

NHS Staff Earnings Estimates March 2009

- Based on payments to staff in the English NHS from October to December 2008.

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Version: 1.0

Date of Publication: 19/03/2009

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INTRODUCTION

This Statistical Bulletin relates to staff paid by NHS organisations via The Electronic Staff Record (ESR). The ESR is a payroll and Human Resources (HR) system which has been rolled out across the NHS and was completed in April 2008. It replaced over 30 separate HR and payroll systems which were previously in use.

The statistics presented in this Bulletin relate to payments to staff during the 3 month period of October to December 2008.

This is the eighth quarterly publication using data from the ESR. ESR roll out is now complete and this is the third publication to make use of data from every NHS organisation, excluding 2 Foundation Trusts which have yet to join ESR.

Publications prior to April 08 were based upon a sample of NHS organisations, as ESR roll out continued, the sample size became larger. Whilst comparisons with these publications, released prior to full roll out, are feasible, it is important that the possible reasons for change are all considered when making comparisons, as shown in the next section.

RELATION TO PREVIOUS ESTIMATES

For Non Medical staff, there have been decreases in pay of between 1 and 3 per cent compared with the last quarter. The last quarters' data was subject to the uplift in Agenda for Change pay bands which was applied and backdated to April 2008. The resultant back pay that staff received was recorded as part of basic salary in ESR and as such increases in pay of between 5 and 8 per cent were observed in the July to September 2008 quarter. The decreases seen this quarter were expected as basic pay in the previous quarter was inflated by back pay and they should not be seen as an indication of a fall in basic pay.

Pay for Medical staff groups has remained unchanged or decreased slightly in the last quarter. Decreases are likely to be because of continued pay band restructuring.

Annual comparisons of changes in earnings are possible; however any change from previous estimates may be due to a number of reasons. Any change from previous data is a combination of:

- The influence of additional organisations within the sample
- Changes in the composition of the workforce at trust level due to staff movements,
- Changes in the pay of individuals such as back pay or moving up an Agenda for Change incremental point.

Due to the influence of backdated pay in the July to September 2008 estimates, we do not recommend making quarterly comparisons of non – medical pay this quarter. Comparisons between the April to June 2008 data and this quarter's data should provide an accurate indication of changes in pay levels over this period as these will not be biased by the inclusion of back pay. The October to December 2007 data upon which 12 month comparisons would be made also contained back pay, so an annual comparison is not recommended this quarter. Next quarter's data (Jan to March 2009), published in June, should be the most robust data for trend analysis.

EXPERIMENTAL STATISTICS

Previous publications in this series (pre April 08) have been labelled as experimental statistics. This was to allow time to remove the effect of sampling bias whilst we waited for full roll out of ESR to NHS organisations.

This publication makes use of data from all NHS organisations taking up ESR (2 Foundation Trusts are yet to join), and so the experimental label has been removed.

METHODOLOGY

The full methodology can be viewed via the following link:

www.ic.nhs.uk/statistics-and-data-collections/workforce/nhs-staff-earnings

In summary:

- Data are taken from pay records from October to December 2008 for organisations which are on ESR
- From this basic pay, total earnings and 'worked full time equivalent' (FTE) are extracted
- Using occupational code data, the basic pay, total earnings and FTE are aggregated together for groups of staff
- Checks are then made on the validity of the data. At this point fields within records may be edited or deleted if invalid
- After validation, basic pay and total earnings per FTE can be worked out for each staff group

The source and methodology therefore differ in several respects from those used in earnings estimates made prior to ESR implementation. Publications from July 2007 onwards differ from previous earnings estimates in that:

- Data now relate to a quarter rather than a month. This balances stability and timeliness.
- Previous results related to data taken in August of each year for which there has been a survey (2000, 2002, 2004). The new methodology allows an estimate to be made every quarter, based on a full quarter's worth of earnings.
- Earnings estimates are now based upon staff's 'worked full time equivalent', rather than their 'contracted full time equivalent'. This means additional work done by part time staff on top of their contracted hours, are accurately reflected in the estimates.
- A major change to NHS pay systems, Agenda for Change, has been implemented since the 2004 survey. Consequently breakdowns of staff by 'grade' have altered to reflect this.
- Estimates of median earnings are available using this new methodology

RESULTS: NON - MEDICAL STAFF

(Tables 1 – 4)

This section describes some of the main findings within the tables. It also attempts to identify reasons for any changes from previous estimates.

