Londonwide LMCs

The professional voice of London general practice

2016 Autumn Statement and Dr Michelle Drage's response

Yesterday (Wednesday) Chancellor, Rt Hon Philip Hammond MP, delivered his first, and last, Autumn Statement. From 2017 there will be a Spring statement responding the Spring OBR report and an Autumn Budget statement. Whilst the latest financial projections from the Government were heavy on tax and housing announcements, they were noticeably light on health and social public spending decisions. The sole reference to the NHS by the Chancellor was:

"The government, Mr Speaker, has pledged to invest in our NHS and we are delivering on that promise: backing the NHS’ Five Year Forward View plan for the future with £10 billion of additional funding a year by the end of 2020-21." The Chancellor also said during his statement that since 2010 "The number of doctors has increased by 10,000."

The Chancellor was challenged by a number of opposition MPs - mostly Labour - about the absence of additional health and social care funding, and the reference to £10bn additional NHS funding.

Dr Michelle Drage's response

“Today’s announcement falls far short of what is needed to address the challenges facing general practice in the Capital and beyond, it contains nothing new for the vanguard of the UK healthcare system.

“Our figures show that thirty five practices have closed their doors in London over the last twelve months, and forty five have closed since the general election in May 2015. With patient numbers rising and staffing numbers falling, general practice is nearing breaking point.

“The biggest challenge GPs and their teams in London face is declining morale resulting from increasing workload not matched by increases in workforce. We have seen massively increased demand at the doors of all our general practices as community, social and mental health services which used to support GPs have been dramatically reduced, and as we try to handle all the multiple conditions that accompany our diverse, often deprived, highly mobile and ageing society in the face of a diminishing workforce.

“Each year in London the equivalent of fewer than 5,000 GPs and falling handle over 50 million consultations and we need over 1.5 million more GP hours to deal with current demand. With practice nurse numbers falling as well, the government needs to properly fund existing services, cut red tape and manage patient expectation before pushing general practice to deliver even more with less.”

Dr Michelle Drage, Chief Executive, Londonwide LMCs.

Full list of Autumn Statement headlines

- OBR forecast growth of 2.1% in 2016; higher than forecast in March. - 2017 OBR forecasts expect growth to slow to 1.4%, which they attribute to lower investment and weaker consumer demand, driven, respectively, by greater uncertainty and by higher inflation resulting from sterling depreciation. - OBR forecasts growth recovering to 1.7% in 2018, 2.1% in 2019 and 2020, and 2% in 2021. - Gov no longer seek to deliver a surplus in 2019-20. - Gov announced a cap on welfare spending - Public sector net borrowing as a percentage of GDP will fall from 4% last year to 3.5% this year, and will continue to fall over the Parliament, reaching 0.7% in 2021-22. - OBR forecasts that debt will rise from 84.2% of GDP last year to 87.3% this year, peaking at 90.2% in 2017-18 as the Bank of England’s monetary policy interventions approach their full effect. - Autumn Statement prioritises additional high-value investment, specifically in infrastructure and innovation, that will directly contribute to raising Britain’s productivity. - A new National Productivity Investment Fund of £23 billion will be spent on innovation and infrastructure over the next five years, to be invested in research and development. This will include additional investment in R&D, rising to an extra £2 billion per year by 20-21; the £3 billion Home Builders’ Fund; up to £2 billion to accelerate construction on public sector land; a new £2.3 billion Housing Infrastructure Fund to deliver infrastructure for up to 100,000 new homes in areas of high demand; a further £1.4 billion to deliver 40,000 additional affordable homes; a large-scale regional pilot of Right to Buy for Housing Association tenants; and continued support for home ownership through the Help to Buy: Equity Loan scheme and the Help to Buy ISA. - An additional £1.1 billion of investment in English local transport networks; £220 million to address traffic pinch points on strategic roads; £450 million to trial digital railway signalling; and £390 million to build on our competitive advantage in low emission vehicles and the development of connected autonomous vehicles; plus a 100% first year capital allowance for the installation of electric vehicle charging infrastructure. - Investment of over £1 billion in digital infrastructure to catalyse private investment in fibre networks and to support 5G trials. - From April, 100% business rates relief for a 5 year period on new fibre infrastructure. - £110m of funding for East West Rail, and a commitment to deliver the new Oxford to Cambridge Expressway. - An additional £400m into venture capital funds through the British Business Bank, unlocking £1 billion of new finance for growing firms. - An additional £1.8 billion from the Local Growth Fund to the English regions; £556 million to Local Enterprise Partnerships in the North of England; £542 million to the Midlands and East of England; and £683 million to LEPs in the South West, South East and London. - New borrowing powers granted to mayoral combined authorities in England to reflect their new responsibilities. - Continued discussions with London and the West Midlands authorities on possible devolution of further powers. - London will receive a £3.15 billion share of national affordable housing funding to deliver over 90,000 homes; the adult education budget will be develoved; and London will be given greater control over the delivery of employment support services for the hardest to help. - Additional funding will be given to the Ministry of Justice to tackle urgent prison safety issues increasing the number of prison officers by 2,500. - Corporation tax will fall to 17%, by far the lowest overall rate of corporate tax in the G20. - A new business rates reduction package worth £6.7 billion. - An increase in the Rural Rate Relief to 100%, giving small businesses in rural areas a tax break worth up to £2,900 per year. - From April 2017 employers and employees who use salary sacrifice schemes will pay the same taxes as everyone else; ultra-low emission cars, pensions saving, childcare and the cycle to work scheme will be excluded from this change. - Raising the tax-free personal allowance: in 2010 it was £6,475 and is now £11,000 - rising to £11,500 in April. - The current 15 hours a week of free childcare for all 3 and 4 year olds will be doubled for working families from September. - New capital funding for grammar schools. - The National Living Wage will increase from £7.20 to £7.50 in April next year. - From April, the Universal Credit taper rate will be reduced from 65% to 63%. - Fees to tenants for private tenancies will be banned as soon as possible. - Government will launch a new savings bond through NS&I with an interest rate of around 2.2% gross and a term of 3 years. - In early 2017 the roll out of tax-free childcare will begin across Britain, providing a saving of up to £2,000 per child. - Government are cancelling the fuel duty rise for the seventh successive year.