2025 Spending Review submission: Royal College of Ophthalmologists

This submission makes two proposals:

- **Increase ophthalmology specialty training places**, as part of delivering the NHS Long Term Workforce Plan. This will help to tackle the £25 billion annual economic impact of sight loss by increasing the capacity of ophthalmology departments to prevent eye diseases and diagnose conditions early to reduce the risk of irreversible sight loss.

- **Review the use of independent sector providers (ISPs) by the NHS**, with a focus on value for money and transparency. NHS England spend on ISPs increased by almost a third between 2017 and 2023, but there has been no assessment of the value for money in this policy shift. Ophthalmology accounts for a large portion of this increase, and a number of concerns have emerged around value for money and financial oversight.

Increase ophthalmology specialty training places as part of delivering the NHS Long Term Workforce Plan

Sight loss already costs the UK economy more than £25 billion each year, and that is expected to rise to £33.5 billion by 2050. These figures include direct costs for the health and social care system as well as welfare and device costs.

This is because the number of people with severe eye conditions is set to significantly increase in prevalence over the next decade due to the ageing population – for example, York Health Economics has projected that the number of people with wet age-related macular degeneration (AMD) will increase by 25% by 2033. A new case of AMD in an adult aged 50 or over, causing moderate visual impairment, costs the UK economy £73,350 over the person's lifetime.

The best way of reducing these costs is to prevent eye diseases and diagnose them early so visual impairment can be reduced and irreversible sight loss avoided. That will require well-functioning hospital eye services, which are lacking in many parts of the country. Fewer than a quarter (24%) of ophthalmology departments say they have enough consultants to meet current patient need.

The key blocker here is insufficient ophthalmology training places hampering supply. In 2024 there were over 14 applicants for every ophthalmology training place (a 14.41 competition ratio). This was one of the highest competition ratios for any major specialty training programme. For comparison, the competition ratios for Core Psychiatry and General Practice were 9.45 and 3.67 respectively.

NHS England's Long Term Workforce Plan has committed to doubling medical school places by 2031, and delivering a 'commensurate increase' in specialty training places alongside this. It is essential that ophthalmology training places are prioritised as part of this. We have calculated that an additional 285 ophthalmology training places in England are needed by 2031 to meet patient need.

This will help ameliorate the economic costs of sight loss as outlined above, as well as supporting the government to deliver the key objective of its recent Elective Reform Plan – meeting the 18 week referral to treatment standard by 2029. Currently 66% of ophthalmology patients are being seen within 18 weeks in England.

Review the use of independent sector providers by NHS

We believe that a review of how independent sector capacity is commissioned, with a focus on value for money and transparency, is essential.

The use of independent sector providers (ISPs) - private providers commissioned to deliver NHS services - has increased significantly in recent years. Since the Elective Care Transformation Programme was introduced in 2017, DHSC's Annual Report and Accounts 2022-23 (table 69) shows that NHS England spend on ISPs increased by 31%, or £2.7 billion, between 2017/18 and 2022/23.

Ophthalmology has been at the forefront of this shift. Data generated through FoI responses from 35 Integrated Care Boards (ICB), carried out by the Centre for Health and the Public Interest, between 2018/19 and 2022/23, shows that:

- The number of NHS cataract procedures performed by ISPs increased by 344%
- Annual spend on ISPs performing NHS cataract procedures increased by 458%
- Annual spend on ISPs and NHS performing NHS cataract procedures increased by 109%
- The proportion of the ophthalmology budget spent on cataracts increased from 27% to 36%.

There are serious concerns about the value for money of this policy shift, and the oversight that NHS England is able to provide to ensure this is the case. NHS England reduced the cataract tariff in April 2024 because of concerns about potential "upcoding" by ISPs. There are also concerns about financial relationships that underpin referral patterns between primary care optometry providers and ISPs. This was highlighted in NHS England's 2022 cataract contracting guidance, which referred to examples where:

- *'An optometric provider or triage provider offers, or has a financial interest in, cataract services*
- *…providers of cataract services are incentivising optometrists to refer patients to them by offering linked payments for post-operative care, to be carried out by the optometrist'.*

Many commissioners are also concerned about their ability to control financial spend in light of the growing role of ISPs. We are aware that Devon ICB has conducted an audit into cataract referral patterns, with its CEO raising concerns that the patient choice legislation is costing Devon ICB £8 million per year.

As the professional body for ophthalmologists, the reason we are concerned about this shift is

because of the impact on patient care. Greater use of ISPs has helped to bring down cataract waits, but we are concerned about the unintended knock-on consequences. Investing so much scarce resource into treating cataracts – a reversible relatively low-risk condition – has led to funding, workforce and infrastructure being diverted here at the expense of resourcing for conditions such as complex glaucoma and wet AMD that can cause irreversible sight loss if not diagnosed and treated swiftly. Our 2024 clinical leads survey found that 67% of NHS ophthalmology departments believe the impact of ISPs on patient care and services in their department has been negative.

With the government's Elective Reform Plan committing to expanding the use of ISPs, outlined in its NHS and independent sector partnership agreement, we believe it is essential that there is a review into the commissioning of independent sector capacity, with a focus on value for money and transparency. This should learn the lessons from specialties like ophthalmology that have already seen high levels of ISP provision.