Nurses

The mean basic salary per FTE for nurses is estimated as £25,900, with the median slightly below this at £25,100. This represents a 1.5% decrease in basic salary compared to the previous quarter. Prior to this quarter, estimates of nurses' earnings have been quite stable, and so it is likely that this decrease is due to the issue of backdated pay issue detailed in the "Relation to Previous Estimates" section.

Based on mean earnings, nurses earned an additional 15% on top of basic pay within the period, for reasons including overtime, location payments, and hours - related pay.

Qualified nurses are estimated to have mean basic pay of £28,200, and total earnings of £32,300.

Ambulance Staff

The data used to produce initial estimates came from organisations on ESR by March 2007. This included the London Ambulance Service Trust, meaning that all of London's ambulance staff were included in the data, yet not all ambulance staff elsewhere in the country were.

For other staff groups, the proportion of staff in the sample from within London was roughly equal to the proportion of all staff based outside of London. This problem is particular to ambulance staff since the London Ambulance Service Trust covers the whole of London, whereas for other trust types, ESR roll out in London had been proportional to ESR roll across the rest of England.

To prevent bias in the figures, ambulance staff earnings were presented separately, and this continues in order to allow comparisons over time. This will be reviewed once 15 months of complete data is available.

Within London, the estimated basic pay per FTE is £23,400, and outside London is £22,700. London staff have higher total earnings on average, with mean total earnings estimated at £39,900, compared with £32,100 for ambulance staff outside of London.

Because of the re-coding of higher earning unqualified staff to qualified staff during this year, it is difficult to make robust year on year comparisons at the detailed level.

Scientific, therapeutic and technical (ST&T) staff (including allied health professionals)

Per full time equivalent, the mean basic pay of ST&T staff is estimated to be £29,400, a 2% decrease from the last quarter which again highlights the issues of backdated pay detailed in the “Relation to Previous Estimates” section. Estimated mean total earnings per FTE are £31,800, a 2.2% decrease from the last quarter.

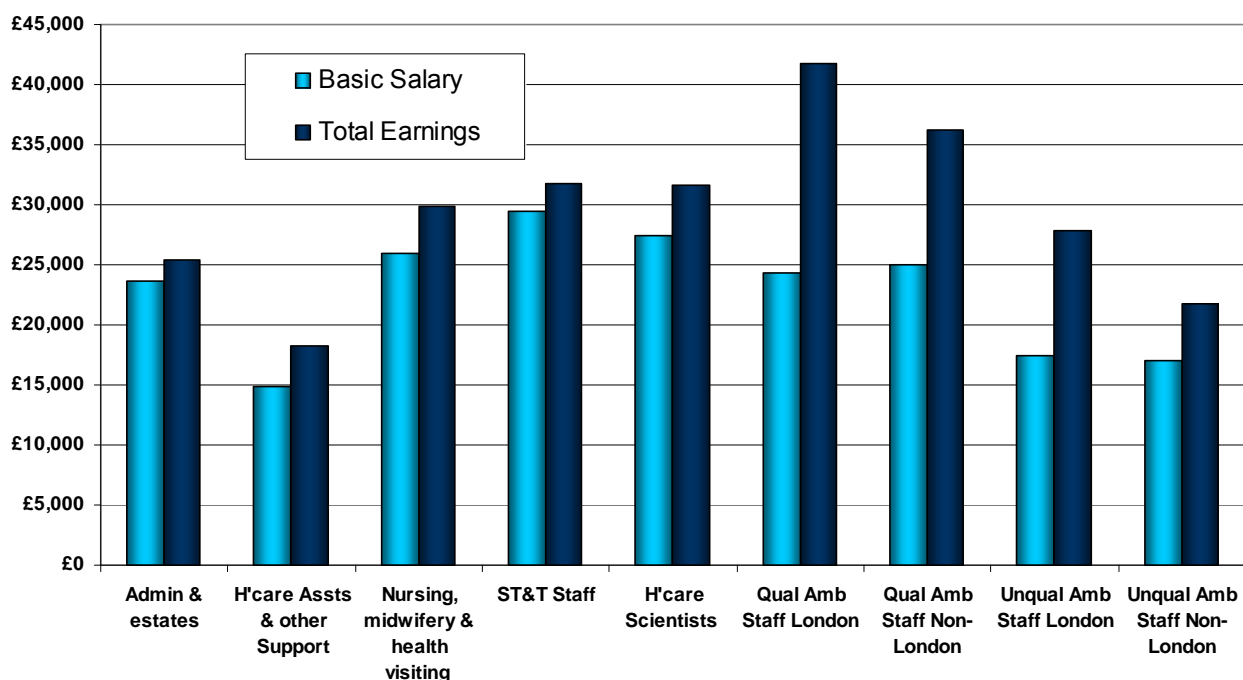
Table 2 breaks these down further in line with the needs of the NHS Pay Review Body.

