

# An overview of pay for consultant doctors in England

March 2024





## Introduction

Pay for doctors has been eroding steadily since 2008/09 when Government escalated its interference with the independent pay review process by imposing a series of pay freezes and pay caps. This has exacerbated the effective devaluation of doctors' roles, when at the same time comparator professions have already recovered to 2008 levels compared with inflation and average workers predicted to do the same by 2026.¹ Doctors have been subject to years of wage stagnation and sub-inflationary pay awards at the hands of the government and the Review Body on Doctors' and Dentists' Remuneration (DDRB or "pay review body"). Seemingly, the conditions in which doctors work, the necessity of retaining and recruiting doctors and keeping them motivated in the context of a monopsony employer, and the wider economic context such as cost of living changes have been ignored by the DDRB when making their recommendation. Consequently, the BMA consultants Committee is of the view that the DDRB process is not fit for purpose and Consultants in England had withdrawn from the process. The failures of the DDRB process, including the 2023/24 recommendation was one of the key precipitants of the current industrial dispute.

Although consultants in England did not submit evidence last year, in its most recent report, the DDRB at least recognised that doctors continue to work in increasingly strained conditions with long and growing waiting lists, increased demand for services, sicker patients and dire workforce shortages. However, despite the DDRB's apparent understanding of challenges faced by doctors working in the NHS, its recent recommendation not only once again fell short of inflation<sup>2</sup>, but given the soaring rates of inflation, represented one of the largest in-year real terms pay cut in recent history. This was on the back of almost 15 years of sub-inflationary pay awards that have seen doctors pay fall by more than almost any other sector.

It is therefore almost unfathomable that the DDRB felt it appropriate to impose such a devastating real terms pay cut at a time when almost its entire remit group was either taking or planning for industrial action. It is also important to note that the government did not release the DDRB report for many months after it was submitted and during that period was "offering" negotiated pay awards to unions that were below the DDRB recommendations. To add insult to injury, the DDRB report was shared with government Ministers months before it was made public, creating a significant imbalance of power in the junior doctor and consultant negotiations that were taking place in England at the time. This has reinforced the BMA's belief that the DDRB process is not independent and continues to be impeded by government intervention. Considered alongside remit letters that have increasingly defined the limits of the DDRB recommendation, it is clear the independence of the DDRB is restricted to bounds set by government.

Furthermore, the DDRB continues to refuse to consider historical shortfalls in pay awards which have led to significant pay erosion for doctors. This pay erosion continued long after the financial crash in 2008 and this is despite earnings for those in the wider economy and comparator professions having recovered to pre-2008 levels.

Therefore, it is our assessment that yet again the DDRB's recommendation has been constrained by government. The continued prioritisation of affordability under the narrative of public sector pay fuelling inflation is misleading. Economists have discredited this claim, demonstrating that there is clear evidence that increasing public sector pay does not necessarily create a wage-price spiral.<sup>3</sup> At a

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<sup>&</sup>lt;sup>1</sup> Back-for-more.pdf (resolutionfoundation.org)

<sup>&</sup>lt;sup>2</sup> As measured by RPI

<sup>&</sup>lt;sup>3</sup> https://blogs.lse.ac.uk/politicsandpolicy/does-public-sector-pay-drive-inflation



time when the country has faced a cost-of-living crisis and crippling inflation, it is only fair that the DDRB considers the situation faced by those workers within its remit, rather than government's ideologically driven targets and messaging.

When the DDRB was formed after the 1956-1960 Royal Commission its intended purpose and primary aim was "the avoidance of the recurrent disputes about remuneration which have bedevilled relations between the medical and dental professions and the government for many years." With the broad recognition that these disputes "do nothing to promote the smooth running of the health service".<sup>4</sup>

The second stated aim of the DDRB was "to give these two professions, most of whose members derive the greater part of their livelihood from the National Health Service, some assurance that their living standards will not be depressed by arbitrary government action."<sup>5</sup>

At a time when most hospital doctors in the UK have either taken repeated industrial action or recently voted for it, a great deal of introspection is needed by the members of the review body as to how previous decisions have undermined its historic role and how to set things back on track. It seems impossible to believe that a functioning and independent pay review body would have not prevented the recent damaging rounds of industrial action.

