# **Executive Summary**

- One of the key challenges to financial sustainability in the NHS is the constant need to bail out struggling acute-care hospital trusts which take an ever-larger share of NHS spending, taking money away from more efficient parts of the NHS such as primary and community care. If investment was increased in these areas, they could save money in the NHS in the long run by focusing on prevention and early intervention.
- The Darzi Report says that general practice is one of the most financially efficient parts of the NHS. Investing in primary care leads to better health outcomes and delivers value for money to the NHS, the economy and society as a whole.
- There needs to be a clear financial plan to achieve the Government's commitment to transfer more care from hospitals to the community and support preventative care, setting out year by year estimates that can be measured and tracked.
- The NHS Long Term Workforce Plan (LTWP) as it stands would only increase the number of fully qualified GPs by 4% compared to a 49% increase for hospital doctors. This needs to be reviewed to meet the Government's commitment to transfer care into the community.
- Over a third (34%) of GPs say that their practice building is not fit for purpose. We need an additional ringfenced investment of at least £2 billion in GP infrastructure to address the longstanding underfunding in general practice premises.
- Unequal general practice funding streams contribute to health inequalities. Practices in deprived areas have on average 14.4% more patients per fully qualified GP than practices in wealthy areas, and receive 7% less funding per need adjusted patient than those serving less deprived populations.

## Unsustainable pressures on general practice

- 1. The RCGP's latest survey of 2,000 members highlights how the pressures on general practice are compromising the standard of care that patients are receiving. Over three-quarters of GPs in the survey (76%) say that patient safety is being compromised by their excessive workloads. Furthermore, six in ten (60%) GPs report that they don't have enough time to adequately assess and treat patients during appointments, and 62% feel they don't have enough time during appointments to build the relationships with patients they need to deliver quality care. Figure 1.
- 2. Without sufficient funding, practices will continue to close, access for patients will be obstructed, patient experience will be poorer, and staff will continue to leave the GP workforce faster than they enter it. However, given the proper support and investment, GPs could be enabled to work with patients to identify illness earlier and properly embed prevention in the community all of which would alleviate pressures across the health service and build the healthy society needed for a healthy economy.
- 3. The recent rise in employers National Insurance contributions has the potential to significantly increase the pressure on practices and damage patient care. Some analysis has suggested that the cost of the NI rise would be the equivalent of the cost of 2.2 million appointments in general practice.<sup>3</sup> The College has called on the Government to give assurances that GP practices will be given the same protection as the rest of the NHS and public sector and receive the necessary funding to cover these additional costs. It is also important that any future contract settlement clarifies how much is being allocated to cover the National Insurance rise as compared to wider contract funding so it does not create a misleading impression that more investment is going in to improving patient care than is really being allocated.

### The financial efficiency of investing in general practice

- 4. Despite the current challenges general practice faces, it has proven to be one of the most financially efficient parts of the NHS. This was recognised by the recent Darzi review which said that "As independent businesses, General Practices have the best financial discipline in the health service family as they cannot run up large deficits in the belief that they will be bailed out".<sup>4</sup>
- 5. Investing in primary care leads to better health outcomes and delivers value for money to the NHS, the economy and society as a whole. For every additional £1 invested in primary care, research has shown that at least £14 is

delivered in productivity across the local community.<sup>5</sup> GPs and their teams are delivering over 4 million more appointments each month than in 2019, while over the same period the number of fully-qualified, full-time equivalent GPs in England has fallen by 601.

- 6. A study by the Personal Social Services Research Unit estimated that in 2022/23 the average 10-minute face-to-face GP consultation costs £56.6 In comparison, for someone who attends an urgent care centre and receives the lowest level of investigation and treatment, the average cost in 2024/25 is £91.7 For an individual at a major A&E department who receives more complex investigation and treatment, the costs range on average from £137 to £445.8
- 7. The NHS Confederation and Carnall Farrar's analysis from 2023 showed that increasing primary and community care spend relative to need can reduce non-elective admissions by up to 15% and ambulance conveyances by up to 10%. They found that systems could make a 31% return on investment in primary and community care, which could make this investment self-financing.
- 8. This indicates that a well-funded general practice service is a sound investment in the health of the nation, and our NHS.

