



LLOYDS BANK

HEALTHCARE CONFIDENCE INDEX 2020

GPs OVERVIEW

Welcome to the latest Lloyds Bank Healthcare Confidence Index, looking back on a year of unprecedented challenges for the sector.

GPs moved to e-consultancy platforms, dental practices were closed and pharmacists saw demand grow as more people sought their advice.

So, for the first time, we decided to run the Healthcare Confidence Index twice this year, to give GPs, dentists and pharmacists a platform to share their experiences and insights.

After three years of growth, it comes as little surprise that the overall Index, which gives a reading of net confidence, fell from an all-time high of -10 in January to -19 in October (on a scale from -100 to +100).

GPs' short-term confidence collapsed from +10 to -12, reflecting the rise of the second wave of the virus when this research was conducted, though long-term confidence held firm at -49.

At the same time, more GPs think NHS services to patients will get worse in the next five years and more GPs expect profits to fall in the coming 12 months.

But the biggest change was the switch to remote consultations; 53% say more than half of consultations will continue to be online or by phone after the pandemic ends.

Pharmacy is the only healthcare profession surveyed where confidence continued to grow through 2020, from -13 in January to -4 in October.

Indeed, 71% saw growth in over-the-counter sales and script volumes because of coronavirus.

Perhaps the most notable outcome from the pharmacy index is the sector's entrepreneurial outlook.

Just 14% plan to "carry on as I am", while more than two in five (43%) are actively looking to buy another pharmacy.

Overall, the survey shows healthcare professionals facing up to the pandemic with dedication and determination, operating under huge pressure and embracing new ways of working.

Dentists' short-term confidence also took a severe hit, falling from a record high of +48 at the beginning of the year to -1.

Profit expectations are more mixed, with 42% forecasting growth in the next year and 40% expecting decline.

More encouragingly, 72% believe goodwill values will hold firm or increase over the next year.

Strikingly, the number of dentists looking to go fully private more than doubled from 13% to 30% as demand for cosmetic dentistry builds.

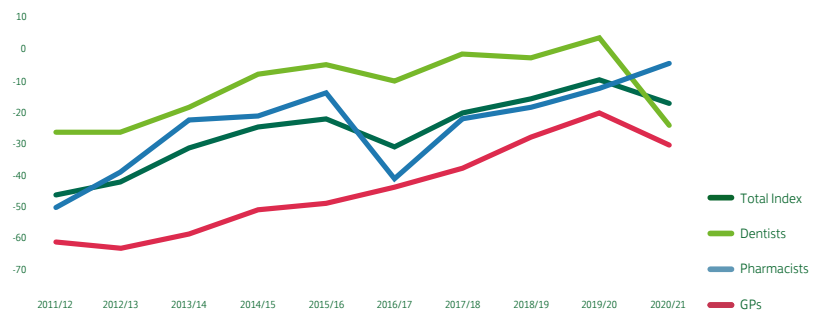
I'm confident that, once the current crisis recedes, we'll see the emergence of a newly energised healthcare sector.



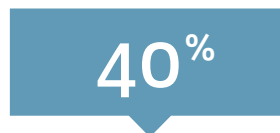
Martyn Kendrick

Regional Director, SME Banking North West
UK Head of Healthcare | SME & Mid Corporates Banking
Lloyds Bank Commercial Banking

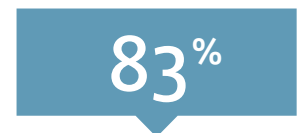
CONFIDENCE OVERVIEW



PROFITABILITY

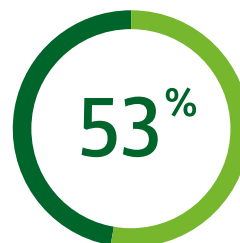


Two-fifths of GPs expect profits to increase in the next 12 months

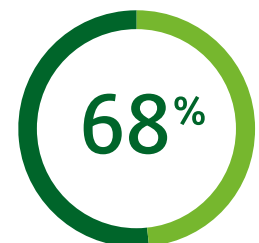


Eight in ten GPs expect finance pressures to increase in the next five years

EMPLOYMENT



Over half of practices anticipate retirements within 10 years



Over two-thirds of GPs would encourage their friends or family to join the profession

ANDY POW,
HEALTHCARE SERVICES PARTNER, MAZARS

The latest Healthcare Confidence Index is clearly dominated by one issue – COVID-19 and its impact on general practice.

