

UK hospitals face a £2 million per month extra spend this winter due to fuel price surge

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Hospital trusts are facing "eye watering" rises in their energy bills this coming winter and have warned that some patient care will have to be

reduced to cope, according to an exclusive investigation published online today in *The BMJ*.

The investigation showed that a number of trusts in England are worried they will have to make stark choices on staffing levels, waiting times and care provided in order to continue operating, with [energy costs](#) predicted to be up to three times higher than a year ago.

The investigation comes as energy regulator Ofgem announced on 26 August that the price of the domestic electricity and gas price cap (per unit) would be rising by 80% from October for England, Scotland and Wales. Bills for non-domestic customers are not subject to the cap and are, therefore, even more vulnerable to surging wholesale prices.

The BMJ asked trusts in England for details of their recent and predicted future energy bills and how they expected to operate this coming winter when taking into account the additional energy charges on the way.

Most of the trusts contacted said they expected their [energy bills](#) to double at least.

Great Ormond Street Hospital for Children NHS Foundation Trust in London, for example, said that it anticipated a combined gas and electricity bill of around £650,000 a month in January and February 2023—an increase from around £350,000 in the same months this year.

Sheffield Children's NHS Foundation Trust said it expected its total energy bill for 2022-23 to be almost 130% higher than in 2021-22 although the [trust](#) has been able to stem some of the extra costs on the horizon because it was locked into current prices with its energy supplier until the end of March 2023.

In another extreme case, Nottingham University Hospitals NHS Trust

said it had budgeted for a 214% increase in electricity and gas costs for 2022-23.

Marcus Pratt, program director for system finance at NHS Nottingham and Nottinghamshire, said, "Nottingham University Hospitals NHS Trust have planned for, and continue to forecast, an increase in budget for annual energy costs of approximately £27m compared to costs experienced in 2021-22. For Sherwood Forest Hospitals NHS Foundation Trust, the equivalent value is approximately £5m."

Another worrying example was Leeds Teaching Hospitals NHS Trust whose director of estates and facilities Craige Richardson told *The BMJ* that the trust anticipated paying an extra £2m a month for electricity and gas combined in January and February 2023 when compared with January and February 2022—a rise of around 110%.

In May of this year, NHS England estimated rising energy prices would cost the NHS £485m more in 2022-23 than had been budgeted for when NHS planning guidance was issued last December.

NHS England has set aside £1.5bn from its existing budget to cover this £485m energy increase plus various other inflationary pressures on the NHS such as [fuel costs](#) for [ambulance services](#), private finance initiative contracts, and local authority care prices.

The problem is that energy prices have continued to rise and will have almost tripled for domestic consumers in the year to October 2022, almost doubling since April alone, and are predicted to rise again by 50% next year.

Rory Deighton, senior acute lead at the NHS Confederation, told *The BMJ*: "This isn't an abstract problem, as the gap in funding from rising inflation will either have to be made up by fewer staff being employed,

longer waiting times for care, or other areas of [patient care](#) being cut back.

"The new prime minister must provide a top-up in this autumn's budget or any emergency budget they hold to make up the shortfall. The NHS needs at least £3.4bn to make up for inflation during this year alone, and that is before we face a winter of even higher wholesale [energy](#) prices.

"A failure to properly compensate the NHS for inflation will only heighten pressure on our health service as we move towards a winter that we know will be particularly challenging this year."

More information: Exclusive: Hospitals will be hit with "eye watering" energy bills this winter, *The BMJ* (2022). [DOI: 10.1136/bmj.o2088](#)

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