

## **8. Nurses and doctors**

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## 8.1 Community nurse (includes district nursing sister, district nurse)

Using reference costs ([http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH\\_098945](http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_098945)), the mean average cost for a face-to-face contact in district nursing services for 2008 was £38, with the minimum range for 25 per cent of services being £31 and the maximum £42. Costs have been updated using the HCHS pay and prices inflator.

Costs and unit estimation	2008/2009 value	Notes
A. Wages/salary	£30,000 per year	Based on the median full-time equivalent basic salary for Agenda for Change Band 6 of the January-March 2009 NHS Staff Earnings estimates for Qualified Nurses. Median full-time equivalent total earnings which include basic salary plus hours related pay, overtime, occupation payments, location payments and other payments including redundancy pay or payment of notice periods were £32,700. <sup>1</sup> See page 178 for information on mean salaries.
B. Salary oncosts	£7,344 per year	Employers' national insurance plus 14 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£6,535 per year	The equivalent annual cost of pre-registration and post-registration education after the total investment cost has been annuitised over the expected working life. <sup>2</sup> See schema 6.4 for more information on training costs of health professionals.
D. Overheads	£6,831 per year	Comprises £3,097 for indirect overheads and 10 per cent of salary costs for direct revenue overheads. <sup>3</sup>
E. Capital overheads	£2,392 per year	Based on the new-build and land requirements of community health facilities, but adjusted to reflect shared use of both treatment and non-treatment space. <sup>4,5</sup> Capital costs have been annuitised over 60 years at a discount rate of 3.5 per cent.
F. Travel	£1.40 per visit	Taken from Netten and inflated using the retail price index. <sup>6</sup>
Working time	41.3 weeks per annum 37.5 hours per week	Nursing and midwifery staffs negotiating council conditions of service and rates of pay. Includes 29 days annual leave and 8 days statutory leave. <sup>7</sup> Assumes 5 study/training days and 12 days sickness leave. <sup>8</sup> Unit costs based on 1547 hours per annum.
Ratio of direct to indirect time on: face-to-face contacts clinic contacts home visits	1:1.08 1:0.58 1:1.21	Dunnell and Dobbs estimated that the proportion of working time spent in different locations/activities was as follows: patient's own home 38 per cent; clinics 6 per cent; hospitals 2 per cent; other face-to-face settings 2 per cent; travel 24 per cent; non-clinical activity 28 per cent. <sup>9</sup> Patient direct to indirect contact ratios allocate all non-contact time to all contact time. Clinic and home visit multipliers allocate travel time just to home visits.
Length of contact	20 minutes	Per home visit. Based on discussions with a group of NHS Trusts.
London multiplier	1.19 × (A to B) 1.41 × E	Allows for the higher costs associated with working in London. <sup>4,5,10</sup>
Non-London multiplier	0.97 × (A to B) 0.97 × E	Allows for the lower costs associated with working outside London. <sup>4,5,10</sup>
<b>Unit costs available 2008/2009 (costs including qualifications given in brackets)</b>		
£30 (£34) per hour; £63 (£72) per hour spent with a patient; £48 (£54) per hour in clinic; £67 (£76) per hour spent on home visits (includes A to E); £24 (£27) per home visit (includes A to F).		

- 1 The Information Centre (2009) *NHS Staff Earnings Estimates June 2009*, The Information Centre, Leeds.
- 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*, Personal Social Services Research Unit, University of Kent, Canterbury.
- 4 Building Cost Information Service (2009) *Surveys of Tender Prices*, March, BCIS, Royal Institute of Chartered Surveyors, London.
- 5 Based on personal communication with the Department for Communities and Local Government (2009) <http://www.communities.gov.uk/documents/housing/xls/141389.xls>.
- 6 Netten, A. (1992) Some cost implications of Caring for People: interim report, PSSRU Discussion Paper 809/4, Personal Social Services Research Unit, University of Kent, Canterbury.
- 7 NHS Employers (2005) *Agenda for Change, NHS Terms and Conditions of Service Handbook*, NHS Employers, London.
- 8 The Information Centre (2006) *Results of the NHS Sickness Absence Survey 2005*, NHS Employers, London.
- 9 Dunnell, K. & Dobbs, J. (1982) *Nurses Working in the Community*, OPCS, HMSO.
- 10 Based on personal communication with the Department of Health (2009).