Healthcare Scientists

The mean basic pay of healthcare scientists is estimated to be £27,500 per FTE, with them typically earning an additional 15% on top of this, taking their mean total earnings to £31,600 per FTE.

The full break down of basic pay and total earnings by high level census group is shown below.

Figure one. Mean Basic Pay and Total Earnings per FTE for broad occupational groups (based on payments from October to December 2008)



Now that a time series of earnings estimates is developing, customers are wishing to compare these estimates with previous ones. Annex A facilitates these comparisons, although it should be borne in mind that the reasons for changes can be due to additional organisations joining the sample rather than pure earnings change, and the estimates for non-medical earnings in the July to September 2008 quarter are influenced by backdated pay within the data, as are the October to December 2007 estimates.

See Section ‘Relation to Previous Estimates’ for more information.

RESULTS: MEDICAL STAFF

(Table 5)

Consultants

Table 5 shows the basic pay and earnings for Medical staff groups. Consultants are either part of the old contractual arrangements, which pertained until October 2003, or can have opted to move onto new contractual arrangements.

Consultants are estimated to earn £119,400 per FTE on the new contract, compared with an average earnings per FTE of £101,900 on the old contract. Note that this relates to NHS earnings only.

In this sample 95% of Consultants are on the new contract. Those who remain on the old contract may do so as it suits their working patterns better. For example they work on average approximately one session less per week than those on the new contract.

It is important to note that these data only cover staff that are directly employed and paid via NHS organisations through ESR. Consultants who, for example, are salaried by universities under the 'recharge' scheme, or other consultants delivering NHS care outside of the NHS payroll are not included. Also, earnings are estimated per FTE of NHS care, private earnings are not included.

In terms of annual change, total earnings on the new contract have increased from £114,300 to £119,400 over the last 12 months, an increase of 4.5%.

Foundation Year & House Officer Staff

For presentation of these data, foundation year 1 staff have been combined with house officer grades. Foundation year 2 has been combined with the Senior House officer grades.

Foundation year 1 staff are estimated to receive £22,000 basic pay per FTE, and earn an additional 43% as additional payments, giving them typical total earnings of £31,400 per FTE.

Basic pay per FTE fell by £100 (0.5%) from the last quarter, with total earnings falling by £300 (0.9%).

Foundation year 2 staff are estimated to receive £29,100 basic pay per FTE, and earn an additional 45% as additional payments, giving them typical total earnings of £42,200 per FTE.

Basic pay has fallen by an estimated 1.4% from last quarter, with total earnings falling an estimated 2.5%.

Significant numbers of staff previously coded within the Foundation Yr 2 / Senior House Officer Group who were on the old code of 'MN21', have been re-classified locally as 'MN37', a new code for Specialty Registrars introduced in August 2007. This may partially explain the decrease in earnings for the FY2 group.

Registrar Group

The mean basic salary of the Registrar Group is estimated to be £37,000 falling by £100 (0.3%) in the last quarter.

