

## **14. Doctors**

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## 14.1 Pre-registration house officer

Costs and unit estimation	2005/2006 value	Notes
A. Wages/salary	£27,584 per year	Based on Agenda for Change (AfC) salaries. <sup>1</sup> Midpoint between starting salary of a pre-registration house officer and what a new doctor in a typical high intensity post would receive. This includes a banding supplement to reflect out of hours work and intensity. Free hospital accommodation is offered in the first year. <sup>2</sup>
B. Salary oncosts	£5,953 per year	Employers' national insurance plus 14 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£19,673 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. <sup>3</sup> See schema 7.5 for further details on training for health professionals.
D. Overheads	£2,781 per year	Comprises £2,781 for indirect overheads. <sup>4</sup> No allowance has been made for direct overheads because it is not possible to separate these from the cost of treatment.
E. Ongoing training	£2,060 per year	Calculated using information provided by the London Deanery. <sup>5</sup> This includes costs for the new two year foundation programme and the speciality run-through grade <sup>6</sup> . Costs consist of an amount for the generic curriculum, the postgraduate centres infrastructure costs, study leave and the costs of course organisers, admin support, trainers workshops, vocational training and Internal courses for GP tutors. Excluded are the costs of exceptional training (£100 per trainee) and a cost for the running of the library postgraduate centres.
F. Capital overheads	£2,917 per year	Based on the new build and land requirements of NHS facilities. <sup>7,8</sup> 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	42 weeks per annum 37.5 hours per week	Includes 29 days annual leave and 8 statutory leave days. <sup>1</sup> Assumes 5 days sickness leave. No study/training days have been assumed.
London multiplier	1.14 x (A to E); 1.43 x F	Allows for the higher costs associated with London compared to the national average cost. <sup>9</sup> Building Cost Information Service and Office of the Deputy Prime Minister. <sup>7,8</sup>
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. <sup>9</sup> Building Cost Information Service and Office of the Deputy Prime Minister. <sup>7,8</sup>
<b>Unit costs available 2005/2006 (costs including qualifications given in brackets)</b>		
£26 (£39) per hour on duty; £17 (£25) per hour worked (includes A to F).		

1 NHS Employers (2005) *Agenda for Change, NHS Terms and Conditions of Service Handbook*, NHS Employers, London.

2 National Health Service (2006) *Work Permits (UK) Internal Caseworker Guidance*, National Health Service, London.

3 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.

4 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*, Personal Social Services, Research Unit, University of Kent, Canterbury.

5 Personal communication with the London Deanery.

6 NHS Employers (2006) *Modernising Medical Careers: A New Era in Medical Training*, NHS Employers, London.

7 Building Cost Information Service (2006) *Surveys of Tender Prices*, March, BCIS, Royal Institution of Chartered Surveyors, London.

8 Based on personal communication with the Office of the Deputy Prime Minister (ODPM) (2006).

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

## 14.2 Senior house officer

Costs and unit estimation	2005/2006 value	Notes
A. Wages/salary	£37,389 per year	Based on Agenda for Change (AfC) salaries. <sup>1</sup> Midpoint between starting salary of a Senior House Officer (SHO) and what a new doctor in a typical high intensity post would receive after 3 years in this grade. This includes a banding supplement to reflect out of hours work and intensity. Free hospital accommodation is offered in the first year. <sup>2</sup>
B. Salary oncosts	£8,399 per year	Employers' national insurance plus 14 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£21,034 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	£2,781 per year	Comprises £2,781 for indirect overheads. <sup>3</sup> No allowance has been made for direct overheads because it is not possible to separate these from the cost of treatment.
E. Ongoing training	£2,060 per year	Calculated using information provided by the London Deanery. <sup>4</sup> This includes costs for the new two year foundation programme and the speciality run-through grade. <sup>5</sup> Costs consist of an amount for the generic curriculum, the postgraduate centres infrastructure costs, study leave and the costs of course organisers, admin support, trainers workshops, vocational training and Internal courses for GP tutors. Excluded are the costs of exceptional training (£100 per trainee) and a cost for the running of the library postgraduate centres.
F. Capital overheads	£2,917 per year	Based on the new build and land requirements of NHS facilities. <sup>6,7</sup> 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	42 weeks per annum 37.5 hours per week	Includes 29 days annual leave and 8 statutory leave days. <sup>1</sup> Assumes 5 study/training days, and 5 days sickness leave.
London multiplier	1.14 x (A to E); 1.43 x F	Allows for the higher costs associated with London compared to the national average cost. <sup>8</sup> Building Cost Information Service and Office of the Deputy Prime Minister. <sup>6,7</sup>
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. <sup>8</sup> Building Cost Information Service and Office of the Deputy Prime Minister. <sup>6,7</sup>
<b>Unit costs available 2005/2006 (costs including qualifications given in brackets)</b>		
£34 (£47) per hour on duty; £29 (£40) per hour worked (includes A to F).		

