Investment in general practice in England
General practice has faced a decade of underinvestment at a time when patient consultations are increasing, the population continues to grow, and patients are living longer with more complex health needs.

As a result, GPC England has called for a minimum of 11% of the NHS budget to go to general practice to provide the funding boost that is needed and help to sustain the services provided to patients.

NHS Digital has now published the latest data on investment in general practice.¹ The following analysis uses this data to identify how current investment compares to the target investment that GPC has called for to sustain general practice.

To more accurately represent the investment going to practices this analysis uses figures for total investment excluding drug reimbursement. It also does not include investment by A&E departments to provide some GP appointments in hospitals. This differs from the headline figures reported by NHS Digital.
Key findings


– This represents 8.1% of the NHS budget and therefore falls £3.6 billion short of our target level of investment.

– The proportion of the NHS budget going to general practice in England, excluding the reimbursement of drugs, has fallen from 9.6% in 2005/06 to 8.1% in 2017/18.

– The investment needed to reach the GPC target of 11% is slowly getting smaller each year, having reduced by £0.1 billion every single year since 2014/15.

Figure 1: Investment excluding drug reimbursement (cash terms) – 2014/15-2017/18

<table>
<thead>
<tr>
<th>Year</th>
<th>Investment</th>
<th>Investment needed to reach target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014/15</td>
<td>8.6</td>
<td>3.9</td>
</tr>
<tr>
<td>2015/16</td>
<td>9.1</td>
<td>3.8</td>
</tr>
<tr>
<td>2016/17</td>
<td>9.6</td>
<td>3.7</td>
</tr>
<tr>
<td>2017/18</td>
<td>10.2</td>
<td>3.6</td>
</tr>
</tbody>
</table>
Is investment on track to meet the BMA’s target?

Using the Department of Health and Social Care total departmental expenditure limit\(^a\) as a measure of the NHS budget, if 11% of this was provided to general practice this year it would take total investment to £13.8 billion. Therefore, an extra £3.6 billion is needed to reach the BMA’s target of 11% of the NHS budget.

How does investment compare to previous years?

General practice is currently receiving 8.1% 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.\(^\text{b}\) If investment was to reach 9.6% of the NHS budget in 2017/18, general practice would have received just over £12 billion, £1.8 billion more than has actually been invested. It is also evident that investment has risen at a slower rate this year, compared with recent years. Investment rose by 0.1% between 2016/17 and 2017/18, whereas since 2013/14 investment has typically risen by 0.2% per year.

Figure 2: Share of NHS budget invested in general practice (excluding drug reimbursement) – 2005/06-2017/18

---

\(a\) For this analysis the NHS budget is taken as the DHSC Total Department Expenditure Limit as published in the Public Expenditure Statistical Analyses (2018) by HM Treasury. This does not include the social care budget, which is allocated to local authorities by the Ministry of Housing, Communities and Local Government

\(b\) 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 between 2005/6 and 2007/8
Relationship between investment and GP earnings

Although investment has been increasing over the years, GP earnings have not been increasing at the same rate.

Between 2008/9 and 2013/14 GP investment increased each year whereas GP earnings decreased. For example, between 2012/13 and 2013/14 GP investment (excluding drug reimbursement) increased by 4.7%, whereas on average GP earnings decreased by 3%. Although investment and earnings have both increased year on year between 2014/15 and 2016/17, GP earnings have increased at a much slower rate.

This is because whilst GP investment has been increasing, the total cost of expenses has also increased but at a much faster rate. For example, between 2015/16 and 2016/17 GP investment (excluding drug reimbursement) increased by 5.7%, whereas total expenses increased by 8.5%. These steep increases in expenses therefore impact GP income and do not allow increased investment in general practice to be translated into increased earnings.

Figure 3: Relationship between total investment (excluding drug reimbursement), average income before tax and total expenses – GPMS, all practice types, cash terms

---

c General practice funding has increased alongside overall NHS funding; although overall NHS funding has increased at a faster rate than general practice funding since 2005/06.
d Average income before tax – GPMS, all practice types.
e GPMS, all practice types.
Conclusion

While it is positive to see an increase in investment, a significant boost to general practice funding is needed to ensure general practice has the capacity to meet the growing needs of patients and to make the NHS more sustainable in the longer term. For example, the 2018 GP patient survey\(^3\) showed that patients are having to wait longer for appointments and are often unable to see their preferred doctor, which causes understandable frustration for both patients and GPs. In addition, in a recent BMA survey\(^4\) an overwhelming majority of GPs reported that resources are inadequate and have a significant impact on the quality and safety of patient services.

In order to track the investment going to general practice and identify funding deficits, it is crucial that NHS Digital accurately reflects the levels of funding that are reaching practices in the investment reports. For example, investment in A&E departments to provide some general practice services should not be included in headline figures. This is because these services are part of hospitals and are not within the control of general practice. Additionally, there is concern that some of the funding allocated for these services has gone towards hospital infrastructure.

Primary care must be one of the government’s key priorities for the 10-year plan for the NHS. The £20 billion NHS settlement announced as part of this plan is a welcome increase in funding. It is vital that a significant proportion is targeted at improving general practice services. However, there is concern that a significant proportion of the settlement will go towards filling large provider deficits. Therefore, any proportion of this funding that is due to go to primary care will be reduced further and will not make a significant impact on improving general practice services. This is particularly significant when considering the continuing steep rises in practice expenses.

It is important that the proportion of the £20 billion NHS settlement for primary care is used as a supplement to planned annual investment in general practice and does not absorb funding already planned for general practice.
References


