Dear Chaand,

Thank you for your letter of 17 November to The Rt Hon Philip Hammond MP – supporting the BMA’s representation ahead of Autumn Budget on NHS funding. I am replying as the Minister responsible for public spending.

At Spending Review 2015 we funded the NHS’s ‘Five Year Forward View’ plan, with £10 billion a year of additional funding by 2020/21. However, even with that significant investment, we recognise that the NHS remains under pressure – with high demand on its services caused by the UK’s ageing population and rapidly advancing technology.

We acted in response to these challenges at the Autumn Budget, which provided £6.3 billion of additional funding for the NHS in England. £2.8 billion of this is additional resource funding that should help the NHS get back on track to meet its performance targets on waiting times in A&E and after patients are referred to treatment. It represents a significant first step towards meeting the Government’s commitment to increase NHS spending by a minimum of £8 billion in real terms by the end of the Parliament. The remaining £3.5 billion is new capital investment, coming on top of the £425 million already provided at the Spring Budget – and meaning that the Government has fully delivered on its share of the £10 billion package of investment recommended by Sir Robert Naylor in his recent review of NHS property and estates. This capital will fund estates transformation, and improvement and efficiency schemes, so that the NHS can locally deliver more integrated care for patients.

Your representation also raised concerns about staff pay, mental health, alcohol and tobacco, and air pollution. The Budget set out steps to address all these challenges.

We have agreed to fund pay awards for NHS staff on the Agenda for Change contract that are agreed as part of a deal with unions to improve productivity.
We remain fully committed to parity of esteem between physical and mental health, which is why, in December, we will publish a Green Paper setting out our plans to transform children and young people’s mental health services.

The government is committed to maintaining the tobacco duty escalator until the end of the Parliament. Accordingly, all tobacco duty rates were increased by 2% above (RPI) inflation, and this year hand rolling tobacco was increased 3%. On alcohol, we confirmed we will introduce a new duty band for still cider and perry from 6.9% to 7.5% alcohol by volume (abv) to target white ciders.

In support of the National Air Quality Plan, the government will provide £220 million for a new Clean Air Fund. This will allow local authorities in England with the most challenging pollution problems to help individuals and businesses adapt as measures to improve air quality are implemented.

Further to announcements at Budget, the Government has also set out plans to expand the medical workforce. In October 2016 the Secretary of State for Health announced an historic expansion of medical school places, from 6,000 trainees each year to 7,500, a 25% increase moving the NHS closer to self-sufficiency in doctors.

Thank you again for your letter. I hope that you will agree that the Budget has delivered on many of the issues set out in it.

Best wishes,

[Signature]

RT HON ELIZABETH TRUSS MP