula for transferring budgets when patients switch between them will ensure it stays up to date with changes to the costs & effectiveness of ever-improving treatments & care, without additional risks & delays of requiring signoff from politicians or regulators.
- f) Maintaining central services like drugs buying will ensure the NHS continues to maximise its buying power and get the best possible deals, and giving NFTs control of the central organisation's Board will make certain it stays focused on their performance-improving operational priorities at all times.



- g) Increasing in-budget operational freedom for NHS providers to deliver good health & social care in new ways will allow them to respond faster & more flexibly to improvements requested by the new NFTs without the additional risks & delays of signoff by politicians or regulators.
- h) Training significantly more healthcare staff in all disciplines and specialisms will reduce the number of expensive agency staff, saving money which can then be redeployed to improve other parts of the service. Plus it will strengthen UK soft power abroad as we train more staff to become a net exporter rather than an importer of healthcare professionals, & give generations of UK-trained people better opportunities for a fulfilling career across the world.

THE SOUNDBITES

"The NHS is a national treasure, but it's in trouble. We have to listen to doctors & other healthcare professionals about how it can work better."

"Where NHS patient experiences are better, outcomes will be better too."

"The NHS is a service, not a shrine." {Wes Streeting}

"Illness and disease don't take weekends off, so parts of the NHS shouldn't either."

"Prevention is better than cure."

"Health is so much more than what happens in hospitals. NHS doesn't stand for 'National Hospital Service'"

"An American-style health system wouldn't be right for the UK."



THE REBUTTALS



1. *Aren't you just fiddling at the edges of the real problem? Surely what the NHS needs above all is more money?*

Yes the NHS needs regular funding increases, but the last 30 years have shown that extra cash isn't enough on its own, without reforms to the way it is spent as well. Our life expectancy is worse than countries like Sweden, Switzerland, Australia or Japan which spend the same proportion of their income on health, and the NHS is still struggling to recover from the pandemic when other health systems have already moved on.

2. *You're inventing problems that don't exist: the NHS already allows patients to move GP surgeries, or get a second medical opinion if they want one. Why will this make any difference at all?*

It does. But getting a 2nd medical opinion only helps if you've already got a 1st one: it doesn't help patients waiting months in

a queue for treatment, or whose symptoms are returning because their home care package isn't good enough. And switching GPs won't solve those problems either. They're tiny steps in the right direction, but now we need to take giant strides.

3. *NHS England was a terrible, expensive quango that Labour abolished, so why are the Tories creating 4 more of them? How can 4 be better or more efficient than one?*

NHS England was a huge monopoly, but the new National Foundation Trusts will be much smaller, leaner & more efficient. Partly because each of them will be looking after fewer patients, and partly because if they take patients for granted or start getting slack then we can switch to one of the others that's better instead

4. *Why are you reversing Labour's changes? Why should yet another big NHS reorganisation work better than all the others that went before?*

We aren't. If Labour's changes boost NHS performance then the NFTs will be free to keep them, & even to build on what they've done. But if they don't then the NFTs will also be free to find better ways of delivering the results that Parliament has set for them instead.

5. *Doesn't giving NHS providers more in-budget operational freedom mean taking an axe to national pay-bargaining for hardworking doctors & nurses? Isn't this the same old Tories going after the Unions?*

Good organisations in every walk of life offer better pay or conditions to attract, motivate and retain the best talent and it makes no sense to stop the NHS doing the same. It will be much harder for them to improve if we tie their hands behind their backs by banning changes to some of the biggest & most important elements of any organisation's performance.

6. Same old Tories: isn't this just privatisation of the NHS?

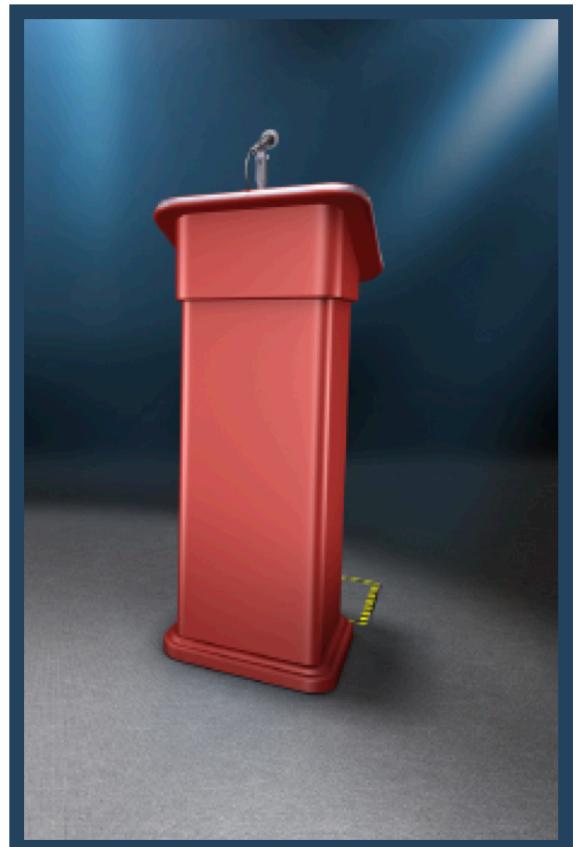
The only change we're making is the new National Foundation Trusts, which will all be publicly owned, publicly funded & not-for-profit. How has it got anything to do with privatisation at all?

7. Why won't you allow for-profit companies to become NFTs?

Because we won't privatisate the NHS.

8. Ofsted-style 1-word judgements are already discredited in education, and now you want to introduce them in health! Hospitals are far too complicated to boil down to a single word.

Ofsted's 1-word summaries are hugely valued by parents and pupils, and both CQC and Ofsted already produce detailed public inspection reports which are vital for taxpayers, staff, pupils, patients and their families to have confidence that key public services are being well-run. Those reports will continue, and 1-word summaries are a strong way to crystallise where things really stand.



9. What's the point of training so many extra medics? Isn't it incredibly wasteful?

Not at all. The NHS will always welcome foreign medics, but if we become net exporters of brilliant, NHS-trained healthcare professionals then not only will we save money that's currently going on expensive agency staff, but we will also be equipping British citizens with portable skills that are a ticket to work almost anywhere in the world. It will open up huge new opportunities for our young people, and be a great advertisement for British quality, values and professionalism too.

10. Won't it be impossibly complicated & impractical for NHS hospitals to handle patients from 4 different NFTs in the same building?

Not at all, because many NHS hospitals have been successfully treating insurance-funded patients in private wards alongside NHS ones for years. So this would just use a well-trodden and long-established path rather than trying something new.