## 8.2 Nurse (mental health)

Costs and unit estimation	2008/2009 value	Notes
A. Wages/salary	£23,500 per year	Based on the median full-time equivalent basic salary for Agenda for Change Band 5 of the January-March 2009 NHS Staff Earnings estimates for Qualified Nurses. Median full-time equivalent total earnings which include basic salary plus hours related pay, overtime, occupation payments, location payments and other payments including redundancy pay or payment of notice periods were £27,400. <sup>1</sup> See page 178 for information on mean salaries.
B. Salary oncosts	£5,602 per year	Employers' national insurance plus 14 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£6,535 per year	The equivalent annual cost of pre-registration and post-registration education after the total investment cost has been annuitised over the expected working life. <sup>2</sup> Specialist programmes are available for mental health nursing, but no costs are available yet. See schema 6.4 for more information on training costs of health professionals.
D. Overheads	£6,007 per year	Comprises £3,097 for indirect overheads and 10 per cent of salary costs for direct revenue overheads. <sup>3</sup>
E. Capital overheads	£2,392 per year	Based on the new-build and land requirements of community health facilities, but adjusted to reflect shared used of both treatment and non-treatment space. <sup>4,5</sup> Capital costs have been annuitised over 60 years at a discount rate of 3.5 per cent.
F. Travel	£1.40 per visit	Taken from Netten and inflated using the retail price index. <sup>6</sup>
Working time	41.3 weeks per annum 37.5 hours per week	Nursing and midwifery staffs negotiating council conditions of service and rates of pay. Includes 29 days annual leave and 8 days statutory leave. <sup>7</sup> Assumes 5 study/training days and 12 days sickness leave. <sup>8</sup> Unit costs based on 1547 hours per annum.
Ratio of direct to indirect time on: face-to-face contacts client related	1:0.89 1:0.33	Based on the National Child and Adolescent Mental Health Service Mapping data and returns from over 500 G grade nurses, 45 per cent of time was spent on direct clinical work, 13 per cent on consultation and liaison, 8 per cent on training and education, 4 per cent on research and evaluation, 23 per cent on admin and management, 7 per cent on other work and 17 per cent on tier 1 work. <sup>9</sup> Tier 1 work was assumed to be spread across all types of activity and for the purpose of this analysis 50 per cent of time is apportioned to direct contacts and 50 per cent to client related work.
London multiplier	1.19 x (A to B) 1.41 x E	Allows for the higher costs associated with working in London. <sup>4,5,10</sup>
Non-London multiplier	0.97 x (A to B) 0.97 x E	Allows for the lower costs associated with working outside London. <sup>4,5,10</sup>
<b>Unit costs available 2008/2009 (costs including qualifications given in brackets)</b>		
£24 (£28) per hour; £46 (£54) per hour of face-to-face contact; £32 (£38) per hour of client related work.		

1 The Information Centre (2009) *NHS Staff Earnings Estimates June 2009*, The Information Centre, Leeds.

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

4 Building Cost Information Service (2009) *Surveys of Tender Prices*, March, BCIS, Royal Institute of Chartered Surveyors, London.

5 Based on personal communication with the Department for Communities and Local Government (2009) <http://www.communities.gov.uk/documents/housing/xls/141389.xls>.

6 Netten, A. (1992) *Some cost implications of Caring for People: interim report*, PSSRU Discussion Paper 809/4, Personal Social Services Research Unit, University of Kent, Canterbury.

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

8 The Information Centre (2006) *Results of the NHS Sickness Absence Survey 2005*, NHS Employers, London.

9 Department of Health (2002) *National Child and Adolescent Mental Health Service Mapping Data*.

10 Based on personal communication with the Department of Health (2009).

### 8.3 Health visitor

Using reference costs ([http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH\\_098945](http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_098945)), the mean average cost for a face-to-face contact in health visiting services for 2008 was £46 with the minimum range for 25 per cent of services being £33 and the maximum £50. Costs have been updated using the HCHS pay and prices inflator.

Costs and unit estimation	2008/2009 value	Notes
A. Wages/salary	£30,000 per year	Based on the median full-time equivalent basic salary for Agenda for Change Band 6 of the January-March 2009 NHS Staff Earnings estimates for Qualified Nurses. Median full-time equivalent total earnings which include basic salary plus hours related pay, overtime, occupation payments, location payments and other payments including redundancy pay or payment of notice periods were £32,700. <sup>1</sup> See page 178 for information on mean salaries.
B. Salary oncosts	£7,344 per year	Employers' national insurance plus 14 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£6,535 per year	The equivalent annual cost of pre-registration and post-registration education after the total investment cost has been annuitised over the expected working life. <sup>2</sup> See schema 6.4 for more information on training costs of health professionals.
D. Overheads	£6,831 per year	Comprises £3,097 for indirect overheads and 10 per cent of salary costs for direct revenue overheads. <sup>3</sup>
E. Capital overheads	£2,392 per year	Based on the new-build and land requirements of community health facilities, but adjusted to reflect shared used of both treatment and non-treatment space. <sup>4,5</sup> Capital costs have been annuitised over 60 years at a discount rate of 3.5 per cent.
F. Travel	£1.40 per visit	Taken from Netten and inflated using the retail price index. <sup>6</sup>
Working time	41.3 weeks per annum 37.5 hours per week	Nursing and midwifery staffs negotiating council conditions of service and rates of pay. Includes 29 days annual leave and 8 days statutory leave. <sup>7</sup> Assumes 5 study/training days and 12 days sickness leave. <sup>8</sup> Unit costs based on 1547 hours per annum.
Ratio of direct to indirect time on: face-to-face contacts clinic contacts home visits	1:1.86 1:1.40 1:2.47	Dunnell and Dobbs estimated that the proportion of working time spent in different locations/activities was as follows: patient's own home 15 per cent; clinics 12 per cent; other face-to-face settings 8 per cent; travel 16 per cent; non-clinical activity 49 per cent. <sup>9</sup> Patient direct to indirect contact ratios allocate all non-contact time to all contact time. Clinic and home visit multipliers allocate travel time just to home visits.
Length of contact	20 minutes	Per home visit. Based on discussions with a group of NHS Trusts.
London multiplier	1.19 x (A to B) 1.41 x E	Allows for the higher costs associated with working in London. <sup>4,5,10</sup>
Non-London multiplier	0.97 x (A to B) 0.97 x E	Allows for the lower costs associated with working outside London. <sup>4,5,10</sup>
<b>Unit costs available 2008/2009 (costs including qualifications given in brackets)</b>		
£30 (£34) per hour; £86 (£98) per hour of client contact; £72 (£82) per hour of clinic contact; £104 (£119) per hour spent on home visits (includes A to E); £36 (£41) per home visit (includes A to F).		

