

## GP earnings and expenses report 2016/17: summary of key findings

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The following information has been produced for LMCs to provide context for the GP Earnings and Expenses Report 2016/17.



## **GP earnings and expenses report 2016/17**

NHS Digital has published the GP earnings and expenses report for the financial year 2016/17. This is an annual report and was agreed by the Technical Steering Committee (TSC) which includes representatives from the four UK health departments, NHS Employers and the GPC. The full report can be accessed [here](#).

### **Combined GPs**

The average income before tax for combined GPs (contractor and salaried) in the UK in 2016/17 was £92,500 for those GPs working in either a GMS or PMS (GPMS) practice compared to £90,100 in 2015/16, an increase of 2.7 per cent.

The median income before tax for combined GPs in the UK in 2016/17 was £87,400 compared to £85,100 in 2015/16, an increase of 2.7 per cent.

The average income before tax for GPMS combined GPs in 2016/17, by country was:

- £93,700 in England compared to £91,000 in 2015/16, an increase of 3 per cent.
- £87,300 in Scotland compared to £85,600 in 2015/16, an increase of 1.9 per cent.
- £89,400 in Wales compared to £87,800 in 2015/16, an increase of 1.8 per cent.
- £87,700 in Northern Ireland compared to £88,800 in 2015/16, a decrease of 1.3 per cent.

### **Contractor GPs**

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

- £109,600 in England compared to £104,900 in 2015/16, an increase of 4.6 per cent.
- £90,800 in Scotland compared to £89,500 in 2015/16, an increase of 1.5 per cent.
- £96,500 in Wales compared to £93,400 in 2015/16, an increase of 3.3 per cent.
- £90,500 in Northern Ireland compared to £92,000 in 2015/16, a decrease of 1.7 per cent.

### **Salaried GPs**

The average income before tax for GPMS salaried GPs in 2016/17, by country was:

- £56,600 in England compared to £55,900 in 2015/16, an increase of 1.2 per cent.
- £61,800 in Scotland compared to £57,800 in 2015/16, an increase of 7 per cent.
- £53,700 in Wales compared to £51,700 in 2015/16, an increase of 4 per cent.
- £55,300 in Northern Ireland compared to £47,300 in 2015/16, an increase of 17 per cent.

### 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 2016/17 and 2015/16.

UK GPMS	2015/16	2016/17	% change
Combined Mean	£90,100	£92,500	2.7%
Combined Median	£85,100	£87,400	2.7%
Contractor Mean	£101,300	£105,500	4.1%
Contractor Median	£95,500	£100,400	3.9%

The report also includes a breakdown by country:

Contractor GPMS	% change in average (mean) income before tax	Earnings/ Expenses ratio
England	4.6%	67.6%
Scotland	1.5%	55.1%
Wales	3.3%	62.4%
Northern Ireland	-1.7%	53.6%

### Comments

While earnings may have risen, over the same time frame there has been a reduction in the workforce. For example, in England the number of full-time equivalent GPs has fallen by more than 2 per cent, and partners by more than 4 per cent.

It is likely that the falling workforce accounts for a significant proportion of the apparent rise in an average partner's salary, as funding allocated to them to meet the needs of their patients is shared between fewer doctors who are doing more work.

It is also important to note that average income before tax for GPMS combined GPs in the UK in 2016/17 was £92,500. The average income before tax in real terms in 2006/07 was £120,308, which represents a 23.1 per cent decrease.

Since 2005/06, expenses have been increasing at a faster rate than income before tax for GPMS contractor GPs in the UK, resulting in an expenses to earnings ratio which has grown each year since then and which, at 65.8% for the UK is now at an all time high. This is evidence that practices are both investing in practice staff but also that they are facing huge cost pressures to keep their practices running.