

Hospice UK briefing on the 2025 Autumn Budget

On Wednesday 26 November, the Chancellor of the Exchequer, Rachel Reeves, delivered the [2025 Budget Statement](#) in the House of Commons. There were no mentions of hospices, palliative and end of life care in the Budget Statement or speech. However, some announcements will affect hospices, which we have summarised below.

Neighbourhood Health Services

- The Government is establishing 250 new Neighbourhood Health Centres across England. 120 will be operational by 2030, co-locating local health services such as GPs and physiotherapists.
- The new Neighbourhood Health Centres will be delivered through the NHS Neighbourhood Rebuild Programme which will upgrade and repurpose underused buildings and build new facilities through a combination of public investment and Public-Private Partnerships.
- The Government has also announced £300 million in capital funding for technology to support the NHS in its shift from analogue to digital.

Minimum wage

- National Living Wage will increase by 4.1% to £12.71 per hour, from the 1st April 2026.

National Insurance Contributions (NICs)

- Employer National Insurance Contributions have been frozen with the per-employee threshold frozen at £5,000 from April 2028 until April 2031.

NICs on pension contributions

- The Government will charge employer and employee NICs on pension contributions above £2,000 per annum made via salary sacrifice. These will take effect from 6 April 2029.

Energy bills

- The Budget delivers a set of measures to remove an average of £150 of costs from household energy bills from April next year.
- This will be delivered through the Government funding 75% of the domestic cost of the legacy Renewables Obligation for the rest of this spending review period from 2026-27 to 2028-29 and ending the Energy Company Obligation which is currently funded through energy bills.

For more information, please email our Policy team at policy@hospiceuk.org.