1 The Information Centre (2009) *NHS Staff Earnings Estimates June 2009*, The Information Centre, Leeds.

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

4 Building Cost Information Service (2009) *Surveys of Tender Prices*, March, BCIS, Royal Institute of Chartered Surveyors, London.

5 Based on personal communication with the Department for Communities and Local Government (2009) <http://www.communities.gov.uk/documents/housing/xls/141389.xls>.

6 Netten, A. (1992) *Some cost implications of Caring for People: interim report*, PSSRU Discussion Paper 809/4, Personal Social Services Research Unit, University of Kent, Canterbury.

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

8 The Information Centre (2006) *Results of the NHS Sickness Absence Survey 2005*, NHS Employers, London.

9 Dunnell, K. & Dobbs, J. (1982) *Nurses Working in the Community*, OPCS, HMSO.

10 Based on personal communication with the Department of Health (2009).

## 8.4 Nurse specialist (community)

Costs and unit estimation	2008/2009 value	Notes
A. Wages/salary	£30,000 per year	Based on the median full-time equivalent basic salary for Agenda for Change Band 6 of the January-March 2009 NHS Staff Earnings estimates for Qualified Nurses. Median full-time equivalent total earnings which include basic salary plus hours related pay, overtime, occupation payments, location payments and other payments including redundancy pay or payment of notice periods were £32,700. <sup>1</sup> See page 178 for information on mean salaries.
B. Salary oncosts	£7,344 per year	Employers' national insurance plus 14 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£8,779 per year	See schema 6.4 for more information on training costs of health professionals.
D. Overheads: direct and indirect	£6,831 per year	Comprises £3,097 for indirect overheads and 10 per cent of salary costs for direct revenue overheads. <sup>2</sup>
E. Capital overheads	£2,392 per year	Based on the new-build and land requirements of community health facilities, but adjusted to reflect shared used of both treatment and non-treatment space. <sup>3,4</sup> Capital costs have been annuitised over 60 years at a discount rate of 3.5 per cent.
F. Travel	£1.40 per visit	Based on community health service travel costs. <sup>5</sup>
Working time	41.3 weeks per annum 37.5 hours per week	Includes 29 days annual leave and 8 days statutory leave. <sup>6</sup> Assumes 5 study/training days and 12 days sickness leave. <sup>7</sup> Unit costs based on 1547 hours per annum.
Ratio of direct to indirect time on: face-to-face contacts	1:1.5	Based on findings by Renton et al. for a NHS community nurse specialist for HIV/AIDS. <sup>8</sup>
Length of contact		
London multiplier	1.19 × (A to B) 1.41 × E	Allows for the higher costs associated with working in London. <sup>3,4,9</sup>
Non-London multiplier	0.97 × (A to B) 0.97 × E	Allows for the lower costs associated with working outside London. <sup>3,4,9</sup>
<b>Unit costs available 2008/2009 (costs including qualifications given in brackets)</b>		
£30 (£36) per hour; £75 (£89) per hour of client contact (includes A to E). Travel £1.40 per visit.		

1 The Information Centre (2009) *NHS Staff Earnings Estimates June 2009*, The Information Centre, Leeds.

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

3 Building Cost Information Service (2009) *Surveys of Tender Prices*, March, BCIS, Royal Institute of Chartered Surveyors, London.

4 Based on personal communication with the Department for Communities and Local Government (2009) <http://www.communities.gov.uk/documents/housing/xls/141389.xls>.

5 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.