1 NHS Employers (2005) *Agenda for Change, NHS Terms and Conditions of Service Handbook*, NHS Employers, London.

2 National Health Service (2006) *Work Permits (UK) Internal Caseworker Guidance*, National Health Service, London.

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*, Personal Social Services, Research Unit, University of Kent, Canterbury.

4 Personal communication with the London Deanery.

5 NHS Employers (2006) *Modernising Medical Careers: A New Era in Medical Training*, NHS Employers, London.

6 Building Cost Information Service (2006) *Surveys of Tender Prices*, March, BCIS, Royal Institution of Chartered Surveyors, London.

7 Based on personal communication with the Office of the Deputy Prime Minister (ODPM) (2006).

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

### 14.3 Specialist registrar

Costs and unit estimation	2005/2006 value	Notes
A. Wages/salary	£43,745 per year	Based on Agenda for Change (AfC) salaries. <sup>1</sup> Midpoint between starting salary of a Specialist Registrar (SpR) and what a new Dr. in a typical high intensity post would receive after 3 years in this grade. This includes a banding supplement to reflect out of hours work and intensity. Free hospital accommodation is offered in the first year. <sup>2</sup> It does not reflect payments for London allowances.
B. Salary oncosts	£10,103 per year	Employers' national insurance plus 14 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£23,100 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. <sup>3</sup> See 7.5 for further details on training for health professionals.
D. Overheads	£2,781 per year	Comprises £2,781 for indirect overheads. <sup>4</sup> No allowance has been made for direct overheads because it is not possible to separate these from the cost of treatment.
E. Ongoing training	£2,060 per year	Calculated using information provided by the London Deanery. <sup>5</sup> This includes costs for the new two year foundation programme and the speciality run-through grade. <sup>6</sup> Costs consist of an amount for the generic curriculum, the postgraduate centres infrastructure costs, study leave and the costs of course organisers, admin support, trainers workshops, vocational training and Internal courses for GP tutors. Excluded are the costs of exceptional training (£100 per trainee) and a cost for the running of the library postgraduate centres.
F. Capital overheads	£2,917 per year	Based on the new build and land requirements of NHS facilities. <sup>7,8</sup> 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	Includes 29 days annual leave and 8 statutory leave days. <sup>1</sup> Assumes 5 study/training days, and 5 days sickness leave. Research has shown that hours worked are 1,818 hours per annum and hours on duty are 39.9 hours per week for 37 weeks.
London multiplier	1.14 x (A to E); 1.43 x F	Allows for the higher costs associated with London compared to the national average cost. <sup>9</sup> Building Cost Information Service and Office of the Deputy Prime Minister. <sup>7,8</sup>
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. <sup>9</sup> Building Cost Information Service and Office of the Deputy Prime Minister. <sup>7,8</sup>
<b>Unit costs available 2005/2006 (costs including qualifications given in brackets)</b>		
£23 (£54) per hour on duty; £34 (£37) per hour worked (includes A to F).		

1 NHS Employers (2005) *Agenda for Change, NHS Terms and Conditions of Service Handbook*, NHS Employers, London.

2 National Health Service (2006) *Work Permits (UK) Internal Caseworker Guidance*, National Health Service, London.

3 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.

4 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*, Personal Social Services, Research Unit, University of Kent, Canterbury.

