

## 13.1 Ward manager, day ward

Costs and unit estimation	2003/2004 value	Notes
A. Wages/salary	£25,825 per year	National average salary for a staff nurse, based on the April 2003 scale mid-point for a G grade nurse. The sum includes an element to reflect the proportion of staff who receive a London allowance. It does not include any lump sum allowances and it is assumed that no unsocial hours are worked.
B. Salary oncosts	£2,944 per year	Employers' national insurance plus 4 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£3,944 per year	The equivalent annual cost of pre-registration education after the total investment cost has been annuitised over the expected working life. <sup>1</sup> See schema 7.5 for further details on training for health professionals.
D. Overheads	£2,450 per year	Comprises £2,450 for indirect overheads. <sup>2</sup> No allowance has been made for direct overheads because it is not possible to separate these from the cost of treatment.
E. Capital overheads	£2,052 per year	Based on the new build and land requirements of NHS facilities, <sup>3/4</sup> but adjusted to reflect shared use of office space for administration, and recreational and changing facilities. Treatment space has not been included. Capital costs have been annuitised over 60 years at a discount rate of 3.5 per cent. At 6 per cent, the cost would be £3,166.
Working time	42 weeks per annum 37.5 hours per week	Includes 25 days annual leave and 10 statutory leave days. <sup>5</sup> Assumes 5 study/training days, and 10 days sickness leave.
Ratio of direct to indirect time on: face-to-face contacts	1:1.22	Assuming 45 per cent of time spent on face-to-face contact, 35 per cent on other clinical activity, and 20 per cent on non-clinical activity. Information derived from consultation with NHS Trusts.
London multiplier	1.14 x (A to D); 1.47 x E	Allows for the higher costs associated with London compared to the national average cost. <sup>6</sup> Building Cost Information Service and Department of the Environment.
Non-London multiplier	0.97 x (A to D) 0.97 x E	Allows for the lower costs associated with working outside London compared to the national average cost. <sup>6</sup> Building Cost Information Service and Department of the Environment.
<b>Unit costs available 2003/2004 (costs including qualifications given in brackets)</b>		
£21 (£24) per hour; £47 (£53) per hour of patient contact; £158 (£177) per shift (includes A to E)		

1 Netten, A., Knight, J., Dennett, J., Cooley, R. & Slight, A. (1998) *Development of a Ready Reckoner for Staff Costs in the NHS, Vols 1 & 2*, Personal Social Services Research Unit, University of Kent, Canterbury.

2 Netten, A., Knight, J., Dennett, J., Cooley, R. & Slight, A. (1998) *Development of a Ready Reckoner for Staff Costs in the NHS, Vol 2 Methodology*, Page 13.

3 Building Cost Information Service (2004) *Surveys of Tender Prices*, March, BCIS, Royal Institution of Chartered Surveyors, London.

4 Office of the Deputy Prime Minister (ODPM) *Property Market Report*, Spring 2003, Valuation Office.

5 Nursing and Midwifery Staffs Negotiating Council (1992) *Nursing and Midwifery Staffs Conditions of Service and Rates of Pay*, Department of Health, Leeds.

