

# NHS will compete with itself in Streeting's productivity reforms

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NHS hospitals and clinics will compete with each other, as well as with private rivals, under plans to use an expansion of patient choice to drive up standards.

Patients will be given choice in new areas and more NHS services will be paid according to how many people use them.

Wes Streeting, the health secretary, is said to be keen on rewriting the NHS so "money follows the patient", reviving ideas he credits with having driven down waiting lists under Tony Blair.

An overhaul of the NHS payments system will be a shift back towards an internal market that has been eroded over the past decade, according to sources involved in drawing up a ten-year reform plan.

Sir Keir Starmer has pledged to meet a target of performing 92 per cent of routine operations within 18 weeks, a goal that has not been hit for a decade,

and told the NHS it must "reform or die". Streeting has said that waits for other types of care must also come down as he challenged the NHS to improve productivity, which has fallen significantly since the pandemic.

Patients may even be encouraged to use data on GP performance to choose a family doctor under plans to use better-informed choice as a way to improve performance. The NHS app will be used as a way to inform patients about their options, including waiting times and other measures.

A health department source said: "Giving NHS patients an informed choice of where they are treated isn't just the right thing to do, a bit of healthy competition between providers is crucial for driving waiting times down and productivity up."

"This reform is a major part of our elective reform plan, giving power to the patient, so the funding follows them around and ends up with the most

productive providers. We're thinking radically about how to reward and incentivise the innovators in the NHS to go further and faster."

The reform plan for routine operations stipulates that patients should be offered a range of providers, including private ones, through the NHS app. Now Streeting is looking at expanding this model into other areas of care, including the "payment by results" system, in which hospitals and clinics are paid a set fee for each patient, giving them an incentive to compete for business on quality and convenience.

Expanding this model to more areas of out-of-hospital care is seen by some in government as a way to incentivise the NHS to push care closer to home, one of Streeting's goals.

NHS chiefs have already drawn up plans to expand choice in areas such as talking therapies, hearing loss, diagnostic tests, nutrition, speech therapy and podiatry. Areas such as arthritis

care, allergy care, gynaecology and community nursing are also possible candidates.

Some health experts are sceptical that choice will drive up standards, however, arguing that improvements in the New Labour years were more about the 6 per cent annual budget increases. There are also questions about how more competition for individual treatments will fit with an emphasis on integrated care for a people increasingly suffering from a range of long-term conditions.

Others involved in Labour's plan favour a model in which health authorities are paid according to how well they keep patients happy. Discussions are said to be under way.

"It feels like [ministers] are just thinking about how it all fits together," one health source said. "Most of them are faced with such a big job, they are just throwing paint around and seeing which bits look