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

7 The Information Centre (2006) *Results of the NHS Sickness Absence Survey 2005*, NHS Employers, London.

8 Renton, A., Petrou, S. & Whitaker, L. (1995) *Utilisation, Needs and Costs of Community Services for People with HIV Infection: A London-based Prospective Study*, Department of Health, London.

9 Based on personal communication with the Department of Health (2009).

## 8.5 Clinical support worker nursing (community)

Costs and unit estimation	2008/2009 value	Notes
A. Wages/salary	£14,400 per year	Based on the median full-time equivalent basic salary for Agenda for Change Band 2 of the January-March 2009 NHS Staff Earnings estimates for unqualified Nurses. Median full-time equivalent total earnings which include basic salary plus hours related pay, overtime, occupation payments, location payments and other payments including redundancy pay or payment of notice periods were £17,200. <sup>1</sup> See page 178 for information on mean salaries.
B. Salary oncosts	£3,164 per year	Employers' national insurance plus 14 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£0	No professional qualifications assumed.
D. Overheads	£3,975 per year	Comprises £3,097 for indirect overheads and 5 per cent of salary costs for direct revenue overheads. <sup>2</sup>
E. Capital overheads	£976 per year	Based on the new-build and land requirements of community health facilities, but adjusted to reflect shared use of both treatment and non-treatment space. <sup>3,4</sup> It is assumed that an auxiliary nurse uses one-sixth of the treatment space used by a district nurse. Capital costs have been annuitised over 60 years at a discount rate of 3.5 per cent.
F. Travel	£1.40 per visit	Taken from Netten and inflated using the retail price index. <sup>5</sup>
Working time	42.3 weeks per annum 37.5 hours per week	Nursing and midwifery staffs negotiating council conditions of service and rates of pay. Includes 29 days annual leave, 8 days statutory leave and 12 days sickness leave. <sup>6,7</sup> Unit costs based on 1585 hours per annum.
Ratio of direct to indirect time on: face-to-face contacts clinic contacts home visits	1:0.61 1:0.27 1:0.64	Dunnell and Dobbs estimated that the proportion of working time spent in different locations/activities was as follows: patient's own home 58 per cent; clinics 2 per cent; other face-to-face settings 2 per cent; travel 21 per cent; non-clinical activity 17 per cent. <sup>8</sup> Patient direct to indirect contact ratios allocate all non-contact time to all contact time. Clinic and home visit multipliers allocate travel time just to home visits.
Length of contact	20 minutes	Per home visit. Based on discussions with a group of NHS Trusts.
London multiplier	1.19 × (A to B) 1.41 × E	Allows for the higher costs associated with working in London. <sup>3,4,9</sup>
Non-London multiplier	0.97 × (A to B) 0.97 × E	Allows for the lower costs associated with working outside London. <sup>3,4,9</sup>
<b>Unit costs available 2008/2009</b>		
£14 per hour; £23 per hour spent with a patient; £18 per hour in clinic contacts; £24 per hour spent on home visits; £9 per home visit (includes A to F).		

1 The Information Centre (2009) *NHS Staff Earnings Estimates June 2009*, The Information Centre, Leeds.

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

3 Building Cost Information Service (2009) *Surveys of Tender Prices*, March, BCIS, Royal Institute of Chartered Surveyors, London.

4 Based on personal communication with the Department for Communities and Local Government (2009) <http://www.communities.gov.uk/documents/housing/xls/141389.xls>.

5 Netten, A. (1992) *Some cost implications of Caring for People: interim report*, PSSRU Discussion Paper 809/4, Personal Social Services Research Unit, University of Kent, Canterbury.

