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Announcement of methodological changes to GP Earnings and Expenses Estimates

Introduction

The GP Earnings and Expenses Estimates series of Official Statistics present earnings and expenses estimates for full and part-time GPs working in the UK as either contractor or salaried GPs.

The earnings and expenses estimates are based upon anonymised tax data from HM Revenue and Customs' Self-Assessment database and cover both NHS/Health Service and private income from health care activity.

This notice describes changes agreed for the 2016/17 report following consultation with stakeholder groups and a formal publication review.

Technical Adjustments for Pension Contributions – Salaried GPs

In order to analyse contractor GP and salaried GP earnings estimates and to produce figures for GPs as a whole, adjustments are made to take into consideration pension contributions.

For salaried GPs, this adjustment adds a percentage to each GP's income before tax figure. In previous years, this adjustment used the UK average income before tax figure for salaried GPs in the previous financial year to identify their pension contribution tier and to determine the contribution to be added on.

The new methodology uses the country-specific average income before tax figures instead. As a result, for the 2016/17 report the income before tax figures for salaried GPs in England, Wales and Scotland were adjusted by 12.5% to take into consideration their pension contributions. Salaried GPs in Northern Ireland had lower average earnings in 2015/16 so fell into a lower pension contributions tier; their income before tax was therefore adjusted by 9.3%.

An additional 0.53% was also added to the income before tax of all salaried GPs, in accordance with the methodology, as an estimate of additional voluntary contributions.

For more information, please see the "Employee Superannuation Contributions for Salaried GPs" Section of the methodology that accompanies <http://digital.nhs.uk/pubs/gpearnex1617>.

Practice Size

Previous versions of the report presented UK-level earnings and expenses estimates by practice size which was defined using the headcount of GPs within practices. This means, for example, that a practice with 4-5 GPs would be classed as being larger than a practice with 2-3 GPs. However, as working patterns are changing and increasing numbers of GPs work part-time, a measure that defines practice size based upon headcount is no longer appropriate.

A new measure has been devised based upon registered patient counts at 30 September, which is the mid-point in the financial year. Registered patient bandings have been introduced as follows:

- <5,000
- 5,000-9,999
- 10,000-14,999
- 15,000-19,999
- \geq 20,000

This new definition will provide a more accurate and meaningful view of the finance information by practice size.

Regional Analysis in England

The structure of the NHS in England changed on 1 April 2013. The country and regional sections of the earnings and expenses estimates report that previously included Strategic Health Authorities (SHAs) now contain NHS England (Region, local office) and NHS England Regions formerly known as Commissioning Regions.

To ensure that the figures are as meaningful as possible, in view of the fact that earnings and expenses estimates are published approximately 18 months in arrears, the definitions of the regions in the 2016/17 report are effective as at 31 March 2018.

Timing

These changes will be implemented in the 2016/17 GP Earnings and Expenses Estimates publication of 30 August 2018.

Further information

If you have any comments or questions about these changes, please contact NHS Digital on 0300 303 5678 or email enquiries@nhsdigital.nhs.uk