Those in the Registrar group typically earn an additional 53% in added payments, with total earnings estimated at £56,600.

Associate Specialists

Associate specialists are estimated to have a mean basic salary of £76,700. The median figure is below this, at £70,100, suggesting positive skew within the data.

Total earnings also have a higher mean than median figure. Mean total earnings per FTE are estimated at £83,700, with the median total earnings estimate at £72,600.

Staff Grade Doctors

The mean basic salary of a FTE staff grade doctor is estimated at £59,100, with them earning on average an additional 10% on top of this to take their mean total earnings to £65,200.

FURTHER IMPROVEMENTS

This is now the 8th publication in the series, and the sample size has now grown to cover all but 2 NHS organisations. The IC will continue to enhance the series by:

- Continuing to welcome feedback on the content and layout of tables
- Working with organisations to improve data quality entering the system
- Working with McKesson and the ESR central team to develop the functionality to isolate back-pay from the estimates

KNOWN ISSUES

Consultants

The data contained within ESR are only for staff directly paid by NHS organisations via the ESR. A small percentage of consultants therefore are missing from the sample. Those on honorary contracts and paid by universities or other suppliers of NHS care will be excluded from the sample. From census data, it appears roughly 3% of consultants are on honorary contracts. This has always been the case with earnings estimates from NHS payroll data. It is believed to result in our figure being a slight under-estimate of the average earnings of all consultants, as they are the more likely to be experienced, and more likely consultants to be in receipt of clinical excellence awards.

Nurse Learners

In order to quality assure the records we allow through to the sample, we only look at records which have an agenda for change band attached. This is nearly all records for most groups, however, for the nurse learning staff group a large number of staff are not on agenda for change terms and conditions.

The additional complication of nurse learners paid by bursaries (not included in this dataset) and staff on secondment who remain on Whitley pay scales means that the figure quoted for this group should be done so with clear reference to the fact it only covers staff paid by NHS organisations and on Agenda for Change conditions.

Issues with contracted and worked hours being recorded in sessions rather than hours

During the transfer of data from previous payroll systems to ESR, some organisations have a few occupations for which the use of sessions or hours to record contracted and worked FTE is inconsistent. An example is that of Trainee Clinical Psychologists. Some have their contract recorded in sessions (FTE=10) and their worked recorded in hours (FTE=37.5), which results in the FTE working out at $37.5/10$ which = 3.75, which is clearly wrong.

These records are removed from the analysis, and work is ongoing to rectify the problem at source.

Full Time Hours for staff on protected working time arrangements

For some staff groups, full time hours are protected at between 33 and 37 hours until December 2011. However, ESR is based on Full Time Hours as 37.5. Consequently staff working a 35 hour week has a FTE value of $33/37.5$ within the ESR system.

A method has been used to override FTE values which are a result of these interim working hours arrangements in order to treat such staff as having FTE of 1.

Re-coding of some FY2 staff to Registrar Group

Local implementation of the Modernising Medical Careers programme' has seen a large number of staff who were on what traditionally were SHO pay scales over to registrar pay scales. This has the effect of revising downwards estimates of the 'registrar group' as the staff who make up this category have changed.

Annex A. Estimates of Earnings of Key Staff Groups over time

Changes from last quarter are shown, however as average earnings are known to be slightly changeable and dependent upon local coding of staff into correct groups, the changes should be considered in context of the longer term trend illustrated, and also any accompanying explanations in the earlier text