# **Pay Erosion**

The 2023 recommendation by the DDRB represented yet another real terms pay cut for doctors, on top of over a decade's worth of sub-inflationary awards.

Due to the failure of the DDRB and UK governments, doctors' pay has been progressively eroded over time, which for some has now exceeded an astonishing and unjustifiable 35% real decline in take-home pay since 2008/09 when measured against RPI, and more than 26% real decline when measured against CPI<sup>6</sup>. The graph below demonstrates the fact that doctors have faced an unprecedented cut in their average real term's income, which we have charted below in both nominal cash and real terms since 2008/09 (Figure 1).

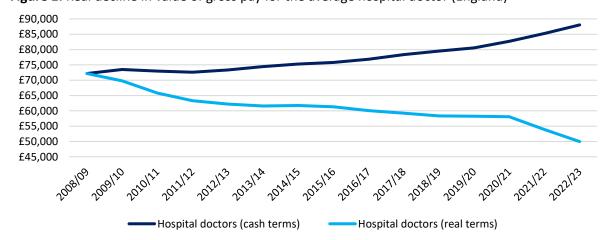


Figure 1: Real decline in value of gross pay for the average hospital doctor (England)

**Source:** BMA analysis of NHS Digital's NHS Staff Earnings' Estimates for HCHS doctors (England); real terms analysis in April 2009 (RPI) value

<sup>&</sup>lt;sup>4</sup> Royal Commission. Presented to Parliament February 1960. National Archive.

<sup>5</sup> Ibid

<sup>&</sup>lt;sup>6</sup> https://www.bma.org.uk/media/v2on0alx/consultants-offer-explained-march2024.pdf



The starting point of 2008/09 was chosen simply because this marks the onset of the financial crash and coincides with the changes in government pay policy. This encompasses the period of austerity and the point from which the government effectively started constraining the DDRB, resulting in frequent pay freezes and below inflation pay uplifts. This starting point is also important because although earnings growth began to stagnate economy-wide beginning in 2008, doctors' pay has eroded more significantly since then and is not recovering at the same pace. Indeed, according to the Resolution Foundation's post-budget analysis, real wages economy-wide will return to their 2008 value by 2026. However, due to the failure of successive pay rounds and the DDRB process, doctors' pay is not due to return to its pre-recession peaks in the foreseeable future, barring significant corrective action by the DDRB and the government. It is our expectation that the DDRB and the government will seek to address this and restore doctors' earnings according to the same timescale that workers in the broader economy will experience.

The 2023 recommendation by the DDRB of 6% for consultants specifically represented yet another real terms pay cut on top of a decade's worth of sub-inflationary awards. Due to the failure of the DDRB and UK governments, consultants' pay has been progressively eroded over time, and this erosion has been significantly worse than in the wider economy, regardless of which measure of inflation is used.

Figure 2 below demonstrates that, against the CPI measure of inflation, consultant mean earnings for the year to March 2009 through the year to September 2023 have fallen more than 10 times farther in real terms than in the whole economy, whilst in the Finance and Business Service and Professional, Scientific & Technical sectors, there was moderate real-terms growth over the same period. The BMA has analysed a range of publicly available NHS and Government data which reveals that the pay of consultants in England flatlined at just 14% growth in the 14 years to 2022/23. In stark contrast, the average pay for the UK went up by around 48% in the same period and those in the professions such as such as law, accountancy, financial services, architects and engineering, enjoyed growth of nearly 80% in wages. This shows all too clearly that not only has consultant pay has failed to keep up with inflation, but it has also failed to keep up with comparable professions.