6 Provisional and unpublished analysis using data from the Department of Health's weighted capitation formula.

## 13.2 Ward manager, 24-hour ward

Costs and unit estimation	2003/2004 value	Notes
A. Wages/salary	£29,149 per year	National average salary for a staff nurse, based on the April 2003 scale mid-point for a G grade nurse. The sum includes an element to reflect the proportion of staff who receive a London allowance. It assumes that the hours include working 13.2 hours a week evening and Saturdays at 1.3 of basic rate, and 4.8 hours a week on Sundays at 1.6 of basic rate.
B. Salary oncosts	£3,380 per year	Employers' national insurance plus 4 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£3,944 per year	The equivalent annual cost of pre-registration education after the total investment cost has been annuitised over the expected working life. <sup>1</sup> See schema 7.5 for further details on training for health professionals.
D. Overheads	£2,450 per year	Comprises £2,450 for indirect overheads. <sup>2</sup> No allowance has been made for direct overheads because it is not possible to separate these from the cost of treatment.
E. Capital overheads	£2,052 per year	Based on the new build and land requirements of NHS facilities. <sup>3/4</sup> but adjusted to reflect shared use of office space for administration, and recreational and changing facilities. Treatment space has not been included. Capital costs have been annuitised over 60 years at a discount rate of 3.5 per cent. At 6 per cent, the cost would be £3,166.
Working time	42 weeks per annum 37.5 hours per week	Includes 25 days annual leave and 10 statutory leave days. <sup>5</sup> Assumes 5 study/training days, and 10 days sickness leave.
Ratio of direct to indirect time on: face-to-face contacts	1:1.22	Assuming 45 per cent of time spent on face-to-face contact, 35 per cent on other clinical activity, and 20 per cent on non-clinical activity. Information derived from consultation with NHS Trusts.
London multiplier	1.14 x (A to D); 1.47 x E	Allows for the higher costs associated with London compared to the national average cost. <sup>6</sup> Building Cost Information Service and Department of the Environment.
Non-London multiplier	0.97 x (A to D) 0.97 x E	Allows for the lower costs associated with working outside London compared to the national average cost. <sup>6</sup> Building Cost Information Service and Department of the Environment.
<b>Unit costs available 2003/2004 (costs including qualifications given in brackets)</b>		
£24 (£26) per hour; £52 (£58) per hour of patient contact; £176 (£195) per shift (includes A to E)		

1 Netten, A., Knight, J., Dennett, J., Cooley, R. & Slight, A. (1998) *Development of a Ready Reckoner for Staff Costs in the NHS, Vols 1 & 2*, Personal Social Services Research Unit, University of Kent, Canterbury.

2 Netten, A., Knight, J., Dennett, J., Cooley, R. & Slight, A. (1998) *Development of a Ready Reckoner for Staff Costs in the NHS, Vol 2 Methodology*, Page 13.

3 Building Cost Information Service (2004) *Surveys of Tender Prices*, March, BCIS, Royal Institution of Chartered Surveyors, London.

4 Office of the Deputy Prime Minister (ODPM) *Property Market Report*, Spring 2003, Valuation Office.

5 Nursing and Midwifery Staffs Negotiating Council (1992) *Nursing and Midwifery Staffs Conditions of Service and Rates of Pay*, Department of Health, Leeds.

6 Provisional and unpublished analysis using data from the Department of Health's weighted capitation formula.

### 13.3 Staff nurse, day ward

Costs and unit estimation	2003/2004 value	Notes
A. Wages/salary	£19,590 per year	National average salary for a staff nurse, based on the April 2003 scale mid-point for an E grade nurse. The sum includes an element to reflect the proportion of staff who receive a London allowance. It does not include any lump sum allowances and it is assumed that no unsocial hours are worked.
B. Salary oncosts	£2,125 per year	Employers' national insurance plus 4 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£3,944 per year	The equivalent annual cost of pre-registration education after the total investment cost has been annuitised over the expected working life. <sup>1</sup> See schema 7.5 for further details on training for health professionals.
D. Overheads	£2,450 per year	Comprises £2,450 for indirect overheads. <sup>2</sup> No allowance has been made for direct overheads because it is not possible to separate these from the cost of treatment.
E. Capital overheads	£1,160 per year	Based on the new build and land requirements of NHS facilities. <sup>3/4</sup> but adjusted to reflect shared use of office space for administration, and recreational and changing facilities. Treatment space has not been included. Capital costs have been annuitised over 60 years at a discount rate of 3.5 per cent. At 6 per cent, the cost would be £1,790.
Working time	42 weeks per annum 37.5 hours per week	Includes 25 days annual leave and 10 statutory leave days. <sup>5</sup> Assumes 5 study/training days, and 10 days sickness leave.
Ratio of direct to indirect time on: face-to-face contacts	1:0.82	Assuming 55 per cent of time spent on face-to-face contact, 25 per cent on other clinical activity, and 20 per cent on non-clinical activity. Information derived from consultation with NHS Trusts.
London multiplier	1.14 x (A to D); 1.44 x E	Allows for the higher costs associated with London compared to the national average cost. <sup>6</sup> Building Cost Information Service and Department of the Environment.
Non-London multiplier	0.97 x (A to D); 0.97 x E	Allows for the lower costs associated with working outside London compared to the national average cost. <sup>6</sup> Building Cost Information Service and Department of the Environment.
<b>Unit costs available 2003/2004 (costs including qualifications given in brackets)</b>		
£16 (£19) per hour; £29 (£34) per hour of patient contact; £121 (£139) per shift (includes A to E)		

