

**Schema 13.1 Ward manager, day ward**

Costs and unit estimation	2002/2003 value	Notes
A. Wages/salary	£25,015 per year	National average salary for a staff nurse, based on the April 2002 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	£2,635 per year	Employers' national insurance plus 4 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£3,851 per year	The equivalent annual cost of pre-registration education after the total investment cost has been annuitised over the expected working life. <sup>348</sup> See schema 7.5 for further details on training for health professionals.
D. Overheads	£2,381 per year	Comprises £2,381 for indirect overheads. No allowance has been made for direct overheads because it is not possible to separate these from the cost of treatment.
E. Capital overheads	£1,802 per year	Based on the new build and land requirements of NHS facilities, <sup>349/350</sup> but adjusted to reflect shared used of office space for administration, and recreational and changing facilities. Treatment space has not been included. Capital costs have been annuitised over sixty years at a discount rate of 3.5 per cent. See editorial. At 6 per cent, the cost would be £2,781.
Working time	42 wks p.a., 37.5 hrs p.w.	Includes 25 days annual leave and 10 statutory leave days. <sup>351</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); 1.26 x E	Allows for the higher costs associated with London compared to the national average cost. <sup>352</sup>
Non-London multiplier	0.97 x (A to D) 0.98 x E	Allows for the lower costs associated with working outside London compared to the national average cost. <sup>5</sup>
<b>Unit costs available 2002/2003 (costs including qualifications given in brackets)</b>		
£20 (£23) per hour; £45 (£50) per hour of patient contact; £152 (£170) per shift (includes A to E)		

<sup>348</sup> 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.

<sup>349</sup> Building Cost Information Service (2003) *Surveys of Tender Prices*, February, BCIS, London.

<sup>350</sup> Department of the Environment, Transport and the Regions (2003) *Housing and Construction Statistics 1991-2001*, The Stationery Office, London. The appropriate inflator is provided by the DETR on request.

<sup>351</sup> Nursing and Midwifery Staffs Negotiating Council (1992) *Nursing and Midwifery Staffs Conditions of Service and Rates of Pay*, Department of Health, Leeds.

<sup>352</sup> Provisional and unpublished analysis using data from the Department of Health's weighted capitation formula.

**Schema 13.2 Ward manager, 24-hour ward**

Costs and unit estimation	2002/2003 value	Notes
A. Wages/salary	£28,235 per year	National average salary for a staff nurse, based on the April 2002 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	£3,026 per year	Employers' national insurance plus 4 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£3,851 per year	The equivalent annual cost of pre-registration education after the total investment cost has been annuitised over the expected working life. <sup>353</sup> See schema 7.5 for further details on training for health professionals.
D. Overheads	£2,381 per year	Comprises £2,381 for indirect overheads. No allowance has been made for direct overheads because it is not possible to separate these from the cost of treatment.
E. Capital overheads	£1,802 per year	Based on the new build and land requirements of NHS facilities. <sup>354/355</sup> but adjusted to reflect shared used of office space for administration, and recreational and changing facilities. Treatment space has not been included. Capital costs have been annuitised over sixty years at a discount rate of 3.5 per cent. See editorial. At 6 per cent, the cost would be £2,781.
Working time	42 wks p.a., 37.5 hrs p.w.	Includes 25 days annual leave and 10 statutory leave days. <sup>356</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); 1.26 x E	Allows for the higher costs associated with London compared to the national average cost. <sup>357</sup>
Non-London multiplier	0.97 x (A to D) 0.98 x E	Allows for the lower costs associated with working outside London compared to the national average cost. <sup>5</sup>
<b>Unit costs available 2002/2003 (costs including qualifications given in brackets)</b>		
£23 (£25) per hour; £50 (£55) per hour of patient contact; £169 (£187) per shift (includes A to E)		

<sup>353</sup> 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.

<sup>354</sup> Building Cost Information Service (2003) *Surveys of Tender Prices*, February, BCIS, London.

<sup>355</sup> Department of the Environment, Transport and the Regions (2003) *Housing and Construction Statistics 1991-2001*, The Stationery Office, London. The appropriate inflator is provided by the DETR on request.

<sup>356</sup> Nursing and Midwifery Staffs Negotiating Council (1992) *Nursing and Midwifery Staffs Conditions of Service and Rates of Pay*, Department of Health, Leeds.

<sup>357</sup> Provisional and unpublished analysis using data from the Department of Health's weighted capitation formula.

**Schema 13.3 Staff nurse, day ward**

Costs and unit estimation	2002/2003 value	Notes
A. Wages/salary	£18,974 per year	National average salary for a staff nurse, based on the April 2002 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	£1,901 per year	Employers' national insurance plus 4 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£3,851 per year	The equivalent annual cost of pre-registration education after the total investment cost has been annuitised over the expected working life. <sup>358</sup> See schema 7.5 for further details on training for health professionals.
D. Overheads	£2,381 per year	Comprises £2,381 for indirect overheads. No allowance has been made for direct overheads because it is not possible to separate these from the cost of treatment.
E. Capital overheads	£1,036 per year	Based on the new build and land requirements of NHS facilities. <sup>359/360</sup> but adjusted to reflect shared used of office space for administration, and recreational and changing facilities. Treatment space has not been included. Capital costs have been annuitised over sixty years at a discount rate of 3.5 per cent. See editorial. At 6 per cent, the cost would be £1,599.
Working time	42 wks p.a., 37.5 hrs p.w.	Includes 25 days annual leave and 10 statutory leave days. <sup>361</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); 1.25 x E	Allows for the higher costs associated with London compared to the national average cost. <sup>362</sup>
Non-London multiplier	0.97 x (A to D); 0.98 x E	Allows for the lower costs associated with working outside London compared to the national average cost. <sup>5</sup>
<b>Unit costs available 2002/2003 (costs including qualifications given in brackets)</b>		
£15 (£18) per hour; £28 (£32) per hour of patient contact; £116 (£134) per shift (includes A to E)		

<sup>358</sup> 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.