<sup>7</sup> Back-for-more.pdf (resolutionfoundation.org)

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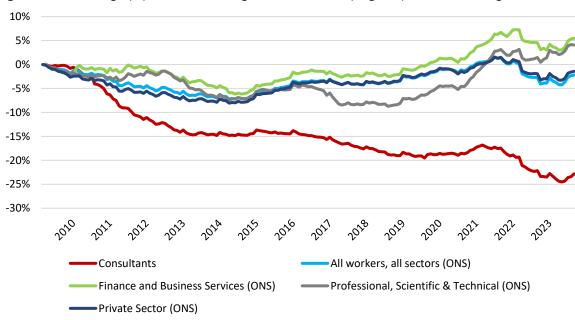


Figure 2: Real change (%) of mean earnings for consultants (England) in context using CPI

**Source:** BMA analysis of ONS Earn01 and Earn03 average weekly earnings (total pay) and NHS Staff Earnings Estimates mean annual earnings, during the year to March 2009 - year to Sep 2023, using CPI (March 2009 – Sep 2023).

Figure 3 below demonstrates that, against the RPI measure of inflation, there has been real terms decline in mean earnings for all groups from the year to March 2009 through the year to September 2023. However, consultant real earnings have fallen more than twice as far as in the whole economy and more than thrice as far as in the Finance and Business Service and Professional, Scientific & Technical sectors.

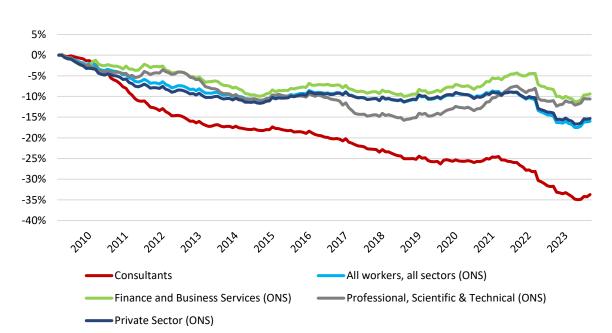


Figure 3: Real change (%) of mean earnings for consultants (England) in context using RPI

**Source:** BMA analysis of ONS Earn01 and Earn03 average weekly earnings and NHS Staff Earnings Estimates mean annual earnings, during the year to March 2009 - year to Sep 2023, using RPI (March 2009 – Sep 2023).



The 6% recommendation made in 2023/24 was given in the face of still soaring rates of inflation, one of the largest real terms pay cuts in a single year that doctors have faced. It is a direct result of this for which consultants in England took strike action for the first time in almost 4 decades and that disputes for junior doctors continued. This industrial action included joint strikes between consultants and juniors in England in September and October: the first time in the UK's history.

While the DDRB has previously refused to look back and address pay erosion with retrospective awards, the 2024/25 award presents an opportunity for the DDRB, and indeed the governments of the UK, to begin the process to meaningfully restore the value of doctors pay to ensure that it is in line with the expertise and skills they offer. Indeed, the position agreed with government around a new Terms of Reference (See Revised DDRB Terms of Reference') for the DDRB (that is currently being consulted on by BMA members) is clear acknowledgement by all parties that the pay review process needs to be reformed. Furthermore, the agreement that the DDRB must have regard to development in doctors' earnings in the context of long-term trends in the wider labour market including relevant comparator professions is long overdue clarity that the DDRB must fully consider these factors when makings its recommendations. In addition, this must be considered on its own merits and is not contingent on the government's own assessment of what it believes it can afford. Whilst officially, if accepted by members, these new terms of reference will not come into effect until the 2025/26 pay review process, we firmly believe that the DDRB must take these into account now for the 2024/25 round, particularly if we wish to avoid further industrial disputes.

## **Industrial Action and Negotiations**

After months of industrial action undertaken by our members, the BMA's Consultants Committee rejected a pay offer from government that had been achieved through long and protracted negotiations. The initial offer was put to our members via a referendum that was open between 14 December 2023 and 23 January 2024. Of those who voted, a slim majority of 51% rejected the offer. It was clear to the committee that what was on the table did not go far enough to alleviate our members' concerns.

