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E publicaffairs@bma.org.uk

Rt Hon Darren Jones MP

Chief Secretary to the Treasury HM Treasury

Sent via email

01 November 2024

Dear Chief Secretary,

I write as chair of the British Medical Association's General Practitioners Committee UK, having watched with dismay your comments on BBC Question Time last night (31st October).

My colleagues and I, across General Practice, were already deeply concerned by the potential impact on General Practice, our staff, and our patients of the Government's increase to employer National Insurance contributions (NICs), combined with the lowering of the employee earnings threshold. Given it will cost businesses an extra £865.80 in NICs each year for an employee earning £30,000, the cost for practices hiring multiple staff members, at varying salaries, could be astronomical. However, we felt sure that a Labour Government committed to saving the NHS, and specifically committing to bringing back the family doctor, would honour the precedent set by previous governments who followed the principle that increases to practice employment expenses, including NIC increases, are fully funded.

Your comments that "GP surgeries are privately-owned partnerships, they're not part of the public sector" and that "they will therefore have to pay", has come as a huge shock to the profession – many of whom simply will not be able to afford these increases, and will have to reduce their staff and services, or even close their doors entirely.

NHS GPs have worked in partnerships long before the inception of the NHS in 1948. We are not like traditional businesses who can increase costs to absorb financial pressures. To reflect this, GPs have been clearly defined as "public authorities" over the past 25 years in law, including under The Freedom of Information Act and The Equalities Act, and should be treated as such with regards to funding. Such an approach will ensure that patients do not suffer the consequences of practices forced to reduce vital services and reduce staff, or close entirely, simply to keep up with rising running costs. We have lost over 1,000 NHS GP practices in England across the past decade alone.

While it is true that the Government has increased the Employment Allowance for small businesses to offset some of the impact of a NICs increase, contrary to your statement, this <u>does not apply</u> to those providing public services, with GPs specifically excluded on this basis. This means that even the smallest practice will not be eligible to access this support and will have to cover the total cost of increases out of their own pocket.

Co-chief executive officers: Neeta Major & Rachel Podolak

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We are calling upon yourself and the Treasury, alongside the Department for Health and Social Care, to provide absolute certainty at the earliest opportunity, that GPs, as designated public authorities, will be exempt from the NI employer contribution rises and reimbursed in full for this additional financial burden.

Without this swift action, practices will be forced to reduce services, implement cost cutting, lose staff, and in some cases close their doors completely. Even with GPs' best efforts to maintain services, without the Government's intervention patients will undoubtably be the ones to feel the impact of these cuts.

Yours sincerely,

Dr Katie Bramall-Stainer Chair, BMA GP Committee England Chair, BMA GP Committee UK

cc. Rt Hon Wes Streeting MP, Secretary of State for Health and Social Care Stephen Kinnock MP, Minister of State for Care