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

7 The Information Centre (2006) *Results of the NHS Sickness Absence Survey 2005*, NHS Employers, London.

8 Dunnell, K. & Dobbs, J. (1982) *Nurses Working in the Community*, OPCS, HMSO.

9 Based on personal communication with the Department of Health (2009).

## 8.6 Nurse (GP practice)

Costs and unit estimation	2008/2009 value	Notes
A. Wages/salary	£23,500 per year	Based on the median full-time equivalent basic salary for Agenda for Change Band 5 of the January-March 2009 NHS Staff Earnings estimates for Qualified Nurses. Median full-time equivalent total earnings which include basic salary plus hours related pay, overtime, occupation payments, location payments and other payments including redundancy pay or payment of notice periods were £27,400. <sup>1</sup> See page 178 for information on mean salaries.
B. Salary oncosts	£5,602 per year	Employers' national insurance plus 14 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£6,535 per year	Equivalent annual cost of pre-registration and post-registration education after the total investment cost has been annuitised over the expected working life. <sup>2</sup> See schema 6.4 for more information on training costs of health professionals.
D. Overheads	£6,007 per year	Comprises £3,097 for indirect overheads and 10 per cent of salary costs for direct revenue overheads. <sup>3</sup>
E. Capital overheads	£3,832 per year	Based on new-build and land requirements of community health facilities, but adjusted to reflect shared used of both treatment and non-treatment space. <sup>4,5</sup> Capital costs have been annuitised over 60 years at a discount rate of 3.5 per cent.
F. Travel	£0.70 per visit	Atkin and Hirst assumed an average journey of two miles and costed travel at 22.3 pence per mile (1992/1993 prices), inflated using the retail price index. <sup>6</sup> Travel costs were found to be lower than those incurred by district nurses as they only visit within an area defined by the practice.
Working time	41.3 weeks per annum 37.5 hours per week	Nursing and midwifery staffs negotiating council conditions of service and rates of pay. Includes 29 days annual leave and 8 days statutory leave. <sup>7</sup> Assumes 5 study/training days and 12 days sickness leave. <sup>8</sup> Unit costs based on 1547 hours per annum.
Ratio of direct to indirect time on: face-to-face contacts clinic contacts home visits	1:0.18 1:0.12 1:0.45	Assumed time use: 15 per cent patient's own home; 60 per cent clinics/surgeries; 5 per cent hospital; 5 per cent other face-to-face settings; 5 per cent travel; and 10 per cent non-clinical activity. Patient direct to indirect contact ratios allocate all non-contact time to all contact time. Clinic and home visit multipliers allocate travel time just to home visits. Based on discussions with health service professionals.
Length of contact	27 minutes 15.5 minutes	Per home visit. Based on a one-week survey of 4 Sheffield practices. <sup>9</sup> Per surgery consultation. Based on the 2006/07 UK General Practice Survey. <sup>10</sup>
Client contacts	98 per week 109 per week	Number of consultations per week. Number of procedures per week. <sup>11</sup>
London multiplier	1.19 × (A to B) 1.51 × E	Allows for the higher costs associated with London compared to the national average cost. <sup>12</sup> Building Cost Information Service and Department for Communities and Local Government. <sup>4,5</sup>
Non-London multiplier	0.97 × (A to B) 0.97 × E	Allows for the lower costs associated with working outside London compared to the national average cost. <sup>12</sup> Building Cost Information Service and Department for Communities and Local Government. <sup>4,5</sup>
<b>Unit costs available 2008/2009 (costs including qualifications given in brackets)</b>		
£25 (£29) per hour; £30 (£35) per hour of client contact; £28 (£33) per hour in clinic; £10 (£11) per consultation; £9 (£10) per procedure; £37 (£43) per hour of home visits (includes A to E); £13 (£20) per home visit (includes A to F).		

- 1 The Information Centre (2009) *NHS Staff Earnings Estimates June 2009*, The Information Centre, Leeds.
- 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*, Personal Social Services Research Unit, University of Kent, Canterbury.
- 4 Building Cost Information Service (2009) *Surveys of Tender Prices*, March, BCIS, Royal Institute of Chartered Surveyors, London.
- 5 Based on personal communication with the Department for Communities and Local Government (2009) <http://www.communities.gov.uk/documents/housing/xls/141389.xls>.
- 6 Atkin, K. & Hirst, M. (1994) *Costing Practice Nurses: Implications for Primary Health Care*, Social Policy Research Unit, University of York.
- 7 NHS Employers (2005) *Agenda for Change, NHS Terms and Conditions of Service Handbook*, NHS Employers, London.
- 8 The Information Centre (2006) *Results of the NHS Sickness Absence Survey 2005*, NHS Employers, London.
- 9 Centre for Innovation in Primary Care (1999) *Consultations in General Practice — What do they cost?*, Centre for Innovation in Primary Care, Sheffield.
- 10 The Information Centre (2007) *2006/07 UK General Practice Workload Survey*, Primary Care Statistics, The Information Centre, Leeds.
- 11 Jeffreys, L.A., Clark, A. & Koperski, M. (1995) Practice nurses' workload and consultation patterns, *British Journal of General Practice*, 45, August, 415-418.
- 12 Based on personal communication with the Department of Health (2009).