The vote on the initial offer and BMA survey data demonstrates that consultants still had a considerable number of concerns. At the heart of these concerns is the belief that the DDRB is no longer fully independent, and its recommendations are constrained by criteria placed on it by government. As a result, the DDRB has largely ignored the historic trends of doctors pay and refused to make recommendations that correct the downwards pressures on doctors' remuneration over the last 15 years. This has meant doctors pay has failed to recover post austerity, despite this largely having happened in the wider economy. Further, rather than looking at all factors independently and judging them on their own merits, it's clear from previous reports that whilst there is a recognition of doctors' pay having fallen against the cost of living or against earnings in comparator professions, false arguments such as looking at this solely through the lens of recruitment and retention have been used to justify not restoring pay. This is irrational given that there is effectively a monopsony employer and therefore there are very few alternatives to NHS employment for doctors. We would also highlight that if the DDRB wait until the numbers of doctors start to fall due to people leaving because of poor remuneration, given the length of time it takes to train doctors, this would be too late to reverse. It is precisely for this reason that the Royal Commission that led to the formation of the original DDRB, specifically included that that the pay review body must consider cost of living and pay in comparator profession and not simply look at recruitment and retention in isolation. The proposed new terms of reference for the DDRB address this by making it clear that the factors the DDRB need to consider are no longer to be contingent on one another.



In the past, the BMA and Consultants Committee have tried to address these concerns through the formal DDRB process. However, it has become clear over time that the current process is no longer fit for purpose, thus leading to the withdrawal for UK CC from the DDRB process and the industrial dispute throughout the Summer and Autumn of 2023. Securing reform of the DDRB was a key aim of the industrial action that was undertaken.

## The Government Pay Offer to Consultants in England

Following several rounds of strike action, consultants in England re-entered negotiations with government on an increased pay settlement for 2023/24 and DDRB reform.

Given that the government did not want to increase the headline pay uplift, the pay discussions focussed on structural pay scale reform. As the DDRB has previously reported, the current pay scale structure is outdated and in need of reform.<sup>8</sup> Furthermore, as reported in the Mend the Gap report, the current pay scale design is a key component of the gender pay gap for consultants.<sup>9</sup> We therefore attempted to address this by reforming the pay scale with the following aims:

- Reduce the length of time it takes to reach the top of the pay scale.
- Reduce the number of pay points in the pay scale.
- Increase starting pay.
- Increase pay at the top of the pay scale.

Due to the limited additional investment available for this pay scale reform, we were not able to achieve as much reform as we would have liked. Not all consultants would have benefitted immediately, with a particular concern being those consultants between 4 and 7 years of experience. Secondly, the time to reach the top pay point remains too long (14 years) and there are still too many pay points. This is not in line with the previous DDRB recommendations on this or indeed in line with the prior discussions with government in 2018 in which a 2 point pay scale, with the top being reached at 5 years, was the agreed position. Significant concerns were borne out with the lack of uplift for consultants between years 4 and 7, one of the key concerns that led to the rejection of the offer by our members in January 2024. We have since concluded a further round of discussions with government at the end of February 2024, which has hopefully addressed the year 4-7 issue, but other concerns will remain, even if the new offer is accepted.

In particular, we remain concerned about the level of remuneration for the most senior consultants. Those in years nineteen and upwards are those who will receive amongst the least immediately as part of the new government offer and due to being near the end of their careers, they won't receive any benefit from the faster pay progression as those earlier in their careers will.<sup>10</sup> This also risks perpetuating the unfair erosion of this group of consultants pay into their retirement compared to both consultants retiring previously (before the significant pay erosion occurred) and those retiring in the future once pay recovers. It is therefore essential that the pay for the most senior consultants is addressed quickly. Furthermore, it is essential that consultant remuneration is at an appropriate level to attract, recruit and retain the best doctors. Due to a combination of pay erosion and the reduced value of national clinical impact awards (NCIA's, which are also no longer pensionable, therefore reducing their value even further), the NHS's ability to attract the best and brightest is increasingly a challenge. As shown in Figure 4 below, the consultant pay scale had already lost around 21-32% of its

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<sup>&</sup>lt;sup>8</sup> "Contract reform for consultants and doctors & dentists in training – supporting healthcare services seven days a week" *DDRB*, 2015.