1 Netten, A., Knight, J., Dennett, J., Cooley, R. & Slight, A. (1998) *Development of a Ready Reckoner for Staff Costs in the NHS*, Vols 1 & 2, Personal Social Services Research Unit, University of Kent, Canterbury.

2 Netten, A., Knight, J., Dennett, J., Cooley, R. & Slight, A. (1998) *Development of a Ready Reckoner for Staff Costs in the NHS*, Vol 2 *Methodology*, Page 13.

3 Building Cost Information Service (2004) *Surveys of Tender Prices*, March, BCIS, Royal Institution of Chartered Surveyors, London.

4 Office of the Deputy Prime Minister (ODPM) *Property Market Report*, Spring 2003, Valuation Office.

5 Nursing and Midwifery Staffs Negotiating Council (1992) *Nursing and Midwifery Staffs Conditions of Service and Rates of Pay*, Department of Health, Leeds.

6 Provisional and unpublished analysis using data from the Department of Health's weighted capitation formula

### 13.4 Staff nurse, 24-hour ward

Costs and unit estimation	2003/2004 value	Notes
A. Wages/salary	£22,468 per year	National average salary for a staff nurse, based on the April 2003 scale mid-point for an E grade nurse. The sum includes an element to reflect the proportion of staff who receive a London allowance. It assumes that the hours include working 13.2 hours a week evenings and Saturdays at 1.3 of basic rate, and 4.8 hours a week on Sundays at 1.6 of basic rate.
B. Salary oncosts	£2,503 per year	Employers' national insurance plus 4 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£3,944 per year	The equivalent annual cost of pre-registration education after the total investment cost has been annuitised over the expected working life. <sup>1</sup> See schema 7.5 for further details on training for health professionals.
D. Overheads	£2,450 per year	Comprises £2,450 for indirect overheads. <sup>2</sup> No allowance has been made for direct overheads because it is not possible to separate these from the cost of treatment.
E. Capital overheads	£1,160 per year	Based on the new build and land requirements of NHS facilities, <sup>3/4</sup> but adjusted to reflect shared use of office space for administration, and recreational and changing facilities. Treatment space has not been included. Capital costs have been annuitised over 60 years at a discount rate of 3.5 per cent. At 6 per cent, the cost would be £1,790.
Working time	42 weeks per annum 37.5 hours per week	Includes 25 days annual leave and 10 statutory leave days. <sup>5</sup> Assumes 5 study/training days, and 10 days sickness leave.
Ratio of direct to indirect time on: face-to-face contacts	1:1	Assuming 50 per cent of time spent on face-to-face contact, 40 per cent on other clinical activity, and 10 per cent on non-clinical activity. Information derived from consultation with NHS Trusts.
London multiplier	1.14 x (A to D); 1.44 x E	Allows for the higher costs associated with London compared to the national average cost. <sup>6</sup> Building Cost Information Service and Department of the Environment.
Non-London multiplier	0.97 x (A to D) 0.97 x E	Allows for the lower costs associated with working outside London compared to the national average cost. <sup>6</sup> Building Cost Information Service and Department of the Environment.
<b>Unit costs available 2003/2004 (costs including qualifications given in brackets)</b>		
£18 (£21) per hour; £36 (£41) per hour of patient contact; £136 (£155) per shift (includes A to E)		

1 Netten, A., Knight, J., Dennett, J., Cooley, R. & Slight, A. (1998) *Development of a Ready Reckoner for Staff Costs in the NHS, Vols 1 & 2*, Personal Social Services Research Unit, University of Kent, Canterbury.

