



Department
of Health &
Social Care

39 Victoria Street
London
SW1H 0EU

Tel: 020 7210 4850

Our ref: TO-1195149

Mr Damian Eaton
CSS Manager (Legal and Democratic Services)
Town Hall
Stockport SK1 3XE

15 November 2019

Dear Mr Eaton,

Thank you for your correspondence of 23 October to Matt Hancock on behalf of Stockport Council about NHS funding and interest charges. I have been asked to reply.

The Department interim revenue support ensures that providers in financial difficulty have the cash required to protect the continuity of services for patients. These loans provide an incentive for providers to improve their financial position and time for them to develop plans for returning to a sustainable financial path. Interest paid on these loans by providers represents a circular flow of income between the Department and providers – providers are funded for interest and Public Dividend Capital payments through the annual NHS Mandate.

In terms of future funding, now that Parliament has been dissolved before the General Election, the Department cannot comment further on this matter. What happens on the issue of loans in the future will be a matter for the incoming Government.

I hope this reply is helpful.

Yours sincerely,

Annette Sparrowhawk
Ministerial Correspondence and Public Enquiries

This page is intentionally left blank