<sup>&</sup>lt;sup>9</sup> "Mend the Gap: The Independent Review into Gender Pay Gaps in Medicine in England" 2020.

<sup>&</sup>lt;sup>10</sup>https://www.bma.org.uk/media/sqqonpba/bma-offer-document-consultants-march24.pdf



real value from 2008/09 to 2022/23, depending on the inflation measure used. If the government's new offer for consultants is accepted, the new top of the consultant pay scale by the end of 2023/24 (£131,964) is likely to still reflect double-digit real-terms erosion since 2008/09.

Figure 4: Consultant in England pay scale (2008/09 to 2022/23)

Pay Threshold	2008/09	2022/23	2022/23 (if kept up with CPI)	Real Loss (CPI)		2022/23 (if kept up with RPI)	Real Loss (RPI)	
			Pay Scale	£	%	Pay Scale	£	%
1	£73,403	£88,364	£111,299	-£22,935	-20.6%	£129,384	-£41,020	-31.7%
2	£75,701	£91,131	£114,784	-£23,653	-20.6%	£133,434	-£42,303	-31.7%
3	£78,000	£93,898	£118,270	-£24,372	-20.6%	£137,487	-£43,589	-31.7%
4	£80,298	£96,665	£121,754	-£25,089	-20.6%	£141,537	-£44,872	-31.7%
5	£82,590	£99,425	£125,229	-£25,804	-20.6%	£145,577	-£46,152	-31.7%
6	£88,049	£105,996	£133,507	-£27,511	-20.6%	£155,199	-£49,203	-31.7%
7	£93,508	£112,569	£141,784	-£29,215	-20.6%	£164,822	-£52,253	-31.7%
8	£98,962	£119,133	£150,054	-£30,921	-20.6%	£174,435	-£55,302	-31.7%

**Source:** BMA analysis of NHS Employer Pay and conditions circulars for medical and dental staff (England) and ONS inflation statistics; real terms analysis adjusts the cash terms earnings values by price changes from April 2009 to April 2023 (April 2023 value)

Consultant remuneration has fared even worse against inflation when additionally considering the value of clinical excellence awards, which had been predominantly frozen in the years preceding the imposition of a new national scheme. As shown in Figure 5, the combined earnings of a consultant in England on the top of the pay scale with a Level 4 Local Clinical Excellence Award (LCEA) dropped by around 22-33%, depending on the inflation measure used.

**Figure 5:** Combined earnings on top of consultant pay scale in England, with a Level 4 LCEA (2008/09 to 2022/23)

	Top pay scale (Consultants - England)	Level 4 LCEA (pensionable)	Combined Earnings (cash terms)	Combined Earnings (real terms - CPI)	Combined Earnings (real terms - RPI)
2008/09	£98,962	£11,652	£110,614	£167,722	£194,974
2022/23	£119,133	£12,064	£131,197	£131,197	£131,197
CHANGE:			£20,583	-£36,525	-£63,777
			18.6%	-21.8%	-32.7%

**Source:** BMA analysis of NHS Employer Pay and conditions circulars for medical and dental staff (England) and ONS inflation statistics; real terms analysis adjusts the cash terms earnings values by price changes from April 2009 to April 2023 (April 2023 value)

As shown in Figure 6, the combined earnings of a consultant in England on the top of the pay scale with a Level 9 Local Clinical Excellence Award or Bronze NCEA dropped by around 24-34%, depending on the inflation measure used.

