

14. Doctors

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14.1 Pre-registration house officer

Costs and unit estimation	2004/2005 value	Notes
A. Wages/salary	£27,985 per year	Based on payment for 40.7 basic hours per week on duty (of which 88.7 per cent are actually worked), and 31.7 additional hours per week (of which 59.6 per cent are actually worked at a rate of 50 per cent of basic rate). ¹ It does not reflect payments for London allowances.
B. Salary oncosts	£5,065 per year	Employers' national insurance plus 14 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£19,102 per year	The equivalent annual cost of pre-registration medical education. The investment in training has been annuitised over the expected working life of the doctor. ² See schema 7.5 for further details on training for health professionals.
D. Overheads	£2,698 per year	Comprises £2,698 for indirect overheads. ³ No allowance has been made for direct overheads because it is not possible to separate these from the cost of treatment.
E. Ongoing training	£2,791 per year	Ongoing training is calculated using (provisional) budgetary information provided by the Medical Education Funding Unit of the NHS Executive relating to allocation of Medical and Dental Education Levy funds. Adjustment has been made to reflect assumed usage of educational facilities by this grade of doctor.
F. Capital overheads	£2,772 per year	Based on the new build and land requirements of NHS facilities. ^{4/5} Adjustments have been made to reflect shared use of administration and recreational facilities, including accommodation for night-time duties. Treatment space has not been included. Capital costs have been annuitised over 60 years at a discount rate of 3.5 per cent.
Working time	44 weeks per annum	Includes 25 days annual leave and 10 statutory leave days. Assumes 5 days sickness leave. No study/training days have been assumed.
London multiplier	1.14 x (A to E); 1.44 x F	Allows for the higher costs associated with London compared to the national average cost. ⁶ Building Cost Information Service and Office of the Deputy Prime Minister.
Non-London multiplier	0.97 x (A to E) 0.97 x F	Allows for the lower costs associated with working outside London compared to the national average cost. ⁶ Building Cost Information Service and Office of the Deputy Prime Minister. ^{4/5}
Unit costs available 2004/2005 (costs including qualifications given in brackets)		
£12 (£19) per hour on duty; £16 (£25) per hour worked (includes A to F).		

1 Review Body on Doctors' and Dentists' Remuneration, Thirty First Report 2002, The Stationery Office, London.

2 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.

3 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.

4 Building Cost Information Service (2005) *Surveys of Tender Prices*, March, BCIS, Royal Institution of Chartered Surveyors, London.

5 Office of the Deputy Prime Minister, Summer 2004.

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

14.2 Senior house officer

Costs and unit estimation	2004/2005 value	Notes
A. Wages/salary	£38,572 per year	Based on payment for 38.9 basic hours per week on duty (of which 87 per cent are actually worked), and 33.6 additional hours per week (of which 48 per cent are actually worked at a rate of 50 per cent of basic rate). ¹ It does not reflect payments for London allowances.
B. Salary oncosts	£7,451 per year	Employers' national insurance plus 14 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£20,429 per year	The equivalent annual cost of pre-registration medical training and post-graduate medical education. See 7.5 for further details on training for health professionals.
D. Overheads	£2,698 per year	Comprises £2,698 for indirect overheads. ² No allowance has been made for direct overheads because it is not possible to separate these from the cost of treatment.
E. Ongoing training	£3,581 per year	Ongoing training is calculated using (provisional) budgetary information provided by the Medical Education Funding Unit of the NHS Executive relating to allocation of Medical and Dental Education Levy funds. Adjustment has been made to reflect assumed usage of educational facilities by this grade of doctor.
F. Capital overheads	£2,772 per year	Based on the new build and land requirements of NHS facilities. ^{3/4} Adjustments have been made to reflect shared use of administration and recreational facilities, including accommodation for night-time duties. Treatment space has not been included. Capital costs have been annuitised over 60 years at a discount rate of 3.5 per cent.
Working time	38 weeks per annum	Includes 25 days annual leave and 10 statutory leave days. Assumes 5 study/training days, and 5 days sickness leave.
London multiplier	1.14 x (A to E); 1.44 x F	Allows for the higher costs associated with London compared to the national average cost. ⁵ Building Cost Information Service and Office of the Deputy Prime Minister.
Non-London multiplier	0.97 x (A to E) 0.97 x F	Allows for the lower costs associated with working outside London compared to the national average cost. ⁵ Building Cost Information Service and Office of the Deputy Prime Minister. ^{3,4}
Unit costs available 2004/2005 (costs including qualifications given in brackets)		
£19 (£27) per hour on duty; £27 (£40) per hour worked (includes A to F).		

