

The GP earnings and expenses report 2015/16: summary of headline figures

The following information has been produced for LMCs to provide context for the GP Earnings and Expenses Report 2015/16. Some of the information presented below may help with national and local press stories arising from these figures. The BMA's press office will be happy to help LMCs with local press work where necessary. Although this briefing has not been produced with the intention of wide circulation, LMCs may wish to share all or part of the resource with local GPs where this seems appropriate.



GP earnings and expenses report 2015/16

NHS Digital has now published the GP Earnings and Expenses Report for the financial year 2015/16. The report was agreed by the Technical Steering Committee (TSC) which includes representatives from the four UK health departments, NHS Employers and the GPC. The report continues to focus on the mean, rather than the median, measure of average, which skews figures in favour of outliers. However, the median is included with a number of key figures.

For contractor GPs, the headline figures relate to gross earnings, total expenses and income before tax derived from all self-employed sources, as reported on tax returns. The figures therefore include private as well as NHS work. The estimates presented in the report exclude employer's superannuation contributions.

The report also includes income averages for salaried GPs. Figures for salaried GPs relate to earnings, expenses and income derived from all employed and self-employed sources, as reported on self-assessment tax returns. They therefore include private as well as NHS work. The results for salaried GPs also include full and part-time GPs.

Combined GPs

The mean income before tax for combined GPs (contractor and salaried) in the UK in 2015/16 was £90,100 for those GPs working in either a GMS or PMS (GPMS) practice compared to £91,200 in 2014/15, a decrease of 1.2 per cent.

The median income before tax for combined GPs in the UK in 2015/16 was £85,100 compared to £86,800 in 2014/15, a decrease of 1.9 per cent.

The average income before tax for GPMS combined GPs in 2015/16, by country was:

- £91,000 in England compared to £91,800 in 2014/15, a decrease of 0.9 per cent.
- £85,600 in Scotland compared to £88,100 in 2014/15, a decrease of 2.8 per cent.
- £87,800 in Wales compared to £85,800 in 2014/15, an increase of 2.4 per cent.
- £88,800 in Northern Ireland. Comparisons with 2014/15 are not applicable as Northern Ireland contractor and salaried GPs were analysed separately for the first time for 2015/16.

Contractor GPs

The average income before tax for GPMS contractor GPs in 2015/16, by country was:

- £104,900 in England compared to £103,800 in 2014/15, an increase of 1.0 per cent.
- £89,500 in Scotland compared to £91,800 in 2014/15, a decrease of 2.5 per cent.
- £93,400 in Wales compared to £90,700 in 2014/15, an increase of 3.0 per cent.
- £92,000 in Northern Ireland. Comparisons with 2014/15 are not applicable as Northern Ireland contractor and salaried GPs were analysed separately for the first time for 2015/16.

Overall in the UK, the expenses to earnings ratio (the proportion of an individual's gross turnover that is consumed by business expenses) increased by 0.7 percentage points between 2014/15 and 2015/16, from 64.2 per cent to 64.9 per cent.

Salaried GPs

The average income before tax for GPMS salaried GPs in 2015/16, by country was:

- £55,900 in England compared to £56,700 in 2014/15, a decrease of 1.4 per cent.
- £57,800 in Scotland compared to £57,100 in 2014/15, an increase of 1.1 per cent.
- £51,700 in Wales compared to £52,700 in 2014/15, a decrease of 2.0 per cent.

- £47,300 in Northern Ireland. Prior to 2015/16, salaried GPs could not be identified separately within Northern Ireland's data.

Comparisons with previous publications of the Earnings and Expenses Report

The table below shows the difference between the average income before income tax of UK GPs working in a GPMS practice in 2014/15 and 2015/16.

UK GPMS	2014/15	2015/16	% Change
Combined Median	£86,800	£85,100	-1.9%
Combined Mean	£91,200	£90,100	-0.2%
Contractor Median	£97,400	£96,600	-0.9%
Contractor Mean	£101,300 ^r	£101,300	-0.05%

The report also includes a breakdown by country.

Contractor GPMS	% Change in Average (Mean) income before tax	Earnings/Expenses Ratio
England	+1%	66.8%
Scotland	-2.5%	54.5%
Wales	+3%	62.3%
Northern Ireland	+1.2% ¹	52.9%

Important points to note

It is important to point out that the figures presented are in cash terms and not in real terms. This means that while the UK combined mean income has seen a 1.2% reduction in the last year, the real terms impact is much worse.

If challenged on GP pay, local media need to be made aware that at a time of rising workload, GP income has fallen over the period since 2004/5. The earnings and expenses ratio has increased, further highlighting the rapidly rising costs practices have had to cope with.

In line with previous Earning and Expenses reports, commentators should be aware that in contrast to published NHS pay for other NHS staff, the figures for GP income include non-NHS income. GP income from NHS sources only is lower than that derived from all sources. As a guide to NHS/private

r = rounded

¹ Salaried GPs could not be identified in the Northern Ireland data prior to 2015/16. Therefore Northern Ireland contractor figures for 2014/15 may contain a small number of salaried GPs, meaning comparisons between the two years were not included in the full report and may not be accurate.

income proportions, the average NHS superannuable income for GPMS contractor GPs in 2013/14 was 95.2% of total earnings (no more recent figures are available).