**Figure 6:** Combined earnings on top of consultant pay scale in England, with a Level 9 LCEA/Bronze NCEA (2008/09 to 2022/23)

	Top pay scale (Consultants - England)	Level 9 LCEA/Bronze NCEA (pensionable)	Combined Earnings (cash terms)	Combined Earnings (real terms - CPI)	Combined Earnings (real terms - RPI)
2008/09	£98,962	£34,956	£133,918	£203,057	£236,050
2022/23	£119,133	£36,192	£155,325	£155,325	£155,325
CHANGE:			£21,407	-£47,732	-£80,725
			16.0%	-23.5%	-34.2%

**Source:** BMA analysis of NHS Employer Pay and conditions circulars for medical and dental staff (England) and ONS inflation statistics; real terms analysis adjusts the cash terms earnings values by price changes from April 2009 to April 2023 (April 2023 value)

As shown in Figure 7, the maximum in-year earnings potential of a consultant in England, without working overtime or on-call, dropped by more than 8% from 2008/09 to 2022/23, when the first new



National Clinical Impact Awards were granted<sup>11</sup>, just in cash terms. Adjusted for inflation since 2008/09, the maximum in-year earnings value dropped by around 40-48.0% in real-terms, depending on inflation measure used and ignoring impact on lifetime pension income.

Figure 7: Maximum earnings potential of a standard full-time consultant in England (2008/09 to 2022/23)

	Top pay scale (Consultants - England)	Max CEA value		Max Earnings Potential (cash terms)	Max Earnings Potential (real terms - CPI)	Max Earnings Potential (real terms - RPI)
2008/09	£98,962	Platinum NCEA (pensionable)	£74,676	£173,638	£263,284	£306,063
2022/23	£119,133	Level 3 NCIA (non- pensionable)	£40,000	£159,133	£159,133	£159,133
		CHANGE:	£	-£14,505	-£104,151	-£146,930
		CHANGE.	%	-8.4%	-39.6%	-48.0%

**Source:** BMA analysis of NHS Employer Pay and conditions circulars for medical and dental staff (England) and ONS inflation statistics; real terms analysis adjusts the cash terms earnings values by price changes from April 2009 to April 2023 (April 2023 value)

The government has made clear in its evidence to the DDRB for 2024/25 that, if their new offer is accepted, there should be a headline pay award for consultants and the DDRB award will not be below that of the wider public sector. Therefore, it is imperative that the DDRB recommendations include consideration of how to restore the real value of consultant pay to 2008/09 value, with particular urgency for those at the top of the pay scale.

Finally, even though the pay scale reform goes a long way to reduce the number of pay points, which will have a positive impact on addressing inequities and the gender pay gap, we believe that a leaner pay scale with fewer pay points would benefit of all our members. The revised offer has resulted in a 5<sup>th</sup> pay point with an additional step between years 3 and 4, which was a result of being unable to secure the additional investment to uplift year 3 to the same level as years 4 to 7. We believe further reform is required to result in a 2- or 3-point structure with the top reached at around 5 years.

#### **Revised DDRB Terms of Reference**

During the period of industrial action that took place throughout 2023, consultant members were clear that they felt meaningful DDRB reform was the best path towards restoring their lost pay. Indeed, it was one of the most common reasons cited for the rejection of the first government offer in January 2024. Recognising this, the UKCC negotiating team sought to achieve meaningful changes to the DDRB Terms of Reference ("terms"), with the intention that these new terms would remove affordability constraints on the DDRB and would enable them to consider a broader, and more holistic body of evidence. These proposed new terms are:

The Review Body on Doctors' and Dentists' Remuneration was appointed in July 1971. Its terms of reference were introduced in 1998, and amended in 2003, 2007 and 2024 and are reproduced below.