<sup>359</sup> Building Cost Information Service (2003) *Surveys of Tender Prices*, February, BCIS, London.

<sup>360</sup> Department of the Environment, Transport and the Regions (2003) *Housing and Construction Statistics 1991-2001*, The Stationery Office, London. The appropriate inflator is provided by the DETR on request.

<sup>361</sup> Nursing and Midwifery Staffs Negotiating Council (1992) *Nursing and Midwifery Staffs Conditions of Service and Rates of Pay*, Department of Health, Leeds.

<sup>362</sup> Provisional and unpublished analysis using data from the Department of Health's weighted capitation formula

**Schema 13.4 Staff nurse, 24-hour ward**

Costs and unit estimation	2002/2003 value	Notes
A. Wages/salary	£21,761 per year	National average salary for a staff nurse, based on the April 2002 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	£2,240 per year	Employers' national insurance plus 4 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£3,851 per year	The equivalent annual cost of pre-registration education after the total investment cost has been annuitised over the expected working life. <sup>363</sup> See schema 7.5 for further details on training for health professionals.
D. Overheads	£2,381 per year	Comprises £2,381 for indirect overheads. No allowance has been made for direct overheads because it is not possible to separate these from the cost of treatment.
E. Capital overheads	£1,036 per year	Based on the new build and land requirements of NHS facilities, <sup>364/365</sup> but adjusted to reflect shared used of office space for administration, and recreational and changing facilities. Treatment space has not been included. Capital costs have been annuitised over sixty years at a discount rate of 3.5 per cent. See editorial. At 6 per cent, the cost would be £1,599.
Working time	42 wks p.a., 37.5 hrs p.w.	Includes 25 days annual leave and 10 statutory leave days. <sup>366</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); 1.25 x E	Allows for the higher costs associated with London compared to the national average cost. <sup>367</sup>
Non-London multiplier	0.97 x (A to D) 0.98 x E	Allows for the lower costs associated with working outside London compared to the national average cost. <sup>5</sup>
<b>Unit costs available 2002/2003 (costs including qualifications given in brackets)</b>		
£17 (£20) per hour; £35 (£40) per hour of patient contact; £131 (£149) per shift (includes A to E)		

<sup>363</sup> 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.

<sup>364</sup> Building Cost Information Service (2003) *Surveys of Tender Prices*, February, BCIS, London.

<sup>365</sup> Department of the Environment, Transport and the Regions (2003) *Housing and Construction Statistics 1991-2001*, The Stationery Office, London. The appropriate inflator is provided by the DETR on request.

<sup>366</sup> Nursing and Midwifery Staffs Negotiating Council (1992) *Nursing and Midwifery Staffs Conditions of Service and Rates of Pay*, Department of Health, Leeds.

<sup>367</sup> Provisional and unpublished analysis using data from the Department of Health's weighted capitation formula.

**Schema 13.5 Health care assistant**

Costs and unit estimation	2002/2003 value	Notes
A. Wages/salary	£14,705 per year	National average salary for an auxiliary nurse working in a hospital, based on the April 2002 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	£1,382 per year	Employers' national insurance plus 4 per cent of salary for employers' contribution to superannuation.
C. Overheads	£2,381 per year	Comprises £2,381 for indirect overheads. No allowance has been made for direct overheads because it is not possible to separate these from the cost of treatment.
D. Capital overheads	£1,036 per year	Based on the new build and land requirements of NHS facilities. <sup>368/369</sup> but adjusted to reflect shared used 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 sixty years at a discount rate of 3.5 per cent. See editorial. At 6 per cent, the cost would be £1,599.
Working time	44 wks p.a., 37.5 hrs p.w.	Includes 20 days annual leave and 10 statutory leave days. <sup>370</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); 1.25 x D	Allows for the higher costs associated with London compared to the national average cost. <sup>371</sup>
Non-London multiplier	0.97 x (A to C) 0.98 x D	Allows for the lower costs associated with working outside London compared to the national average cost. <sup>4</sup>
<b>Unit costs available 2002/2003</b>		
£12 per hour; £20 per hour of patient contact; £89 per shift (includes A to D)		

<sup>368</sup> Building Cost Information Service (2003) *Surveys of Tender Prices*, February, BCIS, London.

<sup>369</sup> Department of the Environment, Transport and the Regions (2003) *Housing and Construction Statistics 1991-2001*, The Stationery Office, London. The appropriate inflator is provided by the DETR on request.

<sup>370</sup> Nursing and Midwifery Staffs Negotiating Council (1992) *Nursing and Midwifery Staffs Conditions of Service and Rates of Pay*, Department of Health, Leeds.

<sup>371</sup> Provisional and unpublished analysis using data from the Department of Health's weighted capitation formula.