## 8.7 Nurse advanced (includes lead specialist, clinical nurse specialist, senior specialist)<sup>1</sup>

Costs and unit estimation	2008/2009 value	Notes
A. Wages/salary	£35,900 per year	Based on the median full-time equivalent basic salary for Agenda for Change Band 7 of the January-March 2009 NHS Staff Earnings estimates for Qualified Nurses. Median full-time equivalent total earnings which include basic salary plus hours related pay, overtime, occupation payments, location payments and other payments including redundancy pay or payment of notice periods were £38,000. <sup>2</sup> See page 178 for information on mean salaries
B. Salary oncosts	£8,926 per year	Employers' national insurance plus 14 per cent of salary for employers' contribution to superannuation.
C. Qualifications	£10,587 per year	The equivalent annual cost of pre-registration education after the total investment cost has been annuitised over the expected working life. <sup>3</sup> Pre-registration training includes general nurse's training plus further education to honours or masters degree level. If postgraduate training was undertaken (including the Nurse Prescribing Course), there would be an additional annuitised cost of £3,676.
D. Overheads	£7,579 per year	Comprises £3,097 for indirect overheads and 10 per cent of salary costs for direct revenue overheads. <sup>4</sup>
E. Capital overheads	£3,832 per year	Based on the new-build and land requirements of community health facilities, but adjusted to reflect shared use of treatment and non-treatment space. <sup>5,6</sup> Capital costs have been annuitised over 60 years at a discount rate of 3.5 per cent.
Working time	41.3 weeks per annum 37.5 hours per week	Nursing and midwifery staffs negotiating council conditions of service and rates of pay. Includes 29 days annual leave and 8 days statutory leave. <sup>7</sup> Assumes 5 study/training days and 12 days sickness leave. <sup>8</sup> Unit costs based on 1547 hours per annum.
Length of consultation: surgery home telephone	15 minutes 25 minutes 6 minutes	Information provided by 27 nurse practitioners working in primary care contacted about length of consultations. Venning et al. found that nurse practitioners spent a mean of 11.57 minutes face-to-face with patients (SD 5.79 mins) and an additional 1.33 minutes per patient in getting prescriptions signed. <sup>9</sup>
Ratio of direct to indirect time on: face-to-face contacts patient contact (incl. telephone)	1:0.71 1:0.55	Information provided by 27 nurse practitioners on time use. Surgery consultations 58 per cent, home visits 0.4 per cent and telephone consultations 6.4 per cent. Getting prescriptions signed 1.4 per cent. Travel time to home visits was negligible (0.1 per cent). Another study found that 60 per cent of a nurse practitioner/Clinical Nurse Specialist's time was spent on clinical activities. <sup>10</sup> Another study on the role of nurse specialists in epilepsy found that clinical activities accounted for 40 per cent of the time. <sup>11</sup>
London multiplier	1.19 x (A to B) 1.51 x E	Allows for the higher costs associated with London compared to the national average cost. <sup>12</sup> Building Cost Information Service and Department for Communities and Local Government.
Non-London multiplier	0.97 x (A to B) 0.97 x E	Allows for the lower costs associated with working outside London compared to the national average cost. <sup>12</sup> Building Cost Information Service and Department for Communities and Local Government, Transport and the Regions. <sup>5,6</sup>
<b>Unit costs available 2008/2009 (costs including qualifications given in brackets)</b>		
Cost per hour £36 (£43), cost per hour in surgery £63 (£74), cost per hour of client contact £56 (£67), cost per surgery consultation £14 (£17).		

- 1 A term for nurse practitioners specifically has not been developed due to the great variation in the use of the term NP. Personal correspondence with the RCN NP Adviser has suggested that the best match is the Advance Nurse profile (Band 7).
- 2 The Information Centre (2009) *NHS Staff Earnings Estimates June 2009*, The Information Centre, Leeds.
- 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 Building Cost Information Service (2009) *Surveys of Tender Prices*, March, BCIS, Royal Institute of Chartered Surveyors, London.
- 6 Based on personal communication with the Department for Communities and Local Government (2009) <http://www.communities.gov.uk/documents/housing/xls/141389.xls>.
- 7 NHS Employers (2005) *Agenda for Change, NHS Terms and Conditions of Service Handbook*, NHS Employers, London.
- 8 The Information Centre (2006) *Results of the NHS Sickness Absence Survey 2005*, NHS Employers, London.
- 9 Venning, P., Durie, A., Roland, M., Roberts, C. & Leese, B. (2000) Randomised controlled trial comparing cost effectiveness of general practitioners and nurse practitioners in primary care, *British Medical Journal*, 320, 1048-1053.
- 10 Ball, J. (2005) *Maxi Nurses. Advanced and Specialist Nursing Roles, Results from a Survey of RCN Members in Advanced and Specialist Nursing Roles*, Royal College of Nursing, London.
- 11 Higgins, S., Lanfear, J. & Goodwin, M. (2006) Qualifying the role of nurse specialists in epilepsy: data from diaries and interviews, *British Journal of Neuroscience Nursing*, 2, 5, 239-245.
- 12 Based on personal communication with the Department of Health (2009).