1 Review Body on Doctors' and Dentists' Remuneration, Thirty First Report 2002, The Stationery Office, London.

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 (2005) *Surveys of Tender Prices*, March, BCIS, Royal Institution of Chartered Surveyors, London.

4 Office of the Deputy Prime Minister, Summer 2004.

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

14.3 Specialist registrar

Costs and unit estimation	2004/2005 value	Notes
A. Wages/salary	£42,415 per year	Based on payment for 39.9 basic hours per week on duty (of which 89 per cent are actually worked), and 30.7 additional hours per week (of which 43 per cent are actually worked at a rate of 50 per cent of basic rate). ¹ It does not reflect payments for London allowances.
B. Salary oncosts	£8,476 per year	Employers' national insurance plus 14 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£22,448 per year	The equivalent annual cost of pre-registration medical training and post-graduate medical education. The investment in training of a medical degree, one year spent as a pre-registration house officer and two years as a senior house officer have been annuitised over the expected working life of the doctor. ² See 7.5 for further details on training for health professionals.
D. Overheads	£2,698 per year	Comprises £2,698 for indirect overheads. ³ No allowance has been made for direct overheads because it is not possible to separate these from the cost of treatment.
E. Ongoing training	£3,581 per year	Ongoing training is calculated using (provisional) budgetary information provided by the Medical Education Funding Unit of the NHS Executive relating to allocation of Medical and Dental Education Levy funds. Adjustment has been made to reflect assumed usage of educational facilities by this grade of doctor.
F. Capital overheads	£2,772 per year	Based on the new build and land requirements of NHS facilities. ^{4/5} Adjustments have been made to reflect shared use of administration and recreational facilities, including accommodation for night-time duties. Treatment space has not been included. Capital costs have been annuitised over 60 years at a discount rate of 3.5 per cent.
Working time	37 weeks per annum	Includes 30 days annual leave and 10 statutory leave days. Assumes 5 study/training days, and 5 days sickness leave.
London multiplier	1.14 x (A to E); 1.44 x F	Allows for the higher costs associated with London compared to the national average cost. ⁶ Building Cost Information Service and Office of the Deputy Prime Minister.
Non-London multiplier	0.97 x (A to E) 0.97 x F	Allows for the lower costs associated with working outside London compared to the national average cost. ⁶ Building Cost Information Service and Office of the Deputy Prime Minister. ^{4/5}
Unit costs available 2004/2005 (costs including qualifications given in brackets)		
£23 (£32) per hour on duty; £33 (£46) per hour worked (includes A to F).		

1 Review Body on Doctors' and Dentists' Remuneration, Thirty First Report 2002, The Stationery Office, London.

2 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.

3 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.

4 Building Cost Information Service (2005) *Surveys of Tender Prices*, March, BCIS, Royal Institution of Chartered Surveyors, London.

5 Office of the Deputy Prime Minister, Summer 2004.

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

14.4 Consultant: medical

Costs and unit estimation	2004/2005 value	Notes
A. Wages/salary	£75,435 per year	Average salary for a consultant physician based on the April 2004 scale midpoint including £8,505 corresponding to the fourth discretionary point. ¹ The sum also includes £844 to reflect the national level of distinction award payments. It does not reflect payments for London allowances.
B. Salary oncosts	£18,488 per year	Employers' national insurance plus 14 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£27,491 per year	The equivalent annual cost of pre-registration medical training and post-graduate medical education. The investment in training of a medical degree, one year spent as a pre-registration house officer, two years as a senior house officer and four years as a specialist registrar have been annuitised over the expected working life of the consultant. ² See 7.5 for further details on training for health professionals.
D. Overheads	£32,085 per year	Comprises £7,059 for indirect overheads and £25,026 for secretarial staff costs.
E. Ongoing training	£1,650 per year	Ongoing training is calculated using (provisional) budgetary information provided by the Medical Education Funding Unit of the NHS Executive relating to allocation of Medical and Dental Education Levy funds. Adjustment has been made to reflect assumed usage of educational facilities by this grade of doctor.
F. Capital overheads	£4,086 per year	Based on the new build and land requirements of NHS facilities. ^{3/4} Includes shared use of consultation and examination areas, and designated secretarial office space. Capital costs have been annuitised over 60 years at a discount rate of 3.5 per cent.
Working time	41 weeks per annum 48.2 hours per week	Includes 30 days annual leave and 10 statutory leave days. Assumes 10 study/training days, and 5 days sickness leave. Research carried out in 2000/2001 involving 300 consultants showed that they worked an average of 51.5 hours a week in the NHS. They spent an average 3.3 hours per week on private practice or other non-NHS work, such as medico-legal reports. ⁵
Ratio of direct to indirect time on: patient-related activity	1:0.33	Assuming 69 per cent of consultant time spent on patient-related activity. ⁶ Time spent teaching has been disregarded, and non-contact time has been treated as an overhead on time spent in patient contact.
London multiplier	1.14 × (A to E); 1.46 × F	Allows for the higher costs associated with London compared to the national average cost. ⁷ Building Cost Information Service and Office of the Deputy Prime Minister.
Non-London multiplier	0.97 × (A to E) 0.97 × F	Allows for the lower costs associated with working outside London compared to the national average cost. ⁷ Building Cost Information Service and Office of the Deputy Prime Minister. ^{3/4}
Unit costs available 2004/2005 (costs including qualifications given in brackets)		
£66 (£81) per hour; £88 (£107) per patient-related hour (includes A to F). ⁸		