5 Personal communication with the London Deanery.

6 NHS Employers (2006) *Modernising Medical Careers: A New Era in Medical Training*, NHS Employers, London.

7 Building Cost Information Service (2006) *Surveys of Tender Prices*, March, BCIS, Royal Institution of Chartered Surveyors, London.

8 Based on personal communication with the Office of the Deputy Prime Minister (ODPM) (2006).

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

## 14.4 Consultant: medical

Costs and unit estimation	2005/2006 value	Notes
A. Wages/salary	£62,154 per year	Based on the mid-point of Agenda for Change (AfC) salaries Band 8c-8d of the April 2005 pay scale according to the National Job Evaluation Profile. Consultants who are heads of department can be on Band 9. (See pages 201-202 for salary information.) <sup>1</sup> The sum also includes £2,005 to reflect the national level of distinction award and clinical excellence award payments. It does not reflect payments for London allowances. <sup>2</sup>
B. Salary oncosts	£14,242 per year	Employers' national insurance plus 14 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£28,263 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. <sup>3</sup> See 7.5 for further details on training for health professionals.
D. Overheads	£33,617 per year	Comprises £7,228 for indirect overheads and £25,626 for secretarial staff costs.
E. Ongoing training	£2,060 per year	Calculated using information provided by the London Deanery. <sup>4</sup> This includes costs for the new two year foundation programme and the speciality run-through grade. <sup>5</sup> Costs consist of an amount for the generic curriculum, the postgraduate centres infrastructure costs, study leave and the costs of course organisers, admin support, trainers workshops, vocational training and Internal courses for GP tutors. Excluded are the costs of exceptional training (£100 per trainee) and a cost for the running of the library postgraduate centres.
F. Capital overheads	£4,302 per year	Based on the new build and land requirements of NHS facilities. <sup>6,7</sup> 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 29 days annual leave and 8 statutory leave days. <sup>1</sup> 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. <sup>8</sup>
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. <sup>9</sup> 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); 1.44 x F	Allows for the higher costs associated with London compared to the national average cost. <sup>10</sup> Building Cost Information Service and Office of the Deputy Prime Minister. <sup>6,7</sup>
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. <sup>10</sup> Building Cost Information Service and Office of the Deputy Prime Minister. <sup>6,7</sup>
<b>Unit costs available 2005/2006 (costs including qualifications given in brackets)</b>		
£59 (£73) per hour; £79 (£98) per patient-related hour (includes A to F).		

1 NHS Employers (2005) *Agenda for Change, NHS Terms and Conditions of Service Handbook*, NHS Employers, London.

2 Personal communication with the Department of Health, 2005.

3 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.

4 Personal communication with the London Deanery.

5 NHS Employers (2006) *Modernising Medical Careers: A New Era in Medical Training*, NHS Employers, London.

6 Building Cost Information Service (2006) *Surveys of Tender Prices*, March, BCIS, Royal Institution of Chartered Surveyors, London.

