Investment in general practice in England

The BMA’s recent analysis of funding for general practice in England\(^1\) found that even with the core recurrent funding commitments set out in the GPFV (General Practice Forward View), general practice investment will not reach the BMA’s target of 11% of the NHS budget by 2020/21\(^2\).

A little over one year on since the publication of the GPFV, NHS Digital has now published the latest data on investment in general practice\(^3\). This analysis uses this data to assess the progress of general practice investment and GPFV commitments and reviews the financial outlook for general practice in England.

Key findings

– The NHS Digital investment in general practice data for 2016/17 does not give a detailed breakdown of what GPFV funding has been delivered. The government should publish a financial assessment of the GPFV funding streams to confirm its implementation.

– The GPFV is not on track to deliver the full potential of its funding commitments. Although the pledge of a minimum funding uplift of £12 billion by 2020/21 through core recurrent funding appears to be on track, it is disappointing that so far little or no discernible progress has been made over the last year in leveraging additional investment from the rest of the system through CCGs and sustainability and transformation funds.

– Current investment falls £3.7 billion short of the BMA’s target of 11% of the NHS budget.

– General practice investment is increasing at a slower rate compared to last year.

– The proportion of the NHS budget going to general practice, excluding the reimbursement of drugs, has fallen from 9.6% in 2005/06 to 7.9% in 2016/17. An extra £2 billion could have gone to general practice if funding met the levels of 2005/06.

Figure 1: Investment excluding drug reimbursement (cash terms) – 2016/17-2020/21

<table>
<thead>
<tr>
<th>Year</th>
<th>Actual investment</th>
<th>Investment needed to reach target</th>
<th>Projected investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016/17</td>
<td>3.7</td>
<td>9.6</td>
<td>10.0</td>
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<tr>
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<td>3.6</td>
<td>10.0</td>
<td>10.4</td>
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<tr>
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<td>3.5</td>
<td>10.4</td>
<td>10.8</td>
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<tr>
<td>2019/20</td>
<td>3.5</td>
<td>10.8</td>
<td>11.2</td>
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<td>2020/21</td>
<td>3.4</td>
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Is the investment promised in the GPFV on track?

Although core recurrent investment appears to be on track, additional funding commitments outlined in the GPFV are not making progress.

Core investment

The GPFV commits to increasing general practice investment to £12 billion by 2020/21. Assuming the proportion of investment that is provided by drug reimbursement remains constant, this would take general practice investment excluding drugs reimbursement to £11.2 billion in 2020/21 – representing 8.4% of the NHS budget.

Although the data does not provide a full breakdown of what investment can be attributed to the GPFV, the core recurrent funding announced in the GPFV appears to be on track. For example, when using the latest investment data for 2015/16 to predict investment over the following five years (assuming an equal distribution), £10.2 billion should have been invested during 2016/17. With the publication of the latest investment data, NHS digital has confirmed that £10.2 billion was actually invested during 2016/17. However, when the reimbursement of drugs is excluded, investment only reaches £9.6 billion.

Core investment is also increasing at a slower rate. Investment increased by 5.42% in 2015/16 (real terms), compared to an increase of 3.78% in 2016/17 (real terms). Although we have seen an increase in investment going to general practice through the BMA’s 2016/17 contract negotiations, we would expect the rate of investment to match or overtake the rate of last year. Investment needs to be front-loaded over the five year GPFV period in order to address the current crisis in general practice.

It has also been confirmed that on average general practice received £151.37 per patient in 2016/17. This is still not a sufficient amount to provide patients with an unlimited year of care and ensure sustainability due to increasing demand for services.

Additional investment

In addition to the core recurrent funding the GPFV also committed further investment through other sources. For example, the non-recurrent £508 million sustainability and transformation package; an uplift in CCG spending; the better care fund and the STF (sustainability and transformation fund).