1 NHS Executive (2004) *Advance letter (MD) 1/2004*.

2 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.

3 Building Cost Information Service (2005) *Surveys of Tender Prices*, March, BCIS, Royal Institution of Chartered Surveyors, London.

4 Office of the Deputy Prime Minister, Summer 2004.

5 British Medical Association (2002) *Consultants survey*, *Health Service Journal*, February 2002.

6 Audit Commission (1996) *The Doctors' Tale Continued*, HMSO, London.

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

8 Costs are lower than in previous years due to a correction to the number of annual working hours.

14.5 Consultant: surgical

Costs and unit estimation	2004/2005 value	Notes
A. Wages/salary	£74,741 per year	Average salary for a consultant surgeon based on the April 2004 scale midpoint including £11,708 corresponding to the fourth discretionary point. ¹ The sum also includes £150 to reflect the national level of distinction award payments. It does not reflect payments for London allowances.
B. Salary oncosts	£18,391 per year	Employers' national insurance plus 14 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£27,491 per year	The equivalent annual cost of pre-registration medical training and post-graduate medical education. The investment in training of a medical degree, one year spent as a pre-registration house officer, two years as a senior house officer and four years as a specialist registrar have been annuitised over the expected working life of the consultant. ² See 7.5 for further details on training for health professionals.
D. Overheads	£32,085 per year	Comprises £7,059 for direct overheads and £25,026 for secretarial staff costs.
E. Ongoing training	£1,650 per year	Ongoing training is calculated using (provisional) budgetary information provided by the Medical Education Funding Unit of the NHS Executive relating to allocation of Medical and Dental Education Levy funds. Adjustment has been made to reflect assumed usage of educational facilities by this grade of doctor.
F. Capital overheads	£4,086 per year	Based on the new build and land requirements of NHS facilities. ^{3/4} Includes shared use of consultation and examination areas, and designated secretarial office space. Capital costs have been annuitised over 60 years at a discount rate of 3.5 per cent.
Working time	41 weeks per annum 48.2 hours per week	Includes 30 days annual leave and 10 statutory leave days. Assumes 10 study/training days, and 5 days sickness leave. Research carried out in 2000/2001 involving 300 consultants showed that they worked an average of 51.5 hours a week in the NHS. They spent an average 3.3 hours per week on private practice or other non-NHS work, such as medico-legal reports. ⁵
<i>Ratio of direct to indirect time on/in:</i> patient-related activity operating theatre	1:0.35 1:2.17	Assuming 68 per cent of consultant time spent on patient-related activity and 29 per cent in theatre. ⁶ Time spent teaching has been disregarded, and non-contact time has been treated as an overhead on time spent in patient contact.
London multiplier	1.14 x (A to E); 1.46 x F	Allows for the higher costs associated with London compared to the national average cost. ⁷ Building Cost Information Service and Office of the Deputy Prime Minister.
Non-London multiplier	0.97 x (A to E) 0.97 x F	Allows for the lower costs associated with working outside London compared to the national average cost. ⁷ Building Cost Information Service and Office of the Deputy Prime Minister. ^{3/4}
Unit costs available 2004/2005 (costs including qualifications given in brackets)		
£65 (£80) per hour; £208 (£254) per hour operating; £89 (£108) per patient-related hour (includes A to F). ⁸		

1 NHS Executive (2004) *Advance letter (MD) 1/2004*.

2 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.