## 8.8a General practitioner — cost elements

Costs and unit estimation	2008/2009 value	Notes (for further clarification see Commentary)
A. Net remuneration	£110,139 per year	Average net profit after expenses in 2007/08 for England. <sup>1</sup> See commentary 8.8c. It has not been possible to agree an inflator to provide estimated net remuneration for 2008/09.
<b>B. Practice expenses</b>		
- Out of hours	£12,330 per year	Amount allocated for out of hours care.
Direct care staff	£23,657 per year	On average in 2008 each FTE equivalent practitioner (excluding GP registrars & GP retainers) employed 0.61 FTE practice staff (direct patient care only).
Travel	£4,598 per year	Estimated using the car allowance for GP registrars and is unchanged since last year. <sup>2</sup> This is based on AA information about the full cost of owning and running a car and allows for 10,000 miles. Average cost per visit is £5. Travel costs are included in the annual and weekly cost but excluded from costs per minute and just added to cost of a home visit.
Other	£28,949 per year	Other practice expenses are estimated on the basis of final expenditure figures from the DH for 2008/09. <sup>3</sup> Practice expenses exclude all expenditure on drugs. See commentary 8.8c.
C. Qualifications	£26,592 per year	The equivalent annual cost of pre-registration and postgraduate medical education. See commentary 8.8c. Calculated using information provided by the London Deanery. <sup>4</sup>
D. Ongoing training	£2,315 per year	Calculated using budgeting information provided by the Medical Education Funding Unit of the NHS Executive relating to allocation of Medical and Dental Levy (MADEL) funds. Uprated using the HCCHS pay and prices inflator and uprated using the HCCHS pay and prices inflator.
<b>E. Capital costs</b>		
- Premises	£8,954 per year	Based on new-build and land requirements for a GP practitioner suite. Capital costs have been annuitised over 60 years at a discount rate of 3.5 per cent. <sup>5,6</sup>
- Equipment	£1,099 per year	Taken from final expenditure figures from the DH <sup>3</sup> and adjusted to allow for equipment allocated to direct care staff. Expenditure on computer equipment is used as a proxy for annuitised capital. See commentary 8.8c.
F. Overheads	£7,970 per year	Based on final expenditure figures from the DH for 2007/08. <sup>3</sup> Overheads include Primary Care Organisation (PCO) administered funds, demand management and recruitment and retention. See commentary 8.8c.
Working time	43.5 wks per annum 44.4 hrs per week	Derived from the 2006/07 UK General Practice Workload Survey. <sup>7</sup> Number of hours for a full-time GP Partner. Allows for time spent per year on annual leave, sick leave and study leave. Unit costs based on 1931 hours per annum.
<b>Ratio of direct to indirect time:</b>		
surgery/clinic/phone consultations	1:0.57	Based on proportion of time spent on surgery consultations (44.5 per cent), phone consultations (6.3 per cent), clinics (6.3 per cent) and home and care home visits including travel time (8.6 per cent). Patient direct to indirect contact ratios allocate all non-contact time to all contact time. Surgery and home visit multipliers allocate travel time just to home visits. Taken from the 2006/07 UK General Practice Workload Survey. <sup>7</sup>
home visits	1:1.61	
<i>Consultations: Surgery</i>	11.7 minutes	Based on the 2006/07 UK General Practice Workload Survey, <sup>7</sup> the time spent on a home visit just includes time spent in the patient's home. On average 12 minutes has been assumed for travelling per visit. This travel time has been allowed for in the estimation of the ratio of direct to indirect time spent on home visits. See commentary 8.8c.
<i>Clinic</i>	17.2 minutes	
<i>Telephone</i>	7.1 minutes	
<i>Home visit</i>	11.4 minutes	

**Unit costs for 2008/2009 are given in table 8.8b**

1 The Information Centre (2009) *GP Earnings and Expenses 2007/08, Provisional Report Produced by the Technical Steering Committee, September 2009*, The Information Centre, London.

2 Information provided by Department of Health (2009).

3 Department of Health, 2008/09 England PFR Annual Accounts, Summary Year-end, 2009.

4 Personal communication with the London Deanery (2006).

5 Building Cost Information Service (2009) *Surveys of Tender Prices*, March, BCIS, Royal Institute of Chartered Surveyors, London.

6 Based on personal communication with the Department for Communities and Local Government (2009) <http://www.communities.gov.uk/documents/housing/xls/141389.xls>.

7 The Information Centre (2007) 2006/07 UK General Practice Workload Survey, Primary Care Statistics, The Information Centre, Leeds.

## 8.8b General practitioner — unit costs

Unit cost 2008/2009	Including direct care staff costs		Excluding direct care staff costs	
	With qualification costs	Without qualification costs	With qualification costs	Without qualification costs
Annual (including travel)	£226,602	£200,011	£202,946	£176,354
<sup>1</sup> Per hour of GMS activity	£115	£101	£103	£89
<sup>1</sup> Per hour of patient contact	£180	£159	£162	£140
<sup>1</sup> Per surgery/clinic minute	£3.00	£2.70	£2.70	£2.30
<sup>1</sup> Per home visit minute	£5.00	£4.40	£4.50	£3.90
<sup>1</sup> Per surgery consultation lasting 11.7 minutes	£35	£31	£31	£27
<sup>1</sup> Per clinic consultation lasting 17.2 minutes	£52	£45	£46	£40
<sup>1</sup> Per telephone consultation lasting 7.1 minutes	£21	£19	£19	£16
Per home visit lasting 23.4 minutes (includes travel time) <sup>2</sup>	£117	£103	£105	£91
Prescription costs per consultation (net ingredient cost)	£44 <sup>3</sup>			
Prescription costs per consultation (actual cost)	£40			

<sup>1</sup> In order to provide consistent unit costs, these costs exclude travel costs.