However, it is unlikely due to a lack of evidence that these additional sources have yet to provide funding to general practice. For example:

– At least £321 million should have gone to general practice in 2016/17 through the STF allocated by STP footprints.
– It has also been reported that there has been underspend by CCGs in primary care, rather than an uplift of spending.

The BMA is therefore concerned that STF and CCG spending may be being used to balance finances elsewhere in the NHS rather than transforming general practice – a consequence of the overall lack of investment in the NHS.

There is also concern that GPFV funding is not making it down to practices and is getting blocked at regional levels. A survey of LMCs (Local Medical Committees) conducted earlier this year by the BMA confirmed that implementation of the GPFV funding streams was patchy, with some practices not receiving funding. NHS Digital also report that the 2016/17 investment data covers some financial flows which do not reach GP practices but contribute towards overall primary medical care investment. It is crucial that practices do see a benefit of this investment.

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The RCGP have predicted that these sources could provide £926 million by 2020/21.
Is investment on track to meet the BMA’s target?

Using the Department of Health (NHS) total departmental expenditure limit\(^b\) as a measure of the NHS budget, if 11% of this was provided to general practice it would take total investment to £14.6 billion in 2020/21.

An extra £3.7 billion was needed in 2016/17 to reach the BMA’s 11% target. Using current data our projections suggest that this shortfall will only reduce to £3.4 billion by 2020/21.

How does investment compare to previous years?

General practice is currently receiving 7.9% of the NHS budget, excluding the reimbursement of drugs. This is significantly less than around a decade ago – in 2005/06 general practice received around 9.6% of the NHS budget excluding the reimbursement of drugs.\(^c\) If investment was to reach 9.6% of the NHS budget in 2016/17, general practice would have received £11.6 billion, £2 billion more than has actually been invested.

Figure 2: Current investment and 2005/6 target level investment – 2016/17-2020/21.

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\(^b\) For this analysis the NHS budget is taken as the Health (NHS) Total Department Expenditure Limit as published in the Public Expenditure Statistical Analyses (2017) by HM Treasury.

\(^c\) Data for investment in general practice excluding reimbursement of drugs is not available before 2008/9. Drug reimbursement typically represented 8% of total investment in general practice by 2008/9. Therefore, this was used to predict the share of NHS budget for general practice excluding reimbursement of drugs 2005/6 to 2007/8.
BMA view and recommendations

The GPFV is falling behind on its commitments. Although the minimum core recurrent funding seems to be on track, other important commitments cited in the GPFV such as the sustainability and transformation package, uplifts in CCG funding and STP allocations to general practice are yet to be evidenced from the latest GP investment data.

The BMA welcomes the funding and support commitments announced in the GPFV. However, this analysis shows that even with these commitments not enough funding is being invested in general practice to ensure its sustainability. This lack of investment is exacerbated by funding and support not reaching individual practices and getting blocked at regional levels.

Given the scale of the pressures facing general practice, additional investment over and above the GPFV will be needed. Therefore, the BMA recommends:

1. Government should publish a detailed review assessing whether the funding and support promised in the GPFV (including funding from CCGs and the STF) is being delivered, looking specifically at whether the funding is making it to practices.
2. NHS England should work with the BMA and LMCs to ensure that money is making it through to practices.
3. Publication of information on what money CGGs are investing in general practice and how this is making an impact in support of the GPFV should be much more transparent.
4. The government should commit additional investment for general practice, over and above the GPFV, in its budget in November. The BMA has called for 11% of the NHS budget to be invested in general practice. As a minimum, funding levels should be restored to their 2005/06 equivalent.
5. Plans to increase investment should be frontloaded as much as possible given the urgency of the crisis in general practice.
References

1. BMA (2017) Funding of general practice in England
2. BMA (2016) Responsive, safe and sustainable: our urgent prescription for general practice
6. https://www.hsj.co.uk/primary-care/primary-care-underspend-helps-counter-trust-deficits/7020337.article
7. BMA (2017) GPFV – one year on.