7 Based on personal communication with the Office of the Deputy Prime Minister (ODPM) (2006).

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

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

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

## 14.5 Consultant: surgical

Costs and unit estimation	2005/2006 value	Notes
A. Wages/salary	£62,154 per year	Based on the mid-point of Agenda for Change (AfC) salaries Band 8c-8d of the April 2005 pay scale according to the National Job Evaluation Profile. Consultants who are heads of department can be on Band 9. (See pages 201-202 for salary information.) <sup>1</sup> The sum also includes £2,005 to reflect the national level of distinction award and clinical excellence award payments. It does not reflect payments for London allowances. <sup>2</sup>
B. Salary oncosts	£14,242 per year	Employers' national insurance plus 14 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£28,263 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. <sup>3</sup> See 7.5 for further details on training for health professionals.
D. Overheads	£33,617 per year	Comprises £7,228 for direct overheads and £25,626 for secretarial staff costs.
E. Ongoing training	£2,060 per year	Calculated using information provided by the London Deanery. <sup>4</sup> This includes costs for the new two year foundation programme and the speciality run-through grade. <sup>5</sup> Costs consist of an amount for the generic curriculum, the postgraduate centres infrastructure costs, study leave and the costs of course organisers, admin support, trainers workshops, vocational training and Internal courses for GP tutors. Excluded are the costs of exceptional training (£100 per trainee) and a cost for the running of the library postgraduate centres.
F. Capital overheads	£4,302 per year	Based on the new build and land requirements of NHS facilities. <sup>6,7</sup> 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 29 days annual leave and 8 statutory leave days. <sup>1</sup> 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. <sup>8</sup>
Ratio of direct to indirect time on/in: 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. <sup>9</sup> 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); 1.44 x F	Allows for the higher costs associated with London compared to the national average cost. <sup>10</sup> Building Cost Information Service and Office of the Deputy Prime Minister. <sup>6,7</sup>
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. <sup>10</sup> Building Cost Information Service and Office of the Deputy Prime Minister. <sup>6,7</sup>
<b>Unit costs available 2005/2006 (costs including qualifications given in brackets)</b>		
£58 (£73) per hour; £184 (£232) per hour operating; £78 (£99) per patient-related hour (includes A to F).		

1 NHS Employers (2005) *Agenda for Change, NHS Terms and Conditions of Service Handbook*, NHS Employers, London.

2 Personal Communication with the Department of Health, 2005.

3 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.

4 Personal communication with the London Deanery.

5 NHS Employers (2006) *Modernising Medical Careers: A New Era in Medical Training*, NHS Employers, London.

6 Building Cost Information Service (2006) *Surveys of Tender Prices*, March, BCIS, Royal Institution of Chartered Surveyors, London.

7 Based on personal communication with the Office of the Deputy Prime Minister (ODPM) (2006).

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

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

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

## 14.6 Consultant: psychiatric

Costs and unit estimation	2005/2006 value	Notes
A. Wages/salary	£62,154 per year	Based on the mid-point of Agenda for Change (AfC) salaries Band 8c-8d of the April 2005 pay scale according to the National Job Evaluation Profile. Consultants who are heads of department can be on Band 9. (See pages 201-202 for salary information). <sup>1</sup> The sum also includes £2,005 to reflect the national level of distinction award and clinical excellence award payments. It does not reflect payments for London allowances. <sup>2</sup>
B. Salary oncosts	£14,242 per year	Employers' national insurance plus 14 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£28,263 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. <sup>3</sup> See 7.5 for further details on training for health professionals.
D. Overheads	£33,617 per year	Comprises £7,228 for indirect overheads and £25,626 for secretarial staff costs.
E. Ongoing training	£2,060 per year	Calculated using information provided by the London Deanery. <sup>4</sup> This includes costs for the new two year foundation programme and the speciality run-through grade. <sup>5</sup>
F. Capital overheads	£4,302 per year	Based on the new build and land requirements of NHS facilities. <sup>6,7</sup> 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 29 days annual leave and 8 statutory leave days. <sup>1</sup> 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. <sup>8</sup> 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 based on a response rate of 41.3% of a sample of 500 consultants. <sup>9</sup> 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) 1.44 x F	Allows for the higher costs associated with London compared to the national average cost. <sup>10</sup> Building Cost Information Service and Office of the Deputy Prime Minister. <sup>6,7</sup>
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. <sup>10</sup> Building Cost Information Service and Office of the Deputy Prime Minister. <sup>6,7</sup>
<b>Unit costs available 2005/2006 (costs including qualifications given in brackets)</b>		
£63 (£80) per hour; £123 (£155) per patient-related hour; £191 (£246) per hour patient contact (includes A to F).		

1 NHS Employers (2005) *Agenda for Change, NHS Terms and Conditions of Service Handbook*, NHS Employers, London.

2 Personal Communication with the Department of Health, 2005.

3 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.

4 Personal communication with the London Deanery.

5 NHS Employers (2006) *Modernising Medical Careers: A New Era in Medical Training*, NHS Employers, London.

6 Building Cost Information Service (2006) *Surveys of Tender Prices*, March, BCIS, Royal Institution of Chartered Surveyors, London.

7 Based on personal communication with the Office of the Deputy Prime Minister (ODPM) (2006).

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

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

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