<sup>2</sup> Allows for 12 minute travel time. Previous estimates included prescription costs. These have now been excluded to provide consistency with other consultation costs.

<sup>3</sup> Based on personal communication with the Information Centre (2009).

## 8.8c General practitioner — commentary

**General note about GP expenditure.** The new General Medical Service contract (nGMS) is designed to improve the way that Primary Care services are funded, and to allow practices greater flexibility to determine the range of services they wish to provide, including opting out of additional services and out-of-hours care.

**Allowing for whole time equivalence (wte).** The NHS Information Centre has estimated that the number of FTE practitioners (excluding GP registrars and GP retainers) has decreased to 30,675 in 2008.<sup>1</sup>

**Allowing for expenditure not associated with GP activity.** We have excluded expenditure related to dispensing and medication.

**Direct care staff.**<sup>1</sup> On average in 2008, each FTE equivalent practitioner (excluding GP registrars & GP retainers) employed 0.61 FTE practice staff. All direct care staff have been costed at the same level as a band 5 GP practice nurse.

**Other practice expenses.** These are based on payments made for enhancing services such as the Primary Care Modernisation Fund and Childhood Immunisation. It also includes other payments for improved quality such as Chronic Disease Management Allowances and Sustained Quality Allowances.

**Prescription costs.** Average prescription costs per consultation are £44 (Net Ingredient Cost: NIC). NIC is the basic cost of the drug, while Actual Cost is the NIC less the assumed average discount plus the container allowance (and plus on-cost for appliance contractors). These are based on information about annual numbers of consultations per GP, estimated by using the number of GPs for 2008 and the annual number of consultations per GP (5,956 in 2007/08),<sup>2</sup> number of prescriptions per GP (27,124 in 2008)<sup>3</sup> and the average actual total cost per GP prescription £8.80 at 2008 prices or £9.60 per NIC.<sup>4</sup> The number of prescriptions per consultation (4.55) has risen since 2007/08 and reflects the reduction in the number of consultations made by GPs and the increase in repeat prescriptions arising from initial consultations. See information provided by the Health and Social Care Information Centre, Prescribing Support Unit (The Information Centre, 2009)<sup>5</sup> for explanations about the decrease in cost per item.

**Qualifications.** The equivalent annual cost of pre-registration and postgraduate medical education. The investment in training has been annuitised over the expected working life of the doctor.<sup>6</sup> Postgraduate education calculated using information provided by the London Deanery.<sup>7</sup> This includes the cost of the two-year foundation programme, two years on a General Practice Vocational Training Scheme (GP-VTS) and a further year as a general practice registrar.<sup>8</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 running the library postgraduate centres. See schema 6.4 for further details on training for health professionals.

**Computer equipment.** Ideally, this should include an annuitised figure reflecting the level of computer equipment in GP surgeries. However, the figure presented in the schema represents the yearly amount allocated to IT expenditure during 2007/08. This has been taken from the final expenditure figures from the Department of Health. PCOs rather than practices now fund the purchase, maintenance, upgrading, running and training costs of computer systems.

**Overheads.** This includes expenditure on centrally managed administration such as recruitment and retention, demand management and expenditure relating to GP allowances such as locum allowances and retainer scheme payments.

**Activity.** The 2006/07 UK General Practice Workload Survey provides an overview of the entire workload and skill-mix of general practices in the UK in 2006/07 and is the first under the new contract. Staff in a representative sample of 329 practices across the UK completed diary sheets for one week in September or December. As the survey was targeted at work in the practice, it excludes work done elsewhere as well as any work identified as out-of-hours (OOH) not relating to the GMS/PMS/PCTMS practice contract. In order to convert the annual hours worked into weeks, the average number of hours worked on GMS duties was used. On this basis wte GMPs work 43.5 weeks a year for 44.4 hours per week.

1 The Information Centre (2009) *General and Personal Medical Services in England: 1998-2008*, The Information Centre, Leeds.

2 Hippisley-Cox, J. & Vinogradova, Y. (2009) *Trends in Consultation Rates in General Practice 1995 to 2008: Analysis of the QResearch database*, The Information Centre, Leeds.

3 Based on personal correspondence with the Information Centre, 2009.

4 Based on personal correspondence with the Prescribing Support Unit, 2008, Health and Social Care Information Centre (HSCIC).

5 The Information Centre (2009) *Prescriptions Dispensed in the Community: statistics for 1998 to 2008: England*, The Information Centre, Leeds.

6 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.

7 Personal communication with the London Deanery (2006).

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