### Shifting resources to from hospitals to primary and community care

- 9. Despite moves to shift patient care out of hospitals and into the community, there has not been a sufficient transfer of NHS funding to general practice. Although more than 90% of a patient's direct experience of the NHS is through primary care and GP practices, currently less than 10% of the NHS commissioning budget in England is spent on primary care and core funding for general practice has fallen as a share of NHS funding. <sup>10</sup> According to BMA, the core GP contract accounts for only 6% of the NHS budget (excluding PCN DES). <sup>11</sup>
- 10. The RCGP therefore welcomes the Government's acknowledgment of the importance of primary and community care services and the need to shift resources into primary care, enabling more integrated care in local communities to diagnose and treat problems earlier and keep patients out of hospital. This objective must be matched with the necessary investment in general practice to ensure GPs and their teams have the right resources, space and time to deliver this.

#### Long Term Workforce Plan (LTWP)

- 11. The majority of NHS spending is on workforce so if the workforce plans do not match their financial plans the whole system will be unsustainable.
- 12. According to the National Audit Office's analysis, the LTWP only aims to increase the number of fully qualified GPs by 4% between 2021 and 2036, compared to a 49% growth in hospital consultants. While the plan recognises the need to increase the number of trainee GPs, the plan is noticeably weak on retention, only planning to retain an extra 0-700 extra GPs by 2036/37. It is clear these plans are not remotely ambitious enough to increase reflect the needs of the population and to ensure that all patients have access to safe, high quality and timely care. If the Government wants to meet its commitment to transfer more care in the community and to bring back the family doctor, this must be reviewed.
- 13. RCGP's research has shown 6 out of 10 job-seeking GPs have struggled to find a vacancy to apply for in the past year, with this figure rising to 72% for GPs in training. 14 In response to the employment difficulties GPs are facing, the College was pleased to see the Government respond by announcing increased funding for the ARRS, with an extra £82m to allow PCNs to hire GPs. This short-term fix is welcome, but the spending review is an opportunity to consider the longer-term solutions to GP core funding required to tackle the deep-seated issues leading to GP job shortages.
- 14. The RCGP is calling for a review of the LTWP to bring its aims and investment for general practice in line with the Government's manifesto commitments.

## Failure to retain staff forces the NHS to spend more on training

- 15. Despite significant investment in training additional GPs the number of Full Time Equivalent GPs has fallen since 2019.
- 16. General practice is facing acute retention issues, with our recent survey revealing that 42% of GPs say they are unlikely to still be working in general practice in the next five years. This shows how hardworking GPs are being pushed to breaking point by unmanageable and unsafe workloads, with many GPs now looking to work abroad or leaving the profession altogether.
- 17. Recent analysis from the British Medical Association (BMA) estimates the financial cost to the public purse for the loss of medical practitioners. This report conservatively estimates the financial cost to the public purse to replace a single full-time, fully qualified GP with six years' experience at a minimum of £295,000. <sup>16</sup> This figure emphasises the need for a strongly and more ambitious focus on GP retention to ensure public funds are being appropriately and sustainably invested.
- 18. NHSE's 2023 unpublished evaluation of GP retention schemes found that 79% of those who were on retention schemes said that their scheme supported them to remain as a GP.<sup>17</sup>
- 19. However, since this study a number of national schemes such as the New to Practice Fellowships have been closed, with responsibility devolved to ICS with no ringfenced funding allocated. It is particularly concerning that the New to Practice Fellowship was closed, as 80% of participants said that the scheme supported them to remain as a GP at a time when one in five GPs under the age of 30 left the profession in just one year.<sup>18</sup>
- 20. We need to see immediate efforts and investment to expand retention initiatives across the whole GP career, so that we can keep up with the growing demand for care whilst we train the next generation of GPs. Without strong initiatives in place to retain existing GPs, we risk intensifying the workload crisis and losing valuable professional experience. Over 50% of our current GP trainees are International Medical Graduates, and we need to ensure that they remain and work in the UK after they complete their training.
- 21. The RCGP is calling for a national GP retention strategy that ensures national consistency via ring-fenced national funding, oversight and guidance<sup>19</sup>. This should include increased national funding and ringfenced ICB level funding for retention efforts to enable every newly qualified GP to access new to practice fellowships, ensure mid-career GPs can access career support and flexible working where required to keep them in the profession, and to enable the introduction of an emeritus scheme for general practice similar to the which supports retired clinicians in secondary care.<sup>20</sup> Investing in retention initiatives would be a financially sustainable choice for the NHS by ensuring that the Government's investment in workforce training is not wasted.