3 Building Cost Information Service (2005) *Surveys of Tender Prices*, March, BCIS, Royal Institution of Chartered Surveyors, London.

4 Office of the Deputy Prime Minister, Summer 2004.

5 British Medical Association (2002) *Consultants survey*, *Health Service Journal*, February 2002.

6 Audit Commission (1996) *The Doctors' Tale Continued*, HMSO, London.

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

8 Costs are lower than in previous years due to a correction to the number of annual working hours.

Updated with revised figures for employers' superannuation contributions [February 2006, rev. 002]

14.6 Consultant: psychiatric

Costs and unit estimation	2004/2005 value	Notes
A. Wages/salary	£74,683 per year	Average salary for a consultant psychiatrist based on the April 2004 scale midpoint including £11,708 corresponding to the third discretionary point. ¹ The sum also includes £92 to reflect the national level of distinction award payments. It does not reflect payments for London allowances.
B. Salary oncosts	£18,383 per year	Employers' national insurance plus 14 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£27,491 per year	The equivalent annual cost of pre-registration medical training and post-graduate medical education. The investment in training of a medical degree, one year spent as a pre-registration house officer, two years as a senior house officer and four years as a specialist registrar have been annuitised over the expected working life of the consultant. ² See 7.5 for further details on training for health professionals.
D. Overheads	£32,085 per year	Comprises £7,059 for indirect overheads and £25,026 for secretarial staff costs.
E. Ongoing training	£1,650 per year	Ongoing training is calculated using (provisional) budgetary information provided by the Medical Education Funding Unit of the NHS Executive relating to allocation of Medical and Dental Education Levy funds. Adjustment has been made to reflect assumed usage of educational facilities by this grade of doctor.
F. Capital overheads	£4,086 per year	Based on the new build and land requirements of NHS facilities. ^{3/4} Includes shared use of consultation and examination areas, and designated secretarial office space. Capital costs have been annuitised over 60 years at a discount rate of 3.5 per cent.
Working time	41 weeks per annum 44.2 hours per week	Includes 30 days annual leave and 10 statutory leave days. Assumes 10 study/training days, and 5 days sickness leave. Research carried out in 2000/2001 involving 300 consultants showed that they worked an average of 51.5 hours a week in the NHS. They spent an average 3.3 hours per week on private practice or other non-NHS work, such as medico-legal reports. ⁵ The number of working hours is different to that of other consultants as the information has been drawn from a different survey.
Ratio of direct to indirect time on: face-to-face contacts patient-related activity	1:2.03 1:0.94	Information taken from a study carried out by the Institute of Psychiatry ⁶ based on a response rate of 41.3% of a sample of 500 consultants. The proportion of working time spent on different activities was estimated as follows: face-to-face settings including contact with patients, carrying out assessments and contact with family members 33%, other patient related activities added a further 18% per cent when travelling and an estimated 50% of total time spent in meetings was added; non patient related activities including writing/administration research/training/development was added and also an estimated 50% of total time spent on meetings.
London multiplier	1.14 x (A to E) 1.46 x F	Allows for the higher costs associated with London compared to the national average cost. ⁷ Building Cost Information Service and Office of the Deputy Prime Minister.
Non-London multiplier	0.97 x (A to E) 0.97 x F	Allows for the lower costs associated with working outside London compared to the national average cost. ⁷ Building Cost Information Service and Office of the Deputy Prime Minister. ^{3/4}
Unit costs available 2004/2005 (costs including qualifications given in brackets)		
£71 (£87) per hour; £138 (£190) per patient-related hour; £216 (£277) per hour patient contact (includes A to F). ⁸		

1 NHS Executive (2004) *Advance letter (MD) 1/2004*.

2 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.

3 Building Cost Information Service (2005) *Surveys of Tender Prices*, March, BCIS, Royal Institution of Chartered Surveyors, London.

4 Office of the Deputy Prime Minister, Summer 2004.

5 British Medical Association (2002) *Consultants survey*, *Health Service Journal*, February 2002.

6 College Research Unit, *Workload and Working Patterns in Consultant Psychiatrists*, June 2003, The Royal College of Psychiatrists.

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

8 Costs are lower than in previous years due to a correction to the number of annual working hours.