

# Fair funding for hospices - FAQ

October 2025

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**We are sharing details of our Fair Funding Campaign with members to familiarise you with our asks for sustainable hospice funding in England. Please note, we will launch these asks publicly in October, via the press and social media. We will update with launch plans in coming weeks. For now, please keep discussion of the campaign and asks to internal channels only, or with your commissioners.**

Keep up-to-date with our campaign on our [dedicated web page](#) for Hospice UK members.

## Our asks

To protect hospice services and promote their ability to fully contribute to the government's vision for a neighbourhood health service, we are calling on the Government to commit to:

### **1. Full funding of specialist palliative care provided by hospices**

Whether in inpatient units, in patient's homes, in outpatient clinics or through in-reach services within hospitals, the specialist palliative care, advice and assessment hospices provide should be fully funded by local NHS commissioners.

### **2. Proper NHS contracts for hospices**

Too often, the state's contribution to the cost of hospices' services are through grants which don't reflect the true cost, and which are based only on historical precedent.

Hospices should be on NHS contracts which are fair, multi-year, have regular reviews and increase in line with rising costs. These should be based on agreed, national cost models. Contracts should be flexible in response to the changing care needs of a local population and meeting rapidly growing demand.

In addition, the government should continue to provide ringfenced additional funding for children's hospices (formerly known as the Children's Hospice Grant), over and above local contracts, recognising the large areas covered by these services.

### **3. Funding to cover the cost of NHS pay rises for hospice staff**

When pay deals are agreed for NHS staff, hospices must receive the funding needed to give their staff a pay rise too. Right now, they don't – leaving hospices to plug the gap with already limited funds.

#### 4. National accountability for equitable provision of palliative care, wherever you live

Where you live should not determine whether you get the palliative care you need. Government must take action to guarantee fair, consistent provision across the country.



These changes can stem the wave of cutbacks to hospice services we have seen in the past two years.

They would open up significantly more community palliative care capacity to underpin the government's vision for neighbourhood based care – allowing hospices to better meet the growing needs of our ageing population.

And they would help guarantee, as a critical safeguard in a future assisted dying service, that good quality palliative care was available for all who need it.

## FAQ

### **Why are we launching a four-point plan for fair hospice funding in England?**

We have long campaigned for more sustainable, long-term funding for the hospice sector. But while we have seen some breakthroughs, such as the Covid funding, the 2022 Health and Care Act which required ICBs to commission palliative care for the first time, and the recent capital grant funding, we are yet to see a major breakthrough at a national level that fundamentally shifts how hospices are commissioned and funded.

The current government has made a broad commitment to long term reform, and has a stated desire to avoid another 'cliff edge' moment requiring another short term funding package. This commitment sits in the context of the Ten Year Health Plan, which describes a shift to community and neighbourhood working, with some focus on palliative care. Our four point plan responds to this context, making clear that hospices could do much more to contribute to this vision, but only if they are properly commissioned and funded.

Additionally, the likely passage of the assisted dying bill significantly changes the context of palliative and end of life care in the UK. We have long made the argument that palliative and end of life care is too reliant on charitable giving - this argument is significantly more powerful in the context of a likely state funded assisted dying service.

In this context Hospice UK's judgement is that a clear set of bold, ambitious asks is necessary. The asks draw on much of what we have argued for a long time - but add specificity, an evidence base and a raised level of ambition.

### **Will these asks be achieved quickly?**

It is important to recognise up front that these are ambitious, long term asks. [The guidance](#) that exists already in England refers to full funding of core and specialist services, and to the use of NHS contracts, but while we are seeing some pockets of major progress in commissioning in some areas (such as North West London, West Yorkshire, and Kent and Medway), the shifts described in the asks would take a long time to achieve nationally, even if we can win political backing.

We are using the timeline linked to the likely introduction of assisted dying as a political framework to work toward, as we believe the actual practical introduction of an assisted dying service creates a greater level of political accountability.

Even so, our political strategy is to be deliberately ambitious and long term in our thinking, in order to create momentum, engagement and accountability. The scale, nature and cost of the asks means success would be achieved over a long time frame, possibly with compromise, and likely at different paces in different localities.

### **Why does one of the asks focus only on specialist palliative care?**

[The guidance](#) that exists already in England refers to full funding of core and specialist services. However, there has been little progress towards this goal.

One of our challenges as a sector is describing the diversity of the services we each provide. Our upcoming service models brochure (to be published in September/October) groups our service provision together using standardised descriptions and in language that correlates with the NHS system. This model allows us to focus in on funding for a particular set of services, namely the specialist services that we provide.

Our rationale for this focus is multifaceted:

- Specialist services are a clear counterbalance and 'safeguard' to assisted dying;
- The large majority of our members provide specialist services, and these tend to be the most expensive services to run;
- Funding streams already exist for generalist (core) care, district nursing and domiciliary care within the current health and social care system. There is no dedicated funding stream for palliative care;
- We think it is politically more compelling to aim for full funding of a particular set of services, rather than a percentage proportion contribution toward a broader set of services.

### **What do we mean by specialist palliative care?**

We would define a specialist palliative care service as a service delivered by a multidisciplinary team and overseen by a consultant, doctor or advanced care practitioner (at Agenda for Change band 7). A fully funded specialist palliative care service contract should cover staff, medicines, disposables, equipment, facilities and transport, as well as apportioned back office costs.

