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## £2.2bn in NHS Savings to Be Reinvested in Deprived Communities, Streeting Announces

June 25, 2025

— Categories: Finance



Health Secretary Wes Streeting has announced that £2.2 billion in savings from NHS efficiency reforms will be redirected toward improving healthcare in working-class and underserved communities across England. The funding reallocation, part of the Government's forthcoming NHS 10-Year Plan, is aimed at addressing longstanding health inequalities and ensuring that those in the greatest need receive quality care.

Speaking in Blackpool, one of the areas expected to benefit, Mr Streeting outlined a strategy that shifts funding from back-office inefficiencies and agency staffing toward frontline

services. These include increased investment in general practice, staffing, modern medical equipment, and digital technology in areas with the highest health burdens and the lowest GP-to-patient ratios.

“The truth is, those in greatest need often receive the worst quality healthcare,” said Mr Streetering. “It flies in the face of the values the NHS was founded on. The circumstances of your birth shouldn’t determine your worth. A core ambition of our 10-year plan is to restore the promise of the NHS and end the postcode lottery.”

The Department of Health and Social Care has confirmed that the redirection of funds follows a concerted drive to reduce NHS spending inefficiencies. This includes scaling back reliance on agency staff, consolidating back-office operations, and requiring trusts to meet more stringent financial controls.

Currently, GP surgeries in deprived areas receive on average 10% less funding per patient than those in more affluent locations. Practices in the poorest areas are also managing significantly higher patient loads, often with fewer resources.

Dr Amanda Doyle, NHS England’s National Director for Primary Care, welcomed the shift in priorities:

“It is essential that GP practices serving our most deprived communities, where health challenges are greatest, receive a fair share of resources that reflect their need.”

The new approach will be underpinned by a review of GP funding formulas and contract arrangements, ensuring that financial allocations reflect demographic and geographic health needs. The plan will also support a broader rebalancing of care from hospitals to community-based services.

Professor Kamila Hawthorne, Chair of the Royal College of General Practitioners (RCGP), described the announcement as “long overdue” and aligned with the College’s ongoing campaign to reform primary care funding.

“A patient’s postcode should not determine the quality of care they receive. This review is welcome and must be conducted in close collaboration with medical professionals and the British Medical Association,” she said.

However, concerns remain that the transfer of funding from secondary to primary care could be delayed until 2035, which the RCGP warns would undermine the ambition to strengthen community care and restore continuity through family GPs.

Meanwhile, NHS Providers Chief Executive Daniel Elkeles noted the wider context:

“While the NHS must do its part to reduce inequality, many of the root causes lie in broader social determinants such as education, housing, and transport. Cross-government coordination is essential.”

Additionally, the Health Service Journal has reported that the new 10-year plan may include “patient power payments,” trialling schemes where patients provide feedback that influences how hospitals are reimbursed, a potential step toward performance-based accountability.

As the Government prepares to finalise its NHS 10-Year Plan, this reallocation signals a significant policy shift: one that aims to realign healthcare funding with need, close health inequality gaps, and deliver more equitable access to care across the country.