### Planning for capital investment

- 22. The NHSE LTWP also recognises the need for investment in GP infrastructure, stating that growth of the GP workforce can only be achieved by significantly investing in general practice buildings. However, capital is currently outside the scope of the plan and no other plans have been published showing how these infrastructure needs are going to be met.
- 23. According to the RCGP's latest poll of members, over a third (34%) of GPs say that their practice building is not fit for purpose. For 57% of GPs said their practice requires additional works to improve or upgrade their premises in order to meet the needs of their patients. Of those who need funding to improve their premises, 37% estimated the cost to be over £100,000 and 14% estimated this figure to be over £500,000.
- 24. Our polling also revealed that GPs felt there is a lack of available funding for these required structural improvements: of those who tried to apply for funding to improve their premises in the last year, less than a third (32%) were successful.<sup>24</sup>

- 25. The Government's ambitions to move more care into the community rely on a properly resourced general practice with adequate infrastructure. The Government must recognise the fact that premises are not in a fit state to meet demand, and that investment in infrastructure is necessary to achieve this vision. This will also be essential to taking forward the Government's proposal to trial the introduction of neighbourhood health centres.
- 26. GP premises also need the space and resources to accommodate expanding primary care staff teams, utilise advances in technology and AI, and to deliver on the NHS's sustainability commitments and the path to net zero. Approximately 16% of general practice's emissions come from energy use.<sup>25</sup> Improving energy efficiency has concurrent benefits for practices, staff, patients, and the NHS, by reducing energy costs and ensuring more comfortable and controllable healthcare environments. Interventions that could produce dual benefits for staff, patients and the environment include retrofitting to improve insulation and address issues causing drafts and damp, investment in heat pumps and cooling systems, moving away from gas, and funding for solar panels.
- 27. The announcement in the budget for a dedicated fund to improve 200 GP practices is a good first step, however, this equates to just 3% of the GP estate of over 6,000 practices in England. A much more serious investment will be needed if we are to house all the additional staff needed to deliver improved patient care.
- 28. The RCGP therefore recommends an additional ringfenced investment of at least £2 billion in GP infrastructure to address the longstanding underfunding in general practice premises.
- 29. As the Government looks to build 1.5 million new homes, it is vital that local planning authorities are given the necessary powers and resources so they can properly hold developers to account and ensure sufficient social infrastructure, such as GP practices, are in place to serve communities. The previous Government's two-year delivery plan for recovering access to primary care included welcome proposals to change local authority planning guidance aimed at raising the priority of primary care facilities when considering how funds from new housing developments are allocated.
- 30. The RCGP supports the Government's plans (currently under consultation) to paragraph 100 of the National Planning Policy Framework to include reference to the prioritisation of expansion and upgrading of key public services infrastructure. However, we are concerned that only referencing hospitals, but not general practice or other primary care provisions risks unintentionally deprioritising investment into the parts of the NHS where a majority of patient care is delivered, let alone to meet the ambitions set out by the Government to shift care into primary care community settings.

#### NHS funding mechanisms are worsening health inequalities

- 31. Studies by the Health Foundation and others have demonstrated that 80% of health outcomes are determined by non-health-related inputs such as education, employment, income, housing, and access to green space. The economic impact of these disparities is significant. According to research from the University of York, socioeconomic inequalities cost the NHS £4.8 billion each year in additional hospital care alone. The economic inequalities cost the NHS £4.8 billion each year in additional hospital care alone.
- 32. Within general practice, GPs spend almost a fifth of their time helping patients with social issues that are not principally health related. This reveals the knock-on effects of social determinants on patient's health and in turn the impact of this on the health system. Co-location with other services that can help with housing, jobs, and benefits would enable GPs' time to be spent more efficiently as they can then signpost patients directly to services that will help them. This will require the building infrastructure to support this.
- 33. The way general practice is currently funded means that health inequalities are systematically exacerbated. Analysis by The Health Foundation shows that practices in areas with the poorest communities have on average 14.4% more patients per fully qualified GP than practices in wealthy areas, <sup>28</sup> and they receive 7% less funding per need adjusted registered patient than those serving less deprived populations. <sup>29</sup>

- 34. Increasing the use of incentive schemes over the last few years has widened disparities, with practices in the most deprived areas receiving 29% less in payment from QOF than those in the least deprived areas.<sup>30</sup>
- 35. The RCGP welcomes the Government's commitment to halve the gap in healthy life expectancy between the richest and poorest regions in England. The RCGP also strongly supports the production of a cross-government strategy to reduce health inequalities, underpinned with the necessary funding to drive change.
- 36. To help meet these commitments, the RCGP is calling for all general practice funding streams to be reviewed so that resources are equitably distributed to combat inequality, and spending is channelled to the areas of greatest need alongside increased investment across general practice as whole. As well as helping the Government hit their target of reducing healthy life expectancy better targeted investment would make the NHS more financially efficient.
- 37. Furthermore, if we are to prevent physical and mental ill-health in the first place, additional measures must be taken to tackle issues such as poor housing, food quality, addictions and employment, which all determine and contribute to an individual's health outcomes.