The Review Body on Doctors' and Dentists' Remuneration is independent. Its role is to make recommendations to the Prime Minister, the Secretary of State for Health and Social Care, the First Minister and the Cabinet Secretary for NHS Recovery, Health and Social Care of the Scottish Government, the First Minister and the Minister for Health and Social Services of the Welsh Government and the First Minister, deputy First Minister and Minister of Health of the Northern Ireland Executive on the remuneration of doctors and dentists taking any part in the National Health Service.

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<sup>&</sup>lt;sup>11</sup> <u>https://www.nhsemployers.org/system/files/2023-</u> <u>05/Pay%20and%20Conditions%20Circular%20%28MD%29%203-%202022R\_0.pdf</u>



In reaching its recommendations, the Review Body is to have regard to the following considerations, evaluating the weight of each independently, in parallel and non-contingently:

- The need to attract, recruit, retain and motivate doctors and dentists, including consideration of local and regional labour market factors, in view of their contribution to the health of the nation;
- Developments in doctors' and dentists' earnings in the context of long-term trends in the wider labour market, alongside comparator professions, including relevant international comparators:
- Economic and other evidence submitted by the Government, and the funds available to the Government Health Departments;
- Economic and other evidence submitted by staff and professional representatives, and others;
- Wider macroeconomic factors;
- The overall strategy that the NHS should place patients at the heart of all it does and the mechanisms by which that is to be achieved; and
- The legal obligations on the NHS, including anti-discrimination legislation regarding age, gender, race, sexual orientation, religion and belief and disability.

The Review Body may also be asked to consider other specific issues, where agreed by relevant unions and the Government. These Terms of Reference are intended to give all parties, including the remit groups, confidence that the Review Body's recommendations have been independently, properly and fairly determined. Reports and recommendations should be submitted jointly to the Prime Minister, the Secretary of State for Health and Social Care, the First Minister and the Cabinet Secretary for NHS Recovery, Health and Social Care of the Scottish Government, the First Minister and the Minister for Health and Social Services of the Welsh Government, and the First Minister, deputy First Minister and Minister of Health of the Northern Ireland Executive

Although these new terms will not come into effect until the 2025/26 pay round, it is the perspective of the BMA that the DDRB must immediately consider these new terms as part of their recommendation in this pay round. The DDRB must also not abuse or ignore the intention that necessitated the revision of these terms.

## National Clinical Excellence/Clinical Impact Awards (CEAs/CIAs)

There are also outstanding concerns about changes that the government has enacted regarding National CEAs. There is broad recognition that the changes to the national award scheme will negatively impact total compensation for our members. This presents an ongoing challenge for recruitment and retention and for the NHS to attract the best and brightest to our profession.

The Advisory Committee on Clinical Impact Awards (ACCIA) consulted on reforms to the National Clinical Excellence Awards (NCEA) scheme in 2022. The British Medical Association (BMA) raised significant concerns about the proposals as we believed that the proposed reforms would result in several anomalies and perverse incentives. These changes would prevent younger applicants from ever holding a pensionable clinical excellence award. Based on current workforce data, older eligible consultants are proportionately more likely to be male and from a white background, whereas younger eligible consultants are proportionately more likely to be female and more ethnically diverse. Indeed, the gender pension gap is even greater than the gender pay gap and this change will only exacerbate this further.

Despite these concerns being raised, ACCIA proceeded to implement these changes and at the last minute, introduced a new criterion that meant that consultants must forfeit their local pensionable award if they successfully applied for a new non-pensionable National Clinical Impact Award (NCIA). This disincentive structure is contrary to how the DDRB previously suggested the system should run. The BMA is clear that there is no rationale for this as the funding for the local awards is held by employers locally and is not funded by ACCIA. Indeed, in Wales, they have allowed successful NCIA holders to retain their local commitment awards, indicating this is possible for England as well.

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If the government offer to consultants is accepted, this will mean the end of local CEA rounds. If ACCIA maintain its position of not allowing holders of pre-2018 LCEAs to apply for NCIAs, then up to 50% of the consultant workforce will no longer have access to an excellence award scheme as it would be financially disadvantageous to relinquish a consolidated, pensionable LCEA for a non-consolidated, non-pensionable NCIA.