Short-term confidence among practitioners dropped from +10 to -12 between January, when the last Index was published, and October, when this research was conducted, reflecting the emergence of a second wave of the virus.

There was no change in GP’s long-term confidence during this period.

There has, however, been a significant growth in the proportion of GPs who think NHS services to patients will worsen in the next five years, which rose from 32% to 55% and likely reflects the challenges GPs have faced in the midst of the pandemic.

More GPs expect profits to fall in the next year (41% compared with 22% at the start of the year), with practices seeing reduced income outside of the protected core contract amounts and increased running costs during the COVID-19 outbreak.

It is also interesting that almost three quarters (73%) see Primary Care Networks as having a positive impact on the sector and their establishment has further reduced the desire for mergers among practices.

The proportion of practices expecting to merge has fallen consecutively over the last four years and now sits at just 13%, suggesting most now feel they are now the right size for the foreseeable future.

When it comes to succession plans, 59% are seeking new full partners to replace retiring GPs, indicating that the partnership model’s days are perhaps not as numbered as some think.

However, as anticipated in the last Index, the biggest transformation in the last year is in how general practice uses technology, with lockdown prompting a rapid acceleration of online services.

Just 21% of GPs surveyed already offered online consultations before the pandemic.

Now 53% say more than half their consultations will continue to be online or by telephone after the pandemic ends.

It’s no exaggeration to say that this shift from face-to-face consultation represents the biggest operational change in general practice in a generation.

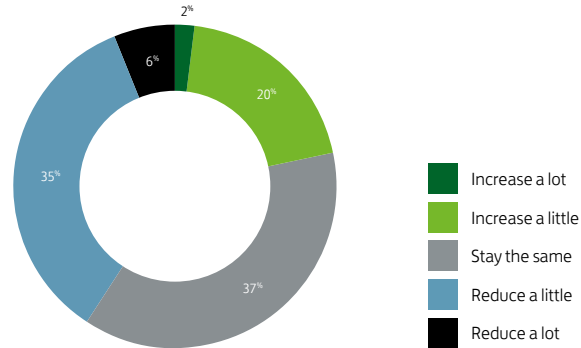
Remote consultations have generated tangible benefits for patients and practices and will be core to how the NHS delivers front line GP services going forward.

This article is produced for general information only and should not be relied on as offering advice for any specific set of circumstances.

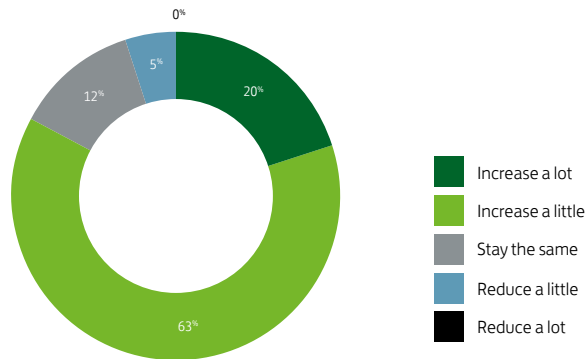
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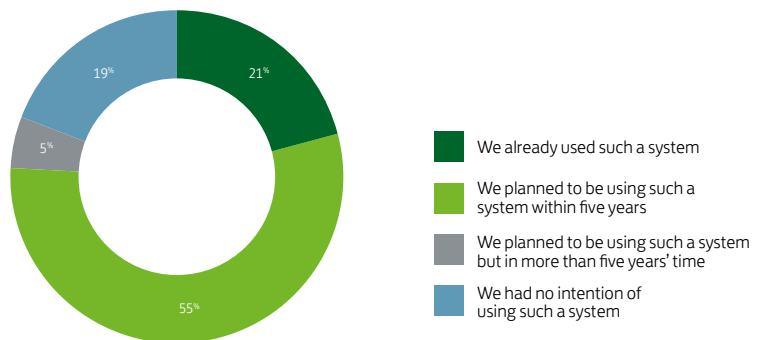
Over the next 12 months, do you expect your business/practice profits to...?



To what extent do you expect financial pressures on your business to change over the next five years?



What was your view pre-COVID-19 regarding online consultation services?



What percentage of consultations do you expect to be online or by telephone when all COVID-19 related lockdown and social distancing measures are lifted?