#### November 2024

<sup>&</sup>lt;sup>1</sup> Royal College of General Practitioners, GP Voice Survey 2024, 2024.

<sup>&</sup>lt;sup>2</sup> Royal College of General Practitioners, GP Voice Survey 2024, 2024.

<sup>3</sup> https://www.gponline.com/national-insurance-hike-cost-2m-gp-appointments-analysis-finds/article/1895526

<sup>&</sup>lt;sup>4</sup> Independent Investigation of the National Health Service in England, page 84

<sup>5</sup> NHS Confederation, "Creating Better Health Value: Understanding the economic impact on NHS spending by care setting", August 2023 (accessed 1 December 2023).

<sup>6</sup> https://www.pssru.ac.uk/unitcostsreport/

<sup>&</sup>lt;sup>7</sup> NHS England » 2023-25 NHS Payment Scheme (amended)

<sup>8</sup> NHS England » 2023-25 NHS Payment Scheme (amended)

<sup>9</sup> NHS Confederation, <u>Unlocking the power of health beyond the hospital: supporting communities to prosper'</u>, September 2023.

<sup>10</sup> GP practice data available for first time - GOV.UK (www.gov.uk)

<sup>11</sup> BMA, https://www.bma.org.uk/bma-media-centre/general-practice-must-be-funded-without-cuts-to-hospital-resources-says-bma ,2024. 12 National Audit Office, NHS England's Modelling for the Long Term Workforce Plan, 2024.

<sup>&</sup>lt;sup>13</sup> National Audit Office, NHS England's Modelling for the Long Term Workforce Plan, 2024

<sup>&</sup>lt;sup>14</sup> Royal College of General Practitioners, GP Voice Survey 2024, 2024 15 Royal College of General Practitioners, GP Voice Survey 2024, 2024

<sup>16</sup> British Medical Association (BMA). (2024). When a doctor leaves: Tackling the cost of attrition in the UK's health service

<sup>17 2023</sup> NHS England Review of GP Recruitment and Retention Schemes 2023

<sup>18</sup> NHS Digital General Practice Workforce, 31 December 2022 https://digital.nhs.uk/data-and-information/publications/statistical/general-and-personal-medical-services/31-december-

<sup>19</sup> RCGP Report, Retention Looking after the GPs of today to safeguard the workforce of tomorrow, October 2024 https://www.rcgp.org.uk/getmedia/69bbaeda-c8b5-4bcb-8893-67da10b51ed1/RCGP-Retention-Report-Oct-2024.pdf

<sup>20</sup> https://www.nhsemeritus.org/

Royal College of General Practitioners, GP Voice Survey 2024, 2024.

<sup>&</sup>lt;sup>22</sup> Royal College of General Practitioners, <u>GP Voice Survey 2024</u>, 2024.

<sup>&</sup>lt;sup>23</sup> Royal College of General Practitioners, GP Voice Survey 2024, 2024.

<sup>&</sup>lt;sup>24</sup> Royal College of General Practitioners, <u>GP Voice Survey 2024</u>, 2024.

<sup>&</sup>lt;sup>26</sup> Pulse Today (2021) <u>CPD: Making primary care greener</u>
<sup>26</sup> The Health Foundation (2018) <u>What makes us healthy? An introduction to the social determinants of health</u>
<sup>27</sup> Asaria M., Doran T. & Cookson R. - University of York (2016). <u>The costs of inequality: whole-population modelling study of lifetime inpatient hospital costs in the English National Cookson R. - University of York (2016). The costs of inequality: whole-population modelling study of lifetime inpatient hospital costs in the English National</u> Health Service by level of neighbourhood deprivation.

<sup>&</sup>lt;sup>28</sup> Office for National Statistics, "Trends in patient-to-staff numbers in General Practices in England: 2022", December 2022 (accessed 6 February 2023).

<sup>&</sup>lt;sup>29</sup> The Health Foundation, "Response to the Health and Social Care Select Committee's inquiry – The Future of General Practice", 2021.

<sup>30</sup> Data source - NHS Payments to General Practice, England, 2022/2023, https://digital.nhs.uk/data-andinformation/publications/statistical/nhs-payments-to-general-practice/england-