	Basic Pay					Total Earnings				
	Oct-Dec 07	Jul-Sep 08	Oct-Dec 08	% change from last quarter	%change from last year	Oct-Dec 07	Jul-Sep 08	Oct-Dec 08	% change from last quarter	%change from last year
Qual Nurses	£27,600	£28,800	£28,200	-2.1	2.2	£31,800	£33,100	£32,300	-2.4	1.6
Unqualified Nurses	£15,700	£16,300	£16,000	-1.8	1.9	£18,900	£19,700	£19,200	-2.5	1.6
London Amb Staff: Qualified	£23,800	£24,700	£24,300	-1.6	2.1	£38,100	£43,400	£41,800	-3.7	9.7
London Amb Staff: Unqualified	£17,100	£18,000	£17,500	-2.8	2.3	£25,700	£29,000	£27,800	-4.1	8.2
Outside London Amb Staff: Qualified	£24,400	£25,400	£25,000	-1.6	2.5	£35,400	£36,400	£36,200	-0.5	2.3
Outside London Amb Staff: Unqualified	£16,700	£17,200	£17,000	-1.2	1.8	£21,000	£21,800	£21,700	-0.5	3.3
Healthcare Assistants	£14,600	£15,100	£14,800	-2.0	1.4	£17,800	£18,700	£18,200	-2.7	2.2
Consultants: Old Contract	£82,900	£85,300	£85,400	0.1	3.0	£96,900	£101,800	£101,900	0.1	5.2
Consultants: New Contract	£85,600	£88,900	£89,000	0.1	4.0	£114,300	£118,700	£119,400	0.6	4.5
House Officer / Foundation Yr 1	£21,400	£22,100	£22,000	-0.5	2.8	£31,200	£31,700	£31,400	-0.9	0.6
Senior House Officer / FY2	£29,200	£29,500	£29,100	-1.4	-0.3	£43,000	£43,300	£42,200	-2.5	-1.9
Registrars	£36,100	£37,100	£37,000	-0.3	2.5	£55,800	£57,100	£56,600	-0.9	1.4

DEFINITIONS

Full-time equivalents (FTE)

Some statistics are expressed in terms of full-time equivalents (FTE). For this purpose, numbers of part-time staff are converted into an equivalent number of 'full-time' staff by taking account of the weekly number of hours or sessions worked.

Basic Salary

This is the 'standard' basic pay paid to an individual, which is normally a factor of their Agenda for Change spine point, and their hours worked.

Total Earnings

This is the total amount earned by an individual. In addition to basic pay, it includes payments for:

- hours related payments such as on call, shift working, and overtime
- occupation payments such as clinical excellence awards or distinction awards
- location payments such as location allowance and other local payments
- recruitment and retention pay
- 'other' payments for issues such as occupational absence and protected pay

Mean Basic Salary

This is calculated by adding up the basic pay for a staff group, and dividing by the total amount of FTE for that group.

Mean Total Earnings

This is calculated by adding up the total earnings for a group, and dividing by the total FTE for that group.

Median FTE Basic Pay

FTE basic pay is calculated for each post held, and then the median is taken.

Median FTE Total Earnings

FTE total earnings are calculated for each post held, and then the median is taken.

Staff groups:

Qualified nursing, midwifery and health visiting staff are those who are employed as nurses and hold at least a second level registration with the Nursing and Midwifery Council (NMC).

Nursing, midwifery and health visiting learners are almost all on post-registration training courses, but employed by the HCHS whilst undergoing training. Students funded by bursaries and not employed by the HCHS are not included in the workforce numbers in this bulletin.

Qualified scientific, therapeutic and technical staff includes the following areas:

i) Qualified Allied Health Professionals

include qualified scientific, therapeutic and technical staff within:

- Chiropody/ podiatry
- Dietetics
- Occupational therapy
- Orthoptics/optics
- Physiotherapy
- Radiography
- Art, music and drama therapy
- Speech and language therapy.

ii) Other staff within qualified ST&T.

contain the rest of the qualified ST&T group

iii) Healthcare scientists (for NOHPRB purposes only)

which include:

- Life Sciences/Pathology
- Physiological Sciences,
- Clinical Engineering & Physical Sciences
- and Others.

EXPLANATORY NOTES

Sources of Data

The data relate to staff earnings paid via the Electronic Staff Record in the pay months of October, November and December 2008

Data cleaning and processing is described in detail at:

www.ic.nhs.uk/statistics-and-data-collections/workforce/nhs-staff-earnings

**Published by The NHS Information Centre for health and social care
Part of the Government Statistical Service**

ISBN: 978-1-84636-282-8

This publication may be requested in large print or other formats.

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