## **Does this mean other services our hospice provides shouldn't be state funded?**

No. Where hospices are commissioned to provide generalist services, these should be properly commissioned and funded. Our focus on specialist services is at a national level, with the aim of generating increased investment in and accountability for these services at a national level.

Locally, hospices should continue to work with their ICB to commission the appropriate services for their area. The commissioning pack we will shortly be publishing is designed to help you to do this, with standard service models and costings.

Our 'enhanced' services, such as living well, compassionate communities and bereavement services, may sometimes receive some statutory contribution, but are likely to remain more reliant on charitable funds. This allows us to make the case that we are continuing to add significant value to the wider system.

## **If we were to achieve full funding for specialist services, what would we do with our charitable income? Are you planning to call for full funding for all our services?**

Most hospices do not want to be fully state-funded and wish to remain primarily charity assets within and for their local communities.

Therefore, charitable income will always play a vital role in hospice care. It's what allows hospices to deliver exceptional, holistic care that goes beyond NHS provision, and it creates a precious link with the local community.

Given the long-term nature of the funding asks, charitable income will continue to subsidise all of our services for a significant period to come. Should our ambition of full funding of specialist services be achieved, charitable income would continue to play a critical role in the delivery of enhanced services such as living well, compassionate communities and bereavement services. Charitable funding will also remain critical to the provision of enhanced environments for the delivery of inpatient and outpatient care, including better, more spacious facilities, communal areas, and gardens.

## **What are the likely costs of the funding asks?**

We estimate that to achieve full funding of specialist services would require an *additional* investment of around £400-500m per year from the state. This figure is over and above what is currently spent by the state on hospice care in England,

which in the most recent financial year was around £430m. Therefore, we are asking the government to roughly double its current investment.

When you consider that 81% of public money spent on health care for people in their final year is spent in hospitals, coupled with the Government's stated ambition for more care to be moved out of hospitals and into the community, this figure is a reasonable investment for the Government to make over the long term. Current hospital spend in the last year of life is around £9.6bn, meaning that shifting less than 5% of hospital spending to hospice care would achieve our goal. (Figures from Nuffield Trust/Marie Curie study, Public Expenditure in the Last Year of Life, 2025, accessed [here](#).)

As above, this is an ambitious ask in the current fiscal climate, and we anticipate it being a long-term goal to work towards.

### **What do we mean by proper NHS contracts?**

Too many hospices remain on grant-style agreements in which relatively arbitrary sums are paid with no relation to population need, complexity or cost. Proper NHS style contracts should be multi-year, increase in line with costs (including salary costs), and be regularly reviewed in line with population need.

This style of contract will come with additional accountability and reporting requirements; we believe this is a necessary corollary of increased statutory investment in the sector.

While this will be our national ask, grant funding will still be an option should you wish to pursue this approach with your ICB. Our view is that the additional investment we are asking for at a national level requires an accompanying ask around the use of NHS contracts.

### **In terms of NHS pay, what if we don't currently match Agenda for Change?**

The majority of hospices currently track Agenda for Change pay, at least for their clinical and care staff. Our national ask will never be to put hospice staff on Agenda for Change as that is only available to NHS Trust employers. Our ask is to factor the hospice medical, clinical and care staff into pay uplift calculations so that national funding flows to commissioners to cover uplifts for hospice staff as it does for those employed by NHS Trusts.

This will mean greater transparency of hospice staffing establishments. But hospices can still choose what to pay and what to report. It should enable those that currently can't afford to pay at Agenda for Change rates to more easily do so and compete in the healthcare market.

## **How does this link to our campaigning efforts across the other nations of the UK?**

Our campaigning asks across all four nations are broadly similar, each with a focus on increased accountability, improved contracting, pay parity with the NHS, and an increased level of investment in hospice services. In this sense we are campaigning for the same core reforms across the nations.

Negotiations and discussions with governments in each nation are at a different stage, and have a different history, meaning there is some variation in the precise asks in each nation. For the latest in Scotland, Wales and Northern Ireland, please contact [Helen Malo](#), [Matthew Brindley](#) or [Aileen Morton](#).

## **How will we engage politicians, decision makers, and the public with our campaign?**

We are in active discussion with the Department of Health and Social Care around long term sustainability of the hospice sector, and they are aware of our asks. We are also actively engaging with MPs of all parties, encouraging them to attend our Parliamentary reception on 15<sup>th</sup> October 2025, and welcome efforts from hospices to engage with MPs locally. We have a template letter that hospice leaders can send to MPs [here](#).

In parallel, our aim is that your local conversations with ICBs are supporting by the commissioning pack, and by the political engagement we hope to achieve nationally, giving us a top down (national) and bottom up (local) approach.

In the media, we will use data gathered from our member surveys to highlight the financial instability facing the hospice sector, and the need for change. We will keep members informed of our media work via the [Hospice Communicators Network](#) on Teams.

With corresponding social media and email marketing we will engage supporters in our campaign and the need for fair funding for hospices, and we encourage hospices to engage their supporters in the campaign too.

## **Get in touch**

If you have any questions about the Fair funding for hospice campaign, please contact our [policy team](#).