2 Netten, A., Knight, J., Dennett, J., Cooley, R. & Slight, A. (1998) *Development of a Ready Reckoner for Staff Costs in the NHS, Vol 2 Methodology*, Page 13.

3 Building Cost Information Service (2004) *Surveys of Tender Prices*, March, BCIS, Royal Institution of Chartered Surveyors, London.

4 Office of the Deputy Prime Minister (ODPM) *Property Market Report*, Spring 2003, Valuation Office.

5 Nursing and Midwifery Staffs Negotiating Council (1992) *Nursing and Midwifery Staffs Conditions of Service and Rates of Pay*, Department of Health, Leeds.

6 Provisional and unpublished analysis using data from the Department of Health's weighted capitation formula.

## 13.5 Health care assistant

Costs and unit estimation	2003/2004 value	Notes
A. Wages/salary	£15,181 per year	National average salary for an auxiliary nurse working in a hospital, based on the April 2003 scale mid-point for a B grade nurse. The sum includes an element to reflect the proportion of staff who receive a London allowance. It assumes that the hours include working 13.2 hours a week evening and Saturdays at 1.3 of basic rate, and 4.8 hours a week on Sundays at 1.6 of basic rate.
B. Salary oncosts	£1,546 per year	Employers' national insurance plus 4 per cent of salary for employers' contribution to superannuation.
C. Overheads	£2,450 per year	Comprises £2,450 for indirect overheads. <sup>1</sup> No allowance has been made for direct overheads because it is not possible to separate these from the cost of treatment.
D. Capital overheads	£1,160 per year	Based on the new build and land requirements of NHS facilities. <sup>2/3</sup> but adjusted to reflect shared use of office space for administration, and recreational and changing facilities. Treatment space has not been included. It is assumed that auxiliary nurses use one-sixth of an office. Capital costs have been annuitised over 60 years at a discount rate of 3.5 per cent. At 6 per cent, the cost would be £1,790.
Working time	44 weeks per annum 37.5 hours per week	Includes 20 days annual leave and 10 statutory leave days. <sup>4</sup> Assumes 10 days sickness leave. No study/training days have been assumed.
Ratio of direct to indirect time on: face-to-face contacts	1:0.67	Assuming 60 per cent of time spent on face-to-face contact, 15 per cent on other clinical activity, and 25 per cent on non-clinical activity. Information derived from consultation with NHS Trusts.
London multiplier	1.14 x (A to C); 1.44 x D	Allows for the higher costs associated with London compared to the national average cost. <sup>5</sup> Building Cost Information Service and Department of the Environment.
Non-London multiplier	0.97 x (A to C) 0.97 x D	Allows for the lower costs associated with working outside London compared to the national average cost. <sup>5</sup> Building Cost Information Service and Department of the Environment.
<b>Unit costs available 2003/2004</b>		
£12 per hour; £21 per hour of patient contact; £92 per shift (includes A to D)		

1 Netten, A., Knight, J., Dennett, J., Cooley, R. & Slight, A. (1998) *Development of a Ready Reckoner for Staff Costs in the NHS, Vol 2 Methodology*, Page 13.

2 Building Cost Information Service (2004) *Surveys of Tender Prices*, March, BCIS, Royal Institution of Chartered Surveyors, London.

3 Office of the Deputy Prime Minister (ODPM) *Property Market Report*, Spring 2003, Valuation Office.

4 Nursing and Midwifery Staffs Negotiating Council (1992) *Nursing and Midwifery Staffs Conditions of Service and Rates of Pay*, Department of Health, Leeds.

5 Provisional and unpublished analysis using data from the Department of Health's weighted capitation formula.