

PRESS INFORMATION**EMBARGO: FOR IMMEDIATE RELEASE FRIDAY 1 APRIL 2011****NHS'S PRIVATE PATIENT REVENUES STALL**

Recessionary pressures and the private patient cap pushed back the NHS's revenues from treating private patients in 2009/2010, according to Laing and Buisson's new NHS Trusts & Primary Care Trusts Financial Information 2011 data product.*

Total private patient income of NHS Trusts in the UK was £430 million in 2009/2010, shrinking by just over 2% from £439 million in 2008/2009. Overall since 2006/2007, there has been no growth in revenues. As a proportion of Trusts' total core income from patient activities, private patient income in the UK fell to just 0.6%.

Private patient activity in England accounts for 96% of the UK total. NHS Trusts in England generate 0.7% of core revenues from private patients, whereas the proportion remains much lower in the rest of the UK (0.2% in Wales, and 0.1% in Scotland and Northern Ireland).

London NHS hospitals lead the way in private patient activity, accounting for the first 8 NHS Trust largest private earners (see Table 1). The Royal Marsden Hospital NHS Trust earned the highest private revenues of all UK Trusts in 2009/2010, at £41.5 million, though this fell from £43 million a year earlier. This equated to 26% of its total core income from all patient activities.

Stalling growth reflects a clear dip in demand for private healthcare funded by medical insurance and from patients' own pockets, which has yet to recover from recessionary cutbacks. In addition growth for Foundation Trusts is limited because their private patient income as a ratio of their total income is capped at 2003/2004 levels. UK private patient revenues have only risen by 9% in the five years since the cap was introduced. Looking forward, however, the proposal to remove this restriction in the Health and Social Care Bill, suggests more positive growth prospects from this source for the NHS.

Agency Costs Up Before Sharp Cuts

The cost of employing agency and other temporary staffing in the NHS in England continued to grow in 2009/2010, as non-NHS staff spending reported by Trusts grew by 17.5% overall from 2008/2009.*

Total agency & other non-NHS staff costs of Trusts in England were recorded at £2.22 billion in 2009/2010, up from £1.89 billion a year earlier, and more than double spending from a low of £0.96 billion in 2006/2007. As a proportion of UK Trusts' total staff costs, agency costs increased to 5.1% in 2009/2010 compared with only 2.7% three years earlier.

However, facing heavy pressure to realise massive cost savings by 2014 under Coalition government NHS reforms, NHS spending on agency & other non-NHS staff is expected to fall back significantly from 2010/11 onwards, as Trusts clamp down on rising permanent and temporary staffing bills.

The highest spenders on agency staff in 2009/2010 were South London & Maudsley NHS Foundation Trust (£52.1 million), Imperial College Healthcare NHS Trust (£48 million), Newcastle Upon Tyne Hospitals NHS Foundation Trust (£44.4 million), Guy's and St Thomas' NHS Foundation Trust (£34.4 million), Royal Free Hampstead NHS Trust (£33.6 million), and St George's Healthcare NHS Trust (£32.1 million).

TABLE 1: INCOME FROM TREATING PRIVATE PATIENTS

Top 10 NHS Trusts	Private Patient Revenue £ million 2009-2010	Private Patient Revenue £ million 2008-2009	Annual Growth %
ROYAL MARSDEN	41.5	43.2	-3.8
IMPERIAL COLLEGE H' CARE	31.0	32.3	-4.0
GREAT ORMOND STREET	21.0	19.7	6.2
ROYAL BROMPTON & HAREFIELD	18.5	21.1	-12.1
ROYAL FREE HAMPSTEAD	17.7	14.4	23.4
GUY'S & ST THOMAS	17.0	14.3	18.8
KING'S COLLEGE HOSPITAL	14.5	14.1	2.9
MOORFIELDS EYE HOSPITAL	13.4	11.3	17.9
OXFORD RADCLIFFE	11.4	9.5	19.7
THE CHRISTIE	10.2	9.6	5.9
TOP 10 TOTAL	196.2	189.6	3.5
UK TOTAL	429.7	439.0	-2.1

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* NHS TRUSTS & PRIMARY CARE TRUSTS FINANCIAL INFORMATION 2011 (ELECTRONIC VERSION) Price £630.00 inc. vat. Available now from Laing & Buisson, 29 Angel Gate, City Road, London EC1V 2PT. Tel: 0207 833 9123 Web: www.laingbuisson.co.uk

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NOTES TO EDITORS:

Founded by William Laing in 1986, Laing & Buisson is the UK's leading provider of information and market intelligence on the independent health, community care and childcare sectors.

Laing & Buisson offers a uniquely focused range of expert services to providers, purchasers and investors in the health and community care markets. Information about the range of products and services provided is summarised below.

[Annual Directories & Market Reports](#)

Laing & Buisson publishes a series of special market reports and directories on the health and community care sectors. Annual publications include Laing's Healthcare Market Review, Long Term Care: Directory of Major Providers, and the Care of Elderly People Market Survey. The research and conclusions within the reports are frequently cited in parliamentary questions and answers, official documents and company prospectuses, and are regularly drawn upon by the national media.

[Consultancy & Market Intelligence](#)

Market intelligence and consultancy work, focusing on non-clinical aspects of health and social care

markets, is tailor-made for companies with an active interest in the sector. Examples of recent work include a report on the future of the independent healthcare sector for the Healthcare Commission, the seminal work conducted by Laing & Buisson on 'A Fair Price for Care' for the Joseph Rowntree Foundation and 'Improving Lives - Improving Life', a report on the key strategic issues facing the long term care sector. Laing & Buisson also frequently assists investors in market due diligence work in the health and care sectors. Laing & Buisson can also offer consultancy on the broader European market through its Healthcare Europa joint venture.

[Healthcare Data in an Electronic Format](#)

CareSearch is Laing & Buisson's flagship data product, a 'one stop shop' with extremely flexible search facilities for those needing detailed, reliable and up-to-date information on care homes, independent hospitals, health and care commissioners and regulators in each neighbourhood in the UK, together with details of group operators, their holdings and financial information from statutory accounts. Alternatively, data can be selected specifically and supplied on disks or labels for mailing purposes.

[Newsletters](#)

Laing & Buisson publishes three authoritative monthly newsletters - Community Care Market News, which covers the long-term care sector, Healthcare Market News, which covers the acute healthcare sector, and Healthcare Europa, which looks at the private care, healthcare and outsourcing sectors across Europe.

[Conferences & Awards](#)

In addition to one-off conferences on subjects selected for their special interest or topicality, Laing & Buisson's annual programme features a series of conferences - definitive events covering key developments and leading edge practice in specific areas including homecare, supported living, extra care housing, long term care for the older people, learning disabilities and mental health sectors, acute healthcare, private healthcare insurance, investing in healthcare and children's nurseries.

The Independent Healthcare Forum consists of two major conferences: the acute healthcare conference and the mental health conference and a workshop for private patient units and smaller providers, with an exhibition area representing a selection of providers to the sector.

The Independent Specialist Care Awards and the Independent Healthcare Awards take place in March and September, highlighting the range of achievements and recognising best practice within the sectors, and paying tribute to those who have demonstrated excellence in their particular fields.