A further anomaly is that ACCIA's interpretation of the current contractual provisions is that existing NCEA holders who successfully apply for an NCIA will only receive payment protection for a period of 5 years. This is contrary to the BMA interpretation of the contract. However, under ACCIAs interpretation, an NCEA holder who is unsuccessful would revert to a pre-2018 level 8 or local level 7 LCEA which would be held until retirement, whereas someone who is successful will only receive pay protection for 5 years. The net impact of this is that for someone who is more than 5 years away from retirement, they will be financially worse off if they are successful in applying for an NCIA compared to if they were unsuccessful. This is irrational and particularly given this only applies to younger NCEA holders is potentially discriminatory on the grounds of age. The BMA have repeatedly highlighted this to DHSC, ACCIA and NHS employers and outlined solutions that are cost neutral but thus far they have not agreed to address this. The solution we have outlined involves those NCEA holders who are successful revert to a pre-2018 Level 9 LCEA and those who are unsuccessful will continue to be able to revert to a local level 8 or level 7 depending on their scores. This would resolve this irrational situation and ensure equitable treatment of all local and national CEA holders.

Ultimately, the above changes to the CEA/CIA scheme have resulted in a net negative effect on consultants' overall remuneration, particularly when considering the fact that the new awards are non-pensionable. Although it is ultimately the prerogative of government to address many of these challenges, it is imperative that the DDRB recognises how these changes have adversely impacted remuneration and lifetime earnings and consider this evidence in their overall recommendation.

### Conclusion

When the Royal Commission gave rise to its creation in 1960, the DDRB was tasked with minimising disputes between government and its remit group and to provide assurance that the remit group's living standards would not be depressed by arbitrary government action. It is the BMA's view that the DDRB has failed, and continues to fail, in both regards. The body tasked with making independent recommendations has time and again shown that it is not fulfilling the historic mandate for which it was created, and as such, it is our view that it is no longer fit for purpose. The review body in its current form has overseen a dramatic and precipitous decline in real term pay of doctors and dentists over the years and has displayed a pattern of obsequious deference to the government's constraints. Recognising these dire circumstances was the reason for which our profession was compelled to strike throughout 2023, with DDRB reform one of the primary demands. Assuming the latest offer to consultants is accepted by members, this will see new terms of reference in place for 2025/26. However as above, we urge you to fully take these new terms of reference into account when making your recommendation for 2024/25. The BMA believe we have given the DDRB the power to make truly independent recommendations going forward. We therefore believe that we are entering the last chance for the pay review process. If the DDRB fail doctors once again, not only will a return to strike action be inevitable but our members have been clear that this may well signal the end of the pay review process forever. Indeed, in a recent survey of our consultant (England) membership, 70% of respondents made clear that if the 2024/25 pay award following the DDRB process is unacceptable, they would take further repeated strike action to secure the pay awards their skills and expertise deserve.



The pay review body has a moral duty to its remit group to steer itself back towards its originally intended purpose, that is, as a fully independent body that has the interests of its remit group in mind. It can do this by undertaking a comprehensive review of doctors' and dentists' pay, specifically accounting for the impact that pay erosion has had on total remuneration since 2008, when austerity began. As noted above, there has been a divergence between doctors' earnings and that of the broader workforce since the Global Recession, with the average worker expected to return to pre-2008 real earnings by 2026. Despite this, doctors' earnings remain well below 2008 levels due to successive failures of the pay review process. The DDRB must aim to rectify this pay erosion beginning in the 2024/25 pay round, with restoration achieved by 2026, in line with the broader economy. Only by making meaningful progress towards this goal in the next pay round can the DDRB regain the confidence of the doctors and dentists in the NHS' employ.

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<sup>&</sup>lt;sup>12</sup> Back-for-more.pdf (resolutionfoundation.org)